PROSPECTUS

INITIAL PUBLIC OFFERING

May 8, 2019

GlobeX Data®
Swiss Secure Cloud and Communications

GLOBEX DATA LTD.

Suite 900, 1021 West Hastings Street
Vancouver, B.C. V6E 0C3
(604) 558-5134

Minimum of 4,000,000 Units and Up to a Maximum of 10,000,000 Units

Price: $0.25 per Unit

Minimum of $1,000,000 and up to a Maximum of $2,500,000

GlobeX Data Ltd. (the "Company") is offering (the "Offering") to purchasers resident in British Columbia, Alberta, and Ontario or elsewhere if permitted by applicable law, through its agent, Mackie Research Capital Corporation (the "Agent") on a commercially reasonable efforts basis, a minimum of 4,000,000 and a maximum of 10,000,000 units (the "Units") at a price of $0.25 per Unit (the "Offering Price"), with each Unit comprised of one common share (a "Common Share") and one tradable share purchase warrant (each a "Tradeable Warrant") exercisable at a price of $0.75 to acquire one Common Share (a "Warrant Share") for a period expiring 36 months from the date of issue. The Offering Price was determined by negotiation between the Agent and the Company in accordance with applicable policies of the Canadian Securities Exchange (the "CSE"). See "Plan of Distribution".

	Price to Public(1)	Agent's Discounts or Commission(2)	Net Proceeds to the Company(3)
Per Unit	$0.25	$0.02	$0.23
Minimum Offering	$1,000,000	$80,000	$920,000
Maximum Offering	$2,500,000	$200,000	$2,300,000

Notes:

(1) The Company has granted an over-allotment option (the "Agent's Option") to allow the Agent to sell up to an additional 1,500,000 Units (which is equal to 15% of the maximum Offering), at the Offering Price. The Agent's Option is exercisable in whole or in part at any time up to 48 hours prior to Closing. The Agent's Option may only be exercised by the Agent to cover over-allotted subscriptions received from subscribers. If the Agent's Option is fully exercised, the Offering Price to Public will be $2,875,000, the Agent's Commission will be $230,000, and the Net Proceeds to the Company will be $2,645,000. A purchaser who acquires Units forming part of the underwriters' over-allocation position acquires those securities under this prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the over-allotment option or secondary market purchases".

(2) The Agent shall receive a cash commission equal to 8% of the aggregate gross proceeds of the Offering and a non-transferable options (the "Agent's Warrants") to purchase up to that number of Units in the capital of the Company that is equal to 8% of the aggregate number of Units sold under this Offering exercisable at a price of $0.25 per Unit for a period of 36 months from the listing date. The Agent's Warrants will be qualified under this prospectus. In addition, the Company has agreed to provide the Agent with a corporate finance fee of $35,000 plus GST of $1,750 for a total of $36,750 (the "Corporate Finance Fee"). The Company has provided 50% of the Corporate Finance Fee in the amount of $17,500 plus GST of $875 for a total of $18,325 and the balance will be payable at closing of the Offering. See "Plan of Distribution".

(3) Before deducting the balance of the costs of this issue estimated at $91,000, which includes the Corporate Finance Fee, legal and audit fees and other expenses of the Company, the Agent's expenses including its legal fees, the listing fee payable to the Exchange and the filing fees payable to the Commissions. See "Use of Proceeds".

The Agent (including any registered sub-agents who assist the Agent in the distribution of the Units), as exclusive agent for the purposes of this Offering, conditionally offers on a commercially reasonable efforts basis the Units, if, as and when issued and delivered by the Company and accepted by the Agent in accordance with the terms and conditions contained in the agency agreement (the "Agency Agreement") dated May 8, 2019 between the Company and the Agent and subject to the approval of certain legal matters on behalf of the Company by Northwest Law Group and on behalf of the Agent by Vantage Law Corporation. See "Plan of Distribution".

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part by the Company and the right is reserved by the Company to close the subscription books at any time without notice. It is expected that the Closing of the offering will occur on a date agreed upon by the Company and the Agent, but not later than the date that is 90 days after a receipt is issued for the final prospectus or if a receipt has been issued for an amendment to the final prospectus, within 90 days of issuance of such receipt and in any event not later than 180 days from the date of receipt of the final prospectus. It is expected that the Common Shares and Tradeable Warrants will be delivered in electronic book entry form through CDS Clearing and Depository Services Inc. ("CDS") or its nominee upon Closing unless the Agent elects for physical certificates which would be available for delivery upon Closing. If delivered in book entry form, purchasers of Units will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Units were purchased.

The completion of the Offering is subject to a minimum subscription of Units for aggregate gross proceeds of $1,000,000. The Offering will not be completed and no subscription funds will be advanced to the Company unless and until the minimum subscription of $1,000,000 has been raised. In the event that the minimum subscription is not attained by the end of the period of the Offering, all subscription funds that subscribers may have advanced to the Agent in respect of the Offering will be refunded to the subscribers without interest or deduction.

There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. See "Risk Factors".

As at the date of this prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securitise, 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).

The Company has received conditional approval to list its Common Shares and Tradeable Warrants on the CSE. Listing of the Common Shares and Tradeable Warrants is subject to the Company fulfilling all of the listing requirements of the CSE.

Investors should consider an investment in the securities of the Company to be speculative and should review the risk factors outlined on page 30 of this prospectus under "Risk Factors".

The Company is not a related or connected issuer to the Agent (as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*). See "Relationship between the Company and Agent".

The Agent's position is as follows:

Agent's Position	**Maximum Size or Number of Securities Available**	**Exercise Period or Acquisition Date**	**Exercise Price or Average Acquisition Price**
Agent's Option(1)	1,500,000 Units	Up to 48 hours prior to the closing of the Offering.	$0.25(2)
Agent's Warrants(1)	800,000 Units	36 months from the Listing Date	$0.25

Note:

(1) The Agent's Option and Agent's Warrants are qualified under this prospectus. See "Plan of Distribution".

(2) The Company has agreed to pay the Agent a cash commission equal to 8% of the gross proceeds for any Units sold under the Agent's Option, such that the net proceeds to the Company from the sale of each Unit (excluding non-commission expenses of the Offering) under the Agent's Option will be $0.23.

(3) Assuming completion of the maximum Offering and full exercise of the Agent's Option the total Units to be sold under this Offering would be 11,500,000 which would increase the total securities issuable to the Agent from 800,000 Units to 920,000 Units.

No person is authorized by the Company or the Agent to provide any information or to make any representations other than those contained in this prospectus in connection with the issue and sale of the securities offered pursuant to this prospectus.

As certain directors of the Company reside outside of Canada, they have appointed the following agent for service of process:

Name of Person	Name and Address of Agent
Alain Mehdi Ghiai-Chamlou	Northwest Law Group Suite 704 – 595 Howe Street Vancouver, BC V6C 2T5
Henry Sjoman	Northwest Law Group Suite 704 – 595 Howe Street Vancouver, BC V6C 2T5

Purchasers 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 is the party has appointed an agent for service of process.

Mackie Research Capital Corporation
Suite 1920, 1075 West Georgia Street
Vancouver, BC V6E 3C9
Telephone: (778) 373-4100
Facsimile: (778) 373-4101

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GLOSSARY OF DEFINED TERMS

The following definitions and terms apply throughout this document unless the context otherwise requires. Expressions used in this prospectus and other terms and expressions may be defined throughout this prospectus.

"Agency Agreement"	the agency agreement dated May 8, 2019 between the Company and the Agent, providing that the Agent, on behalf of the Company, conditionally offers the Units, on a commercially reasonable efforts basis.
"Agent"	Mackie Research Capital Corporation.
"Agent's Commission"	the cash commission equal to 8% of the total gross proceeds of the Offering payable to the Agent on Closing of the Offering.
"Agent's Warrants"	the non-transferable compensation options to be granted to the Agent or its sub-agents, if any, to purchase up to a number of Units equal to 8% of the aggregate number of Units sold under the Offering at a price of $0.25 per Unit, exercisable at any time up to the close of business 36 months from the Closing.
"Agent's Option"	an option granted to the Agent to offer up to 1,500,000 additional Units under the Offering.
"ASC"	the Alberta Securities Commission.
"Articles"	the articles of the Company.
"BCA"	the *Business Corporations Act* (British Columbia).
"BCSC"	the British Columbia Securities Commission.
"CDS"	CDS Clearing and Depository Services Inc.
"CHF"	Swiss Franc
"Closing"	the closing of the Offering.
"Common Shares"	the common shares in the capital of the Company without par value, including the common shares comprising a portion of the Unit and the Warrant Shares.
"Company"	GlobeX Data Ltd.
"Commissions"	the BCSC, ASC and OSC
"Corporate Finance Fee"	the non-refundable fee of $35,000 + GST payable to the Agent.
"Directors" or "Board" or "Board of Directors"	the board of directors of the Company.
"Escrow Agreement"	the escrow agreement dated May 8, 2019, among the Company, National Securities Administrators Ltd. and the holders of the escrowed securities.
"Exchange" or "CSE"	the Canadian Securities Exchange.
"Global License Agreement"	the license agreement between the Company and GDSA dated May 7, 2017.
"IFRS"	International Financial Reporting Standards.
"GDSA"	GlobeX Data S.A.
"GlobeX US"	GlobeX Data Inc.
"Listing Date"	the date on which the Common Shares and Warrants are first listed for trading on the Exchange.
"Tradeable Warrants"	tradeable share purchase warrant exercisable at a price of $0.75 per share.
"NI 41-101"	National Instrument 41-101 – *General Prospectus Requirements.*
"NP 46-201"	National Policy 46-201 – *Escrow for Initial Public Offerings*.
"Offering"	the offering of a minimum of 4,000,000 and a maximum of 10,000,000 Units at a price of $0.25 per Unit pursuant to this prospectus.
"Options"	stock options granted pursuant to the Stock Option Plan.
"OSC"	the Ontario Securities Commission.
"SEDAR"	System for Electronic Document Analysis and Retrieval.
"Stock Option Plan"	the stock option plan adopted by the Directors on April 30, 2018.
"US License Agreement"	the license agreement between GlobeX US and GDSA dated March 29, 2018.
"Warrant Shares"	Common Shares issuable on exercise of the Tradeable Warrants.

CURRENCY

All dollar amounts in this prospectus are in Canadian dollars unless otherwise indicated, and all references to $ in this prospectus are to Canadian dollars unless otherwise indicated.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This prospectus contains "forward-looking statements". Forward-looking statements can be identified by words such as: "anticipate," "intend," "plan," "goal," "seek," "believe," "project," "estimate," "expect," "strategy," "future," "likely," "may," "should," "will" and similar references to future periods. Examples of forward-looking statements include, among others, statements regarding:

- Anticipated levels of expenditures for the next twelve months;
- Expectations of ongoing relationships with reseller and partners;
- Timing of completion of software integrations and updates;
- Management's belief that we have sufficient liquidity to fund the Company's business operations during the next twelve months; and
- Strategy for customer retention, growth, product development, market position, financial results and reserves.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on management's current beliefs, expectations and assumptions regarding:

- the future of the Company's business;
- the success of marketing and sales efforts of the Company;
- the projections prepared in house and projections delivered by channel partners;
- the Company's ability to complete the necessary software updates;
- increases in sales as a result of investments software development technology;
- consumer interest in the Products;
- future sales plans and strategies;
- reliance on large channel partners and expectations of renewals to ongoing agreements with these partners;
- anticipated events and trends; and
- the economy and other future conditions;

Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. The Company's actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements.

Important risk factors that could cause the Company's actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: speculative nature of investment risk; history of operating loss; going-concern risk; the Company's reliance on resellers and other distribution channels to sell its products; dependency on large channel partners; dependency on key personnel; dependency on third parties; software bugs; competition; security threats; research and development; commitments; obsolescence; growth; dilution; unissued share capital; liquidity and future financing risk; market risk for securities; and increased costs of being a publicly traded company. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to, risks and uncertainties disclosed in this prospectus. See "Risk Factors".

These forward-looking statements are made as of the date of this prospectus and are based on the reasonable beliefs, expectations and opinions of management on the date of this prospectus (or as of the date they are otherwise stated to be made). Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. There is no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. We do not undertake to update or revise any forward-looking statements, except as, and to the extent required by, applicable securities laws in Canada.

Investors are cautioned against placing undue reliance on forward-looking statements.

PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this prospectus.

The Company

GlobeX Data Ltd. (previously defined as the "Company") was incorporated in British Columbia on March 1, 2017. To date, the Company has been engaged in the business of the marketing and distribution of a full suite of cloud-based storage, document management, and secure communication tools. See "Business of the Company".

The Offering

Offering:	The Company is offering a minimum of 4,000,000 and a maximum of 10,000,000 Units at a price of $0.25 per Unit for minimum gross proceeds of $1,000,000 and maximum gross proceeds of $2,500,000. The Agent will also have the Agent's Option that may increase the maximum gross proceeds to $2,875,000 and maximum of 11,500,000 Units, if exercised in full. The prospectus qualifies the distribution of the Common Shares, the Warrants, the Agent's Option and the Agent's Warrants. See "Plan of Distribution".
Agent's Commission:	Under the terms of the Agency Agreement, the Company will pay to the Agent a cash commission (previously defined as the "Agent's Commission") equal to 8% of the total gross proceeds of the Offering. In addition to the Agent's Commission, the Company will issue to the Agent a non-transferable option (previously defined as the "Agent's Warrants") to purchase Shares equal to 8% of the aggregate number of Units sold under the Offering at a price of $0.25 per Unit for a period of 36 months following the Closing. The Company has also agreed to pay to the Agent the Corporate Finance Fee of $35,000, plus applicable taxes and pay for all reasonable expenses of the Agent in connection with the Offering. See "Plan of Distribution".
Use of Proceeds:	The estimated net proceeds of the minimum Offering, maximum Offering, and maximum Offering in the event the Agent's Option is exercised, after deducting the estimated balance of the expenses of the Offering of $91,000 and the Agent's Commissions of $80,000, $200,000 and $230,000, respectively, will be $829,000, $2,209,000 and $2,554,000, respectively. The net proceeds will be used for the Company's 2019 Business Development Campaign, software development and server maintenance expenditures, and general and administrative expenses. As at April 30, 2019, the Company had a working capital surplus of $347,346. Accordingly, the Company anticipates having minimum available funds of approximately $1,176,346 upon completion of the minimum Offering; available funds of approximately $2,556,346 upon completion of the maximum Offering; and maximum available funds of approximately $2,901,346 if the Agent's Option is exercised in full. See "Use of Proceeds".

Risk Factors

An investment in the Company is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider and evaluate all risks and uncertainties involved in an investment in the Company, including risks related to: (i) the speculative nature of investment risk; (ii) negative cash flows from operating activities, (iii) history of operating losses, (iv) going concern risk, (v) dependency on large channel partners, key personnel and third parties, (vi) software defect risks, (vii) competition risks, (viii) security threats, (ix) research and development, (x) commitments, (xi) obsolescence, (xii) failure to manage growth, (xiii) unlimited authorized capital, (xiv) dilution, (xv) lack of market for securities, (xvi) liquidity and future financing risk, (xvii) costs of being a public company, and (xviii) smaller companies can be highly volatile. See "Risk Factors".

Selected Financial Information

The following table summarizes selected financial information for: (i) the consolidated statement of the Company for the period from inception on March 1, 2017 to December 31, 2017 and the fiscal year ended December 31, 2018; and (ii) for GlobeX US for the fiscal year ended December 31, 2017; and should be read in conjunction with the audited consolidated financial statements of the Company for the period from inception on March 1, 2017 to December 31, 2017 and the fiscal year ended December 31, 2018, and the audited financial statements of GlobeX US for the fiscal years ended December 31, 2017 and 2016 and the related "Management's Discussion and Analysis", as included elsewhere in this prospectus.

	GlobeX Data Ltd. For the year ended December 31, 2018 (audited) ($)	GlobeX Data Ltd. Period from inception March 1, 2017 to December 31, 2017 (audited) ($)
Revenue	24,735	-
Net income (Loss)	(1,286,492)	(343,490)
Income (Loss) per share (basic and diluted)	(0.03)	(0.07)

	As at December 31, 2018 (audited) ($)	As at December 31, 2017 (audited) ($)
Working Capital Surplus (Deficit)	278,043	359,839
Assets		
Current assets	429,535	372,393
Intangible asset	2,552,573	-
Total Assets	2,982,108	372,393
Liabilities		
Current liabilities	151,492	12,554
Shareholders' Equity	2,830,616	359,839
Total Liabilities and Shareholders' Equity	2,982,108	372,393

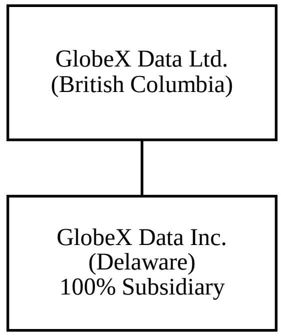
	GlobeX Data Inc. For the year ended December 31, 2017 (audited) (USD$)	GlobeX Data Inc. For the year ended December 31, 2016 (audited) (USD$)
Revenue	26,375	25,228
Net income (Loss)	(8,976)	(36,327)
Income (Loss) per share (basic and diluted)	(5.98)	(24.22)

	As at December 31, 2017 (audited) (USD$)	As at December 31, 2016 (audited) (USD$)
Working Capital Surplus (Deficit)	(47,116)	(38,140)
Assets		
Current assets	3,517	898
Total Assets	3,517	898
Liabilities		
Current liabilities	50,633	39,038
Shareholders' Equity	(47,116)	(38,140)
Total Liabilities and Shareholders' Equity	3,517	898

CORPORATE STRUCTURE

The Company was incorporated under the *Business Corporations Act* (British Columbia) on March 1, 2017 with the name GlobeX Data Ltd.

The Company's head office is located at Suite 900, 1021 West Hastings Street, Vancouver, BC, V6E 0C3 and its registered office is located at Suite 704, 595 Howe Street, Vancouver B.C. V6C 2T5.



The Company acquired its wholly-owned subsidiary GlobeX Data, Inc., a Delaware corporation (previously defined as "GlobeX US"), by completing a share purchase agreement between GlobeX Data Ltd. and the former shareholder of GlobeX Data, Inc., who is also a director and an officer of the Company, on March 29, 2018. Management determined that the acquisition of GlobeX US by the Company should be treated as a business combination because of the degree of control exercised over the affairs of the business by Mr. Ghiai-Chamlou. Mr. Ghiai-Chamlou controlled the Company prior to the acquisition of GlobeX US under IFRS 3 and IFRS 10.7, of which he has met all of the following criteria: power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns.

BUSINESS OF THE COMPANY

General

The Company is the exclusive worldwide distributor and license holder of a full suite of secure cloud-based storage, document management, encrypted emails and secure communication tools, primarily DigitalSafe, PrivaTalk and Custodia (collectively, the "Products"). The Company primarily sells the Products through resellers and other distribution channels such as managed service providers, Internet service providers, and telecommunication companies. The Products, all of which are in a commercialization stage and are current in use by customers, were developed by GlobeX Data S.A., a privately held Swiss based cyber security and secure communications company (previously defined as "GDSA") and licensed to the Company.

On May 7, 2017, the Company entered into a licensing agreement (previously defined as the "Global License Agreement") with GDSA to market/distribute the Products globally except in the U.S. and Canada. From May 2017 to date, the Company has been conducting its 2017/2018 business development program. On March 29, 2018, the Company acquired 100% of the issued and outstanding securities of GlobeX US via a securities purchase agreement whereby the shareholder of the Company received 25,000,000 Common Shares as consideration. GlobeX US has an exclusive license with GDSA to market/distribute the products in the U.S. and Canada.

Since 2014, the Company, through GlobeX US, primarily marketed the products to end users in North America. In 2017, the Company shifted to a global distribution model targeting established services providers with large customer bases ("Channel Partners"). These Channel Partners offer the Products to their existing consumer base as an add on to the consumers' existing subscriptions.

License Agreement with GlobeX Data S.A.

On May 7, 2017, the Company entered into a licencing agreement (the "Global License Agreement") with GDSA to market/distribute the Products globally except in the U.S. and Canada. The term of the license is in perpetuity. However, GDSA has the right to terminate the Global License Agreement if the Company is in material breach of the Agreement so long as GDSA provides written notice. Material breaches would include failure to make payments to GDSA or bankruptcy of the Company.

In accordance with the terms of the Global License Agreement, the Company is required to pay a 10% gross revenue royalty to GDSA. Such royalties are to be paid within 90 days of receipt of funds.

In addition, the Company is responsible for the maintenance costs of the Products and shall indemnify GDSA for all costs associated with platform maintenance, partner integrations, server maintenance and any cost related to requests from partners for modifying or customizing the Products to meet the needs of the Company's various selling partners and clients.

About GlobeX Data S.A.

GDSA was originally founded in 2007 by the Company's Chief Executive Officer and President, Alain Mehdi Ghiai-Chamlou. GDSA has been developing and refining the Products since 2009. GDSA continues to refine and develop new features for the Products. Since 2012 it has been mostly involved in integrating its services through channel partners including the channel partners of GlobeX US. GDSA is a related party to the Company as Mr. Ghiai-Chamlou owns 60.15% of GDSA.

Acquisition of GlobeX Data Inc.

On March 29, 2018, the Company acquired 100% of the issued and outstanding securities of GlobeX US via a securities purchase agreement whereby a shareholder of the Company, who is also a director and an officer of the Company, received 25,000,000 Common Shares as consideration. In April 2017, GlobeX US signed the US License Agreement with GDSA to act as the master reseller of GDSA's products in the US and Canada. In accordance with the terms of the US License Agreement, GlobeX US is required to pay a 10% gross revenue royalty to GDSA. Such royalties are to be paid within 90 days of receipt of funds. The US License Agreement replaced an original Software License Agreement dated September 20, 2012, between GlobeX US and GDSA that only permitted sales in the US.

In addition, GlobeX US is responsible for the continuing maintenance of the Products and shall indemnify GDSA for all costs associated with platform maintenance, partner integrations, server maintenance and any cost related to requests from partners for modifying or customizing the Products to meet the needs of the Company's various selling partners and clients.

In 2014, GlobeX US entered into a Reselling Agreement with Concrete Capital Privacy LLC. a Delaware company developing and distributing privacy services and identity theft services under the brand of GuardStreet (https://guardstreet.com/). Under this agreement, GuardStreet embeds and resells DigitalSafe to all its customers and, in exchange, GlobeX US receives a fixed fee per user on a monthly basis. This service is primarily sold wholesale by GuardStreet to large organizations such as travel companies, mass market service companies and insurance companies. In that same year, GlobeX US and GDSA collaborated on a brand awareness marketing program whereby GlobeX US hired a PR firm to introduce the Products in the USA and Canada mass market. This resulted in numerous publications, radio interviews and national television interviews featuring the Products both in the USA and Canada.

Business Model Shift

Since 2014, the Company, through GlobeX US, primarily marketed the products to end users in North America. In 2017, the Company shifted to a global distribution model targeting established services providers with large customer bases ("Channel Partners"). These Channel Partners offer the Products to their existing consumer base as an add on to the consumers' existing subscriptions. Channel Partners enter into the Company's standard reseller license agreement (the "Reseller License Agreement"). Larger Channel Partners typically negotiate their own agreements with the Company. Under the terms of the Company's standard Reseller License Agreement, the Company and the channel partner agree on a fixed rate to be paid to the Company for each subscriber, allowing the Channel Partner to set their own rate up to a certain amount. Much like a wholesaler arrangement, the prices and rates vary from jurisdiction to jurisdiction depending on the economic climate of the territory and the expected volume of potential end-users. Alternatively, the Company will sometime offer a license to Channel Partners on a profit sharing split.

In order to engage these Channel Partners, the Company also enters into referral agreements ("Sales Agency Referral Agreements") with Companies and individuals (the "Referral Partners") to identify Channel Partners and other end users. Under the terms of the Company's standard Sales Agency Referral Agreement, the Company agrees to pay each Referral Partner a portion of the net proceeds received by the Company for any revenues received from Channel Partners introduced by the Referral Partner. Typically, the rate ranges from 10%-20%.

Once the Company has contracted with a Large Channel Partner, it must instruct GDSA to make such necessary changes to the Products to integrate the Platform with the Channel Partner's existing infrastructure. The costs associated with these integrations are borne by the Company. See "Software Platform Maintenance and Integrations".

Agreement with Sercotel S.A. de C.V.

The Company entered into a Reseller License Agreement dated May 20, 2018 (the "Sercotel Agreement") with Sercotel S.A. de C.V. ("Sercotel"). Sercotel is a wholly owned subsidiary of America Movil S.A.B. de C.V. ("America Movil"). Under the terms of the Sercotel Agreement, Sercotel is granted a license to sell the Products to its customer base. This Sercotel Agreement extends to any of Sercotel's affiliates that sign a letter agreement permitting the affiliate to enter into the same contractual agreement with the Company as Sercotel (each a "Letter Agreement"). In order to facilitate the sales, the Company is required to perform the necessary software integrations. Revenues from the sales of the Products under the Sercotel Agreement are split 60% for Sercotel or its applicable affiliate and 40% for the Company. The Sercotel Agreement renews automatically every 12 months unless terminated in writing with 90 days notice from either party.

On June 19, 2018, Radiomovil Dipsa S.A. de C.V. ("Telcel") entered into a Letter Agreement with the Company (the "Telcel Letter Agreement"). As a result of the Sercotel Agreement and the Telcel Letter Agreement, the Company is required to integrate the Products into Telcel's customer database software. The Company recently completed the necessary software integrations necessary for Telcel to be able to sell the Products to its customer base. Telcel has a customer base of 74.7 million wireless subscribers (Information derived from the Quarterly Report of America Movil S.A.B. de C.V. for the fiscal quarter ended September 30, 2018 filed on Form 6-K filed with the United States Securities Commission on October 17, 2018).

Other Reseller Agreements

On May 26, 2014, GlobeX US signed a resller agreement with Concrete Capital Privacy, LLC ("Guardstreet"), a US based distributor of privacy and security products and services to businesses and consumers in the US. Under the terms of this agreement, the Company shall give a list of fixed wholesale prices for the Products to the reseller and the reseller may sell the Products at any price they want and keep the profits at any level above the wholesale prices. This agreement is automatically renewable every 12 months. The Company may terminate this agreement at any time, should reseller breach any part of this agreement, upon written notice in accordance with this agreement. In 2018, the Company and GlobeX US earned revenues totalling USD$6,442.5 (2017 – USD $5,896) from its arrangement with Guardstreet.

On August 1, 2017, the Company signed a Reseller License Agreement with Synnex Metrodata Indonesia Ltd. ("Synnex"). Synnex is a reseller for Indonesia and the Asia Pacific region. Synnex manufactures and distributes information communication technology products. Synnex's products include personal computers, notebooks, server, and media centers. Synnex was founded in 1983 and is based in Jakarta, Indonesia. It has distribution centers in Jakarta, Bandung, Daerah Istimewa Yogyakarta, Surabaya, Medan and Makassar. Under the terms of this agreement, the Company shall give a list of fixed wholesale prices for the Products to the reseller and the reseller may sell the Products at any price they want and keep the profits at any level above the wholesale prices. This agreement is automatically renewable every 12 months. The Company may terminate this agreement at any time, should reseller breach any part of this agreement, upon written notice in accordance with this agreement. The Company has not earned any revenues from this reseller as of the date of this prospectus.

On July 12, 2018, the Company signed a Reseller License Agreement with Ultrium Technologies (Pvt) Ltd. ("Ultrium"), a leading IT distributor in Sri Lanka in order to distribute the Products in the Democratic Republic of Sri Lanka and the Republic of the Maldives. Ultrium is an IT Integrator and Managed Service Provider and is based in Colombo, Sri Lanka. Ultrium has approximately 10 employees in Sri Lanka. Ultrium shall have 40% of gross revenues generated from sales of the Products by Ultrium. In some instances, Company shall give a list of fixed wholesale prices for the Products to the reseller and the reseller may sell the Products at any price they want and keep the profits at any level above the wholesale prices. This agreement is automatically renewable every 12 months. The Company may terminate this agreement at any time, should reseller breach any part of this agreement, upon written notice in accordance with this agreement. The Company's management is met with Ultrium and their team in November 2018 for a week in order to discuss a potential purchase order with the Sri-Lanka Government. There is no assurance that such contract will be secured by the Company. The Company has not generated any revenues under this agreement as of the date of this prospectus.

On August 20, 2018, the Company signed a Reseller Agreement with Cloudvela IT PTE Ltd. (“Cloudvela”). Cloudvela is a reseller in Singapore and a reseller authorized to sell in the entire Asia Pacific region. The reseller is an IT integrator, Cloud Services Provider and Digital Transformation Consultant. The reseller is based in Singapore with employees in Singapore and the Republic of the Philippines. Cloudvela shall have 20% of gross revenues generated from sales of the Products by Cloudvela. This agreement is automatically renewable every 12 months. The Company may terminate this agreement at any time, should reseller breach any part of this agreement, upon written notice in accordance with this agreement. The Company and Cloudvela its referral partner in Singapore attended the Cloud Expo Asia trade show in Singapore held October 10 and 11, 2018. The Company has not generated any revenues under this agreement as of the date of this prospectus.

On September 27, 2018, the Company signed a Reseller Agreement with Valuedata Technologies Pvt Ltd. (“Valuedata”) covering India. Valuedata is an IT integrator, business continuity and managed service provider based in Mumbai, India. Valuedata has approximately 20 employees all based in India. Under the terms of this agreement, the Company shall give a list of fixed wholesale prices for the Products to the reseller and the reseller may sell the Products at any price they want and keep the profits at any level above the wholesale prices. This agreement is automatically renewable every 12 months. The Company may terminate this agreement at any time, should reseller breach any part of this agreement, upon written notice in accordance with this agreement. The Company has not generated any revenues under this agreement as of the date of this prospectus.

On September 28, 2018, the Company signed a Reseller Agreement with Syntegrate Services Pte Ltd. (“Syntegrate”) covering Nepal. Syntegrate focuses on IT Infrastructure, Virtualization, Business Continuity, Managed IT Services, Systems Management, Systems Efficiency, Application Development and Research Analysis including Data Management. Under the terms of this agreement, the Company shall give a list of fixed wholesale prices for the Products to the reseller and the reseller may sell the Products at any price they want and keep the profits at any level above the wholesale prices. This agreement is automatically renewable every 12 months. The Company may terminate this agreement at any time, should reseller breach any part of this agreement, upon written notice in accordance with this agreement. The Company has not generated any revenues under this agreement as of the date of this prospectus.

On November 18, 2018, the Company signed a reseller agreement with Paramount Technologies Trading LLC (“Paramount”) covering Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates, in addition to the Middle East and Africa. Paramount is an IT software distributor and reseller with 10 employees based in Dubai, United Arab Emirates. Under the terms of this agreement, the Company shall give a list of fixed wholesale prices for the Products to the reseller and the reseller may sell the Products at any price they want and keep the profits at any level above the wholesale prices. This agreement is automatically renewable every 12 months. The Company may terminate this agreement at any time, should reseller breach any part of this agreement, upon written notice in accordance with this agreement. Paramount may receive an exclusive reseller license for Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates, if Paramount can meet and maintain, as applicable, the following sales milestones:

- 1000 licenses for the period of December 1, 2018 to May 1, 2019
- 2,000 licenses for the period of May 1, 2019 to November 30, 2020
- 7,000 licenses for the period of December 1, 2020 to November 30, 2021
- 10,000 licenses for the period of December 1, 2021 to November 30, 2022
- Maintain minimum 20,000 licenses from December 1, 2022 onward.

The Company has not generated any revenues under this agreement as of the date of this prospectus.

On December 11, 2018, the Company signed a reseller agreement with A3Tek SA de CV (“A3Tek”). A3Tek is an IT service company with offices in Mexico and Colombia, offering human resources and technical and customer support to SMBs. A3Tek has approximately 80 employees and is headquartered in Mexico City, Mexico. Under the terms of the agreement, A3Tek shall have 50% of gross revenues generated from sales of the Products by A3Tek. The reseller is allowed to sell the Products in all of Latin America. This agreement is automatically renewable every 12 months. The Company may terminate this agreement at any time, should reseller breach any part of this agreement, upon written notice in accordance with this agreement. The Company has not generated any revenues under this agreement as of the date of this prospectus.

Referral Agreements

On August 1, 2017, the Company signed a referral agreement with Keeble Claude Mercier. Mr. Mercier is a business development consultant residing in Spain. Under the terms of this agreement, the referral partner receives 10% of the gross revenues to the

Company from any referrals made by this referral partner. This agreement is automatically renewable every 12 months. The Company may terminate this agreement at any time, should reseller breach any part of this agreement, upon written notice in accordance with this agreement. The Company has not generated any revenues under this agreement as of the date of this prospectus.

On October 23, 2017, the Company signed a referral agreement with Servicios de Ingeneria e Integracion de Sistemas, S.A. de C.V. ("Waveplus"), a referral partner based in Mexico City, Mexico. Waveplus specializes in IT integration, telecommunications infrastructure projects, implementation and IT consulting. Under the terms of this agreement, the referral partner receives 15% of the gross revenues to the Company from any referrals made by this referral partner. This agreement is valid for 60 months. The Company may terminate this agreement at any time, should reseller breach any part of this agreement, upon written notice in accordance with this agreement. The Company has not generated any revenues under this agreement as of the date of this prospectus.

On November 7, 2017, the Company signed a referral agreement with Big Bang Innovation Services Inc., a Canadian based IT consulting firm that has been servicing small businesses since 2014. Under the terms of this agreement, the referral partner receives 20% of the gross revenues to the Company from any referrals made by this referral partner. If the Company is required to discount services by more than 51% from its posted retail prices, the referral partner shall only receive 10% of the gross revenues. This agreement is automatically renewable every 12 months. The Company may terminate this agreement at any time, should reseller breach any part of this agreement, upon written notice in accordance with this agreement. The Company has not generated any revenues under this agreement as of the date of this prospectus.

On November 8, 2017, the Company signed a referral agreement with JLB Technology, Channel and Business Development Inc., an IT consulting and channel development company based in Georgetown, ON, Canada. Under the terms of this agreement, the referral partner receives 10% of the gross revenues to the Company from any referrals made by this referral partner. This agreement is automatically renewable every 12 months. The Company may terminate this agreement at any time, should reseller breach any part of this agreement, upon written notice in accordance with this agreement. The Company has not generated any revenues under this agreement as of the date of this prospectus.

On December 18, 2017, the Company signed a referral agreement with Case European Channel Sales Ltd., a referral partner based in the United Kingdom that provides consulting services related to distribution and major retail channels in the UK, Ireland, France, Nordic and Benelux regions. The referral partner receives 25% of the gross revenues to the Company from any referrals made by this referral partner. If the Company is required to discount services by more than 25% from its posted retail prices, the referral partner shall only receive 15% of the gross revenues. This agreement is automatically renewable every 12 months. The Company may terminate this agreement at any time, should reseller breach any part of this agreement, upon written notice in accordance with this agreement. The Company has not generated any revenues under this agreement as of the date of this prospectus.

On March 22, 2018, the Company signed a referral agreement with Phillip Hilton. Mr. Hilton is a technology manager and entrepreneur based out of Singapore. Under the terms of this agreement, the referral partner receives 10% of the gross revenues to the Company from any referrals made by this referral partner. This agreement is automatically renewable every 12 months. The Company may terminate this agreement at any time, should reseller breach any part of this agreement, upon written notice in accordance with this agreement. The Company has not generated any revenues under this agreement as of the date of this prospectus.

On April 10, 2018, the Company signed a referral agreement with Sarl A J Developments, a referral partner in Algeria specializing in consulting of various types of infrastructure work and other large scale projects. Under the terms of this agreement, the referral partner receives 20% of the gross revenues to the Company from any referrals made by this referral partner. This agreement is automatically renewable every 12 months. The Company may terminate this agreement at any time, should reseller breach any part of this agreement, upon written notice in accordance with this agreement. The Company has not generated any revenues under this agreement as of the date of this prospectus.

On April 25, 2018, the Company signed a referral agreement with Pascal Irani. Mr. Irani is a financial consultant based out of Geneva Switzerland and has been in the banking industry since 2001. Under the terms of this agreement, the referral partner receives 20% of the gross revenues to the Company from certain referrals made by this referral partner and 10% of the gross revenues for all other referrals. Additionally, the Company has the right to purchase the referral contract from this referral partner once referring fees paid to referral partner accrue to and beyond USD 250,000. The purchase of the referral contract shall be made by issuing 5 million common shares of the Company to referring partner. Once referral contract is purchased, referral partner shall forfeit all rights to any commission due from any past, present and future referrals. The contract is automatically renewable every 12 months. The Company may terminate this agreement at any time, should referral partner breach any part of this agreement, upon written notice in accordance with this agreement. The Company has not generated any revenues under this agreement as of the date of this prospectus.

On May 9, 2018, the Company signed a referral agreement with Ganesh Kuppuswamy. Mr. Kuppuswamy is an Indian resident and a has been working in IT sales in South Asia sector since 1999. Under the terms of this agreement, the referral partner receives 20% of the gross revenues to the Company from any referrals made by this referral partner. This agreement is automatically renewable every 12 months. The Company may terminate this agreement at any time, should reseller breach any part of this agreement, upon written notice in accordance with this agreement. The Company has not generated any revenues under this agreement as of the date of this prospectus.

On May 29, 2018, the Company signed a referral agreement with TH International Ltd, a consulting firm based in Lebanon and specializing in channel sales building in the Middle East and Africa. Under the terms of this agreement, the referral partner receives 20% of the gross revenues to the Company from any referrals made by this referral partner. This agreement is automatically renewable every 12 months. The Company may terminate this agreement at any time, should reseller breach any part of this agreement, upon written notice in accordance with this agreement. The Company has not generated any revenues under this agreement as of the date of this prospectus.

On October 4, 2018, the Company signed a referral agreement with Aegle Communications PTE Ltd, a consulting firm based in Singapore. Under the terms of this agreement, the referral partner receives gross revenues of 20% for 2018 and 2019, 15% for 2020-2022 and 10% for 2023 and beyond, from any referrals made by this referral partner. This agreement is automatically renewable every 12 months. The Company may terminate this agreement at any time, should reseller breach any part of this agreement, upon written notice in accordance with this agreement. The Company has not generated any revenues under this agreement as of the date of this prospectus.

On November 2, 2018, the Company signed a referral agreement with Accerts LLC, a consulting firm specializing in IT sales and channel sales development based out of Bellevue, Washington. Under the terms of this agreement, the referral partner receives 20% of the gross revenues to the Company from any referrals made by this referral partner. This agreement is automatically renewable every 12 months. The Company may terminate this agreement at any time, should reseller breach any part of this agreement, upon written notice in accordance with this agreement. The Company has not generated any revenues under this agreement as of the date of this prospectus.

On November 2, 2018, the Company signed a referral agreement with Boyd Wentworth-Shields. Mr. Wentworht-Shields account director at TEK Systems, an IT services and talent management company located in Singapore. Under the terms of this agreement, the referral partner receives gross revenues of 20% for 2018 and 2019, 15% for 2020-2022 and 10% for 2023 and beyond, from any referrals made by this referral partner. This agreement is automatically renewable every 12 months. The Company may terminate this agreement at any time, should reseller breach any part of this agreement, upon written notice in accordance with this agreement. The Company has not generated any revenues under this agreement as of the date of this prospectus.

Products

The products have been developed by GDSA since 2009 and have been in use since 2011. GDSA continues to improve existing products and has a technical roadmap for more products in the pipeline. The Company, through its Global License Agreement with GDSA, has exclusive rights to license all existing and future products developed by GDSA. Currently, the Company is primarily selling three products: DigitalSafe, PrivaTalk and Custodia. The Products are provided on a Software as a Service ("SaaS") subscription model as discussed in the Distribution Model section.

In order to maintain Swiss privacy in accordance with Swiss data privacy laws, All data and data traffic are hosted and transmitted in secure servers located in Switzerland owned and operated by GDSA. GDSA owns its servers and does not lease them from any third party, nor does GDSA use third party cloud service providers such as Amazon Web Services, Microsoft Azure or Google cloud platforms.

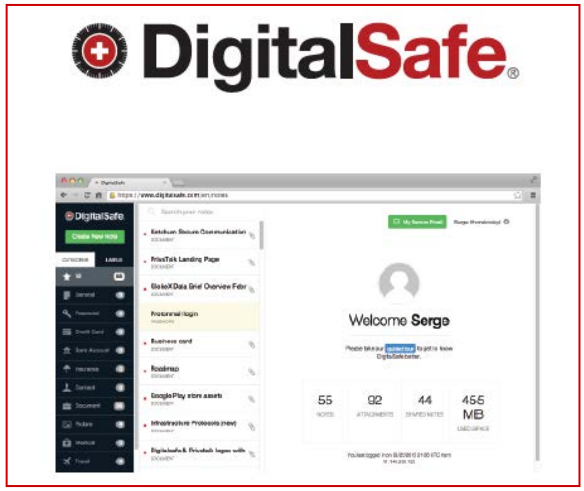
GDSA counts among its clients individuals and small organizations from Switzerland and other countries in various industries such as financial, legal, industrial and service industries. GlobeX US has been using GDSA's platform of products as well since 2013 and is continuing to sell GDSA's products under license. Present clients of GlobeX US include a reseller named GuardStreet. GuardStreet bundles DigitalSafe with its identity theft solution, which it sells to large consumer based companies (https://guardstreet.com).

GoldenFrog, a leading VPN provider in the USA has also bundled its services in its Privacy Marketplace with DigitalSafe (https://www.goldenfrog.com/community/privacy-marketplace).

Why Switzerland

Switzerland has a stable, prosperous and high-tech economy, enjoys great political and economical stability and isn't prone to environmental risks, such as hurricanes, tsunamis, volcanos, earthquakes or floods. Switzerland also benefits from strict data protection laws such as the Swiss Federal Data Protection Act (FADP) and the Swiss Federal Data Protection Ordinance.

DigitalSafe



DigitalSafe is a full cloud-based product suite of data backup, file sharing, password management and communication tool designed for individual and business needs. Features include digital vault, multiple user management, access rights, collaborative functions, file-sharing, private label secure email hosted in Switzerland. Users can securely store and share any file type or password with anyone they wish, from business documents, bank and credit card account information, to PIN codes, personal records and Passwords. Simply login using any mobile device, tablet, laptop or desktop. Users can access DigitalSafe through the web or download the DigitalSafe iOS and Android applications. None of the data resides on the user's device.

At DigitalSafe, all the data, including the user authentication information, is transmitted over the Internet and stored on Swiss hosted servers in encrypted form. All connections to the servers, for all users, are protected with 2048-bit SSL encryption. This includes both inside and outside of the data center where servers are located. All data stored on disks and in the databases is double encrypted via a fast 256-bit AES method and with proprietary encryption methodologies from GDSA.

There is no software to download, as it is 100% cloud based. The product is also not subjected to the *USA Patriot Act*, which allows the Federal Bureau of Investigation ("FBI") to search telephone, e-mail, and financial records without a court order. White label capabilities and platform branding is also available for enterprise level customers.

Features may differ between the individual consumer subscription and the business user subscription. The Companies may also separate components of DigitalSafe for individual sale. For example, the secure email feature may be offered separately from the digital vault.

PrivaTalk

PrivaTalk is a Swiss secure communications application offering secure and private audio/video calling, chat, self deleting chat, file transfer and email via any mobile device, tablet or desktop. Users need to have a PrivaTalk account in order to communicate with other PrivaTalk users.

PrivaTalk users can either use the PrivaTalk web site as their full-featured communications tool or download the PrivaTalk iOS and Android applications. None of the data resides on the user's device.

All data and traffic, including the user authentication information, is transmitted over the Internet and stored on Swiss hosted servers in encrypted form. All communications between PrivaTalk users are transmitted in Switzerland within the Swiss hosted secure servers. All connections to the servers, for all users, are protected with 2048bit SSL encryption. This includes both inside and outside of the data center where servers are located. All data stored on disks and in the databases is double encrypted via a fast 256-bit AES method and with proprietary encryption methodologies from GDSA.

Being hosted in Switzerland, PrivaTalk benefits from Swiss privacy laws.

Custodia

Custodia is a Swiss hosted secure email platform for enterprises. Custodia transforms a user's corporate email into a Secure and Private eMail and Collaboration Platform with the highest Security and Privacy standards. Users have the option to use their preferred email connectivity client software using industry standard IMAP and SMTP protocols. For instance, Outlook can be used as your mail software connected to the Custodia servers seamlessly. Businesses can move their domain hosting to Custodia's Swiss hosted secure hosting environment as well.

Emails are basically insecure text files. Most email servers still communicate with each other over completely insecure channels. This means sensitive communications are openly readable by anyone capturing data on the Internet. Custodia is an advanced and secure email message sending technology. Among its features, SecureSend allows users to control who reads messages and when. All data transmitted through Custodia stays within secure servers in Switzerland.

For businesses, the Custodia Secure eMail platform can replace traditional email installations with Custodia's domain hosting capabilities. Businesses can move their mail domain over to Swiss-hosted Custodia and take advantage of Custodia's proprietary features, encryption and security technologies.

All data and traffic, including the user authentication information, is transmitted over the Internet and stored on Swiss hosted servers in encrypted form. All communications between Custodia users are transmitted in Switzerland within the Swiss hosted secure servers. All connections to the servers, for all users, are protected with 2048bit SSL encryption. This includes both inside and outside of the data center where servers are located. All data stored on disks and in the databases is double encrypted via a fast 256-bit AES method and with proprietary encryption methodologies from GDSA. Custodia also uses DKIM Crypto Update (dcrup) - DomainKeys Identified Mail for anti-spoofing security and higher encryption key upgrade from 512-2048 to 1024-4096.

Being hosted in Switzerland, Custodia benefits from Swiss privacy laws.

Revenue Model

The Company's revenue model is based on monthly recurring revenue per user ("MRR"). Each user pays a monthly fee to use the selected products also commonly referred to as services. In some cases, users pay a yearly fee and get a discount for paying the entire year in advance. This form of service is often referred to as Software As A Service or SAAS.

Revenues are divided into several categories such as Mass-Market Business-to-Business ("B2B"), Mass-Market Consumers, Enterprise Sales and Government Sales. Each category charges a different price per service due to the volume of sales and the type of services sold. Some clients, such as government agencies, healthcare or financial institutions may require the Company to install servers in their local area in order to comply with country specific laws on data residency and data sovereignty. In this case, the Company ships its application servers to the client and installs and manages the services for that particular client. This service is called On-Premise. On-Premise service is usually more expensive as the Company needs to have a dedicated time to manage that particular location where the servers reside. Pricing to Resellers and Telecommunications operators depends on the type of product sold and the volume. The Company generally provides a discount to published pricing as seen on the websites of its products. The discount to published prices varies from 25% to a higher percentage and is kept in strict confidence as per NDAs signed between the Company and its reseller. The strategy is for the reseller to always be more competitive than the Company's published prices.

The Company has very little direct consumers or businesses that purchase the services through the Company's websites and does not plan to market directly to consumers as this method of marketing is cost prohibitive and often results in a higher cost of acquisition than the revenues generated from the sale to those direct users. The advantage of working with channel partners is that the Company has a lower marketing or advertising cost associated with the sale of its services.

Distribution Model

The distribution model is based on signing up Channel Partners, such as Managed Service Providers, Resellers of cloud services and Telecommunications companies serving mostly businesses. Partners are organized by type of products sold, by target markets and by geography. In order to spread its geographical exposure risk, the Company is spreading Resellers in several key regions of high growth primarily in the emerging markets of Latin America and Asia Pacific.

Geographic regions are divided into the following:

- North America (NA)
- Latin America (LATAM)
- Asia Pacific (APAC)
- India and the South Asian Association of Regional Cooperation (SAARC)
- Europe, Middle East, Africa (EMEA)

Product Categories:

- Business Mass Market
- Enterprise Sales
- Government Sales
- Consumer Mass Market

Business Mass Market, Enterprise Sales and Government include multiple users licenses that vary from five users per account to an unlimited amount of users per account. Consumers Mass Market consists only of single use products such as the SOLO packages on the Company's products websites.

Main Target Sectors:

- Financial Services / Legal and Consulting
- Telecommunications Operators
- Managed Service Providers (MSPs)
- Government
- Healthcare

Intellectual Property

Under the terms of the Global Licensing Agreement, the Company has permission to use the branding, all past, present and future trade names and trade marks owned by GDSA to market the Products.

Software Platform Maintenance and Integrations

Under the terms of the Global Licensing Agreement the Company is responsible for all costs associated with maintaining the software platform hosting the products and any costs associated with making changes to the products in relations to integrations with other resellers and telecommunications operators. In addition, under the terms of the Software License Agreement between GDSA and GlobeX US, GlobeX US is also responsible for all costs associated with maintaining the software platform hosting the products and any costs associated with making changes to the products in relation to integrations with other resellers and telecommunications operators. As a result of these agreements, the Company and GlobeX US must pay GDSA for costs associated with the development and maintenance of the products. These costs are allocated on a pro-rata basis based on user activity.

Upon signing up with a Channel Partner, the Company instructs GDSA to code integrations into the Products to allow the Products to be connected to and compatible with the Channel Partner's databases and product platforms. The Company must pay for all of the costs incurred by GDSA in connection with these integrations.

The Company has asked GDSA to perform several integrations. As per instructions from the Company, GDSA has implemented a major integration with TelCel, the mobile division of America Movil in Mexico, the third largest telecommunications operator by subscribers base. This integration will permit the Company to start sales in Mexico in Q2, 2019. The Company anticipates that it will need to complete further integrations before the end of 2019 in order to start sales in Latin America, the USA and Europe. All upgrades on all products made by GDSA are inclusive in the Global License Agreement signed with the Company.

GDSA contracts the data center and a staff of employees and contractors in order to maintain, integrate and manage all its software. GDSA works with a team of 10 engineers in order to maintain the platforms in good condition, upgrade features and modify features to fit reseller's needs and to integrate its products to reseller's billing and distribution platforms. Out of the 10 engineers, 4 are dedicated to maintaining and updating its two services' applications on iOS and Android systems, DigitalSafe and PrivaTalk. These systems require constant maintenance and updating in order to meet industry standards set by iOS and Android. In addition, all systems are redundant in triple backup and have multiple power redundancy and failover features. As user base increases the Company will need more servers and more data center space to accommodate its user base. The team of GDSA has also been developing video tutorials and user manuals for both PrivaTalk and DigitalSafe in order to comply with training of resellers' sales staff.

Competition

The cloud content management market is large, highly competitive and highly fragmented. It is subject to rapidly evolving technologies, shifting customer needs and frequent introductions of new products and services. The Company faces competition from a broad spectrum of technology providers. The following is a non-exhaustive list of significant competitors to the Company's business:

	CHAT	**DATA STORAGE**	**EMAIL**	**PRIVACY/SECURITY AS PRIMARY SELLING FEATURE**
Competitors:				
Google	Yes	Yes	Yes	No
Amazon	No	Yes	No	No
Microsoft	No	Yes	Yes	No
Dropbox	No	Yes	No	No
Box.com	No	Yes	No	No
Signal	Yes	No	No	Yes
Telegram	Yes	No	No	No
Egnyte	No	Yes	No	No
WhatsApp	Yes	No	No	No
GlobeX Products:				
PrivaTalk	Yes	No	Yes	Yes
Digital Safe	No	Yes	Yes	Yes
Custodia	No	No	Yes	Yes

The Company may face future competition in our markets from other large, established companies, as well as from smaller specialized companies.

Foreign Operations

The Products are intended to be open to users worldwide. Users from around the world can access the Products. The Company has done extensive market study and has decided to focus its sales efforts primarily in the emerging markets of Latin America, Asia Pacific and the Indian continent region (SAARC). Growth and adoption of new technologies, such as the Cloud, is higher in those regions.

Employees

As of the date of this prospectus, the Company has no employees. The Company's executive officers are independent contractors of the Company. The Company's hiring model is based on employing referral partners working on commissions only and full time contractors in foreign countries, with a small core staff of full time employees in his headquarters in Vancouver, Canada. The IT department of the Company is outsourced to GDSA through platform maintenance and integrations needed for resellers or telecommunications operators.

The Company expects to hire the following full-time contractors and employees during the first three months following its listing on the Exchange:

- Latin America: 1 business development manager at an estimated cost of $33,000 per year and up to 10 sales support members at an estimated cost of $18,000 per support member per year.
- Canada: 1 full time employee for sales management for USA and Canada at an expected cost of $48,000 per year.

Trends

According to a report titled “Email Encryption Market by Deployment Type (On-Premises and Cloud), Industry Vertical (BFSI, Healthcare, Government, Retail, and IT and telecom), and Region (North America, Europe, APAC, MEA and Latin America) - Global Forecast to 2020” by MarketsandMarkets published in November 2015, the email encryption market has been growing due to adoption by SMEs and larger Enterprises in various industry verticals. Email encryption is highly sought after to secure confidential and personal documents from theft and loss. The report also estimates the email encryption market will grow from US$1.5 billion in 2015 to US$4.2 billion by 2020. The report also noted demand for email encryption solutions is driven by the rising adoption of Bring Your Own Device (“BYOD”), whereby companies allow employees the flexibility of bringing their own mobile devices and/or laptops to access company information so they can work remotely. However, the adoption of BYOD policies also expose companies to theft or loss of data as employees may have their devices misplaced or stolen while working remotely.

According to another report titled “Cloud Storage Market by Type (Solutions and Services), Deployment Model (Public Cloud, Private Cloud, Hybrid Cloud), Organization Size (Large Enterprises, Small and Medium-Sized Enterprises), Vertical, and Region - Global Forecast to 2022” by MarketsandMarkets published in February 2018, the cloud storage market size is expected to grow from USD 23.48 Billion in 2016 to USD 88.91 Billion by 2022, at a Compound Annual Growth Rate (CAGR) of 23.7% during the forecast period. The base year considered for this study is 2016 and the forecast period is 2017–2022. With the increasing penetration of cloud computing and other emerging technologies, such as Internet of Things (IoT), big data, and serverless architecture, the demand for cloud storage solutions and services among enterprises is expected to grow significantly.

A report by Future Markets Insight titled “Managed File Transfer (MFT) Software and Service Market: North America Anticipated to Dominate the Global Market Through 2025: Global Industry Analysis and Opportunity Assessment, 2016-2025” published in late December 2016 estimates the global Managed File Transfer (“MFT”) software and service market at US$1.2 billion in 2016 and is expected to reach US$2.07 billion by the end of 2025. In that same report, Future Market Insights notes the market is driven by a need for secure file transfer solutions, particularly for industries that handle sensitive client information, such as banks, insurance companies, healthcare companies, etc., and that the trend in the growth will continue in the foreseeable future.

According to data from a study conducted by the Pew Research Center in a report titled “Americans and Cybersecurity” published in January 2017, approximately 64% of respondents had personally experienced a major data breach and 41% of respondents had encountered fraudulent charges on their credit cards. When asked about which organizations they trust would protect their data, 70% of respondents indicated trust towards their cell phone manufacturers while only 47% of respondents indicated trust towards social media sites. The study also indicated around 49% of respondents feel their personal information has become less secure in recent years. Similarly, around three-quarters of college graduates (77%) have an online account with financial institutions, while half or more have online accounts with healthcare providers (53%), utility providers (52%) or some other types of service providers (58%). As the Company is targeting telecommunications providers, the Company may leverage consumer concern to market the Products to telecom providers who may offer the Products as a bundle to their other services. Pew Research Center’s study also revealed online users may not have the best practices in protecting their sensitive information. The study indicated 41% of online users have shared the password to one of their online accounts with a friend or family member while 39% of respondents indicate they use the same password for multiple online accounts. The Products provide a secure online resource to store passwords and increase personal security.

According to the report titled “Global Risk Report 2018” dated January 17, 2018 and published by the World Economic Forum, cyber-attacks and theft of data are identified as two of the top 10 risks most likely to happen. Attacks against businesses have almost doubled in five years, and incidents that would once have been considered extraordinary are becoming commonplace, explains the report. The financial impact of cyber security breaches is rising, and some of the largest costs in 2017 related to ransomware attacks, which accounted for 64% of all malicious emails. Notable examples included the WannaCry attack – which affected 300,000 computers across 150 countries – and NotPetya, which caused quarterly losses of US$300 million for affected businesses. Another growing trend is the use of cyber-attacks to target critical infrastructure and strategic industrial sectors, raising fears that, in a worst-case scenario, attackers could trigger a breakdown in the systems that keep societies functioning.

The World Economic Forum published an article on January 17, 2018 titled "Cyber risk is a growing challenge. So how can we prepare?". This article stated that cyber-attacks are perceived as the global risk of highest concern to business leaders in advanced economies and that cyber is also viewed by the wider risk community as the risk most likely to intensify in 2018, according to the risk survey conducted for the World Economic Forum's Global Risks Report. In that same Global Risks Report, cyber-attack was the number one risk in North America, above terrorist attacks, asset bubble, fiscal crises and climate change. According to the Global Risks Report, cyber-attacks were also on the top list in East Asia and the Pacific, above asset bubbles, fiscal crises, unemployment or underemployment and energy shocks.

2019 Business Development Campaign

Upon completion of the Offering, the Company expects to launch its 2019 Business Development Campaign, primarily focusing on North America and Latin America. In the event of the minimum Offering, the Company will allocate $248,000 toward this campaign. In the event of the maximum Offering, the Company will allocate $400,000 toward this campaign. Management has listed the regions in order of priority. However, management may shift all of its resources to one particular region if deemed necessary by management.

Latin America

The Company's strategy in Latin America is primarily engaging with government and telecommunications partners. The Company would like to hire a dedicated sales manager for Latin America and contract sales support. Management plans to travel to Latin America frequently for sales meetings and to advance negotiations with potential strategic partners and resellers.

The Company signed a sales support agreement with A3TEK S.A. de C.V. ("A3TEK"), a Mexico City based consulting firm specializing in sales and customer support. A3TEK has extensive experience working with Sercotel and its entities and will help the Company in all support and sales associated efforts with Sercotel and all its affiliated companies in Latin America. A3TEK will provide 24/7/365 service for all of the Company's products and has already provided a staff dedicated for marketing and training Sercotel's sales agents in preparation for the launch of the Products in Mexico.

North America

The Company will look to hire a dedicated sales manager for North America. The Company also plans to travel to New York, Chicago and Toronto, to arrange sales meetings with potential strategic partners and resellers.

Asia Pacific

Management plans to travel to Singapore, the Philippines, Hong Kong and Malaysia. In addition, management expects to travel to Australia to market the Products for government related contracts.

India and South Asia

Management will travel to India, Nepal and Sri-Lanka for the purpose of engaging new strategic partners and resellers.

Middle East, Europe and North Africa

Management plans to travel to Algeria for enterprise and government sales. Management also expects to travel to the United Arab Emirates and throughout Europe.

USE OF PROCEEDS

Funds Available

The net proceeds to be received by the Company from the minimum Offering, after deducting the balance of the estimated expenses of the Offering of approximately $91,000 and the Agent's Commission of $80,000, will be $829,000. The net proceeds to be received by the Company from the maximum Offering, after deducting the balance of the estimated expenses of the Offering of approximately $91,000 and the Agent's Commission of $200,000, will be $2,209,000. The net proceeds to be received by the Company from the maximum Offering including full exercise of the Agent's Option, after deducting the balance of the estimated expenses of the Offering of approximately $91,000 and the Agent's Commission of $230,000, will be $2,554,000. As at April 30, 2019, the Company had a working capital surplus of $347,346.

Accordingly, the Company anticipates having minimum available funds of approximately $829,000, maximum available funds of approximately $2,209,000 and if the Agent's Option is exercised in full, funds of approximately $2,554,000, following Closing of the Offering. The estimated costs of the Offering include, the Corporate Finance Fee, legal and audit fees and other expenses of the Company, the Agent's expenses including its legal fees, the listing fee payable to the Exchange and the filing fees payable to the BCSC, ASC, and OSC**.**

Principal Purposes

The funds available will be used for the purposes listed below:

	Minimum Offering Amount ($)	Maximum Offering Amount ($)
2019 Business Development Plan		
Hiring of Business Development Manager for Latin America	33,000	33,000
Hiring of Sales Support in Latin America	60,000	180,000
Hiring of Business Development Associate Vancouver	48,000	48,000
Hiring of Sales Manager for North America	-	90,000
Sales Travel to Latin America	48,000	90,000
Sales Travel to India and the South Asian Association of Regional Cooperation	20,000	100,000
Sales Travel to Asia Pacific Region	20,000	30,000
Sales Travel to Europe, Middle East, Africa	10,000	20,000
Sales Travel North America	9,000	19,000
Total 2019 Business Development Plan	248,000	610,000
Software Maintenance and Integration Costs:		
Integration with Odin Platform for Telcel	90,000	90,000
Data Centre Rack Rental	108,000	168,000
Server Upgrade	50,000	400,000
Integration with Microsoft Office 365	60,000	60,000
Integration with Google Suite	-	100,000
Platform Maintenance and Added Features for DigitalSafe	90,000	120,000
Platform Maintenance and Added Features for PrivaTalk	60,000	90,000
Platform Maintenance for Custodia	60,000	90,000
Email Archiving Platform	-	260,000
Total Software Maintenance and Integration Costs	518,000	1,378,000

Estimated general and administrative expenses for the 12 months following the Offering	255,000	255,000
Unallocated Funds to be Added to Working Capital	155,346	313,346
Total	1,176,346	2,556,346

Software Maintenance and Integration Costs relate the expenses payable to GDSA for software upgrades and maintenance and the expected cost of completing the necessary integrations with Channel Partners over the next twelve months. *See "Business of the Company – Software Platform Maintenance and Integrations"*.

The Company expects to incur approximately $255,000 in general and administrative costs on an annual basis to cover the expenses of operating as a public company over the next 12 months. A breakdown of the estimated general and administrative costs for that period is as follows:

	Monthly Amount ($)	**Annual Amount ($)**
Audit and Accounting Expenses	5,000	60,000
Legal	3,500	42,000
Admin Staff	2,500	30,000
Directors/Management	3,000	36,000
Regulatory Filing Fees	1,250	15,000
Rent/Telephone	4,750	57,000
Translation Costs	1,250	15,000
Total	21,250	255,000

The Company intends to spend its available funds as stated in this prospectus. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary.

Over the next twelve months, net proceeds from the Offering will be distributed to insiders as follows:

- Scott Davis, Chief Financial Officer of the Company, will receive management fees of $24,000.
- David Ryan, Director of the Company, will receive management fees of $12,000.
- Alain Mehdi Ghiai-Chamlou receives a salary from GDSA of CHF50,000 per year for acting as President of GDSA. As a result, a portion of the funds paid by the Company to GDSA for software maintenance and integration costs may be applied by GDSA to pay for all or a portion of Mr. Ghiai-Chamlou's salary.

Negative Operating Cash Flow

Since inception, the Company has had negative operating cash flow and incurred losses. The Company's negative operating cash flow and losses are expected to continue for the foreseeable future. The Company cannot predict when it will reach positive operating cash flow, if ever. Due to the expected continuation of negative operating cash flow, the Company will be reliant on future financings in order to meet its cash needs. There is no assurance that such future financings will be available on acceptable terms or at all. See "Risk Factors".

Business Objectives and Milestones

The Company, using the available funds, expects to: (i) complete the Offering; (ii) obtain a listing of the Common Shares and Warrants on the Exchange; (iii) conduct its 2019 business development campaign (see "Business of the Company – 2019 Business Development Plan" for more information); and (iv) complete the necessary software platform maintenance and integrations set forth below.

These software updates and integrations are completed by GDSA at our expense, the expected costs of the software platform maintenance and integrations are expected to be between $518,000 and $1,378,000, as described in detail below.

Phase 1 – Estimated completion within three months from the Closing date at an estimated cost of $139,500 to $277,000

- Synchronized backup for desktops from DigitalSafe.
- Custodia and DigitalSafe integration with Microsoft Office 365 and enhanced email security feature.
- Payment platform for PrivaTalk.
- Data Center Expenses.
- Server Upgrade (only to be completed in event of a maximum Offering).

Phase 2 – Estimated completion between three to six months from listing at an estimated cost of $169,500 to $502,000

- Integration with Odin platform from Ingram Micro for DigitalSafe.
- Conference call for PrivaTalk desktop version.
- Improved App features for multiple users for DigitalSafe.
- Translation in Mandarin and Cantonese for DigitalSafe.
- Data Center Expenses.
- Server Upgrade (only to be completed in event of a maximum Offering).
- Email archiving feature phase one (Only to be developed in the event of a maximum Offering).

Phase 3 – Estimated Completion six to nine months from listing at an estimated cost of $129,500 to $382,000

- Integration with Telcel distribution platform for PrivaTalk and Custodia.
- PT Lite and multiple users packages for PrivaTalk.
- Translation in Spanish for PrivaTalk.
- Data Center Expenses.
- Integration with Google G Suite (Only to be developed in the event of a maximum Offering).
- Translation in German, Japanese, Mandarin, Cantonese and Brazilian Portuguese for PrivaTalk (Only to be developed in the event of a maximum Offering).
- Email archiving feature phase two (Only to be developed in the event of a maximum Offering).

Phase 4 – Estimated Completion nine to twelve months from listing at an estimated cost of $79,500 to $217,000

- Integration with Odin platform from Ingram Micro to connect to Telmex worldwide for PrivaTalk and Custodia
- Screen share and video conferencing features for PrivaTalk
- Data Center Expenses
- Server Upgrade (only to be completed in event of a maximum Offering).
- Data recovery service (Only to be developed in the event of a maximum Offering).

The Company's business objectives of completing the Offering and listing on the Exchange will occur on the Closing date of the Offering and Listing Date. The Company intends to initiate its 2019 business development campaign immediately upon completion of the Offering and expects to complete its 2019 sales campaign within 12 months from the date of commencement. Specifically, the Company expects to have completed its necessary hiring by June 30, 2019 (see "Business of the Company – Employees" for more information). The 2019 sales campaign is estimated to cost $248,000 to $610,000. The cost of covering administrative costs for the first 12 months following listing is estimated at $255,000.

DIVIDENDS

The Company has never declared, nor paid, any dividend since its incorporation and does not foresee paying any dividend in the near future since all available funds will be used to fund the business of the Company. Any future payment of dividends will depend on the financing requirements and financial condition of the Company and other factors which the Board, in its sole discretion, may consider appropriate and in the best interests of the Company.

Under the BCA, the Company is prohibited from declaring or paying dividends if there are reasonable grounds for believing that the Company is insolvent or the payment of dividends would render the Company insolvent.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following tables set forth selected financial information with respect to the Company's audited consolidated financial statements for the period from inception on March 1, 2017 to December 31, 2017 and fiscal year ended December 31, 2018 and GlobeX US's audited financial statements for the fiscal years ended December 31, 2017 and 2016. The following should be read in conjunction with the said financial statements.

Selected Financial Information

GlobeX Data Ltd.

	Fiscal Year Ended December 31, 2018 (Audited) ($)	**Period from inception (March 1, 2017) to December 31, 2017 (Audited) ($)**
Continuing operations		
Revenue	24,735	-
General and Administrative Expenses	(1,313,321)	(343,910)
Other items	2,094	420
Net loss	(1,286,492)	(343,490)
Basic and Diluted loss per share	(0.03)	(0.07)

Statement of Financial Position	**As at December 31, 2018 (Audited) ($)**	**As at December 31, 2017 (Audited) ($)**
Assets		
Current assets	429,535	372,393
Non-current assets	2,552,573	-
Total Assets	2,982,108	372,393
Liabilities		
Current liabilities	151,492	12,554
Shareholders' Equity	2,830,616	359,839
Total Liabilities and Shareholders' Equity	2,982,108	372,393

	Fiscal Year Ended December 31, 2017 (Audited) (USD$)	Fiscal Year Ended December 31, 2016 (Audited) (USD$)
Continuing operations		
Revenue	26,375	25,228
General and Administrative Expenses	(35,351)	(61,555)
Net loss	(8,976)	(36,327)
Basic and Diluted loss per share	(5.98)	(24.22)

Statement of Financial Position	**As at December 31, 2017 (Audited) (USD$)**	**As at December 31, 2016 (Audited) (USD$)**
Assets		
Current assets	3,517	898
Total Assets	3,517	898
Liabilities		
Current liabilities	50,633	39,038
Shareholders' Equity	(47,116)	(38,140)
Total Liabilities and Shareholders' Equity	3,517	898

Overview

This management discussion and analysis ("MD&A") of results, operations and financial condition of the Company, describes the operating and financial results of the Company for the fiscal year ended December 31, 2018 and the period from inception on March 1, 2017 to December 31, 2017 and the fiscal year ended December 31, 2018 and GlobeX US for the fiscal years ended December 31, 2017 and 2016. This MD&A supplements, but does not form part of, the audited financial statements of the Company, and should be read in conjunction with the Company's audited financial statements and related notes for the fiscal year ended December 31, 2018 and the period from inception on March 1, 2017 to December 31, 2017 and GlobeX US' audited financial statements and related notes for the fiscal years ended December 31, 2017 and 2016. The Company prepares and files its financial statements in accordance with IFRS. The currency referred to in this MD&A is in Canadian Dollars.

<u>Overall Performance</u>

The Company is a provider of a full suite of cloud-based storage, document management (DigitalSafe), and secure communication tools (PrivaTalk) (previously defined as the "Products") developed by GlobeX Data S.A ("GDSA"). The Company's future performance depends on, among other things, its ability to effectively market the Products to consumers, the Company's ability to engage distribution partners for bulk sales, and the Company's ability to effectively contract with large scale partners.

During the period from the date of inception on March 1, 2017 to December 31, 2017, the Company's activities included the entry into the Global License Agreement with GDSA to distribute the Products, the Company's 2017/18 business development activities, due diligence activities related to the eventual acquisition of GlobeX US and activities related to the Offering. See "Business of the Company – Three Year History" and "Products".

During the fiscal year ended December 31, 2017, GlobeX US' activities included the re-negotiation of a license agreement with GDSA to distribute the Products in the U.S. and Canada, sales and marketing activities, due diligence activities related to the eventual acquisition of GlobeX US by the Company and activities related to the sale of the Products. During the fiscal year ended December 31, 2016, GlobeX US' activities included ongoing sales and maintenance. See "Business of the GlobeX US".

During the fiscal year ended December 31, 2018, the Company's activities primarily related to the acquisition of GlobeX US, ongoing sales of the Products and activities related to the Offering. A significant portion of the Company's activity was related to securing its partnership with Sercotel and initial onboarding and training with Sercotel. See "Business of the Company – Three Year History" and "Products".

Results of Operation

The Company –Period from the date of inception on March 1, 2017 to December 31, 2017 and Fiscal Year Ended and December 31, 2018 (Consolidated) and GlobeX US – Fiscal Years Ended December 31, 2017 and 2016 (Unconsolidated)

The Company reported revenues of $24,735 and a net loss of 1,286,492 during the fiscal year ended December 31, 2018 as compared to revenues of $Nil and a net loss of $343,490, during the period from the date of inception on March 1, 2017 to December 31, 2017. Had the acquisition GlobeX US occurred on January 1, 2018 instead of March 30, 2018, the consolidated statement of comprehensive loss for the year ended December 31, 2018 would have shown revenue of $34,246 for fiscal 2018. The main factors that contributed to the loss were increases in accounting and audit, consulting fees, filing fees, legal, office and administrative, rent, software maintenance and travel and promotion and the recording share-based payments and royalty payments in fiscal 2018. The increase was offset slightly by a decrease in professional fees. The Company does not have any cost of sales associated with its revenues as their sales are from direct website purchases or the sales are provided net of any agreements with channel partners as the customers purchase the services from the channel partner.

GlobeX US reported a net loss of USD$8,976 (2016 - USD$36,327), during the fiscal year ended December 31, 2017. The net loss decreased primarily because of decreases in advertising, bank charges, interest and merchant fees, communications, insurance, office and miscellaneous, professional fees, rent, royalties, and services fees. In addition, GlobeX US incurred promotion and travel expenses in fiscal 2016 but not in fiscal 2017. The decrease was partially offset by an increase in consulting fees. GlobeX US does not have any cost of sales associated with its revenues as their sales are from direct website purchases or the sales are provided net of any agreements with channel partners as the customers purchase the services from the channel partner.

Advertising expenses relates to expenses accrued by GlobeX US associated with marketing the Products to consumers.

Accounting and audit relate to the audit of the financial statements of the Company and GlobeX US.

Bank charges, interest, service and merchant fees related to basic banking and payment processing fees paid by GlobeX US.

Communications, office and miscellaneous and insurance, relate to telephone, office rental, domain, and administrative expenses incurred by GlobeX US.

Consulting fees relate to corporate development services provided to the Company. Consulting fees increased during the year ended December 31, 2018 as a result of increased engagement of international business consultants, an increase in compensation to a Company controlled by David K. Ryan, a director of the Company, expenses related to the translation of the Company's agreement with Sercotel.

Office administration and rent relates to office space rental and related office supply and equipment fees for the Company.

Royalty payments relate to payments made to GDSA by the Company and GlobeX US for sales of the Products.

Software maintenance relates to invoiced amounts from GDSA for software maintenance and integration costs. As the Company engages significant distribution partners, GDSA has agreed to integrate the Products into the distribution partners software ecosystem. As a result, the Company must cover the IT costs related to the integrations. Specifically, $79,500 (2017 - $51,500) was allocated towards data center hosting, $358,000 (2017 - $143,000) was spent on integration and customization of software, $123,000 (2017 - $38,000) was for platform maintenance and upgrades, $110,850 (2017 - $23,000) was for app development and implementation of features, and $78,687 (2017 - $24,500) was for server equipment upgrades and replacement. The Company has been advised by GDSA that the software maintenance and integration costs are completed by independent consultants that are arm's length to the Company, and GDSA.

Share based payments relate to the issuance of stock options by the Company.

Travel and promotion relate to flights, hotels and meals and entertainment for Company meetings with potential distribution partners, onboarding management and engaging corporate finance.

Professional fees consist of fees in connection with the Company's and GlobeX US's valuation and fees in connection with the Company's audit and annual corporate filings.

During the period from inception on March 1, 2017 to December 31, 2017, the Company completed the following equity financings: (i) the sale of 4,000,000 Common Shares at a price of $0.005 per share for total proceeds of $20,000; (ii) the sale of 1,100,000 Common Shares at a price of $0.05 per share for proceeds of $55,000; and (iii) the sale of 6,300,974 Common Shares at a price of $0.10 per share for total proceeds of $630,097. During the fiscal years ended December 31, 2016 and 2017 GlobeX US issued no securities.

During the fiscal year ended December 31, 2018, the Company completed the following equity financings: (i) the sale of 6,711,007 Common Shares at a price of $0.10 per share for total proceeds of $671,101; (ii) the Company issued 309,700 Common Shares in settlement of $30,970 of which $24,000 was outstanding consulting fees owed to a company owned by a director of the Company; (iii) the Company issued 25,000,000 Common Shares to a director in connection with the acquisition of GlobeX US; (iv) the Company issued 1,000,000 Common Shares at a price of $0.15 for total proceeds of $150,000; and (v) the Company issued 835,000 Common Shares at a price of $0.15 for total proceeds of $125,250.

Subsequent to December 31, 2018, the Company issued 1,471,600 common shares at a price of $0.25 per share for total proceeds of $367,900.

Liquidity and Capital Resources

At December 31, 2017 and December 31, 2018, the Company had working capital surpluses of $359,839 and $278,043, respectively, and cash on hand of $354,643 and $327,182, respectively.

The Company anticipates having $1,176,346 in available funds upon completion of the minimum Offering and $2,556,346 in available funds following completion of the maximum offering. The Company estimates that the capital required to carry out its business development program is $248,000 to $610,000. In addition, the Company also anticipates that it will be required to incur approximately $255,000 in general and administrative expenses and $518,000 to $1,378,000 in software development and server maintenance costs. After giving effect to these allocations, the Company anticipates it will have $155,346 in unallocated working capital upon completion of the minimum Offering and $313,346 in unallocated working capital upon completion of the maximum Offering.

The Company does not anticipate incurring any other material capital expenditures.

The Company's future capital requirements will depend upon many factors including, without limitation, the success of its marketing and distribution channels. The Company has limited capital resources and has to rely upon the sale of equity securities for cash required for marketing the products, paying for software maintenance and development, and to fund the administration of the Company. Since the Company does not expect to generate any substantial revenues from operations in the immediate future, it must continue to rely upon the sales of its equity and debt securities to raise capital, which would result in further dilution to the shareholders. There is no assurance that financing, whether debt or equity, will be available to the Company in the amount required by the Company at any particular time or for any period and that such financing can be obtained on terms satisfactory to the Company or at all. See "Risk Factors".

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Related Party Transactions

Fiscal Years Ended December 31, 2018 and 2017

On May 7, 2017, the Company entered into a license agreement with GDSA who has a director in common with the Company, namely Alain Mehdi Ghiai-Chamlou, in which the Company obtained the right to market Secure Cloud Storage and Secure Communications Solutions to companies and individuals. During the year ended December 31, 2018 the Company paid software maintenance of $750,037 (2017 - $280,000) to GDSA. In fiscal 2018, Mr. Ghiai-Chamlou received an annual salary of CHF50,000

(2017 -CHF50,000) from GDSA for acting as President of GDSA. As a result, a portion of the funds paid by the Company to GDSA for software maintenance and integration costs may be applied by GDSA to pay for all or a portion of Mr. Ghiai-Chamlou's salary.

During the fiscal year ended December 31, 2018, the Company incurred $36,000 (2017 - $8,000) in consulting fees to a company controlled by Mr. Ryan.

During the year ended December 31, 2018, the Company incurred $27,625 (2017 - $Nil) in accounting fees to an accounting firm in which Scott Davis is a partner. As at December 31, 2018, there was $29,006 (2017 - $Nil) owing to this firm. This balance is unsecured, non-interest bearing and has no fixed terms of repayment.

During the fiscal year ended December 31, 2018, the Company issued 1,500,000 stock options valued at $193,890 (2017 - $Nil) to directors and officers of the Company (700,000 to Mr. Ghiai-Chamlou, 350,000 to Mr. Ryan, 350,000 to Mr. Sjoman, and 100,000 to Mr. Davis).

During the fiscal year ended December 31, 2018, the Company entered into a share purchase agreement with Alain Mehdi Ghiai-Chamlou, who is also a director and an officer of the Company, to purchase all of the outstanding common shares of GlobeX US in exchange for 25,000,000 Common Shares of the Company.

As at December 31, 2018, total accrued royalties payable to GDSA amounted to $35,697. As at December 31, 2017, total accrued royalties payable to GDSA from GlobeX US amounted to USD$23,548 (2016 - USD$18,953).

Changes in Accounting Policies

The following standards have not yet been adopted and are being evaluated to determine their impact on the Company's financial statements:

IFRS 16 - Leases

On January 13, 2016, the IASB issued IFRS 16, Leases ("IFRS 16"), according to which, all leases will be on the statement of financial position, except those that meet the limited exception criteria. The standard is effective for annual periods beginning on or after January 1, 2019. The Company has not early adopted IFRS 16 and is currently evaluating the impact, if any, that this standard might have on its financial statements.

The extent of the impact of adoption of this standard and interpretations on the financial statements of the Company has not been determined.

Based on its review of the above, management is of the opinion that the Company's current accounting policies and disclosures in its financial statements comply in all material respects with the requirements so far as they are applicable to its present operations.

Financial Instruments

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values unless otherwise stated.

Summary of Quarterly Results

Since inception, neither the Company nor GlobeX US has prepared quarterly interim financial statements. As a result, the Company is unable to provide a summary or the quarterly results from the date of inception on March 1, 2017 to December 31, 2018 and GlobeX US is unable to provide a summary or the quarterly results from its last two fiscal years.

Additional Disclosure for Venture Issuers without Significant Revenue

General and Administrative Expenses

The following tables set out the general and administrative expenses of the Company for the for the period from inception on March 1, 2017 to December 31, 2017 and fiscal year ended December 31, 2018:

Item	**December 31, 2018 (audited)**	**Period from Inception on March 1, 2017 to December 31, 2017 (audited)**
Accounting and audit	**$ 75,725**	**$ 12,500**
Consulting fees	**137,211**	**14,977**
Filing fees	**19,843**	**123**
Legal	**8,330**	**1,554**
Office and administration	**20,611**	**2,350**
Professional fees	**350**	**8,510**
Rent	**29,994**	**12,442**
Royalty	**2,473**	**-**
Share-based payments	**206,818**	**-**
Software maintenance	**750,037**[(2)]	**280,000**[(1)]
Travel and promotion	**61,929**	**11,454**
Total	**$ 1,313,321**	**$ 343,910**

Notes:

(1) $51,500 was allocated towards data center hosting, $143,000 was spent on integration and customization of software, $38,000 was for platform maintenance and upgrades, $23,000 was for app development and implementation of features and $24,500 was for server equipment upgrades and replacement.

(2) Specifically, $79,500 was allocated towards data center hosting, $358,000 was spent on integration and customization of software, $123,000 was for platform maintenance and upgrades, $110,850 was for app development and implementation of features and $78,687 was for server equipment upgrades and replacement.

Additional Disclosure for Junior Issuers

As set out in the section titled “Use of Proceeds”, if the minimum Offering is completed the Company anticipates having general working capital of $155,346 following completion of its sales program and the $255,000 budgeted administrative costs for the next 12 months. Other than as disclosed in this prospectus, the Company does not anticipate incurring any other material capital expenditures. See "Risk Factors".

Disclosure of Outstanding Security Data

The Company has one class of shares outstanding, being Common Shares. As of the date of this prospectus, 46,728,282 Common Shares were issued and outstanding. The Company also has 1,600,000 incentive options exercisable at a price of $0.25 per share for a period expiring April 30, 2023. See “Description of the Securities Distributed”.

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Authorized Capital

The authorized capital of the Company consists of an unlimited amount of authorized Common Shares, of which 46,728,282 Common Shares were issued and outstanding as at the date of this prospectus, and an unlimited number of preferred shares, of which none are issued and outstanding as at the date of this prospectus.

Common Shares

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company and each Common Share shall confer the right to one vote in person or by proxy at all meetings of the shareholders of the Company. The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Company, are entitled to receive such dividends in any financial year as the Board of Directors of the Company may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Company, the remaining property and assets of the Company. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Warrants

The Tradable Warrants forming part of the Units offered will be tradable. The Tradeable Warrants will be listed for trading on the Canadian Securities Exchange. Each Tradable Warrant is exercisable at $0.75 to acquire one Common Share for 36 months from the date of issue.

Agent's Warrants

The Company has agreed to grant to the Agent non-transferable compensation options (previously defined as the "Agent's Warrants") exercisable to acquire that number of Units that is equal to 8% of the number of Units sold pursuant to this Offering at the price of $0.25 per Unit for a period of 36 months from the Listing Date. The Agent's Warrants will be qualified under this prospectus. See "Plan of Distribution".

Agent's Option

The Company will offer the Agent the Agent's Option, which will allow the Agent to offer up to 1,500,000 additional Units. The Agent's Option may be exercised in whole or in part any time up to 48 hours prior to the Closing Date of the Offering. The Agent's Option will be qualified under this prospectus.

CONSOLIDATED CAPITALIZATION

The following table summarizes changes in the Company's capitalization as at December 31, 2018, as of the date of this prospectus, and following completion of the Offering:

	As at December 31, 2018	As at the date hereof	After giving effect to the minimum Offering	After giving effect to the maximum Offering	After giving effect to the maximum Offering with the Agent's Option
Common Shares	45,256,682	46,728,282	50,728,282	56,728,282	58,228,282
Share Capital	$4,166,500	$4,484,400	$5,484,400	$6,984,400	$7,359,400
Agent's Warrants	Nil	Nil	320,000	800,000	920,000
Options	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
Warrants	Nil	Nil	4,000,000	10,000,000	11,500,000
Long Term Liabilities	Nil	Nil	Nil	Nil	Nil

OPTIONS TO PURCHASE SECURITIES

The Directors of the Company adopted a stock option plan on April 30, 2018 (previously defined as the "Stock Option Plan"). The purpose of the Stock Option Plan is to advance the interests of the Company by encouraging the directors, officers, employees, management company employees and consultants of the Company, and of its subsidiaries and affiliates, if any, to acquire Common Shares in the share capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs. The Stock Option Plan provides that, subject to the requirements of the Exchange, the aggregate number of securities reserved for issuance will be 10% of the number of the Company's Common Shares issued and outstanding at the time such options are granted. The Stock Option Plan will be administered by the Company's Board of Directors, which will have full and final authority with respect to the granting of all options thereunder.

Options may be granted under the Stock Option Plan to such directors, officers, employees, management or consultants of the Company and its affiliates, if any, as the Board of Directors may, from time to time, designate. The exercise price of option grants will be determined by the Board of Directors, but after listing on the Exchange will not be less than the closing market price of the Common Shares on the Exchange less allowable discounts at the time of grant. The Stock Option Plan provides that the number of Common Shares that may be reserved for issuance to any one individual upon exercise of all stock options held by such individual may not exceed 5% of the issued Common Shares, if the individual is a director, officer, employee or consultant, or 1% of the issued Common Shares, if the individual is engaged in providing investor relations services, on a yearly basis. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) 90 days from date of termination other than for cause; or (iii) one year from the date of death or disability. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

Options Granted

As of the date hereof, the Company has granted the following options:

Name	Number of Options	Option Exercise Price	Option Expiry Date
Executive Officers (2 total)	800,000	$0.25	April 30, 2023
Directors (2 total)	700,000	$0.25	April 30, 2023
Consultant (1 total)	100,000	$0.25	April 30, 2023
Total	1,600,000	$0.25	April 30, 2023

PRIOR SALES

Since inception on March 1, 2017, the Company has completed the following distributions of its securities:

(a) On March 2, 2017, the Company issued one Common Share at a price of $0.005 per Common Share, which Common Share will be escrowed in accordance with the terms of the Escrow Agreement. This share was issued in connection with the incorporation of the Company.

(b) On March 7, 2017, the Company issued 4,000,000 Common Shares at a price of $0.005 per Common Share for total proceeds of $20,000. These Common Shares will be escrowed in accordance with the terms of the Escrow Agreement. These shares were issued in a private placement offering for working capital purposes.

(c) On April 27, 2017, the Company issued 1,100,000 Common Shares at a price of $0.05 per Common Share for total proceeds of $55,000. 1,100,000 of these Common Shares will be escrowed in accordance with the terms of the Escrow Agreement. These shares were issued in a private placement offering for working capital purposes.

(d) On December 31, 2017, the Company issued 6,300,974 Common Shares at a price of $0.10 per Common Share for total proceeds of $630,097. 1,500,000 of these Common Shares will be escrowed in accordance with the terms of the Escrow Agreement. These shares were issued in a private placement offering for working capital purposes.

(e) On January 30, 2018, the Company issued 930,089 Common Shares at a price of $0.10 per Common Share for total proceeds of $93,009. These shares were issued in a private placement offering for working capital purposes.

(f) On March 30, 2018, the Company issued 6,090,618 Common Shares at a price of $0.10 per Common Share for total proceeds of $578,092 and for settlement of debt of $30,970. 340,000 of these Common Shares will be escrowed in accordance with the terms of the Escrow Agreement. These shares were issued in a private placement offering for working capital purposes and for the purpose of extinguishing debt owed to a Company owned by David K. Ryan for invoiced consulting services.

(g) Also, on March 30, 2018, the Company issued 25,000,000 Common Shares at a deemed price of $0.10 per Common Share in consideration of all of the issued and outstanding securities of GlobeX US. All 25,000,000 Common Shares will be escrowed in accordance with the terms of the Escrow Agreement. These shares were issued pursuant to the terms of a share purchase agreement in connection with the acquisition of GlobeX US.

(h) On April 9, 2018, the Company issued 1,000,000 Common Shares at a price of $0.15 for total proceeds of $150,000. These shares were issued in a private placement offering for working capital purposes.

(i) On April 30, 2018, the Company issued 835,000 Common Shares at a price of $0.15 for total proceeds of $125,250. These shares were issued in a private placement offering for working capital purposes.

(j) On April 30, 2018, the Company issued 1,400,000 incentive options exercisable at $0.25 per share for a period of five years to directors and officers of the Company. The options were issued pursuant to the Company's Stock Option Plan for the purpose of providing incentive-based compensation to option holders.

(k) On June 11, 2018, the Company issued 100,000 incentive options exercisable at $0.25 per share for a period of five years to an officer of the Company. The options were issued pursuant to the Company's Stock Option Plan for the purpose of providing incentive-based compensation to issued option holder.

(l) On June 25, 2018, the Company issued 100,000 incentive options exercisable at $0.25 per share for a period of five years to a consultant to the Company. The options were issued pursuant to the Company's Stock Option Plan for the purpose of providing incentive-based compensation to issued option holder.

(m) On March 21, 2019, the Company issued 1,471,600 common shares at a price of $0.25 per share for total proceeds of $367,900. These shares were issued in a private placement offering for working capital purposes.

ESCROWED SECURITIES

In accordance with National Policy 46-201 - *Escrow for Initial Public Offerings* (previously defined as "NP 46-201"), all securities an issuer owned or controlled by its principals are required to be placed in escrow at the time of the issuer's initial public offering, unless the shares held by the principal or issuable to the principal upon conversion of convertible securities held by the principal collectively represent less than 1% of the voting rights attaching to the total issued and outstanding securities of the issuer after giving effect to the initial public offering. Upon completion of the Offering, the Company anticipates being an "emerging issuer" as defined in NP 46-201.

The following securities of the Company (the "Escrowed Securities") are held by, and are subject to the terms of, an escrow agreement dated May 8, 2019 (the "Escrow Agreement"), among the Company, National Securities Administrators Ltd., as escrow agent, and the holders of the Escrowed Securities, being Alain Mehdi Ghiai-Chamlou, Henry Sjoman, David Ryan, and Scott Davis:

Designation of Class	Number of Securities	Percentage of Issued Shares Prior to Completion of the Offering	Percentage of Issued Shares on Completion of the minimum Offering	Percentage of Issued Shares on Completion of the maximum Offering
Common Shares	31,960,001	68.40%	63.00%	54.89%

As the Company anticipates being an "emerging issuer" as defined in NP 46-201, the following automatic timed releases will apply to the Common Shares held by its principals who are subject to escrow:

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

Assuming there are no changes to the Escrowed Securities initially deposited and no additional escrow securities are deposited, this will be subject to a 10% release on the Listing Date, with the remaining Escrowed Securities being released in 15% tranches every 6 months thereafter.

Under NP 46-201, a "principal" is: (a) a person who has acted as a promoter of the Company within two years of the date of this prospectus; (b) a director or senior officer of the Company; (c) a person that holds securities carrying more than 20% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the Offering; and (d) a person that: (i) holds securities carrying more than 10% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the Offering; and (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Company. A principal's spouse and their relatives that live at the same address as the principal will be deemed principals and any securities of the Company held by such a person will be subject to the escrow requirements.

Under the terms of the Escrow Agreement, Escrowed Securities cannot be transferred by the holder unless permitted under the Escrow Agreement. Notwithstanding this restriction on transfer, a holder of Escrowed Securities may (a) pledge, mortgage or charge the Escrowed Securities to a financial institution as collateral for a loan provided that no Escrow Securities will be delivered by the escrow agent to the financial institution; (b) exercise any voting rights attached to their Escrowed Securities; (c) receive dividends or other distributions on the Escrowed Securities; and (d) exercise any rights to exchange or convert the Escrowed Securities in accordance with the Escrow Agreement.

The Escrowed Securities may be transferred within escrow to: (a) subject to approval of the Company's Board of Directors, an individual who is an existing or newly appointed director or senior officer of the Company or of a material operating subsidiary of the Company; (b) a person that, before the proposed transfer, holds more than 20% of the voting rights attached to the Company's outstanding securities; (c) a person or company that, after the proposed transfer, will hold more than 10% of the voting rights attached to the Company's outstanding securities and that has the right to elect or appoint one or more directors or senior officers of the Company or any of its material operating subsidiaries; (d) upon the bankruptcy of a holder or company of Escrowed Securities, the securities held in escrow may be transferred within escrow to the trustee in bankruptcy or other person legally entitled to such securities; (e) a financial institution that the holder pledged, mortgaged or charged the Escrowed Securities to a financial institution as collateral for a loan on realization of such loan; and (f) a registered retirement savings plan ("RRSP"), registered retirement income fund ("RRIF") or similar registered plan or fund with a trustee, where the annuitant of the RRSP or RRIF, or the beneficiaries of another plan or fund are limited to the holder's spouse, children or parents, or if the holder is the trustee of such registered plan or fund, to the annuitant of the RRSP or RRIF, or a beneficiary of the other registered plan or fund or his or her spouse, children or parents.

In addition, tenders of Escrowed Securities pursuant to a business combination, which includes a take-over bid, issuer bid, statutory arrangement, amalgamation, merger or other reorganization similar to an amalgamation or merger, are permitted. Escrowed Securities subject to a business combination will continue to be escrowed if the successor entity is not an "exempt issuer", the holder is a principal of the successor entity; and the holder holds more than 1% of the voting rights of the successor entities' outstanding securities.

Under the terms of the Escrow Agreement, 10% of each escrowed shareholder's shares (a total of 3,196,000 Common Shares) will be released from escrow on the Listing Date. The remaining 28,764,001 Common Shares will be held in escrow immediately following the Listing Date.

PRINCIPAL SHAREHOLDERS

As at the date of this prospectus, 46,728,282 Common Shares were issued and outstanding. The following table lists the persons who own or will own, directly or indirectly, 10% or more of the issued and outstanding Common Shares:

Name	Number and Class of Shares Owned	Number and Class of Shares Owned After Offering	Type of Ownership	Percentage of Common Shares Owned Prior to Giving Effect to the Offering	Percentage of Common Shares Owned After Giving Effect to the Minimum Offering(1)	Percentage of Common Shares Owned After Giving Effect to the Maximum Offering(1)
Alain Mehdi Ghiai-Chamlou	28,900,001	Common Shares	Direct & of Record	61.85%	56.97%	49.63%

Notes:

(1) Assuming that no Common Shares are purchased by these persons under the Offering.

(2) Mr. Ghiai-Chamlou is also a director and an officer of the Company.

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth, for each of the Directors and executive officers of the Company, the name, municipality of residence, age, principal occupation, position held with the Company and the date on which the person became a Director.

Name, Municipality of Residence and Age	Principal Occupations during past five years	Position with the Company	Director or Officer Since	Securities Held(2)	Percentage of Securities Held
Alain Mehdi Ghiai-Chamlou(1), 51, Geneva, Switzerland	CEO of GlobeX Data S.A. since 2007. Officer and Director of GlobeX US since 2012. Officer and Director of the Company since 2017.	Chief Executive Officer President and Corporate Secretary Director	March 2, 2017 June 11, 2018 March 1, 2017	28,900,001 Common Shares 700,000 Options	61.85%
Scott Davis, 42, Pitt Meadows, BC	Self-employed CPA since 2010. Director and Officer of a number of public Companies.	Chief Financial Officer	March 1, 2018	220,000 Common Shares 100,000 Options	0.47%
Henry Sjoman(1), 69, Monaco.	Entrepreneur and angel investor since 1991.	Director	March 11, 2017	2,500,000 Common Shares 350,000 Options	5.35%
David Ryan(1) (3), 51, Langley, B.C.	Self-employed consultant. Director and Investor Relations Officer of Ovation Science Inc. since March 2017; President, Secretary and Director of Canna-V Cell Sciences Inc. since April 2013. Director and CEO of Scotch Creek Ventures Inc. since January 2017; Director and VP Corporate Communications of Manado Gold Corp. since August 2010 and Chief Financial Officer since 2016.	Director	March 11, 2017	340,000 Common Shares 350,000 Options	0.73%
Total Securities				**31,960,001 Common Shares** **1,500,000 Options**	**68.40%**

Notes:

(1) Member of the Audit Committee.
(2) Ownership is direct unless otherwise indicated.
(3) 240,000 Common Shares are registered in the name of RY-N Ginger Enterprises Inc. a Company owned by Mr. Ryan.

Term of Office

The Directors are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal.

Biographical Information

The following is a brief description of the background of the Directors and executive officers of the Company.

Alain Mehdi Ghiai-Chamlou - *Age 51, Chief Executive Officer, Director and Promoter*

Mr. Ghiai-Chamlou, founded the Company and has served as Director and CEO since March 2017. Mr. Ghiai-Chamlou has served as President and Corporate Secretary of the Company since June 2018. Mr. Ghiai-Chamlou founded GlobeX Data S.A. ("GDSA") in 2007 and has served as Director and CEO since August 2007. Mr. Ghiai-Chamlou also founded GlobeX Data, Inc. ("GlobeX

US") in August 2012 and has served as Director and CEO of GlobeX US since August 2012. Mr. Ghiai-Chamlou served as the sole officer and a director of Globalpaynet Holdings Inc. from 2004 until 2014. In addition, Mr. Ghiai-Chamlou was chairman of Maisonette International Enterprises Ltd. from 2004 to 2007. Mr. Ghiai-Chamlou attended the California College of Arts in San Francisco, where he obtained his Bachelor of Architecture in 1994.

Mr. Ghiai-Chamlou has over 10 years of experience in the software industry. Mr. Ghiai-Chamlou is a member of the Company's Audit Committee. Mr. Ghiai-Chamlou will devote approximately 80% of his time to the Company or such greater amount of time as is necessary. Mr. Ghiai-Chamlou has not entered into a non-competition or non-disclosure agreement with the Company.

Scott Davis - *Age 42, Chief Financial Officer*

Mr. Davis is a Chartered Professional Accountant and a partner of Cross Davis & Company LLP Chartered Professional Accountants, a firm focused on providing accounting and management services for publicly listed companies. His experience includes CFO positions of several companies listed on the TSX Venture Exchange and his past experience consists of senior management positions, including four years at Appleby as an Assistant Financial Controller. Prior to that, he spent two years at Davidson & Company LLP Chartered Professional Accountants as an Auditor, five years with Pacific Opportunity Capital Ltd. as an Accounting Manager and two years at Jacobson Soda and Hosak, Chartered Professional Accountants. Mr. Davis obtained his CPA, CGA in 2003.

Mr. Davis has been a service provider to technology companies for over 8 years. Mr. Davis will devote approximately 30% of his time to the Company or such greater amount of time as is necessary. Mr. Davis has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Davis is an independent contractor of the Company.

Henry Sjoman - *Age 69, Director*

Mr. Sjoman has been an entrepreneur and angel investor since 1991. Mr. Sjoman has been involved in the electronics and telecommunications industry since 1974. Mr. Sjoman co-founded Elcoteq SE in 1991, an electronics manufacturing company that was listed on Euro NASDAQ until 2010. Mr. Sjoman received his BSc, Telecom from the Kipings Tkniska Institute (Sweden), in 1974.

Mr. Sjoman is a member of the Company's audit committee. Mr Sjoman will devote approximately 20% of his time to the Company or such greater amount of time as is necessary. Mr. Sjoman has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Sjoman is an independent contractor of the Company.

David Ryan - *Age 51, Director*

Mr. Ryan has extensive experience in investment and public markets. Mr. Ryan has been a Director and Investor Relations Officer of Ovation Science Inc. since March 2017; President, Secretary and Director of Canna-V Cell Sciences Inc. since April 2013; Director and CEO of Scotch Creek Ventures Inc. since January 2017; and Director and VP Corporate Communications of Manado Gold Corp. since August 2010 and Chief Financial Officer of Manado Gold Corp. since 2016. For the past 20 years, he has been part of in bringing multiple initial public offerings to market. He has helped raise both equity and debt financings for numerous public companies in both primary and secondary financings as well as served on the board of public companies and in various roles from president to director.

Mr. Ryan has never acted as a director or officer of a technology issuer. However, Mr. Ryan has been investing in technology businesses for over 20 years. Mr. Ryan is a member of the Company's audit committee. Mr. Ryan will devote approximately 20% of his time to the Company or such greater amount of time as is necessary. Mr. Ryan has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Ryan is an independent contractor of the Company.

Cease Trade Orders

Other than as disclosed below, no director or executive officer of the Company is or has been, within the ten years preceding the date of this prospectus, a director, chief executive officer or chief financial officer of any company that:

(a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; 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 as director, chief executive officer or chief financial officer.

For the purposes of this prospectus, an "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to an exemption under securities legislation, and such order was in effect for a period of more than 30 consecutive days.

David Ryan was a director of Yaterra Ventures Corp. ("Yaterra") in January 2013 when it became subject to a cease trade order of the BCSC for failing to file financial statements as required by Multilateral Instrument 51-105. On April 24, 2014, Mr. Ryan resigned as director of Yaterra. The cease trade order against Yaterra remains outstanding.

Bankruptcies

No director or executive officer of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, is or has been, within the ten years preceding the date of this prospectus:

(a) a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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 made a proposal under any legislation relating to bankruptcies or insolvency; or

(b) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 the individual.

Penalties or Sanctions

No director or executive officer of the Company, or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has:

(a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

No director or executive officer of the Company, or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company or a personal holding company of any such persons has, within the ten years before the date of this prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 the director or officer.

Conflicts of Interest

There are no existing material conflicts of interest between the Company and any Director or officer of the Company. Directors and officers of the Company may serve as directors and/or officers of other companies or have significant shareholdings in other companies and, to the extent that in the future such other companies may participate in ventures in which the Company may participate, certain Directors of the Company may have a conflict of interest in negotiating and conducting terms in respect of any transaction involving such companies. In the event that such conflict of interest arises at a meeting of the Board, a Director who has such a conflict is required to disclose such conflict and abstain from voting for or against the approval of such transaction.

The information as to ownership of securities of the Company, corporate cease trade orders or bankruptcies, penalties or sanctions, personal bankruptcies or insolvencies and existing or potential conflicts of interest has been provided by each insider of the Company individually in respect of himself or herself.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Company's executive compensation program during the most recently completed financial year ended December 31, 2018 was administered by the Company's Board of Directors. The Board of Directors was solely responsible for determining the compensation to be paid to the Company's executive officers and evaluating their performance. The Board of Directors has not adopted any specific policies or objective for determining the amount or extent of compensation for directors or officers. Compensation arrangements for Directors is determined by the Board on a case by case basis and negotiated between the Board and the Director to be compensated.

<u>Significant Elements</u>

The significant elements of compensation for the Company's "Named Executive Officers", being the Chief Executive Officer, the Chief Financial Officer and the three other most highly compensated executive officers whose total compensation exceeds $150,000, will be a cash salary and stock options. The Company does not presently have a long-term incentive plan for its Named Executive Officers. There is no policy or target regarding allocation between cash and non-cash elements of the Company's compensation program. The Board of Directors reviews annually the total compensation package of each of the Company's executives on an individual basis.

Cash Salary

The Company's compensation payable to the Named Executive Officers is based upon, among other things, the responsibility, skills and experience required to carry out the functions of each position held by each Named Executive Officer and varies with the amount of time spent by each Named Executive Officer in carrying out his or her functions on behalf of the Company.

In particular, the Chief Executive Officer's compensation will be determined by time spent on: (i) the Company's distribution strategy; (ii) reviewing potential license and marketing partners that the Company may acquire and negotiating, on behalf of the Company; and (iii) new business ventures. The Chief Financial Officer's compensation is primarily determined by time spent in reviewing the Company's financial statements.

Stock Options

The Company's Stock Option Plan is intended to emphasize management's commitment to the growth of the Company. The grant of stock options, as a key component of the executive compensation package, enables the Company to attract and retain qualified executives. Stock option grants are based on the total of stock options available under the Stock Option Plan. In granting stock options, the Board of Directors reviews the total of stock options available under the Stock Option Plan and recommends grants to newly retained executive officers at the time of their appointment and considers recommending further grants to executive officers from time to time thereafter. The amount and terms of outstanding options held by an executive are taken into account when determining whether and how new option grants should be made to the executive. The exercise periods are to be set at the date of grant. The stock option grants may contain vesting provisions in accordance to the Company's Stock Option Plan.

As of the date hereof, the Company has granted 1,500,000 options to its directors and officers. See "Options to Purchase Securities" above.

Summary Compensation Table

The following table sets forth information about compensation paid to, or earned by, the Company's Directors and Named Executive Officers during the period from inception to December 31, 2017 and the year ended December 31, 2018.

Table of compensation excluding compensation securities							
Name and position	**Year**	**Salary, consulting fee, retainer or commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of all other compensation ($)**	**Total compensation ($)**
Alain Mehdi Ghiai-Chamlou Chief Executive Officer	2018 2017	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Scott Davis Chief Financial Officer	2018 2017	Nil Nil	Nil Nil	Nil Nil	Nil Nil	27,625(1) Nil	27,625 Nil
Henry Sjoman Director	2018 2017	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
David Ryan Director	2018 2017	36,000 8,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	36,000 8,000

Note:

(1) Consists of accounting fees paid to an accounting firm in which Mr. Davis is a partner

Employment and Consulting Agreements

The Company has not entered into written employment or consulting agreements with its Chief Executive Officer and its Chief Financial Officer. The Company has agreed to pay its Chief Financial Officer a total of $2,000 per month. The Company has agreed to pay Mr. Ryan $1,000 per month for sitting on as a Director.

Mr. Ghiai-Chamlou receives a salary from GDSA of CHF50,000 per year for acting as President of GDSA. As a result, a portion of the funds paid by the Company to GDSA for Software Maintenance and Integration Costs may be applied by GDSA to pay Mr. Ghiai-Chamlou's salary.

Incentive Plan Awards

The Company has no long-term incentive plan other than the Stock Option Plan. The following table sets forth all outstanding share based and option-based awards to the Named Executive Officers and Directors as at the fiscal year ended December 31, 2018:

Compensation Securities							
Name and position	**Type of compensati on security**	**Number of compensation securities, number of underlying securities, and percentage of class**	**Date of issue or grant**	**Issue, conversio n or exercise price ($)**	**Closing price of security or underlying security on date of grant ($)**	**Closing price of security or underlying security at year end ($)**	**Expiry date**

Alain Mehdi Ghiai-Chamlou Chief Executive Officer	Options	700,000	April 30, 2018	0.25	n/a	n/a	April 30, 2023
Scott Davis Chief Financial Officer	Options	100,000	June 11, 2018	0.25	n/a	n/a	April 30, 2023
Henry Sjoman Director	Options	350,000	April 30, 2018	0.25	n/a	n/a	April 30, 2023
David Ryan Director	Options	350,000	April 30, 2018	0.25	n/a	n/a	April 30, 2023

As of the date of this prospectus, the Company has granted the following option-based awards to the Named Executive Officers and Directors.

Name	Number of Options	Option Exercise Price	Option Expiry Date
Alain Mehdi Ghiai-Chamlou	700,000	$0.25	April 30, 2023
Scott Davis	100,000	$0.25	April 30, 2023
Henry Sjoman	350,000	$0.25	April 30, 2023
David Ryan	350,000	$0.25	April 30, 2023

Termination and Change of Control Benefits

There are no management or consulting agreements with any Directors or officers of the Company that provide for payments to an officer or director, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the company or a change in a director’s or officer’s responsibilities.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There is not as of the date of this prospectus, nor has there been since inception on March 1, 2017, any indebtedness of any Director, executive officer, senior officer, employee or any former director, executive officer, employee or senior officer or any associate of any of them, to or guaranteed or supported by the Company either pursuant to an employee stock purchase program of the Company or otherwise, and no such individual is or has been indebted to any other entity where the indebtedness is the subject of a guarantee, support agreement, letter of credit, or similar arrangement or understanding by the Company.

AUDIT COMMITTEES AND CORPORATE GOVERNANCE

Audit Committee

Audit Committee Charter

The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management and the Board of Directors and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations.

On April 30, 2018, the Board of Directors adopted a charter delineating the Audit Committee’s responsibilities. The Audit Committee Charter is attached to this prospectus as Schedule “A”.

Composition of Audit Committee

The following persons are members of the Company's audit committee:

Name	**Independent/Not Independent**	**Financially Literate**
Alain Mehdi Ghiai-Chamlou	Not Independent	Yes
Henry Sjoman	Independent	Yes
David Ryan	Independent	Yes

Relevant Education and Experience

All members of the Audit Committee have the ability to read, analyze and understand the complexities surrounding the issuance 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, and have an understanding of internal controls. The members of the Audit Committee intend to maintain their currency by periodically taking continuing education courses.

The education and experience of each Audit Committee member that is relevant to the performance of his/her responsibilities as an Audit Committee member is as follows:

Alain Mehdi Ghiai-Chamlou: Mr. Ghiai-Chamlou founded the Company and has served as Director and CEO since March 2017. Mr. Ghiai-Chamlou has served as President and Corporate Secretary of the Company since June 2018. Mr. Ghiai-Chamlou founded GlobeX Data S.A. ("GDSA") in 2007 and has served as Director and CEO since August 2007. Mr. Ghiai-Chamlou also founded GlobeX Data, Inc. ("GlobeX US") in August 2012 and has served as Director and CEO of GlobeX US since August 2012. Mr. Ghiai-Chamlou attended the California College of Arts in San Francisco, where he obtained his Bachelor of Architecture in 1994. Accordingly, Mr. Ghiai-Chamlou has the ability to understand financial statements.

Henry Sjoman: Mr. Sjoman has been an entrepreneur and angel investor since 1991. Mr. Sjoman has been involved in the electronics and telecommunications industry since 1974. Mr. Sjoman co-founded Elcoteq SE in 1991, an electronics manufacturing company that was listed on Euro NASDAQ until 2010. Mr. Sjoman received his BSc, Telecom from the Kipings Tkniska Institute (Sweden), in 1974. Accordingly, Mr. Sjoman has the ability to understand financial statements.

David Ryan: Mr. Ryan has extensive experience in investment and public markets. For the past 20 years, he has been part of bringing multiple initial public offerings to market. He has helped raise both equity and debt financings for numerous public companies, in both primary and secondary financings, as well as served on the board of public companies and in various roles from president to director.

Audit Committee Oversight

At no time since the commencement of the Company's most recent completed financial year has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the following exemptions:

(a) the exemption in section 2.4 of National Instrument 52-110 (*De Minimis Non-audit Services*);
(b) the exemption in subsection 6.1.1(4) of National Instrument 52-110 (*Circumstance Affecting the Business or Operations of the Venture Issuer*);
(c) the exemption in subsection 6.1.1(5) of National Instrument 52-110 (*Events Outside Control of Member*);
(d) the exemption in subsection 6.1.1(6) of National Instrument 52-110 (*Death, Incapacity or Resignation*); or
(e) an exemption from National Instrument 52-110, in whole or in part, granted under Part 8 of National Instrument 52-110 (*Exemption*).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. However, the Company's Audit Committee Charter states that Audit Committee must pre-approve all non-audit services, including the fees and terms thereof, to be performed for the Company by the Auditor.

External Auditor Fees

The aggregate fees billed to the Company for the services provided by the external auditor for the fiscal years ended December 31, 2018 and 2017 are as follows:

	Year Ended December 31, 2018 ($)	Year Ended December 31, 2017 ($)
Audit Fees	Nil	19,000
Audit-Related Fees	25,500	Nil
Tax Fees	Nil	Nil
All Other Fees	Nil	Nil
Total	25,500	19,000

Corporate Governance

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with the day-to-day management of the Company. The Board of Directors is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

The Company's corporate governance practices are summarized below:

Board of Directors

The Board of Directors is currently comprised of three members. The rules of the Exchange do not have independent director requirements. An "independent" director is a director who has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, reasonably interfere with the exercise of a director's independent judgment. Henry Sjoman and David Ryan are independent directors of the Company, as, aside from Common Shares held by them, they have no ongoing interest or relationship with the Company other than serving as directors.

Alain Mehdi Ghiai-Chamlou cannot be considered an independent director because he is an officer of the Company.

Directorships

The following directors are directors of other reporting issuers:

Alain Mehdi Ghiai-Chamlou: None.

Henry Sjoman: None.

David Ryan: Canna-V Cell Sciences Inc., Ovation Science Inc., Scotch Creek Ventures Inc. and Manado Gold Corp.

Orientation and Continuing Education

The Board of Directors provides an overview of the Company's business activities, systems and business plan to all new directors. New director candidates have free access to any of the Company's records, employees or senior management in order to conduct their own due diligence and will be briefed on the strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing policies of the Company. The Directors are encouraged to update their skills and knowledge by taking courses and attending professional seminars.

Ethical Business Conduct

The Board of Directors believes good corporate governance is an integral component to the success of the Company and to meet responsibilities to shareholders. Generally, the Board of Directors has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board of Directors in which the director has an interest have been sufficient to ensure that the Board of Directors operates independently of management and in the best interests of the Company.

The Board of Directors is also responsible for applying governance principles and practices, and tracking development in corporate governance, and adapting "best practices" to suit the needs of the Company. Certain of the Directors of the Company may also be directors and officers of other companies, and conflicts of interest may arise between their duties. Such conflicts must be disclosed in accordance with, and are subject to, such other procedures and remedies as applicable under the BCA.

Nomination of Directors

The Board of Directors has not formed a nominating committee or similar committee to assist the Board of Directors with the nomination of directors for the Company. The Board of Directors considers itself too small to warrant creation of such a committee and each of the Directors has contacts he can draw upon to identify new members of the Board of Directors as needed from time to time.

The Board of Directors will continually assess its size, structure and composition, taking into consideration its current strengths, skills and experience, proposed retirements and the requirements and strategic direction of the Company. As required, directors will recommend suitable candidates for consideration as members of the Board of Directors.

Compensation

The Board of Directors reviews the compensation of its directors and executive officers an ongoing basis. The Directors will determine compensation of directors and executive officers taking into account the Company's business ventures and the Company's financial position. See "Executive Compensation".

Other Board Committees

The Company has established an Audit Committee. There are no other committees of the Board of Directors.

Assessments

The Board of Directors has not implemented a process for assessing its effectiveness. As a result of the Company's small size and the Company's stage of development, the Board of Directors considers a formal assessment process to be inappropriate at this time. The Board of Directors plans to continue evaluating its own effectiveness on an ad hoc basis.

The Board of Directors does not formally assess the performance or contribution of individual Board members or committee members.

PLAN OF DISTRIBUTION

Offering

Under the Agency Agreement, the Company has appointed the Agent on a commercially reasonable efforts basis to offer for sale a minimum of 4,000,000 and a maximum of 10,000,000 Units of the Company at a price of $0.25 per Unit for minimum gross proceeds of $1,000,000 and maximum gross proceeds of $2,500,000 respectively. The issue price of $0.25 per Unit was determined by negotiation between the Company and the Agent in accordance with the policies of the Exchange.

The completion of the Offering is subject to a minimum subscription of 4,000,000 Units for minimum gross proceeds of $1,000,000. The Offering will not be completed and no subscription funds will be advanced to the Company unless and until the minimum subscription of $1,000,000 has been raised. In the event that the minimum subscription is not attained by the end of the period of the Offering, all subscription funds that subscribers may have advanced to the Agent in respect of the Offering will be refunded to the subscribers without interest or deduction. The Company will grant the Agent the Agent's Option, which will allow the Agent to offer up to 1,500,000 additional Units. The Agent's Option may be exercised, in whole or in part, any time prior to the Closing Date of the Offering.

Subscriptions for Units will be received subject to rejection or allotment in whole or in part and the right is reserved by the Company to close the subscription books at any time without notice. It is expected that the Closing of the Offering will occur on a date agreed upon by the Company and the Agent, but not later than the date that is 90 days after a receipt is issued for the final prospectus or if a receipt has been issued for an amendment to the final prospectus, within 90 days of issuance of such receipt and in any event not later than 180 days from the date of receipt of the final prospectus. It is expected that share certificates evidencing the Common Shares will be available for delivery on the Closing unless the Agent elects for delivery in electronic book entry form through CDS Clearing and Depository Services Inc. ("CDS") or its nominee. If delivered in book entry form, purchasers of Units will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Units were purchased.

There is currently no market through which any of the securities of the Company, including the Common Shares and Tradeable Warrants, may be sold and purchasers and holders thereof may not be able to resell or dispose of any of the securities purchased, distributed or qualified under this prospectus.

The Agent has a right of first refusal to act at the Company's fiscal agent for any brokered financing for eighteen (18) months following completion of the Offering.

The obligations of the Agent under the Agency Agreement may be terminated at the Agent's discretion upon the occurrence of certain stated events. The Agent is not obligated to purchase any of the Units under the Offering.

Agent's Commission

The Company has agreed to pay to the Agent a cash commission equal to 8% of the aggregate gross proceeds of the Offering in consideration for its services in connection with the Offering. Such commission, together with all other expenses of the Offering, will be paid by the Company out of the proceeds of the Offering.

As additional compensation, on the Closing, the Company has agreed to grant to the Agent the Agent's Warrants exercisable to acquire that number of Units that is equal to 8% of the number of Units sold pursuant to this Offering at the price of $0.25 per Unit for a period 36 months from the Listing Date. The Agent's Warrants will be qualified under this prospectus.

The Company must pay the Agent a corporate finance fee of $35,000 plus GST. The Company has already provided half of the corporate finance fee, with the remainder due on closing the Offering.

Listing of Common Shares on the Exchange

The Company has received conditional approval to list its Common Shares and Tradeable Warrants on the Exchange. Listing of the Common Shares and Tradeable Warrants is subject to the Company fulfilling all of the listing requirements of the Exchange.

As of the date of this prospectus, the Company 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).

RISK FACTORS

An investment in the Company is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider the specific risk factors set out below, in addition to the other information contained in this document, before making any decision to invest in the Company. The Directors consider the following risks and other factors to be the most significant for potential investors in the Company, but the risks listed do not necessarily comprise all those associated with an investment in the Company and are not set out in any particular order of priority. Additional risks and uncertainties not currently known to the Directors may also have an adverse effect on the Company's business.

If any of the following risks actually occur, the Company's business, financial condition, capital resources, results or future operations could be materially adversely affected. In such a case, the price of the Units could decline, and investors may lose all or part of their investment.

Speculative Nature of Investment Risk

An investment in the Units of the Company carries a high degree of risk and should be considered as a speculative investment by purchasers. The Company has a limited history of earnings, limited cash reserves, a limited operating history, has not paid dividends, and is unlikely to pay dividends in the immediate or near future. The Company is in the development and early commercialization stage. Operations are not yet sufficiently established such that the Company can mitigate the risks associated with planned activities.

Negative Cash Flow from Operating Activities

The Company has had negative cash flow from operating activities since inception. Significant capital investment will be required to achieve the Company's existing plans. There is no assurance that the Company's business will generate earnings, operate profitably or provide a return on investment in the near future. Accordingly, the Company may be required to obtain additional financing in order to meet its future cash commitments.

History of Operating Losses

The Company has a history of operating losses and may not sustain profitability. The Company cannot guarantee investors that it will become profitable, and even if the Company achieves profitability, given the competitive and evolving nature of industry in which it operates, the Company may not be able to sustain or increase profitability and its failure to do so could adversely affect its business, including its ability to raise additional funds.

Going-Concern Risk

The Company's financial statements have been prepared on a going concern basis under which the entity is considered to be able to realize its assets and liabilities in the ordinary course of business. The Company's future operations are dependent upon the identification and successful completion of equity or debt financing and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that the Company will be successful in completing equity or debt financing or in achieving profitability.

Dependency on Large Channel Partner

Sercotel S.A. de C.V., ("Sercotel") is the Company's flagship Channel Partner. Under the terms of the Company's agreement with Sercotel, Sercotel may terminate the relationship without cause. If Sercotel were to terminate its relationship, it would have a significant negative effect on the viability of the Company. If Sercotel were to terminate its relationship and the Company is unable to find an alternate Large Channel Partner, the Company's business may fail and shareholders may lose their investment.

Dependency on Key Personnel

Alain Mehdi Ghiai-Chamlou, the Company's Chief Executive Officer and Director, exercises significant control over the day to day affairs of the Company. The Company depends on Mr. Ghiai-Chamlou to engage with third parties and contractors to operate the business. If Mr. Ghiai-Chamlou were to leave the Company or were otherwise unable to perform his duties, the Company's business may fail and shareholders may lose their investment.

Dependency on Third Parties

The Company is dependent on GDSA to develop and maintain the Products. As a result, the Company has limitations on its ability to implement any changes to the Products. If GDSA were to fundamentally change the Products or halt development, the business of the Company would be negatively affected. A failure or disruption in these services could materially and adversely affect the Company's ability to manage it business effectively.

The Company relies on third parties for certain essential financial and operational services. Traditionally, the vast majority of these services have been provided by large enterprise software vendors who license their software to customers. However, the Company receives many of these services on a subscription basis from various software-as-a-service companies that are smaller and have shorter operating histories than traditional software vendors. We depend upon these vendors to provide us with services that are always available and are free of errors or defects that could cause disruptions in our business processes, and any failure by these vendors to do so, or any disruptions in networks or the availability of the internet, would adversely affect the Company's ability to operate and manage its operations.

Defective Software

The Products may contain undetected errors, defects or bugs. Further, the Products may have errors, defects or bugs that result from upgrades and updates to the Products or updates and upgrades to third party software providers or operating systems. Although the Company has not suffered significant harm from any errors, defects or bugs to date, the Company may discover significant errors, defects or bugs in the future that it may not be able to correct or correct in a timely manner. It is possible that errors, defects or bugs will be found in the Company's software products and related services with the possible results of delays in, or loss of market acceptance of, the Company's products and services, diversion of its resources, injury to its reputation, increased service and warranty expenses and payment of damages.

Intense Competition

The market for cloud content management services is fragmented, rapidly evolving and highly competitive, with relatively low barriers to entry for certain applications and services. Many of the Company's competitors and potential competitors are larger and have greater name recognition, substantially longer operating histories, larger marketing budgets and significantly greater resources than the Company. Our competitors include, but are not limited to, Microsoft, Google, Amazon and Dropbox. With the introduction of new technologies and market entrants, it is expected that competition will continue to intensify in the future. In addition, pricing pressures and increased competition generally could result in reduced sales, lower margins, losses or the failure of our services to achieve or maintain widespread market acceptance, any of which could harm the Company's business.

Many of the Company's competitors can devote greater resources to the development, promotion and sale of their products or services. In addition, many of our competitors have set up marketing relationships and major distribution agreements with channel partners, consultants, system integrators and resellers. Moreover, many software vendors could bundle products or offer them at lower prices as part of a broader product sale or enterprise license arrangement. Some competitors may offer products or services that address one or several business execution functions at lower prices or with greater depth than the Company's services. As a result, competitors may be able to respond more quickly and effectively to new or changing opportunities, technologies, standards or customer requirements. Furthermore, some potential customers, particularly large enterprises, may choose to develop their own internal solutions. For any of these reasons, the Company may not be able to compete successfully against our current and future competitors.

Security Threats

The Products involve the storage of large amounts of our customers' sensitive and proprietary information across a broad industry spectrum. Cyber attacks and other malicious internet-based activity continue to increase in frequency and in magnitude generally, and cloud-based content collaboration services have been targeted in the past. These increasing threats are being driven by a variety of sources including nation-state sponsored espionage and hacking activities, industrial espionage, organized crime and hacking groups and individuals. As the Products become more widely known and recognized and used in more heavily regulated industries such as healthcare, government, life sciences, and financial services where there may be a greater concentration of sensitive and protected data, the Company may become more of a target for these malicious third parties.

If an actual or perceived security breach occurs, the market perception of the effectiveness of the Company's security measures could be harmed, the Company could be subject to indemnity or damage claims in certain customer contracts, and the Company could lose future sales and customers, any of which could harm its business and operating results.

Research and Market Development

Although the Company is committed to researching and developing new markets and products and improving existing products, there can be no assurances that such research and market development activities will prove profitable or that the resulting markets and/or products, if any, will be commercially viable or successfully produced and marketed.

Commitments

The Company provides service level commitments under its service agreements. Failure meet these contractual commitments could obligate the Company to provide credits or refunds for prepaid amounts related to unused subscription services or face subscription terminations, which could adversely affect our revenue. Furthermore, any failure in our delivery of high-quality customer support services may adversely affect our relationships with our customers and our financial results.

Obsolescence

Maintaining a competitive position requires constant growth, development and strategic marketing and planning. If the Company is unable to maintain a technological advantage, the Issuer's ability to grow its business will be adversely affected and its products may become obsolete compared with other technologies.

Growth

The Company expects to expand its operations by increasing its sales and marketing efforts, research and development activities, and escalating its services. The anticipated growth could place a significant strain on its management, and operational and financial resources. Effective management of the anticipated growth shall require expanding its management and financial controls, hiring additional appropriate personnel as required, and developing additional expertise by existing management personnel. However, there can be no assurances that these or other measures it may implement shall effectively increase its capabilities to manage such anticipated growth or to do so in a timely and cost-effective manner. Moreover, management of growth is especially challenging for a company with a short revenue generating history and limited financial resources, and the failure to effectively manage growth could have a material adverse effect on its operations.

Substantial Number of Authorized but Unissued Shares

The Company has an unlimited number of Common Shares that may be issued by the Board of Directors without further action or approval of the Company's shareholders. While the Board of Directors is required to fulfill its fiduciary obligations in connection with the issuance of such shares, the shares may be issued in transactions with which not all shareholders agree, and the issuance of such shares will cause dilution to the ownership interests of the Company's shareholders.

Dilution

The financial risk of the Company's future activities will be borne to a significant degree by purchasers of the Units. If the Company issues Common Shares from its treasury for financing purposes, control of the Company may change and purchasers may suffer additional dilution.

No Market for Securities

There is currently no market through which any of the Units may be sold and there is no assurance that such securities of the Company will be listed for trading on a stock exchange, or, if listed, will provide a liquid market for such securities. Until the Common Shares are listed on a stock exchange, holders of the Common Shares may not be able to sell their Common Shares and Tradable Warrants. Even if a listing is obtained, there can be no assurance that an active public market for the Common Shares will develop or be sustained after completion of the Offering. The offering price determined by negotiation between the Company and the Agent was based upon several factors, and may bear no relationship to the price that will prevail in the public market. The holding of 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. Units should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Liquidity and Future Financing Risk

The Company is in their development stage and has not generated a significant amount of revenue. The Company is likely to operate at a loss until business becomes established and the Company may require additional financing in order to fund future operations and expansion plans, including developing new products, enhancing existing products, enhancing operating infrastructure and acquiring further licenses. The Company's ability to secure required financing to sustain operations will depend upon prevailing capital market conditions, as well as business success. There can be no assurance that the Company will be successful in its efforts to secure any additional financing or additional financing on terms satisfactory to management. If additional financing is raised by issuing Common Shares in authorized capital, control may change, and shareholders may suffer additional dilution.

Increased Costs of Being a Publicly Traded Company

If the Company successfully lists on the CSE, the Company will incur significant additional legal, accounting and filing fees that, at present, are not being incurred. Securities legislation and the rules and policies of the CSE require listed companies to, among other things, adopt corporate governance and related practices, and to continuously prepare and disclose material information all of which will significantly increase legal and financial compliance costs.

Current Market Volatility

The securities markets in Canada and the United States have recently experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company. The value of the Units distributed hereunder will be affected by such volatility.

General

Although management believes that the above risks fairly and comprehensibly illustrate all material risks facing the Company, the risks noted above do not necessarily comprise all those potentially faced by the Company as it is impossible to foresee all possible risks.

Although the Directors will seek to minimise the impact of the risk factors, an investment in the Company should only be made by investors able to sustain a total loss of their investment. Investors are strongly recommended to consult a person who specialises in investments of this nature before making any decision to invest.

PROMOTERS

Alain Mehdi Ghiai-Chamlou, the Company's Chief Executive Officer, took the initiative in the primary organization of the Company and accordingly is a promoter of the Company. Mr. Ghiai-Chamlou owns 28,900,001 Common Shares of the Company, which is 61.85% of the Common Shares outstanding prior to giving effect to the Offering. See "Principal Shareholders", "Directors and Executive Officers" and "Executive Compensation". Mr. Ghiai-Chamlou also has 700,000 incentive options exercisable at $0.25 per Common Share until April 30, 2023.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings that the Company is or was a party to, or that any of the Company's property is or was the subject of, since March 1, 2017, that were or are material to the Company, and there are no such material legal proceedings that the Company knows to be contemplated.

There were no: (i) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority since inception on March 1, 2017; (ii) other penalties or sanctions imposed by a court or regulatory body against the Company that the Company believes must be disclosed for this prospectus to contain full, true and plain disclosure of all material facts relating to the Units; or (iii) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority since inception on March 1, 2017.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as set forth below, none of the Directors or executive officers of the Company, and no associate or affiliate of the foregoing persons, has, or has had, any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or will materially affect the Company or any of its subsidiaries.

Alain Mehdi Ghiai-Chamlou owns 61.85% of GDSA and is the former sole shareholder of GlobeX US and is a current director and an officer of the Company.

In accordance with the terms of the Securities Purchase Agreement, in exchange of all of the outstanding common shares (1,500 common shares) of GlobeX US, Mr. Ghiai-Chamlou received 25,000,000 Common Shares of the Company at a deemed value of $0.10 per share.

Mr. Ghiai-Chamlou is a significant shareholder of GDSA. As a result, Mr. Ghiai-Chamlou will indirectly benefit from the License Agreement payments from the Company and GlobeX US to GDSA.

Mr. Ghiai-Chamlou receives a salary from GDSA of CHF50,000 per year for acting as President of GDSA. As a result, a portion of the funds paid by the Company to GDSA for Software Maintenance and Integration Costs may be applied by GDSA to pay Mr. Ghiai-Chamlou's salary.

RELATIONSHIP BETWEEN COMPANY AND AGENT

The Company is not a "related issuer" or a "connected issuer" of or to the Agent (as such terms are defined in National Instrument 33-105 – *Underwriter Conflicts*).

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are Morgan & Company LLP, located at 1630 - 609 Granville Street, Vancouver, BC V7Y 1A1.

The transfer agent and registrar for the Common Shares and Tradeable Warrants is National Securities Administrators Ltd., located at Suite 760 - 777 Hornby Street, Vancouver, BC, V6Z 1S4.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the only contracts which have been entered into by the Company as of the date hereof or which will be entered into prior to the Closing of this Offering and which are regarded presently as material are:

1. License Agreement dated April 3, 2017 between GlobeX Data S.A. and GlobeX US. See "Business of the Company – Acquisition of GlobeX Data Inc."

2. License Agreement dated May 7, 2017 between GlobeX Data S.A. and the Company. See "Business of the Company – License Agreement with GlobeX Data S.A."

3. Purchase Agreement dated March 29, 2018 between Alain Mehdi Ghiai-Chamlou, GlobeX Data Inc. and the Company. See "Business of the Company – Acquisition of GlobeX Data Inc."

4. Escrow Agreement dated May 8, 2019 among the Company, National Securities Administrators Ltd. and the Escrowed Shareholders. See “Escrowed Securities”.

5. Agency Agreement dated May 8, 2019 between the Company and Canaccord Genuity Corp. See “Plan of Distribution”.

EXPERTS

The following companies whose profession or business give authority to report, valuation, statement or opinion made by the company are named in this prospectus as having prepared or certified a report, valuation, statement or opinion in this prospectus:

- The audited financial statements included in this prospectus have been subject to an audit by Morgan & Company LLP, and their audit report is included herein. Morgan & Company LLP is independent in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

- The opinion under the section “Eligibility for Investment” in this prospectus has been provided by Koffman Kalef LLP

ELIGIBILITY FOR INVESTMENT

In the opinion of Koffman Kalef LLP, tax counsel to the Company, based on the provisions of the Income Tax Act (Canada) (the “Tax Act”) and the regulations thereunder, in force as of the date hereof, the Common Shares and Tradeable Warrants issued pursuant to the Offering, if issued on the date hereof, will be qualified investments for trusts governed by a registered retirement savings plan (“RRSP”), a registered retirement income fund (“RRIF”), a registered education savings plan (“RESP”), a deferred profit sharing plan, a registered disability savings plan (“RDSP”) and a tax-free savings account (“TFSA”) as each of those terms is defined in the Tax Act, provided that the Common Shares are listed on a “designated stock exchange” within the meaning of the Tax Act, which includes the CSE, or the Company is otherwise a “public corporation” as defined in the Tax Act; provided however that, with respect to the Tradeable Warrants, the Company deals at arm’s length with each person that is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of such fund or plan, as the case may be.

Notwithstanding that such Common Shares and Tradeable Warrants may be a qualified investment for a RRSP, RRIF, TFSA, RDSP, or RESP (each, a “Registered Plan”), the annuitant of the RRSP or the RRIF, the subscriber under the RESP or the holder of the TFSA or the RDSP, as the case may be, (the “Controlling Individual”) will be subject to a penalty tax in respect of the Common Shares and Tradeable Warrants held in the Registered Plan if such securities are a “prohibited investment” (as defined in the Tax Act) for the particular Registered Plan. The Common Shares and Tradeable Warrants will be a “prohibited investment” for a Registered Plan if the Controlling Individual (i) does not deal at arm’s length with the Company for purposes of the Tax Act or (ii) has a “significant interest” (as defined in subsection 207.01(4) of the Tax Act) in the Company. Generally, a Controlling Individual will not be considered to have a “significant interest” in the Company unless the Controlling Individual owns ten percent (10%) or more of the value of the outstanding Common Shares and Tradeable Warrants of the Company, either alone or together with persons and partnerships with which the Controlling Individual does not deal at arm’s length.

RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain provinces in Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. The securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages, if the prospectus and any amendment contain a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission are exercised by the purchaser within the time limit prescribed by securities legislation of the purchaser’s province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province for the particulars of these rights or consult with a legal adviser.

In an offering of Tradable Warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial and territorial securities legislation, to the price at which the Tradable Warrant is being offered under the prospectus. This means that, under the securities legislation of certain provinces and territories, if the purchaser pays additional amounts upon exercise of the security, these amounts may not be recoverable under the statutory right of action for damages that applies in those provinces and territories. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of this right of action for damages or consult with a legal adviser.

FINANCIAL STATEMENTS

Audited consolidated financial statements of the Company for the period from inception on March 1, 2017 to December 31, 2017 and the fiscal year ended December 31, 2018 and audited financial statements of GlobeX US for the fiscal years ended December 31, 2017 and 2016, are included in this prospectus.

GLOBEX DATA LTD.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018 AND THE PERIOD FROM INCEPTION ON MARCH 1, 2017 TO DECEMBER 31, 2017

(Expressed in Canadian Dollars)

MORGAN & COMPANY LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
GlobeX Data Ltd.

Opinion

We have audited the consolidated financial statements of GlobeX Data Ltd. and its subsidiary (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2018 and 2017, and the consolidated statements of comprehensive loss, changes in shareholders' equity and cash flows for the year ended December 31, 2018 and for the period from inception on March 1, 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 consolidated financial position of the Company as at December 31, 2018 and 2017, and its consolidated financial performance and its consolidated cash flows for the periods then ended in accordance with International Financial Reporting Standards ("IFRS").

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 incurred a net loss of $1,286,492 during the year ended December 31, 2018 and generates negative cash flows from operating activities. 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.

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 IFRS, 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.

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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.

Vancouver, Canada — *"Morgan & Company LLP"*

May 8, 2019 — Chartered Professional Accountants

MORGAN
COMPANY LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

GLOBEX DATA LTD.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	As at	
	December 31, 2018	December 31, 2017
ASSETS		
Current		
Cash	**$ 327,182**	$ 354,643
Receivables	**6,341**	7,189
Prepaid expenses	**8,368**	7,524
Deferred financing costs (Note 9)	**87,644**	2,260
Deferred acquisition costs (Note 3)	**-**	777
	429,535	372,393
Non-current		
Intangible asset (Note 3)	**2,552,573**	-
Total Assets	**$ 2,982,108**	$ 372,393
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	**$ 86,789**	$ 12,554
Due to related party (Note 6)	**29,006**	-
Royalty payable (Note 4)	**35,697**	-
	151,492	12,554
Shareholders' equity		
Share capital (Note 5)	**4,166,500**	703,329
Shares subscribed (Note 5)	**87,280**	-
Reserves (Note 5)	**206,818**	-
Deficit	**(1,629,982)**	(343,490)
	2,830,616	359,839
Total Liabilities and Shareholders' Equity	**$ 2,982,108**	$ 372,393

Nature of operations and going concern (Note 1)
Subsequent events (Note 10)

Approved on behalf of the Board of Directors:

"Alain Ghiai"
Director

"Henry Sjöman"
Director

The accompanying notes are an integral part of these consolidated financial statements.

GLOBEX DATA LTD.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
For the year ended December 31, 2018 and the period from inception on March 1, 2017 to December 31, 2017
(Expressed in Canadian Dollars)

	2018	2017
REVENUE	**$ 24,735**	$ -
EXPENSES		
Accounting and audit (Note 6)	**75,725**	12,500
Consulting fees (Note 6)	**137,211**	14,977
Filing fees	**19,843**	123
Legal	**8,330**	1,554
Office and administration	**20,611**	2,350
Professional fees	**350**	8,510
Rent	**29,994**	12,442
Royalty (Note 4)	**2,473**	-
Share-based payments (Note 5 and 6)	**206,818**	-
Software maintenance (Note 6)	**750,037**	280,000
Travel and promotion	**61,929**	11,454
	(1,313,321)	(343,910)
OTHER ITEMS		
Interest income	**5,595**	552
Loss on foreign exchange	**(3,501)**	(132)
	2,094	420
Net loss and comprehensive loss for the period	**$ (1,286,492)**	$ (343,490)
Basic and diluted loss per share	**$ (0.03)**	$ (0.07)
Weighted average number of common shares outstanding	**37,053,482**	4,837,259

The accompanying notes are an integral part of these consolidated financial statements.

GLOBEX DATA LTD.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
For the year ended December 31, 2018 and the period from inception on March 1, 2017 to December 31, 2017
(Expressed in Canadian Dollars)

	Number of Shares	**Share Capital**	**Shares Subscribed**	**Reserves**	**Deficit**	**Shareholders' Equity**
Balance, March 1, 2017 (Inception)	-	$ -	$ -	$ -	$ -	$ -
Incorporation	1	-	-	-	-	-
Shares issued for cash	11,400,974	705,094	-	-	-	705,094
Share issue costs	-	(1,765)	-	-	-	(1,765)
Net loss for the period	-	-	-	-	(343,490)	(343,490)
Balance, December 31, 2017	11,400,975	703,329	-	-	(343,490)	359,839
Shares issued for cash	8,546,007	946,351	-	-	-	946,351
Share issue costs	-	(14,150)	-	-	-	(14,150)
Shares issued for purchase agreement	25,000,000	2,500,000	-	-	-	2,500,000
Shares issued for settlement of debt	309,700	30,970	-	-	-	30,970
Shares subscribed	-	-	87,280	-	-	87,280
Share-based payments	-	-	-	206,818	-	206,818
Net loss for the year	-	-	-	-	(1,286,492)	(1,286,492)
Balance, December 31, 2018	**45,256,682**	**$ 4,166,500**	**$ 87,280**	**$ 206,818**	**$(1,629,982)**	**$ 2,830,616**

The accompanying notes are an integral part of these consolidated financial statements.

GLOBEX DATA LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the year ended December 31, 2018 and the period from inception on March 1, 2017 to December 31, 2017
(Expressed in Canadian Dollars)

	2018	2017
CASH FLOWS USED IN OPERATING ACTIVITIES		
Net loss for the period	**$ (1,286,492)**	$ (343,490)
Items not affecting cash:		
Share-based payments	**206,818**	-
Changes in non-cash working capital items:		
Receivables	**848**	(7,189)
Prepaid expenses	**(844)**	(7,524)
Accounts payable and accrued liabilities	**70,679**	12,554
Due to related party	**29,006**	-
Royalty payable	**4,372**	-
Cash used in operating activities	**(975,613)**	(345,649)
CASH FLOWS FROM INVESTING ACTIVITY		
Cash acquired upon acquisition of GlobeX Data, Inc.	**2,623**	-
Cash provided by investing activity	**2,623**	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Shares issued for cash	**946,351**	705,094
Share issue costs	**(14,150)**	(1,765)
Shares subscribed	**87,280**	-
Deferred financing costs	**(73,952)**	(2,260)
Deferred acquisition costs	**-**	(777)
Cash provided by financing activities	**945,529**	700,292
Change in cash during the period	**(27,461)**	354,643
Cash, beginning of period	**354,643**	-
Cash, end of period	**$ 327,182**	$ 354,643
Cash paid during the period for interest	**$ -**	$ -
Cash paid during the period for income taxes	**$ -**	$ -
Supplemental cash flow information:		
Cash received for interest	**$ 5,595**	$ 552
Shares issued for purchase agreement	**$ 2,500,000**	$ -
Shares issued for settlement of debt	**$ 30,970**	$ -
Deferred financing costs included in accounts payable and accrued liabilities	**$ 11,432**	$ -

The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

a) Nature of operations

GlobeX Data Ltd. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on March 1, 2017. The Company has been engaged in the business of a marketing and distributor of a full suite of cloud-based storage, document management, and secure communication tools. The Company acquired GlobeX Data, Inc. and is in the process of completing an initial public offering ("IPO") (Note 9).

The Company's head office and principal address is located at Suite 900, 1021 West Hastings Street, Vancouver, BC and the registered and records office is located at Suite 704, 595 Howe Street, Vancouver, British Columbia, Canada, V6C 2T5.

b) Going concern

The Company incurred a net loss of $1,286,492 (2017 - $278,043) during the year ended December 31, 2018. As at December 31, 2018 the Company had a working capital surplus of $278,043 (2017 - $359,839) and an accumulated deficit of $1,629,982 (2017 - $ 343,490). The operating and cash flow results raise uncertainty about the ability of the Company to continue as a going concern.

The continued operations of the Company are dependent on future profitable operations, management's ability to manage costs and the future availability of equity or debt financing. The above facts indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. These consolidated financial statements have been prepared on the basis the Company will operate as a going concern, which contemplates the realization of assets and settlement of liabilities and commitments in the normal course of business. These 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 as a going concern.

These consolidated financial statements were authorized for issue by the Board of Directors on May 8, 2019.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance to International Financial Reporting Standards

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

Basis of preparation

These consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The consolidated financial statements are presented in Canadian dollars unless otherwise noted.

Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Use of estimates and judgments (continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Cash

Cash includes cash on hand and demand deposits. Cash equivalents comprise short-term, highly liquid investments that are readily convertible to known amounts of cash which are subject to insignificant risk of change and have maturities of three months or less from the date of acquisition, held for the purpose of meeting short-term cash commitments rather than for investing or other purposes. As at December 31, 2018 and 2017, the Company had no cash equivalents.

Business combination

Business combinations are accounted for using the acquisition method of accounting in which the identifiable assets acquired, liabilities assumed, and any non-controlling interest are recognized and measured at their fair value at the date of acquisition. Any excess of the purchase price plus any non-controlling interest over the fair value of the net assets acquired is recognized as goodwill. Any deficiency of the purchase price over the fair value of the net assets acquired is credited to net income as a gain on bargain purchase. Transaction costs associated with a business combination are expensed as incurred.

Determination of whether a set of assets acquired and liabilities assumed constitute the acquisition of a business or asset may require the Company to make certain judgments as to whether or not the assets acquired and liabilities assumed include the inputs, processes and outputs necessary to constitute a business as defined in IFRS 3 – Business Combinations. Based on an assessment of the relevant facts and circumstances, the Company concluded that the acquisition disclosed in Note 3 met the criteria for accounting as a business combination rather than a reverse acquisition. It has been determined that the Company's Director and CEO controlled the Company prior to the acquisition of GDI under IFRS 3 and IFRS 10.7, of which he has met all of the following criteria: power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns.

Basis of Consolidation

These consolidated financial statements incorporate the financial statements of the Company and its controlled subsidiary. Control is defined as the exposure, or rights, to variable returns from involvement with an investee and the ability to affect those returns through power over the investee. Power over an investee exists when an investor has existing rights that give it the ability to direct the activities that significantly affect the investee's returns. This control is generally evidenced through owning more than 50% of the voting rights or currently exercisable potential voting rights of a Company's share capital. All significant intercompany transactions and balances have been eliminated.

The consolidated financial statements include the financial statements of the Company and its significant subsidiary listed in the following table:

Name of Subsidiary	Country of Incorporation	Ownership Interest	Principal Activity
GlobeX Data, Inc.	USA	100%	Secure Data Management and Communications

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Foreign currencies

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of the Company is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

The consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency. Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date of the statement of financial position. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated. Revenues and expenses are translated at the average rates in effect during applicable accounting periods, except amortization which is translated at historical rates.

The functional currency of the foreign subsidiaries is the currency of the primary economic environment in which the entity operates.

Translation of all assets and liabilities from the subsidiary's functional currency to the presentation currency are performed using the rate prevailing at the statement of financial position date. Income and expenses are translated at average exchange rates. The difference arising from translation from the functional currency to the presentation currency are recorded as currency translation adjustments in other comprehensive income and are held within accumulated other comprehensive income until a disposal or partial disposal of a subsidiary. A disposal or partial disposal will then give rise to a realized foreign exchange (gain) loss which is recorded in net loss.

Revenue recognition

The Company earns revenue from providing secure cloud services comprising secure cloud document management and secure communication services within the USA and Canada. Revenue is measured at the fair value of the consideration received, net of discounts and sales taxes. Revenue is recognised as services are provided to customers, providing evidence that an arrangement exists, collection is assured, and revenues and costs are measurable. Where the Company receives payment in advance of the revenue recognition criteria, such amounts are recorded as deferred revenue on the statement of financial position.

Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, and consultants.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

Share capital

Common shares are classified as equity. Proceeds from unit placements are allocated between shares and warrants issued using the residual method. Costs directly identifiable with share capital financing are charged against share capital. Share issuance costs incurred in advance of share subscriptions are recorded as deferred financing costs. Share issuance costs related to uncompleted share subscriptions are charged to operations in the period they are incurred.

Financial instruments

The Company adopted IFRS 9 in its consolidated financial statements on January 1, 2018. Due to the nature of its financial instruments, the adoption of IFRS 9 had no impact on the opening deficit balance on January 1, 2018. The impact on the classification and measurement of its financial instruments is set out below:

Financial Instrument	Original classification – IAS 39	New classification – IFRS 9
Cash	Fair value through profit or loss	Fair value through profit or loss
Receivables	Loans and receivables	Amortized cost
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost

Financial assets
The Company classifies its financial assets into the following categories, depending on the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition.

Amortized cost - Amortized cost are those assets which are held within a business whose objective is to hold financial assets to collect contractual cash flows; and the terms of the financial assets must provide on specified dates cash flows solely through the collection of principal and interest.

Fair value through other comprehensive income ("FVOCI") - FVOCI assets are those assets which are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the financial assets give rise on specified dates to cash flows solely through the collection of principal and interest.

Fair value through profit or loss ("FVTPL") - A financial asset shall be measured at fair value through profit or loss unless it is measured at amortized cost or FVOCI. The Company may however make the irrevocable option to classify particular investments as FVTPL.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Financial instruments (cont'd…)

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.

All financial instruments are initially recognized at fair value on the consolidated statement of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in the consolidated statement of comprehensive loss for the year.

Financial liabilities
Management determines the classification of its financial liabilities at initial recognition.

Amortized cost **-** The Company classifies all financial liabilities as subsequently measured at amortized cost using the effective interest method, except for financial liabilities carried at FVTPL and certain other exceptions.

Financial liabilities are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized by providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

New Accounting Standards Adopted during the year

IFRS 9, Financial Instruments – Classification and Measurement. IFRS 9 is a new standard on financial instruments that will replace IAS 39, Financial Instruments: Recognition and Measurement.

IFRS 9 addresses classification and measurement of financial assets and financial liabilities as well as de-recognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss. The Company adopted IFRS 9 on January 1, 2018 retrospectively and no differences of any significance have been noted in relation to the adoption of the standard.

IFRS 15 – Revenue from Contracts with Customers. IFRS 15 provides guidance on how and when revenue from contracts with customers is to be recognized, along with new disclosure requirements in order to provide financial statement users with more informative and relevant information. The Company adopted IFRS 15 on January 1, 2018 retrospectively and no differences of any significance have been noted in relation to the adoption of the standard.

Accounting pronouncements not yet adopted

On January 13, 2016, the IASB issued IFRS 16, Leases ("IFRS 16"), according to which, all leases will be on the statement of financial position, except those that meet the limited exception criteria. The standard is effective for annual periods beginning on or after January 1, 2019. The Company has not early adopted IFRS 16 and is currently evaluating the impact, if any, that this standard might have on its consolidated financial statements.

(Expressed in Canadian Dollars)

3. BUSINESS COMBINATION

On March 30, 2018, the Company acquired all of the issued and outstanding shares of GlobeX Data, Inc. ("GDI"). GDI is the exclusive distributor for all of Swiss based GlobeX Data S.A.'s cloud services in the United States of America and Canada.

The acquisition of GDI has been accounted for as a business combination. The acquisition method has been used to account for this transaction, whereby the assets acquired and liabilities assumed are recorded at fair value. The fair value of the assets acquired and liabilities assumed as at the date of acquisition were as follows:

Consideration	
Value of 25,000,000 common shares issued	$ 2,500,000
Total consideration value:	**$ 2,500,000**

Assets acquired and liabilities assumed	
Cash	$ 2,623
Intangible asset – License (Note 4)	2,552,573
Accounts payable and accrued liabilities	(23,871)
Royalty payable (Note 4)	(31,325)
Net assets acquired:	$ **2,500,000**

The revenue and net income included in the consolidated statement of comprehensive loss since March 30, 2018 is $24,735 and $2,780, respectively. Had the acquisition occurred on January 1, 2018, the consolidated statement of comprehensive loss for the year ended December 31, 2018 would have shown revenue and net income from GDI of $34,246 and $13,875 respectively. These pro-forma amounts are estimated based on the operation of the acquired business prior to the business combination by the Company.

Acquisition related costs have been excluded from the consideration transferred and have been recognized as an expense in the current year.

The transaction was considered to be non-arm's length by virtue of the fact that a director of the Company is also a director of GDI.

4. ROYALTY PAYABLE

The intangible asset is represented by a license agreement that GlobeX Data, Inc. holds with GlobeX Data S.A., a company with a common director, whereby a royalty of 10% of all contractual sales arising in the licensed territories from its secure cloud document management and secure communication services would be payable. The agreement is in perpetuity.

During the year ended December 31, 2018, the Company accrued royalty expenses amounting to $2,473 (2017 - $Nil).

As at December 31, 2018, $35,697 (2017 - $Nil) were payable to GlobeX Data S.A. pursuant to the agreement.

5. SHARE CAPITAL

The Company has authorized an unlimited number of common shares and preferred shares. No preferred shares have been issued.

During the year ended December 31, 2018, the Company:

a) Issued 6,711,007 common shares in a private placement at a price of $0.10 per share for proceeds of $671,101. 100,000 common shares were issued to an officer of the Company.

b) Issued 1,835,000 common shares in a private placement at a price of $0.15 per share for proceeds of $275,250. The Company paid share issue costs of $14,150 related to the share issuance.

c) Issued 309,700 common shares for settlement of debt. The fair value of the common shares was $30,970. 240,000 common shares were issued to a company controlled by a director to settle consulting fees of $24,000.

d) Issued 25,000,000 common shares to a director to acquire all the issued and outstanding common shares of GlobeX Data, Inc. at a deemed price of $0.10 per share for a fair value of $2,500,000.

e) Received $87,280 of share subscriptions towards a future share issuance (see Note 10).

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (cont'd…)

During the period ended December 31, 2017, the Company:

a) Issued 1 common share in connection with the incorporation of the Company for a nominal amount.

b) Issued 4,000,000 common shares in a private placement at a price of $0.005 per share for gross proceeds of $20,000 to an officer of the Company.

c) Issued 1,100,000 common shares in a private placement at a price of $0.05 per share for gross proceeds of $55,000 to directors of the Company.

d) Issued 6,300,974 common shares in a private placement at a price of $0.10 per share for gross proceeds of $630,094. 1,500,000 common shares were issued to a director of the Company.

Stock Options

The Company adopted a stock option plan on April 30, 2018. The stock option plan provides that, subject to the requirements of the Canadian Securities Exchange ("CSE"), the aggregate number of securities reserved for issuance will be 10% of the number of the Company's common shares issued and outstanding at the time such options are granted. The exercise price of option grants will be determined by the Board of Directors, but after listing on the CSE, will not be less than the closing market price of the common shares on the CSE less allowable discounts at the time of grant. All options granted under the stock option plan will expire not later than the date that is ten years from the date that such options are granted.

	Number of Options	Weighted Average Exercise Price
Outstanding at inception and December 31, 2017	-	$ -
Granted	1,600,000	0.25
Outstanding and exercisable, December 31, 2018	**1,600,000**	**$ 0.25**

The weighted average remaining contractual life of the options at December 31, 2018 is 4.33 years (2017 – Nil).

Additional information regarding stock options outstanding as at December 31, 2018 is as follows:

Exercise price	Number of shares	Expiry Date
$ 0.25	1,600,000	April 30, 2023
	1,600,000	

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (cont'd…)

During the year ended December 31, 2018, the Company granted 1,600,000 (2017 – Nil) stock options with a fair market value of $206,818 (2017 - $Nil) or $0.13 (2017 - $Nil) per option which was charged to operations. The following weighted average assumptions were used for the Black-Scholes valuation of the stock options assuming no expected dividends or forfeitures:

	2018	2017
Stock price	**$ 0.15**	-
Risk-free interest rate	**2.11%**	-
Expected life (in years)	**5**	-
Expected volatility	**142%**	-

Expected volatility was calculated using historical volatility of comparable companies as an expectation of the Company's future volatility.

6. RELATED PARTY TRANSACTIONS

Related party transactions were in the normal course of operations and measured at the exchange amount, which is the amount established and agreed to by the related parties. Key management personnel are the persons responsible for planning, directing and controlling the activities of the Company, and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

During the year ended December 31, 2018, the Company incurred $36,000 (2017 - $8,000) in consulting fees to a company controlled by a common director.

During the year ended December 31, 2018, the Company incurred $27,625 (2017 - $Nil) in accounting fees to an accounting firm in which an officer of the Company is a partner. As at December 31, 2018, there was $29,006 (2017 - $Nil) owing to this firm. This balance is unsecured, non-interest bearing and has no fixed terms of repayment.

During the year ended December 31, 2018, the Company granted 1,500,000 (2017 – Nil) stock options with a fair value of $193,890 (2017 - $Nil) to officers and directors of the Company.

On May 7, 2017, the Company entered into a license agreement with GlobeX Data S.A., which has a common director, in which the Company obtained the right to market Secure Cloud Storage and Secure Communications Solutions to companies and individuals. During the year ended December 31, 2018, the Company paid software maintenance of $750,037 (2017 - $280,000) to GlobeX Data S.A.

On March 30, 2018, the Company acquired all of the issued and outstanding shares of GlobeX Data, Inc. which has a common director (Note 3).

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's receivables, accounts payable and accrued liabilities, royalty payable and due to related parties approximate their carrying value. The Company's other financial instrument, being cash, is measured at fair value using Level 1 inputs.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) *Credit risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The Company has deposited the cash with its bank from which management believes the risk of loss is remote.

(b) *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's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when due. Accounts payable and accrued liabilities are due within the current operating period. The Company has a sufficient cash balance to settle current liabilities.

(c) *Market ri*sk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(d) *Currency risk*

A portion of the Company's financial assets and liabilities are denominated in US dollars. The Company monitors this exposure, but has no hedge positions.

The Company is exposed to currency risk on fluctuations related to cash, accounts payable and accrued liabilities and royalty payable that are denominated in US dollars. At December 31, 2018, a 10% change in the value to the US dollar as compared to the Canadian dollar would not have a significant effect on net loss.

(Expressed in Canadian Dollars)

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

(e) *Interest rate risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk, from time to time, on its cash balances. Surplus cash, if any, is placed on call with financial institutions and management actively negotiates favorable market related interest rates.

8. CAPITAL DISCLOSURE AND MANAGEMENT

The Company defines its capital as all components of shareholders' equity. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern.

In order to maintain its capital structure, the Company is dependent on equity funding and when necessary, raises capital through the issuance of equity instruments, primarily comprised of common shares. The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will make changes to its capital structure as deemed appropriate under the specific circumstances.

The Company is not subject to any externally imposed capital requirements or debt covenants, and does not presently utilize any quantitative measures to monitor its capital. There were no changes to the Company's approach to managing capital during the year.

9. INCOME TAXES

A reconciliation of income taxes at statutory rates of 27% (2017 – 26%) with the reported taxes is as follows:

	Year ended December 31, 2018	Period from March 1, 2017 (inception) to December 31, 2017
Expected income tax recovery	**$ (347,000)**	$ (89,000)
Non-deductible permanent differences	**57,000**	-
Share issuance costs	**(3,000)**	-
Change in estimate and other	**(80,000)**	(3,000)
Change in deferred tax assets not recognized	**373,000**	92,000
Deferred income tax recovery	**$ -**	$ -

The significant components of the Company's deferred income tax assets were as follows:

	December 31, 2018	December 31, 2017
Non-capital losses	**$ 462,000**	$ 92,000
Share issue costs	**3,000**	-
Unrecognized deferred tax assets	**(465,000)**	(92,000)
	-	-

The Company has available for deduction against future taxable income non-capital losses of approximately $1,686,000. These losses, if not utilized, will expire in 2038.

10. SUBSEQUENT EVENTS

a) Subsequent to the year end, the Company issued 1,471,600 common shares in a non-brokered private placement at a price of $0.25 per share for total proceeds of $367,900. 120,000 common shares were issued to an officer of the Company.

b) Subsequent to the year end, the Company entered into an agreement with an agent to complete the IPO for the issue of up to 10,000,000 units ("Offering") at a price of $0.25 per unit ("Unit") for gross proceeds of a maximum of $2,500,000. Each Unit is comprised of one common share and one tradeable warrant ("Warrant"). Each tradeable Warrant entitles the holder to purchase one additional common share at an exercise price of $0.75 for three years from the date of closing of the IPO ("Closing"). The Company will grant the agent an option exercisable at any time up to and including the Closing of the Offering to increase the size of the Offering by up to 15% in Units. The Company will pay the agent a cash commission of 8% of gross proceeds raised in the Offering and will issue warrants to purchase 8% of the number of Units sold in the Offering. Each agent's warrant will be exercisable into one Unit at $0.25 for three years from Closing. The Company will pay the agent a corporate finance fee of $35,000 plus GST ($18,375 paid) and has incurred $87,644 of deferred financing costs as at December 31, 2018 in relation to the IPO.

GLOBEX DATA, INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016
(Expressed in US Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of
GlobeX Data, Inc.

Report on the financial statements

We have audited the accompanying financial statements of GlobeX Data, Inc., which comprise the statements of financial position as at December 31, 2017 and 2016, and the statements of operations and comprehensive loss, cash flows and changes in deficiency for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of GlobeX Data, Inc. as at December 31, 2017 and 2016, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Vancouver, Canada — *"Morgan & Company LLP"*

March 21, 2018 — Chartered Professional Accountants

GLOBEX DATA, INC.

STATEMENTS OF FINANCIAL POSITION
(Expressed in US Dollars)

	DECEMBER 31	
	2017	2016
ASSETS		
Current		
Cash	**$ 3,517**	$ 898
Total Assets	**$ 3,517**	$ 898
LIABILITIES		
Current		
Accounts payable and accrued liabilities	**$ 18,000**	$ 15,300
Royalty payable (Note 5)	**23,548**	18,953
Due to related company (Note 6)	**4,300**	-
Due to shareholder (Note 7)	**4,785**	4,785
Total Current Liabilities	**50,633**	39,038
DEFICIENCY		
Share Capital (Note 8)	**213,427**	213,427
Deficit	**(260,543)**	(251,567)
Total Deficiency	**(47,116)**	(38,140)
Total Liabilities and Deficiency	**$ 3,517**	$ 898

Nature of operations and going concern (Note 1)

The financial statements were approved and authorized for issue by the sole Director on March 21, 2018.

"Alain Ghiai"
Sole Director

The accompanying notes are an integral part of these financial statements.

GLOBEX DATA, INC.

STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Expressed in US Dollars)

	YEARS ENDED DECEMBER 31	
	2017	2016
Sales	**$ 26,375**	$ 25,228
Expenses		
Advertising	**277**	1,507
Bank charges, interest and merchant fees	**705**	831
Communications	**3,584**	4,985
Consulting	**7,137**	3,915
Insurance	**1,234**	2,843
Office and miscellaneous	**2,276**	3,732
Professional fees	**9,276**	17,355
Promotion	**-**	392
Rent	**3,927**	11,308
Royalties	**4,595**	8,830
Service fees	**2,340**	5,440
Travel	**-**	417
	35,351	61,555
Net Loss and Comprehensive Loss for the year	**$ (8,976)**	$ (36,327)

The accompanying notes are an integral part of these financial statements.

GLOBEX DATA, INC.

STATEMENTS OF CASH FLOWS
(Expressed in US Dollars)

	YEARS ENDED DECEMBER 31	
	2017	2016
Cash Provided By (Used In):		
Operating Activities		
Net loss for the year	**$ (8,976)**	$ (36,327)
Net changes in non-cash operating working capital items:		
Accounts payable and accrued liabilities	**2,700**	15,300
Royalty payable	**4,595**	8,830
Due to related company	**4,300**	
Due to shareholder	**-**	(1,200)
	2,619	(13,397)
Net Increase (Decrease) In Cash	**2,619**	(13,397)
Cash, Beginning of Year	**898**	14,295
Cash, End of Year	**$ 3,517**	$ 898
Supplemental cash flow information		
Interest Paid	**$ -**	$ -
Income Tax Paid	**$ -**	$ -

The accompanying notes are an integral part of these financial statements.

GLOBEX DATA, INC
STATEMENTS OF CHANGES IN DEFICIENCY

FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016
(Expressed in US Dollars)

	SHARE CAPITAL						
	SHARES		AMOUNT		DEFICIT		TOTAL DEFICIENCY
Balance, December 31, 2015	1,500	$	213,427	$	(215,240)	$	(1,813)
Net loss for the year	-		-		(36,327)		(36,327)
Balance, December 31, 2016	1,500		213,427		(251,567)		(38,140)
Net loss for the year	-		-		(8,976)		(8,976)
Balance, December 31, 2017	**1,500**	**$**	**213,427**	**$**	**(260,543)**	**$**	**(47,116)**

The accompanying notes are an integral part of these financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

a) Nature of Operations

GlobeX Data, Inc, (the "Company") was incorporated in the state of Delaware, United States of America, on August 13, 2012. The Company is the exclusive distributor for all of Swiss based GlobeX Data S.A.'s cloud services in the United States of America ("USA") comprising of secure cloud data storage, secure file sharing and secure electronic communications by way of the DigitalSafe®, PrivaTalk®, Custodia® and other new services and applications that may come out from GlobeX Data S.A.

The address of the Company's corporate registered address is 2711 Centerville Rd., Suite 400, Wilmington DE 19580, United States of America and its principal place of business is 1420 Fifth Avenue, Suite 2200, Seattle, WA, 98101, USA.

b) Going Concern

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown in these financial statements and do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

During the year ended December 31, 2017, the Company incurred a net loss of $8,976 (2016 – $36,327) and at December 31, 2017 has an accumulated deficit of $260,543 (2016 - $251,567). The operations of the Company have been funded by the issuance of common shares. Continued operations of the Company are dependent on the Company's ability to complete equity financings. Management's plan in this regard is primarily to secure additional funds through future equity financings, which may be unavailable or unavailable on reasonable terms. These factors may cast significant doubt on the use of the going concern basis of accounting.

2. BASIS OF PRESENTATION

a) Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

2. BASIS OF PRESENTATION (Continued)

b) Basis of Presentation

These financial statements have been prepared on a historical cost basis except for financial instruments that have been measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The functional currency of the Company is the US Dollar, being the currency of the economic environment of the Company's operations. The functional currency is also the presentation currency.

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. See Note 4 for Critical Accounting Estimates and Judgments made by management in the application of IFRS.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these financial statements set out below have been applied consistently in all material respects.

Cash and Cash Equivalents

Cash consists of cash held in an interest bearing bank account. For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents to the extent the funds are not being held for investment purposes. The Company has no cash equivalents as December 31, 2017 and 2016.

Revenue Recognition

The Company earns revenue from providing secure cloud services comprising secure cloud document management and secure communication services within the USA and Canada. Revenue is measured at the fair value of the consideration received, net of discounts and sales taxes. Revenue is recognised as services are provided to customers, providing evidence that an arrangement exists, collection is assured, and revenues and costs are measurable. Where the Company receives payment in advance of the revenue recognition criteria, such amounts are recorded as deferred revenue on the statement of financial position.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subscriber acquisition costs

Subscriber acquisition costs are expensed as incurred.

Royalty expense

Royalty expenses are recognised in full at the time a service agreement is entered into, and receipt of service revenue is assured.

Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

At initial recognition, the Company classifies its financial assets in the following categories depending on the purpose for which the instruments were acquired.

Financial assets are classified into one of four categories: Financial assets at fair value through profit or loss (“FVTPL”), held-to-maturity investments, available-for-sale (“AFS”) financial assets and loans and receivables.

The Company has classified cash as FVTPL.

At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. Financial assets are impaired when one or more events that occurred after the initial recognition of the financial asset have been recognized.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset’s carrying amount and the present value of the estimated future cash flows, discounted at the financial asset’s original effective interest rate.

The carrying amount of all financial assets, excluding trade receivables, is directly reduced by the impairment loss.

The carrying amount of trade receivables is reduced through the use of an allowance. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in net income.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (Continued)

Impairment losses on loans and receivables carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized. Impairment losses on available-for-sale equity instruments are not reversed.

Financial liabilities within the scope of International Accounting Standards ("IAS") 39 are classified as financial liabilities at FVTPL, or other financial liabilities, as appropriate.

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and subsequently classified as other financial liabilities.

The Company's financial liabilities include accounts payable and accrued liabilities, royalty payable, due to related company, and due to shareholder. Subsequent to initial recognition, financial liabilities are measured at amortized cost using the effective interest method.

Financial instruments subject to fair value measurement are classified within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 – Applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets, or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.

Level 3 – Applies to assets or liabilities which are not based on observable market data.

Translation of Foreign Currencies

Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined and are not subsequently retranslated.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the statement of operation in the period in which they arise.

The financial statements are presented in US dollars which is the Company's functional and presentation currency.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Translation of Foreign Currencies (Continued)

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction.

Share Capital

Common shares are classified as equity. Proceeds from unit placements are allocated between shares and warrants issued using the residual method. Costs directly identifiable with share capital financing are charged against share capital. Share issuance costs incurred in advance of share subscriptions are recorded as non-current deferred assets. Share issuance costs related to uncompleted share subscriptions are charged to operations in the period they are incurred.

Income Taxes

Income tax expense comprises both current and deferred tax. Current and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or other comprehensive income, in which case the income tax is also recognized directly in equity or other comprehensive income.

Current income taxes are the expected taxes payable on taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to taxes payable in respect of previous years.

Deferred tax assets and liabilities are recognized in respect of all qualifying temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Operating Segments

Management has determined that the Company operates in a single reporting operating segment. The Company provides its services and earns its revenues in the USA. As of December 31, 2017, all of the Companies identifiable assets were located in the USA.

Accounting Standards Issued but Not Yet Applied

International Financial Reporting Standard 9, Financial Instruments ("IFRS 9"), was issued in November 2009. It addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: Amortized cost and Fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments and such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. Where such equity instruments are measured at fair value through other comprehensive income, dividends, to the extent not clearly representing a return of investment, are recognized in profit or loss; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income. This standard is required to be applied for accounting periods beginning on or after January 1, 2018, with earlier adoption permitted. The Company has not yet assessed the impact of the standard or determined whether it will adopt the standard early.

International Financial Reporting Standard 15, Revenue from Contracts with Customers ("IFRS 15") replaces IAS 18 – Revenue and IAS 11 – Construction Contracts and establishes a five-step model. The standard's requirements will also apply to the recognition and measurement of gains and losses on the sale of some non-financial assets that are not an output of the entity's ordinary activities. IFRS 15 is effective for annual periods beginning on or after January 1, 2018 with earlier adoption permitted. The Company has not yet assessed the impact of the standard or determined whether it will adopt the standard early.

International Financial Reporting Standard 16, Leases ("IFRS 16") replaces IAS 17 – Leases and requires lessees to account for leases on the statement of financial position by recognizing a right to use asset and lease liability. The standard is effective for annual reports beginning on or after January 1, 2019, with earlier adoption permitted. The Company has not yet assessed the impact of the standard or determined whether it will adopt the standard early.

4. USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

i) Cash generating units

Judgement is required to assess the Company's cash generating units for the purpose of impairment testing.

ii) Impairment

At each reporting period, all assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts exceed their recoverable amounts. The assessment of the carrying amount often requires estimates and assumptions such as discount rates, exchange rates, future capital requirements and future operating performance.

iii) Provisions

Judgement is required to assess the likelihood of an outflow of the economic benefits to settle contingencies such as litigation which may require a liability to be recognised. Significant judgements include assessing estimates of future cash flows, the selection of discount rates and the expected probability of the occurrence of future events.

iv) Income Taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision.

Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

4. USE OF ESTIMATES AND JUDGEMENTS (Continued)

iv) Income Taxes (Continued)

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

v) Determination of Going Concern Assumption

The preparation of these financial statements requires management to make judgments regarding the going concern of the Company as discussed in Note 1.

5. ROYALTY PAYABLE

The Company held a license agreement with GlobeX Data S.A., a company of which the Sole Director is a Director, whereby a royalty of 35% of all contractual sales arising in the licensed territories from its secure cloud document management and secure communication services ("secure cloud services") would be payable. On April 3, 2017 the entire agreement was renegotiated such that the Company became the exclusive distributor for all of GlobeX Data S.A.'s secure cloud services in the USA and Canada, and the effective royalty rate payable to GlobeX Data S.A. became 10% of gross sales revenue arising from that date forward. The agreement is in perpetuity. The licensor may terminate the agreement immediately should the licensee breach any material term of the agreement.

As at December 31, 2017, $23,548 (2016 - $18,953) were payable to Globex Data S.A. pursuant to the agreement.

6. DUE TO RELATED COMPANY

Amounts due to related company are non-interest bearing, unsecured, and without any fixed term of repayment. As at December 31, 2017, $4,300 (2016 – $Nil) were payable to GlobeX Data Ltd. (a British Columbia incorporated company), a company with a common director.

(Expressed in US Dollars)

7. DUE TO SHAREHOLDER

Amounts due to the shareholder are non-interest bearing, unsecured, and without any fixed term of repayment. As at December 31, 2017, $4,785 (2016 – $4,785) were owed to the Shareholder.

8. SHARE CAPITAL

a) Authorized

1,500 common shares, without par value.

b) Issued and outstanding

1,500 common shares, without par value.

9. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are measured on an ongoing basis at fair value or amortized cost. The disclosures in the notes to these financial statements describe how the categories of financial instruments are measured and how income and expenses, including fair value gains and losses, are recognized.

As at December 31, 2017 and 2016, the classification of the financial instruments, as well as their carrying values and fair values, are shown in the table below:

	LEVEL	FAIR VALUE THROUGH PROFIT OR LOSS	OTHER FINANCIAL LIABILITIES	CARRYING VALUE	FAIR VALUE
AS AT DECEMBER 31, 2017					
Financial assets					
Cash	1	$ 3,517	$ -	$ 3,517	$ 3,517
Financial liabilities					
Accounts payable and accrued liabilities	1	$ -	$ 18,000	$ 18,000	$ 18,000
Royalty payable	1	$ -	$ 23,548	$ 23,548	$ 23,548
Due to related company	1	$ -	$ 4,300	$ 4,300	$ 4,300
Due to shareholder	1	$ -	$ 4,785	$ 4,785	$ 4,785

(Expressed in US Dollars)

9. FINANCIAL INSTRUMENTS (Continued)

	LEVEL	FAIR VALUE THROUGH PROFIT OR LOSS	OTHER FINANCIAL LIABILITIES	CARRYING VALUE	FAIR VALUE
AS AT DECEMBER 31, 2016					
Financial assets					
Cash	1	$ 898	$ -	$ 898	$ 898
Financial liabilities					
Accounts payable and accrued liabilities	1	$ -	$ 15,300	$ 15,300	$ 15,300
Royalty payable	1	$ -	$ 18,953	$ 18,953	$ 18,953
Due to shareholder	1	$ -	$ 4,785	$ 4,785	$ 4,785

At December 31, 2017 and 2016, the carrying values of cash, accounts payable and accrued liabilities, and amounts due to related parties and shareholder approximate their fair values due to the short-term nature of these balances.

10. RISK MANAGEMENT

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include currency, credit, interest rate and liquidity risks. Where material, these risks are reviewed and monitored by the Board of Directors.

a) Currency Risk

The Company's functional and reporting currency is the US Dollar ("US$"). Periodically, the Company incurs charges on its operations for settlement in currencies other than its functional currency and any gain or loss arising on such transactions is recorded in operations for the year.

As at December 31, 2017, a 1% strengthening in the US$ relative to the CDN$ does not have a significant impact on the results of operations for the year or upon estimated future estimated cash flows arising.

b) Credit Risk

Credit risk is the risk of a financial loss to the Company if counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is primary held in a large US financial institution. Management believes that the credit risk concentration with respect to cash is remote.

10. RISK MANAGEMENT (Continued)

c) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of cash is limited because the majority of the Company's cash balances are held by a US chartered bank.

d) 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's approach to manage liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. Accounts payable and accrued liabilities are due within the current operating period and the Company manages its liquidity requirements based on expected cash flow to ensure there are adequate funds to meet these obligations.

11. CAPITAL MANAGEMENT

When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the operations of the Company.

The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management team to manage its capital.

The technology in which the Company currently has an interest has been proven by the licensor in the Swiss market. The Company however is dependent on external financing or loans from the shareholder/director to fund its continued operations. In order to carry out the proposed expansion of the business and pay for continued administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will also continue to assess technologies and seek to secure access to such technologies as they become available if it has adequate financial resources to do so.

Management considers its approach to capital management to be appropriate given the relative size of the Company. The Company is not subject to externally imposed capital requirements.

(Expressed in US Dollars)

12. RELATED PARTY TRANSACTIONS

Related party transactions were in the normal course of operations and measured at the exchange amount, which is the amount established and agreed to by the related parties. Key management personnel are the persons responsible for planning, directing and controlling the activities of the Company, and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

The Shareholder is a director of GlobeX Data S.A., the company from which GlobeX Data, Inc. has acquired the right to be the exclusive distributor for all of GlobeX Data S.A.'s secure cloud services in the USA and Canada.

During the year ended December 31, 2017, the Company accrued royalty expenses amounting to $4,595 (2016 - $8,830) and as at December 31, 2017 total accrued royalties amounted to $23,548 (2016 - $18,953).

13. INCOME TAXES

A reconciliation of income taxes at statutory rates of 43% (2016 – 43%) with the reported taxes follows:

	YEARS ENDED DECEMBER 31	
	2017	2016
Expected income tax recovery	**$ (4,000)**	$ (16,000)
Change in unrecognized tax assets	**4,000**	16,000
Deferred income tax recovery	**$ -**	$ -

GLOBEX DATA, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2017 and 2016
(Expressed in US Dollars)

13. INCOME TAXES (Continued)

The significant components of the Company's deferred income tax assets were as follows:

	DECEMBER 31 2017		2016	
Deferred income tax assets:				
Non-capital losses carried forward	**$**	**98,000**	$	94,000
Unrecognised deferred tax assets		**(98,000)**		(94,000)
Net deferred income tax assets	**$**	**-**	$	-

The Company has available for deduction against future taxable income non-capital losses carried forward of approximately $228,000.

The non-capital losses, if not utilized, will expire as follows:

2033	$	73,000
2034		108,000
2036		37,000
2037		10,000
	$	228,000

The Company has not recognized deferred income tax assets as it is not probable that there will be sufficient taxable income to realize the benefits.

14. ECONOMIC DEPENDENCE

The Company is dependent for its future revenue streams upon the continuation of the license agreement it has in place with GlobeX Data S.A. for its secure cloud services in the USA including access to the network and data storage facilities operated by GlobeX Data S.A.

SCHEDULE "A" - AUDIT COMMITTEE CHARTER

I. MANDATE

The Audit Committee (the "Committee") of the Board of Directors (the "Board") of GlobeX Data Ltd. (the "Company") shall assist the Board in fulfilling its financial oversight responsibilities. The Committee's primary duties and responsibilities under this mandate are to serve as an independent and objective party to monitor:

1. The quality and integrity of the Company's financial statements and other financial information;

2. The compliance of such statements and information with legal and regulatory requirements;

3. The qualifications and independence of the Company's independent external auditor (the "Auditor"); and

4. The performance of the Company's internal accounting procedures and Auditor.

II. STRUCTURE AND OPERATIONS

A. <u>Composition</u>

The Committee shall be comprised of three or more members.

B. <u>Qualifications</u>

Each member of the Committee must be a member of the Board.

Each member of the Committee must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement and cash flow statement.

C. <u>Appointment and Removal</u>

In accordance with the Articles of the Company, the members of the Committee shall be appointed by the Board and shall serve until such member's successor is duly elected and qualified or until such member's earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

D. <u>Chair</u>

Unless the Board shall select a Chair, the members of the Committee shall designate a Chair by the majority vote of all of the members of the Committee. The Chair shall call, set the agendas for and chair all meetings of the Committee.

E. <u>Meetings</u>

The Committee shall meet as frequently as circumstances dictate. The Auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee feels it is necessary or appropriate, at every other meeting. On request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board or the shareholders of the Company.

At each meeting, a quorum shall consist of a majority of members that are not officers or employees of the Company or of an affiliate of the Company.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Company's financial statements in a manner consistent with Section III of this Charter.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

III. DUTIES

A. <u>Introduction</u>

The following functions shall be the common recurring duties of the Committee in carrying out its purposes outlined in Section I of this Charter. These duties should serve as a guide with the understanding that the Committee may fulfill additional duties and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern which the Committee in its sole discretion deems appropriate for study or investigation by the Committee.

The Committee shall be given full access to the Company's internal accounting staff, managers, other staff and Auditor as necessary to carry out these duties. While acting within the scope of its stated purpose, the Committee shall have all the authority of, but shall remain subject to, the Board.

B. Powers and Responsibilities

The Committee will have the following responsibilities and, in order to perform and discharge these responsibilities, will be vested with the powers and authorities set forth below, namely, the Committee shall:

Independence of Auditor

1. Review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor and, if necessary, obtain a formal written statement from the Auditor setting forth all relationships between the Auditor and the Company.

2. Take, or recommend that the Board take, appropriate action to oversee the independence of the Auditor.

3. Require the Auditor to report directly to the Committee.

4. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditor of the Company.

Performance & Completion by Auditor of its Work

1. Be directly responsible for the oversight of the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, including resolution of disagreements between management and the Auditor regarding financial reporting.

2. Review annually the performance of the Auditor and recommend the appointment by the Board of a new, or re-election by the Company's shareholders of the existing, Auditor for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company.

3. Recommend to the Board the compensation of the Auditor.

4. Pre-approve all non-audit services, including the fees and terms thereof, to be performed for the Company by the Auditor.

Internal Financial Controls & Operations of the Company

1. Establish procedures for:

    (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

(b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Preparation of Financial Statements

1. Discuss with management and the Auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.

2. Discuss with management and the Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.

3. Discuss with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.

4. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.

5. Discuss with the Auditor the matters required to be discussed relating to the conduct of any audit, in particular:

   (a) The adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the Auditor, internal auditor or management.

   (b) The management inquiry letter provided by the Auditor and the Company's response to that letter.

   (c) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

Public Disclosure by the Company

1. Review the Company's annual and interim financial statements, management discussion and analysis (MD&A) and earnings press releases before the Board approves and the Company publicly discloses this information.

2. Review the Company's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.

3. Review disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process of the Company's financial statements about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Manner of Carrying Out its Mandate

1. Consult, to the extent it deems necessary or appropriate, with the Auditor, but 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.

2. Request any officer or employee of the Company or the Company's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

3. Meet, to the extent it deems necessary or appropriate, with management, any internal auditor and the Auditor in separate executive sessions.

4. Have the authority, to the extent it deems necessary or appropriate, to retain special independent legal, accounting or other consultants to advise the Committee advisors.

5. Make regular reports to the Board.

6. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

7. Annually review the Committee's own performance.

8. Provide an open avenue of communication among the Auditor, the Company's financial and senior management and the Board.

9. Not delegate these responsibilities.

C. Limitation of Audit Committee's Role

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditor.

CERTIFICATE OF THE COMPANY

Dated: May 8, 2019

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

"Alain Mehdi Ghiai-Chamlou" (signed)	*"Scott Davis" (signed)*
Alain Mehdi Ghiai-Chamlou Chief Executive Officer, President and Secretary	Scott Davis Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

"Henry Sjoman" (signed)	*"David Ryan" (signed)*
Henry Sjoman Director	David Ryan Director

CERTIFICATE OF PROMOTERS

Dated: May 8, 2019

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

"Alain Mehdi Ghiai-Chamlou" (signed)

Alain Mehdi Ghiai-Chamlou
Promoter

CERTIFICATE OF THE AGENT

Dated: May 8, 2019

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

Mackie Research Capital Corporation

"Jovan Stupar" (signed)

Jovan Stupar
Managing Director