Plank Ventures Ltd.
(formerly 0968998 B.C. Ltd.)

Condensed Consolidated Interim Financial Statements
(Unaudited)

(EXPRESSED IN CANADIAN DOLLARS)

For the Six Months Ended January 31, 2019 and 2018

Index

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The Company's auditors have not reviewed or been involved in the preparation of these condensed consolidated interim financial statements.

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

In accordance with National Instrument 51-102 Section 4.3(3)(a) released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants Canada for a review of condensed consolidated interim financial statements by an entity's auditor, for the six-month periods ended January 31, 2019 and 2018.

The accompanying condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

PLANK VENTURES LTD.

(Formerly 0968998 B.C. Ltd.)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

(Unaudited - Expressed in Canadian Dollars)

	Notes	January 31, 2019	July 31, 2018
ASSETS			
Current Assets			
Cash		$ 369,887	$ 55
Accounts receivable		909	-
Digital currencies		5,261	-
		376,057	55
Non-Current Assets			
Fixed assets	5	38,730	-
Intangible assets	6	106,816	-
Investments	7	1,051,506	-
TOTAL ASSETS		$ 1,573,109	$ 55
LIABILITIES			
Current Liabilities			
Trade payables and accruals	8	$ 85,418	$ 269,382
Loans payable	9	67,250	-
		152,668	269,382
Due to parent company		5,837,445	5,451,816
Long-term loans payable	9	955,894	-
		6,793,339	5,451,816
TOTAL LIABILITIES		6,946,007	5,721,198
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital	10	536,521	536,521
Equity portion of debt	9	165,983	-
Deficit		(6,075,402)	(6,257,664)
TOTAL EQUITY (DEFICIENCY)		(5,372,898)	(5,721,143)
TOTAL LIABILITIES AND EQUITY (DEFICIENCY)		$ 1,573,109	$ 55
Nature of operations and going concern uncertainty	1		
Subsequent events	14		

Approved on behalf of the board

"Michael Edwards"

Michael Edwards, Director

"Laurie Baggio"

Laurie Baggio, Director

See accompanying notes to the condensed consolidated interim financial statements.

PLANK VENTURES LTD.

(Formerly 0968998 B.C. Ltd.)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited - Expressed in Canadian Dollars)

	Notes	Three months ended January 31, 2019	Three months ended January 31, 2018	Six months ended January 31, 2019	Six months ended January 31, 2018
REVENUE					
Cryptomining		1,573	-	1,573	-
EXPENSES					
Depreciation	5	10,471	-	10,471	-
Amortization of intangible assets	6	21,363	-	21,363	-
Personnel	12	4,356	-	4,356	-
Professional fees		2,283	-	2,283	-
Office and administration		3,076	116	3,280	345
Foreign exchange		(46,316)	(9,329)	(33,734)	(1,173)
		(4,767)	(9,213)	8,019	(828)
Finance costs	9	19,712	-	31,187	-
Accounts payable write-off	8	(222,223)	-	(222,223)	-
Other income		(300)	-	(300)	-
Unrealized loss on fair value of digital currencies		2,629	-	2,629	-
		(200,182)	-	(188,707)	-
Net income and comprehensive income for the period		$ 206,522	$ 9,213	$ 182,261	$ 828
Basic and diluted earnings per share		$ 0.01	$ 0.00	$ 0.01	$ 0.00
Weighted average number of common shares outstanding for the period, basic and diluted		15,265,211	15,265,212	15,265,211	15,265,212

See accompanying notes to the condensed consolidated interim financial statements.

PLANK VENTURES LTD.

(Formerly 0968998 B.C. Ltd.)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN SHAREHOLDER'S DEFICIENCY

(Unaudited - Expressed in Canadian dollars)

Six Months ended January 31, 2019 and 2018

	Share capital								
	Number of shares		Amount		Equity portion of debt		Deficit		Total
Balance at July 31, 2017	15,265,212	$	536,521	$	-	$	(6,244,077)	$	(5,707,556)
Income for the period	-		-		-		828		828
Balance at January 31, 2018	15,265,212		536,521	$	-		(6,243,249)		(5,706,728)
Balance at July 31, 2018	15,265,212	$	536,521	$	-	$	(6,257,664)	$	(5,721,143)
Return to treasury	(1)		-		-		-		-
Equity portion of debt	-		-		165,983		-		165,983
Income for the period	-		-		-		182,262		182,262
Balance at January 31, 2019	15,265,211	$	536,521	$	165,983	$	(6,075,402)	$	(5,372,898)

See accompanying notes to the condensed consolidated interim financial statements.

PLANK VENTURES LTD.

(Formerly 0968998 B.C. Ltd.)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

(Unaudited - Expressed in Canadian Dollars)

Six months ended January 31,	2019	2018
OPERATING ACTIVITIES		
Net income for the period	$ 182,261	$ 828
Items not affecting cash		
Depreciation and amortization	31,834	-
Unrealized foreign exchange losses (gains)	12,558	(1,173)
Accounts payable write-off	(222,223)	-
Loss on fair value of digital currencies	2,629	-
Cryptomining revenue	(1,573)	-
Accrued interest expense	31,187	-
Net changes in non-cash working capital		
Accounts receivable	(909)	-
Trade payables and accruals	12,531	-
Net cash provided by (used in) operating activities	48,295	(345)
INVESTING ACTIVITIES		
Acquisition of subsidiary	763	-
Cash investments made	(825,000)	-
Net cash used in investing activities	(824,237)	-
FINANCING ACTIVITIES		
Proceeds from loans	1,145,527	-
Due to parent company	245	361
Net cash provided by financing activities	1,145,772	361
NET CASH FLOW FROM OPERATING, INVESTING, AND FINANCING ACTIVITIES	369,830	16
CASH, BEGINNING OF THE PERIOD	55	86
CASH, END OF THE PERIOD	$ 369,885	$ 102

See accompanying notes to the condensed consolidated interim financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN UNCERTAINTY

Plank Ventures Ltd. (formerly 0968998 B.C. Ltd.) (the "Company") was incorporated on May 1, 2013, under the Business Corporations Act. The Company is a wholly owned subsidiary of Mobio Technologies Inc ("Mobio"). The Company is planning on investing in business opportunities in the technology arena. The target investments will generally be early-stage start-ups that already have developed a customer and revenue base and are seeking funding for expansion.

These condensed consolidated interim financial statements have been prepared using the going concern assumption, which assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities in the normal course of business. As at January 31, 2019, the Company has an accumulated deficit of $6,075,402 and currently has minimal revenue generating activities. These conditions raise significant doubt about the Company's ability to continue as a going concern.

The continuing operations of the Company are dependent upon its ability to develop profitable operations in the future and to raise adequate financing, if necessary. The application of the going concern concept is dependent on the Company's ability to achieve viable operations and access financing. Management is of the opinion that additional working capital can be obtained from internal and external sources to meet the Company's liabilities and commitments.

There can be no assurance that the Company will be successful in achieving profitability or raising additional cash to finance operations. The condensed consolidated interim financial statements do not include any adjustments relating to the recoverability of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

2. BASIS OF PRESENTATION

These condensed consolidated interim financial statements were authorized for issue on March 21, 2019, by the Board of Directors of the Company.

Statement of Compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting, using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These condensed consolidated interim financial statements do not include all of the information required for full annual audited financial statements and should be read in conjunction with the annual audited financial statements of the Company for the years ended July 31, 2018, and 2017.

Basis of Measurement

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss, which are stated at their fair values. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting.

2. BASIS OF PRESENTATION (CON'T)

Use of estimates and judgments

The preparation of the condensed consolidated interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. An area subject to significant estimates is the impairment of financial and non-financial assets. Actual results could differ from those estimates.

Management has applied judgments in the assessment of the Company's ability to continue as a going concern when preparing its condensed consolidated interim financial statements for the six months ended January 31, 2019 and 2018. Management prepares the condensed consolidated interim financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management considered a wide range of factors relating to current and expected profitability, current working capital levels, and potential sources of replacement financing.

As a result of the assessment and as described in Note 1 – Nature of Operations and Going Concern Uncertainty, management concluded the going concern basis of accounting is appropriate based on its cash flow forecast and expectations with respect to access to financing for the next twelve months.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Certain comparative figures have been reclassified to conform to the current period's presentation.

3. NEW ACCOUNTING STANDARDS AND POLICIES

Financial instruments

The Company adopted all of the requirements of IFRS 9 Financial Instruments ("IFRS 9") as of August 1, 2018. IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 utilize a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9, so the Company's accounting policy with respect to financial liabilities is unchanged. As a result of the adoption of IFRS 9, management has changed its accounting policy for financial assets retrospectively, for assets that continued to be recognized at the date of initial application.

The change did not impact the carrying value of any financial assets or financial liabilities on the transition date.

The following is the Company's new accounting policy for financial instruments under IFRS 9:

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for

3. NEW ACCOUNTING STANDARDS AND POLICIES (CONT'D)

Financial instruments (cont'd)

trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The adoption of IFRS 9 resulted in no impact to the opening accumulated deficit on August 1, 2018.

Measurement

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the condensed consolidated interim statements of comprehensive income (loss). Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the condensed consolidated interim statements of comprehensive income (loss) in the period in which they arise.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve-month expected credit losses. The Company shall recognize in the condensed consolidated interim statements of comprehensive income (loss), as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the condensed consolidated interim statements of comprehensive income (loss).

Intangible Assets
Intangible assets consist of acquired technologies. Intangible assets are amortized on a straight-line basis over their estimated useful lives and are measured at cost less accumulated amortization and accumulated impairment losses.

(Unaudited - Expressed in Canadian Dollars)

3. NEW ACCOUNTING STANDARDS AND POLICIES (CONT'D)

Intangible assets (cont'd)

The cost of intangible assets acquired in a business combination represents the fair value of the asset at the time of the acquisition.

Capital assets

Cryptomining equipment is being amortized on a straight-line basis over 2 years and computer equipment is being amortized on a straight-line basis over 3 years.

Accounting standards issued but not yet applied

Leases

On January 13, 2016, the IASB published a new standard, IFRS 16, eliminating the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. The main provision of IFRS 16 is the recognition of lease assets and lease liabilities on the balance sheet by lessees for those leases that were previously classified as operating leases. Under IFRS 16, a lessee is required to do the following: (i) recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, on the balance sheet; and (ii) recognize a front-loaded pattern of expense for most leases, even when cash rentals are constant, as the right-of-use asset is depreciated and the lease liability is accreted using the effective interest method. The new standard also requires qualitative disclosures along with specific quantitative disclosures. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. The Company has determined that this new standard will not have a material impact on its financial statements.

4. ACQUISITION OF EXAHASH CRYPTOMINING CORP.

On November 7, 2018, the Company acquired 100% of the issued and outstanding common shares of Exahash Cryptomining Corp. ("Exahash"), a cryptomining company, for $50,000. The acquisition was treated as an asset purchase. In accordance with IAS 38 "Intangible Assets", the fair value of the common shares and excess of fair value of the consideration has been recognized as an intangible asset acquired through acquisition.

The acquisition was recorded as follows:

Fair value of consideration		
Cash	$	50,000
Assets acquired		
Cash		763
Digital currencies		6,461
Cryptomining equipment		48,478
Computer equipment		723
Accounts payable		(25,728)
Intercompany loan		(108,876)
		(78,179)
Intangible assets acquired (Note 6)	$	128,179

(Unaudited - Expressed in Canadian Dollars)

5. FIXED ASSETS

	Cryptomining Equipment	Computer Equipment	Total
Cost			
Balance August 1, 2018	$ -	$ -	$ -
Acquisition of subsidiary (Note 6)	48,478	723	49,201
Balance January 31, 2019	$ 48,478	$ 723	$ 49,201
Amortization			
Balance August 1, 2018	$ -	$ -	$ -
Additions	10,388	83	10,471
Balance January 31, 2019	$ 10,388	$ 83	$ 10,471
Net book value			
Balance July 31, 2018	$ -	$ -	$ -
Balance January 31, 2019	$ 38,090	$ 640	$ 38,730

6. INTANGIBLE ASSETS

Cost	
Balance, July 31, 2018	$ -
Acquisition of subsidiary (Note 4)	128,179
Balance, January 31, 2019	128,179
Amortization	
Balance, July 31, 2018	-
Amortization for the period	21,363
Balance, January 31, 2019	21,363
Carrying amount, January 31, 2019	$ 106,816

Intangible assets are being amortized on a straight-line basis over one and one-half years.

7. INVESTMENTS

On August 30, 2018, the Company purchased 945,945 units of ThinkCX Technologies Inc. ("ThinkCX"), for $350,000. Each unit consisted of one Series 1 Class A preferred share and one Series 1 Class A preferred share purchase warrant. Each share purchase warrant entitles the Company to purchase an additional Series 1 Class A preferred share of ThinkCX at a price of $0.37 until August 23, 2019.

On January 19, 2019, the Company received 333,140 Series 1 seed preferred shares of SiteMax Systems Inc. ("SiteMax") with a fair value of $276,507 from Mobio in connection with a plan of arrangement agreement between the Company and Mobio.

(Unaudited - Expressed in Canadian Dollars)

7. INVESTMENTS (CONT'D)

On January 29, 2019, the Company entered into an agreement to purchase 337,301 Series 2 seed preferred shares of SiteMax for $600,000. The Company has paid $425,000 and is committed to advance an additional amount of $175,000 upon SiteMax achieving $80,000 in monthly recurring revenue.

8. TRADE PAYABLES AND ACCRUED LIABILITIES

		January 31, 2019		July 31, 2018
Trade payables	$	37,106	$	269,382
Due for acquisition of Exahash		48,245		-
Accrued liabilities		67		-
Total trade payables and accruals	$	85,418	$	269,382

Included in trade payables is an amount of $2,309 (July 31, 2018 - $Nil) owing to an officer of the Company. Amounts due to related parties are unsecured, non-interest bearing and have no specified terms of repayment.

9. LOANS PAYABLE

Short term loans

On November 8, 2018, the Company received a loan in the amount of $64,777 (US $50,000) from a company with a common director and officer. The loan is unsecured, due on demand and bears interest at 10%. During the period ended January 31, 2019, the Company recorded $1,551 in interest on the loan. The balance of the loan at January 31, 2019, is $67,250.

Long term loans

On August 30, 2018, the Company received a loan in the amount of $379,828 (US$300,000) from a company with a common director and officer. The loan is unsecured and bears interest at 10%. Principal and any unpaid interest are due on August 30, 2020. During the period ended January 31, 2019, the Company accrued $28,897 (period ended January 31, 2018 - $Nil) in interest and accretion on the loan. The balance of the loan at January 31, 2019, including an exchange loss of $12,180, is $363,068. The value of the equity component of the loan, determined by discounting the loan at an appropriate market rate, is $57,836. (See Note 12 – Related Party Transactions).

On January 29, 2019, the Company received a loan in the amount of $700,000 from a company with a common director and a common officer. The loan is unsecured and bears interest at 10%. Principal and any unpaid interest are due on January 29, 2021. During the period ended January 31, 2019, the Company recorded $973 (period ended January 31, 2018 - $Nil) in interest and accretion on the loan. The balance of the loan at January 31, 2019 is $592,826. The value of the equity component of the loan, determined by discounting the loan at an appropriate market rate, is $108,147. (See Note 12 – Related Party Transactions).

(Unaudited - Expressed in Canadian Dollars)

9. LOANS PAYABLE (CONT'D)

The loans are made up as follows:

	Liability component	Equity component
Balance, July 31, 2018	$ -	$ -
Increases	979,544	165,983
Accrued interest and accretion	31,187	-
Foreign exchange loss	12,413	-
Balance, January 31, 2019	$ 1,023,144	$ 165,983

Short-term loans	$ 67,250
Long-term loans	955,894
	$ 1,023,144

10. DUE TO PARENT COMPANY

Amounts due to the parent company are unsecured, non-interest bearing and have no specified terms of repayment. Repayment will not be required within the next twelve months.

11. SHARE CAPITAL

Authorized:
Unlimited number of common shares without par value.
Issued:
15,265,211 common shares (July 31, 2018 – 15, 265,212)

12. RELATED PARTY TRANSACTIONS

On August 30, 2018, the Company received a loan in the amount of $379,828 (US$300,000) from a company with a common director and officer. The loan is unsecured and bears interest at 10%. Principal and any unpaid interest are due on August 30, 2020. During the period ended January 31, 2019, the Company accrued $28,897 (period ended January 31, 2018 - $Nil) in interest and accretion on the loan. The balance of the loan at January 31, 2019, including an exchange loss of $12,180, is $363,068. The value of the equity component of the loan, determined by discounting the loan at an appropriate market rate, is $57,836.

On November 8, 2018, the Company received a loan in the amount of $64,777 (US $50,000) from a company with a common director and officer. The loan is unsecured, due on demand and bears interest at 10%. During the period ended January 31, 2019, the Company recorded $1,551 in interest on the loan. The balance of the loan at January 31, 2019, is $67,250.

On January 29, 2019, the Company received a loan in the amount of $700,000 from a company with a common director and a common officer. The loan is unsecured and bears interest at 10%. Principal and any unpaid interest are due on January 29, 2021. During the period ended January 31, 2019, the

(Unaudited - Expressed in Canadian Dollars)

12. RELATED PARTY TRANSACTIONS (CONT'D)

Company recorded $973 (period ended January 31, 2018 - $Nil) in interest and accretion on the loan. The balance of the loan at January 31, 2019 is $592,826. The value of the equity component of the loan, determined by discounting the loan at an appropriate market rate, is $108,147.

Interest and accretion recorded on related party loans is as follows:

		2019		2018
Interest and accretion on loans payable to companies with a common director and officer or to companies controlled by directors and/officers	$	31,187	$	-

Payments to key management and directors during the periods ended January 31, 2019 and 2018 were as follows:

		2019		2018
Management fees paid to a company controlled by an officer	$	2,193	$	-

Fees paid to directors and officers are included in the line item "Personnel" in the Company's Condensed Consolidated Interim Statements of Comprehensive Income.

Included in trade payables is an amount of $2,309 (July 31, 2018 - $Nil) owing to an officer of the Company. Amounts due to related parties are unsecured, non-interest bearing and have no specified terms of repayment.

13. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, investments, accounts payable, loans payable and amounts due to parent company. As at January 31, 2019, there were no significant differences between the carrying amounts of these items and their estimated fair values. The carrying value of these items approximates their fair values.

Fair Value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy based on the degree to which the inputs used to determine the fair value are observable.

The three levels of the fair value hierarchy are:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As of January 31, 2019, the Company classified cash as Level 1 and investments as Level 3.

13. FINANCIAL INSTRUMENTS (CONT'D)

The Board of Directors approves and monitors the risk management processes. The Company has exposure to the following risks from its use of financial instruments:

- Interest rate risk
- Credit risk
- Liquidity risk
- Currency risk

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company manages its financial instruments with the objective of minimizing potential interest rate risk, which generally means avoiding interest-bearing obligations other than in unusual circumstances. The Company is not subject to any significant interest rate risk.

Credit Risk
Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. The credit risk of the Company is associated with cash. Management believes that the credit risk with respect to cash is minimal as balances are held with a high-credit quality financial institution.

Liquidity Risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining sufficient cash to enable settlement of transactions on the due date. Management monitors the Company's contractual obligations and other expenses to ensure adequate liquidity is maintained.

Currency risk
The Company is headquartered in Canada and its functional reporting currency is the Canadian dollar. At January 31, 2019, the Company has $350,000 in US dollar denominated loans. As such, the Company's results of operations are subject to foreign currency fluctuation risks and these fluctuations may adversely affect the financial position and operating results of the Company. As of January 31, 2019, the Company does not use derivative instruments to reduce its exposure to currency risk. At January 31, 2019, a ten percent change in the US dollar to the Canadian dollar exchange rate would impact the Company's net income by $46,000.

14. CAPITAL MANAGEMENT

The Company defines capital as an aggregate of cash and common shares. The Company manages its capital structure to ensure it has sufficient capital to meet its obligations as they come due.

15. SUBSEQUENT EVENTS

Subsequent to January 31, 2019 the Company:

- Completed a plan of arrangement, cancelling 15,265,211 common shares owned by Mobio and issuing 38,147,546 common shares to the shareholders of Mobio pursuant to the arrangement agreement between Mobio and the Company.

- The Company received investments with a fair value of $689,606 from Mobio in connection with the plan of arrangement.