Contents **Page**

1.1 – Date and Basis of Discussion & Analysis

This management discussion and analysis ("MD&A") is dated as of November 30, 2020 and should be read in conjunction with the unaudited interim financial statements for the quarter ended September 30, 2020 and audited annual financial statements of First Growth Funds Limited for the year ended June 30, 2020 ("the Financial Statements"). The Financial Statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). Unless expressly stated otherwise, all financial information is presented in Australian dollars.

1.2 – Corporate information

Business Structure

The Company, was incorporated on October 14, 1986 under the *Corporations Act* (Australia) with Australian company number ("ACN") 006 648 835 It went through several name changes: and on March 29, 2011 the name was changed to the current name, First Growth Funds Limited. Its head office and registered offices are located at Level 14, 440 Collins Street Melbourne, Victoria 3000, Australia.

Wholly owned Subsidiary companies:

1) ICO-AN Pty Ltd., incorporated on November 17, 2017 pursuant to the *Corporations Act* (Australia).
2) First Growth Advisory Pty Ltd., ("FGA") incorporated December 8, 2018 pursuant to the *Corporations Act* (Australia).

Nature of Business

First Growth Funds Limited invests across a broad range of asset classes including listed equities, private equity, blockchain and digital assets. The company also operates an advisory business providing corporate advisory, capital raising and capital markets support to its portfolio.

<u>Investment mandate</u>

Investment Restrictions and Requirements and Voluntarily Adopted Investment Measures

In order to address certain securities regulatory or public interest policy objectives, the Company has voluntarily adopted a number of measures that will define the Company and the scope of its operations. These voluntarily adopted measures include:

The Company has established the following restrictions:

(i) will not invest more than 15% of its portfolio in any one entity.
(ii) plans to allocate 50% or more in listed securities and up to 50% in unlisted securities (including Blockchain and digital assets).
(iii) will use 32% of its portfolio as a guide to investments in Digital Assets and unlisted equity Blockchain entities. The Board may adjust this figure over time. If one of the Digital Assets or Blockchain companies valuation rises too high that skews the portfolio, the board will use its best efforts to find liquidity and adjust the portfolio accordingly.
(iv) an officer or director of the Company may become an independent director of the investee company in order to monitor the progress of the investee company more closely.
(v) will seek shareholder approval to any proposed changes to the fundamental investment objectives, despite not being an investment fund within the meaning of applicable securities laws.
(vi) will ensure that at least half of the directors are independent.
(vii) in its continuous disclosure documents disclose fundamental changes to the Company including details of the Company's investment objectives and investment restrictions and management fees and performance fees if applicable.

(viii) until it has invested at least 75% of the $3,200,000 allocated for new investments, it will provide summary financial information for its investment.

(ix) will make its best efforts to invest of the $3,200,000 allocated for new investments in the 12 months following listing on the CSE. However, this schedule may be altered depending on ongoing review of investment opportunities.

Bankruptcy, Receivership, Receiverships, Restructuring

There have not been any bankruptcy, receivership or similar proceedings against the Company or any of its subsidiaries, or any voluntary bankruptcy, receivership or similar proceedings, material restructuring transactions by the Company or any of its subsidiaries, any within the two most recently completed financial years.

Social, Environmental Polices, Seasonal Issues

There are no social and environmental policies or seasonal and environmental issues that have or are expected to affect the Company and its business.

Material Restructurings

There have not been any material restructuring of the Company in the last three years.

Acquisitions

See "*Description of the Business*"

Trends

See "*Description of the Business*"

DESCRIPTION OF THE BUSINESS

Overview

First Growth Funds Limited invests across a broad range of asset classes including listed equities, private equity, blockchain and digital assets. The company also operates an advisory business providing corporate advisory, capital raising and capital markets support to its portfolio.

Under Australian Corporations Law, any company engaged in dealing with securities needs to either (i) hold an AFSL license or (ii) be registered as a Corporate Authorized Representative of an AFSL holder. The Company presents investment opportunities to accredited investors in Australia for which it earns commission fees and is licensed for this activity pursuant to its arms-length agreement dated December 31, 2018 with SLM Corporate Pty. Ltd.

Asset Allocation

The table below is an overview of the current portfolio allocation as at June 30 2020 and as at 30 September 2020

Asset type	Note	As at June 30, 2020		As at Sept 30, 2020	
		$	%	$	%
Cash		4,349,321	47.7%	3,468,203	40.2%
Financial assets (listed)	i	3,126,095	34.2%	3,680,251	42.7%
Financial assets (unlisted)	i	1,608,557	17.6%	1,427,635	16.6%
Inventories	ii	47,200	0.5%	47,200	0.5%
Total		9,131,173	100.0%	8,623,289	100.0%

Notes
i. Financial assets – listed securities are classified as current assets and unlisted securities are classified as non current assets.
ii. Inventories comprise Cryptocurrency held for resale.

Material Agreements

No new material agreements we entered into during the quarter ending September 30, 2020.

INVESTMENT IN LISTED EQUITIES

The Company holds an active portfolio of listed equities across various industries including technology, medical, mining and oil and gas sectors. The Company activity manages and adjusts the portfolio on a monthly basis.

The Company invests by participating in placements by equity or convertible notes or prior to their IPO. The Company can invest in any capital market but historically has been focused on the Australian market via the ASX. In some the Company helps facilitate the investment and earns fees. Some examples include:

1. Constellation Technologies Limited (previously CCP Technologies) (ASX:CT1) ("CT1")

Cash receipts for the quarter were $526k, an increase of 85% on the previous quarter and 383% increase on the prior year. CT1 held $3.7M cash at the end of the quarter. The increase in revenue was primarily driven by the Group's China operations, with the commencement of three new projects. The sales pipeline in China continue to develop and grow.

The Company invested $250,000 in CT1 and facilitated a further investment of $561,247.

Date of Investments	**CT1 shares Acquired**
7 Nov 2019	15,090,370
30 August 2019	2,590,370
19 August 2018	12,500,000
Shares held	**30,180,740**
Shares on issue	1,357,507,690
Shares held %	**2.2%**

CT1 closing trading price as at September 30, 2020 $0.024 per share. The Company has not sold any of its CT1 shares.

The Company also owns 15,090,370 fully vested CT1 options with an exercise price of $0.015 per share and a further 12,500,000 fully vested CT1 options with an exercise price of $0.03 per share.

Anoosh Manzoori, the CEO of the Company is an independent non-executive director of CT1. Mr. Manzoori holds 10,260,506 CT1 shares, 7,201,682 CT1 options with an exercise price of $0.015 and 2,000,000 CT1 options with an exercise price of $0.10.

2. YPB Systems Limited (ASX:YPB)

YPB has developed an anti-counterfeit platform and solution. In the quarter, receipts from customers of $68,000. YPB held $0.75M cash at the end of the quarter. In 2019, the Company led the convertible note investment with a $495,000 investment with a 10% coupon on August 29, 2018. The Company has not converted its investment to YPB shares or sold any of its investment. The convertible note:

- has a three year fixed term, repayable only at maturity, non-redeemable.
- pays 10% annual interest income on a 3-year term
- is convertible at any time to ordinary equity at the lower of AUS $0.018 or a 50% discount to the price at which YPB shares were subscribed for pursuant to the most recent capital raising of YPB preceding the date of conversion (not including the present equity placement), provided that the deemed price is no lower than $0.009.
- has a free attached unlisted option with an exercise price of $0.025, expiring 18 months from the date of conversion of the convertible note to shares.

Anoosh Manzoori, the CEO and a director of the Company was a non-executive director of YPB from December 2018 to June 2019.

3. Candy Club Holdings Ltd. (ASX:CLB) ("Candy Club")

Candy Club Holdings Ltd. ("Candy Club") is a specialty market confectionary business, selling to wholesalers and direct to consumers. It completed an IPO of $5,024,004 before costs and listed on the ASX on February 14, 2019. The Company invested in the IPO and participated in subsequent placements. It has invested a total of $387,400 not sold any of the Candy Club shares. The Company owns approximately 2,533,334 shares or 1% of the issued and outstanding shares of Candy Club. It also owns 483,334 options with an exercise price of $0.10.

At all times Candy Club and the Company were arms-length and not related parties.

Cash receipts for the quarter were US$1.9M, an increase of 146.8% compared to same time last year. CLB held US$2.25M cash at the end of the quarter. On a year-on-year basis, the total gross revenue grew 2.5x compared with 3Q FY2019. Gross margin improved year-on-year to 43.3%. The company now ships products to over 11,700 retail doors in the US.

4. SQID Technologies Limited (CSE:SQID) ("SQID").

SQID is a payment gateway processor. Its unaudited results for the nine months ended September 30, 2020 showed revenue of $6,068,837 and profit before tax of $423,458. SQID's calendar year to date trading volumes of $182,399,494 as at October 31, 2020 represent 20% year on year growth.

FGF acquired 14.64% of the Ordinary Shares of SQID in 2019 when SQID was a private company. SQID's ordinary shares were listed on the CSE on January 21, 2020.

FGF directors. Michael Clarke and Athan Lekkas are also SQID directors. Athan Lekkas is also Executive Chairman and CEO.

5. Hydrocarbon Dynamics Limited (ASX:HCD) ("HCD")

HCD is evaluating, exploring and developing oil prospects and technologies in North America and internationally and the sale of new clean oil technology products. During the quarter the Company sold 1,987,422 shares for $60,239.

6. Kingwest Resources Limited (ASX:KWR) ("KWR")

Kingwest Resources Limited (is a mining and explorations company focused primarily on gold exploration in the Eastern Gold Fields Region of Western Australia. During the quarter the Company held 440,000 shares. The KWR closing trading price as at September 30, 2020 was $0.135 per share.

7. Golden Deeps Limited (ASX:GED) ("GED")

Golden Deeps Limited is an early stage mining and explorations company. GED raised $2,346,000 in a private placement to accelerate exploration on the recently acquired gold projects in the Lachlan Fold Belt in NSW, Australia.

During the quarter the Company acquired 2,800,000 shares at $0.013 per share for $35,000 and later sold with a $12,338 profit. The Company also received 1,400,000 free options that were sold with a $15,317 profit.

8. Eastern Iron Limited (ASX:EFE) ("EFE")

Eastern Iron Limited is an iron ore exploration company focused on assessing the development potential of the high grade magnetite resource at its 100% owned Nowa Nowa Iron Project in eastern Victoria, Australia. During the quarter the Company purchased 5,000,000 shares for $45,148.

9. Great Western Exploration Limited (ASX:GTE) ("GTE")

Great Western Exploration Limited is an exploration company focusing on identifying & evaluating copper, gold and nickel prospects in Western Australia. During the quarter the Company purchased 454,279 shares for $153,489.

10. Kneomedia Limited (ASX:KNW) ("KNW")

Kneomedia Limited is an online education publishing business that delivers education assessment products and games-based learning to global educational markets. KNeoMedia publishes and markets from its US-based subsidiary, KNeoWorld Inc., and sells on an annual seat license basis through its KNeoWorld.com portal via education departments and distribution agreements. During the quarter, KNW recorded $355,000 in revenue with $168,000 loss. KNW had $840,000 cash at 30 September 2020.

During the quarter the Company purchased 8,000,000 shares for $85,181 and 145,721 shares for $26,374.

11. RooLife Group Limited (ASX:RLG) ("RLG")

RooLife Group Ltd provides fully integrated digital marketing and customer acquisition services focusing on driving online sales of products and services for its clients. The Company's technology is relevant for any app, website or other digital platform that seeks to provide products or content to end-users. During the quarter, RLG recorded $600,000 in revenue with $688,000 loss. RLG had $707,000 cash as at 30 September 2020.

During the quarter the Company purchased 6,666,666 shares for $200,000. The Company was also offered 6,666,666 free options, to be issued following RLG shareholder meeting.

12. Vital Metals Limited (ASX:VTM) ("VTM")

Vital Metals Limited is an explorer of mineral project in Niger and in Burkina Faso, West Africa. During the quarter, RLG recorded $600,000 in revenue with $688,000 loss. RLG had $707,000 cash at 30 September 2020.
During the quarter the Company purchased 3,750,000 shares for $75,000.

Investment in Unlisted Equities

1. Helbiz Inc. ("Helbiz"):

It is an intra-urban transportation company with a mission to solve the first and last-mile transportation problem of high-traffic urban areas around the world. Helbiz's proprietary software and hardware is integrated into scooters to maximize vehicle life, minimize operational costs and potentially improve safety. Helbiz utilizes a customized fleet management platform, artificial intelligence, and environmental mapping to optimize operations and profitability. The company constantly monitors the platform and captures the data of all rides, riders, scooters, and personnel with advanced analytics. This data is then used to properly deploy, monitor and reposition the fleet to meet demand in different areas and maximize ridership. Helbiz completed a US$10M pre-IPO funding in August 2019.

On June 17, 2019, the Company made an arms-length investment in a 10% convertible note (“Note”) for the amount of U.S $150,000 with interest at the rate of 10% maturing December 31, 2020. On July 15, 2020, the 10% convertible note converted to Helbiz Inc common shares at a conversion price of U.S $23.27, valuing Helbiz at US$90M. The Company now holds 7,150 common shares representing 0.2% of total common shares on issue.

At all times Helbiz and the Company were arms-length and not related parties.

Unlisted Equities (Blockchain Related)

The Company invests in unlisted equities that are Blockchain related and may also help facilitate investment from other Australian sophisticated investors and accredited investors.

1. **Horizon Fintex**

During June 2019, the Company invested US$400,00 in Horizon Globex. In June 2020, the company rebranded as Horizon Fintex.

There were no new unlisted blockchain investments during the quarter.

1.3 – Selected Annual Information – not applicable

1.4 – Results of Operations

Quarters Ended	30-Sep-20	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Mar-19
Income (Loss) from continuing operations							
Revenue	2,800	259,835	-	45,455	-	97,253	(1,319)
Direct costs	-	(251,705)	-	-	-	(96,621)	21,181
Net income (loss) from continuing operations	2,800	8,130	-	45,455	-	632	19,862
Income (Loss) from investments							
Interest revenue	15,723	23,588	23,577	25,712	22,783	108,211	19,462
Dividend revenue	-	-	-	-	-	-	3,812
Financial assets at fair value through profit or loss	(204,130)	1,744,558	534,666	(56,649)	575,897	(826,396)	57,205
Asset impairments	-	(638,252)	-	-	-	(2,089,867)	-
Other gains and losses	(6,955)	(18,809)	3,182	-	-	1,146,592	(10,794)
Net income (loss) from investments	(195,362)	1,111,085	561,425	(30,937)	598,680	(1,661,460)	69,685
Net income (loss)	(192,562)	1,119,215	561,425	14,518	598,680	(1,660,828)	89,547
Operating expenses							
AFSL support fees	9,000	9,000	8,568	9,185	9,247	9,123	23,474
Director related costs	120,000	120,000	120,000	118,558	121,442	181,301	85,713
Director- share based payments	-	19,156	(19,156)	-	-	-	-
Insurance and professional fees	116,652	159,012	104,478	189,110	142,957	183,033	109,487
Listing and share registry fees	14,749	52,147	-	13,304	33,944	15,519	1,787
Travel expenses	-	(431)	-	17,539	39,595	54,082	29,311
Other expenses	11,954	6,364	35,165	45,081	5,234	53,975	(4,582)
Total operating expenses	272,355	365,248	249,055	392,777	352,419	497,033	245,190
Comprehensive Income (Loss)	(464,917)	753,967	312,370	(378,259)	246,261	(2,157,861)	(155,643)
Basic and diluted earnings cents per share (adjusted)**	(0.598)	0.969	0.402	(0.486)	0.317	(2.774)	(0.200)
Weighted average number of ordinary shares (adjusted)**	77,798,218	77,798,218	77,798,218	77,798,218	77,798,218	77,798,218	77,798,218

** On December 2 2019, the company completed a share consolidation of 1 new ordinary share for every 20 shares on issue

For the three months ended September 30, 2020 the Company reported a comprehensive loss of $464,917 (2019: $246,261 profit). In the previous quarter ended 30 June 2020, the Company reported a profit of $753,967.

The reported loss comprises net income from operations $2,800, a net loss from investments of $195,362 and operating expenses of $272,355.

Net income from operations for current quarter and the previous quarter comprises COVID-19 related government funding partially offset by a small cryptocurrency trading loss in the previous quarter.

The net loss from investments of $195,362 represents a negative portfolio return of 2.1% for quarter. Portfolio performance was adversely affected by fair value losses totaling $386,000 relating to Constellation Technology Limited (ASX:CTI) listed shares and unlisted options. During the quarter the CTI share price fell 25% from $0.032 to $0.024. The remainder of the portfolio returned 7.4% for the quarter including strong performances from the Company's recent investments or reinvestments in Candy Club Limited (ASX:CLB), Roolife Group Limited (ASX:RLG), Great Western Exploration Limited (ASX:GTE) and Golden Deeps Limited (ASX:GED).

Operating expenses also referred to as the "costs of doing business" (CODB) for the quarter of $272,355 compares favourably to the previous quarter of $365,248 and the prior corresponding period of $352,419. The prior year quarterly CODB run rate adjusted for one off CSE listing related costs was $282,000.

1.5 – Summary of Quarterly Financial Position

As at	30-Sep-20	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Mar-19
Current Assets							
Cash and cash equivalents	3,468,203	4,349,767	2,793,980	3,221,037	3,095,294	2,255,897	2,994,063
Trade and other receivables	13,229	12,704	4,342	12,319	15,862	78,896	1,642,220
Inventory (cryptocurrencies)	47,200	47,200	937,156	685,452	685,452	685,452	342,983
Financial assets	3,680,251	3,126,095	2,999,964	1,559,547	2,049,695	2,560,894	2,898,182
Intangible assets	-	-	109,217	109,217	109,217	210,086	-
Other current assets	47,301	11,328	21,418	32,663	32,956	-	15,632
Total Current Assets	7,256,184	7,547,094	6,866,077	5,620,235	5,988,476	5,791,225	7,893,080
Non-Current Assets							
Financial assets	1,427,635	1,608,567	1,460,783	2,448,057	2,484,162	2,451,486	1,533,631
Intangible assets	-	-	-	-	0	0	914,750
Goodwill	-	-	-	-	-	-	-
Total Non-current Assets	1,427,635	1,608,567	1,460,783	2,448,057	2,484,162	2,451,486	2,448,381
Total Assets	8,683,819	9,155,661	8,326,860	8,068,292	8,472,638	8,242,711	10,341,461
Liabilities							
Current Liabilities							
Accounts payable	120,756	127,681	72,003	106,649	132,736	149,070	89,959
Total Current Liabilities	120,756	127,681	72,003	106,649	132,736	149,070	89,959
Total Liabilities	120,756	127,681	72,003	106,649	132,736	149,070	89,959
Net Assets	**8,563,063**	**9,027,980**	**8,254,857**	**7,961,643**	**8,339,902**	**8,093,641**	**10,251,502**
Equity							
Share Capital	67,635,788	67,635,788	67,635,788	67,635,788	67,635,788	67,635,788	67,635,788
Reserves	0	-	-	19,156	19,156	19,156	19,156
Retained Earnings	(59,072,725)	(58,607,808)	(59,380,931)	(59,693,301)	(59,315,042)	(59,561,303)	(57,403,442)
Total Equity	**8,563,063**	**9,027,980**	**8,254,857**	**7,961,643**	**8,339,902**	**8,093,641**	**10,251,502**

During the quarter cash balances decreased by $881,564 to $3,468,203. The decrease comprises outflows relating to new and additional ASX listed investments $693,595 and costs of doing business (net) $319,403 partly offset by proceeds from the investment sales $116,741 and interest income $14,693.

1.6 – Liquidity and Capital Resources

As at June 30, 2020, the Company had cash and cash equivalents on hand of $3,468,203 (June 30, 2020: $4,349,767)

Shareholder's equity as at September 30, 2020 was $8,563,063 (30 June 2020: $9,027,980).

1.7 – Off Balance Sheet Arrangements

As at June 30, 2020, there were no off-balance sheet arrangements to which the Company was committed.

1.8 – Transactions with Related Parties

Refer to note 4 of the September 30, 2020 Condensed Interim Consolidated Financial Statements (Unaudited).

1.9 Fourth Quarter – not applicable

1.10 – Proposed Transactions

The Company has no proposed transactions as at the date of this document.

1.11 – Critical Accounting Estimates

There have been no changes in during the reporting period.

Refer to note 2(l) of the June 30, 2020 Audited Annual Financial Statements.

1.12 – Changes in Accounting Policies – International Financial Reporting Standards ("IFRS")

There have been no changes in accounting policies during the reporting period.

1.13 – Financial Instruments and Other Instruments

Refer to note 14 and 15 of the September 30, 2020 Condensed Interim Consolidated Financial Statements (Unaudited).

1.14 – Other MD&A Requirements

Share Capital

There were no changes in Share Capital during the reporting period.

For further details refer to note 10(b) of the September 30, 2020 Condensed Interim Consolidated Financial Statements (Unaudited).

Share Options

Details of options issued during the reporting period are set out below:

	Number on issue
Balance, July 1, 2020	Nil
Movements during the period	
Advisor options granted	1,000,000
Balance, September 30, 2020	1,000,000

The options granted during the period form part of the consideration for services rendered under investor relations and corporate advisory consulting arrangements. Each option carries the right to acquire one fully paid ordinary share. The terms attached to the options are set out below:

.	**Tranche 1**	**Tranche 2**
Grant date	August 4 2020	August 6 2020
Number granted	500,000	500,000
Exercise price (Canadian dollars)	$0.28	$0.28
Expiry date	August 4 2021	August 6 2021

For further details refer to note 10(b) of the September 30, 2020 Condensed Interim Consolidated Financial Statements (Unaudited).

1.15– Subsequent events

The Company holds a 14.4% equity interest SQID Technologies Limited carried at $1,784,849 (CSE:SQID)

On November 23, 2020 SQID issued a news release as follows:

"The Company is a payment processor for online debit and credit card payment. The standards for payment processing are established by the Payment Card Industry Data Security Standard ("PCI"). PCI is an information security standard for organizations that handle credit cards from the major card schemes (Visa and MasterCard) and must ensure a high level of integrity and compliance of its payment processing at all times to appropriately manage its risk. Senior management of the Company changed early this year and as a result of a review by the new management the Company has advised its customers that changes were required to meet the required level of PCI compliance. We could not obtain this from a large group of customers representing about 94% of the Company's operations. Regrettably the Company is unable to continue to provide service to these customers. The loss of these customers will have a material impact on revenue and earnings in the short to medium term. The Company will undertake a restructure of its team and downsize its overheads to manage costs. The Company has an established and highly scalable payment platform that does not require ongoing development or R&D to maintain. With further efforts into sales and marketing the Company aims to recover the revenue and earnings profile in the short to medium term. Sqid has a strong balance sheet of $3M cash, no debt and a good sales pipeline, and is actively reviewing a number of acquisition opportunities to complement its payments software and intellectual property"

Given the above, the Company is reassessing the long term value of its SQID holding and in the interim will also be guided by SQID share trading price levels.

No other matters or circumstances have arisen since the end of the financial year that have significantly affected or may have a significant effect on the financial operations of the company, the financial performance of those operations or the financial position of the company in the subsequent financial year.

RISK FACTORS AND UNCERTAINTIES

An investment in the Ordinary Shares of the Company should only be made by persons who can afford a significant or total loss of their investment.

Risk of No Return on Investment: There is no assurance that the business of the Company will continue to be operated successfully, or that the business will continue to generate sufficient or any income to meet its obligations. There is no assurance that an investment in the Ordinary Shares will earn a specified rate of return or any return over the life of the Company.

Uncertainty of Additional Financing: There are no assurances that the Company's future working capital will be adequate to execute its business plan or objectives as contemplated herein. The Company does not have any commitments to obtain additional financing and if required in future, there is no assurance that the Company will be able to arrange for such financing, or that such financing will be available on commercially reasonable terms. The failure to obtain such financing on a timely basis could have a material adverse effect on the Company. Equity financing and the additional issuance of equity securities will result in the substantial dilution to the Company's shareholders.

Global Financial Conditions: Global financial conditions over the last few years have been characterized by volatility and the bankruptcy of several financial institutions or the rescue thereof by governmental authorities. These factors may affect the ability of the Company to obtain equity or debt financing in the future on terms favorable to it. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. If such levels of volatility and market turmoil continue, the operations of the Company may suffer adverse impact and the price of the Ordinary Shares may be adversely affected

Risks Specific to the Company

Reliance on the Directors and Officers: The Company has a small management team composed of the directors and the unexpected loss of any of these individuals would have a serious impact on the business. They are responsible for the successful operation of the Company. At present, there is no key-man insurance in place for any members of the management team. The loss of services of any of these personnel to develop the business and make appropriate decisions in respect of the management thereof could have a material adverse effect on the business of the Company.

Covid 19 Virus Disruption: The Company operates in three areas: (i) it provides advisory services to listed and unlisted companies, (ii) it is licensed in Australia to present investment opportunities to accredited investors in Australia and earn commission fees and invests across a diversified portfolio of different asset classes. These three items are all affected as the companies involved in each area are likely to be negatively affected directly or indirectly by the Covid 19 Virus.

RISK FACTORS AND UNCERTAINTIES (cont.)

Conflicts of Interest: The directors and officers of the Company are not in any way limited or affected in their ability to carry on other transactions or business ventures for their own account or for the account of others, and may be engaged in the ownership, acquisition and operation of businesses, which compete with the Company. Investment in the Company will not carry with it the right for either the Company or an investor to invest in any investment or venture of the directors and officers of the Company, or to any profit therefrom or to any interest therein. The directors have a responsibility to identify and acquire suitable investments on behalf of the Company. To the extent that an opportunity arises to enter into such an agreement, the directors of the Company have the discretion to determine whether the Company will avail itself of the investment opportunity and, if it does not, any of the directors of the Company will be able to decide amongst themselves whether to pursue the opportunity for their respective accounts. If the investment opportunity did not arise solely from their activities on behalf of the Company, the directors of the Company have no obligation to offer an investment opportunity to the Company. Future conflicts of interest will be dealt with in accordance with applicable laws, statutes and regulations.

Operational Risks: The Company will be affected by several operational risks against which it may not be adequately insured or for which insurance is not available, including: catastrophic accidents; fires; changes in the regulatory environment; impact of non-compliance with laws and regulations; labour disputes; natural phenomena such as inclement weather conditions, floods, earthquakes and ground movements. There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the Company's premises, personal injury or death, environmental damage, resulting in adverse impacts on the Company's operations, costs, monetary losses, potential legal liability and future cash flows, earnings and financial condition. The Company may also be subject to or affected by liability or sustain loss risks and hazards against which it cannot insure or which it may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Technology Risk: The Company's Blockchain and Digital Currency assets use advanced technologies, which are susceptible to rapid technological change and there is no assurance that adequate responses will be made in a timely manner to successfully overcome the technological challenges and changes.

Digital Assets Risks: Lack of regulation, acceptance, price stability and volatility.

Lack of Regulation: Cryptocurrency exchanges and other trading venues are relatively new and, in most cases, largely unregulated and may therefore be more exposed to fraud and failure To the extent that Cryptocurrency exchanges or other trading venues are involved in fraud or experience security failures or other operational issues, this could result in a reduction in Cryptocurrency prices. Cryptocurrency market prices depend, directly or indirectly, on the prices set on exchanges and other trading venues, which are new and, in most cases, largely unregulated as compared to established, regulated exchanges for securities, derivatives and other currencies. In the past several years, a number of Cryptocurrency exchanges have been closed due to fraud, business failure or security breaches. In many of these instances, the customers of the closed exchanges were not compensated or made whole for the partial or complete losses of their account balances in such exchanges. While smaller exchanges are less likely to have the infrastructure and capitalization that provide larger exchanges with additional stability, larger exchanges may be more likely to be appealing targets for hackers and "malware" (i.e., software used or programmed by attackers to disrupt computer operation, gather sensitive information or gain access to private computer systems) and may be more likely to be targets of regulatory enforcement action.

Lack of Acceptance: Traditional banks and banking services may limit or refuse the provision of banking services to businesses that supply Cryptographic or Cryptocurrencies as payment and may refuse to accept money derived from Cryptocurrency-related businesses. This may make management of bank accounts held by companies operating in the field difficult.

RISK FACTORS AND UNCERTAINTIES (cont.)

Competition: All aspects of the Digital Currency and Blockchain industries – in particular the development of pre-ICO, ICOs, digital currency security providers and digital currency exchanges face significant competition. The rapid pace of innovation and development within the industry, together with the high number of competitors and relatively low barriers to market entry mean there is no guarantee the Company's ventures in these industries will be effective or profitable. Refer to the Company's prospectus to which this MD&A is attached for a list of competitors.

Legal and Regulatory Risk: A key concern often raised about digital currency is its ability to hinder or evade law enforcement and facilitate criminal activity due to users being anonymous and the transactions are outside the usual channels of international finance and government regulation. It is unclear what the regulatory response will be and whether that response will seriously impact the digital current market.

Valuation and Price Volatility of Cryptocurrencies: Cryptocurrency prices are highly volatile, can fluctuate substantially and are affected by numerous factors beyond the Company's control, including hacking, demand, inflation and expectations with respect to the rate of inflation, global or regional political or economic events. One Bitcoin had a value of U.S. $20,000 in December 2017, $3,430 in December 2018 and in 2019 it has fluctuated between lows of approximately $3,300 and a high of $12,360. At the end of October 2019, it was around $8,300. Cryptocurrencies may be subject to momentum pricing, which is typically associated with growth stocks and other assets whose valuation, as determined by the investing public, accounts for anticipated future appreciation in value. Cryptocurrency market prices are determined primarily using data from various exchanges, over-the-counter markets, and derivative platforms. Momentum pricing may have resulted, and may continue to result, in speculation regarding future appreciation in the value of Cryptocurrencies, inflating and making their market prices more volatile. As a result, they may be more likely to fluctuate in value due to changing investor confidence in future appreciation (or depreciation) in their market prices, which could adversely affect the value of the Company's investments.

Management of Growth: The Company may experience a period of significant growth that will place a strain upon its management systems and resources. Its future will depend in part on the ability of its officers and directors to implement and improve financial and management controls, reporting systems and procedures on a timely basis and to expand, train motivate and manage additional future staff. The Company's current and planned personnel, systems, procedures and controls may be inadequate to support its future operations. There are no plans to hire additional staff at this time.

Increases in Competition: There is significant competition from other much larger well-established successful investment companies with larger staff and resources to evaluate investment opportunities, in particular established financial institution such as banks. There is no assurance that the Company's investment strategy will be successful or more successful that its competition. Any material deterioration in the Company's competitive position could materially adversely affect the Company's business, operating and financial performance.

Exposure to Adverse Macroeconomic Conditions: The Company is exposed to changes in general economic conditions in Australia and internationally and is affected by macroeconomic conditions such as tariffs and other trade barriers, economic recessions, downturns or extended periods of uncertainty or volatility all of which may materially adversely affect the Company's business, operating and financial performance.

Acquisition Risk and Associated Risk of Dilution: The Company's possible expansion strategy includes pursuing acquisitions. The successful implementation of acquisitions will depend on a range of factors including acquisition costs, funding arrangements, business cultural compatibility and operational integration. To the extent acquisitions are not successfully integrated with the Company's existing business, the financial performance of the Company could be materially adversely affected. Future acquisitions may involve the issue of Ordinary Shares for consideration. In this event, Shareholders' interests will be diluted. Ordinary Shares may also be issued for other purposes such as debt reduction. Effective due diligence by the Company is ongoing to minimize the risk in integrating acquisition targets although this cannot be guaranteed. There are no specific acquisitions proposed at this time.

RISK FACTORS AND UNCERTAINTIES (cont.)

Currency Exchange Risk: The Company is exposed to fluctuations in currency exchange rates, which could negatively affect our financial condition and results of operations. In particular, exchange rate fluctuations may affect the value of its assets located in North America and Cryptocurrencies are generally sold in U.S. dollars.

Unforeseen Expenses: All expenses that the Company is aware of are taken into account. There is a risk that unforeseen expenses may develop which could materially negatively affect the business operations.

Permits and Government Regulations: There are currently no permits or government regulations in Australia that affect the Company's operations beyond business license requirement and the requirements of the Corporations Act, 2001.

Environmental and Safety Regulations and Risks, Climate Change: There are currently no environmental laws and regulations affect the operations of the Company. None are anticipated as the Company's does not have physical operations other than business offices. The Company, like all other businesses and persons in the world is exposed to the effects of climate change. The direct effects on the Company's business is not foreseeable at this time.

List Not Exhaustive: The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by Shareholders. The above factors and others not specifically referred to above may in the future materially affect the financial performance of the Company and the value of the shares.

DISCLAIMER FOR FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. These statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements or information. The forward-looking statements and information are based on certain key expectations and assumptions made by management of the Company.

Forward-looking statements and information are provided for the purpose of providing information about the current expectations and plans of management of the Company relating to the future. Readers are cautioned that reliance on such statements and information may not be appropriate for other purposes, such as making investment decisions. Since forward-looking statements and information address future events and conditions, by their very nature they involve risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. Accordingly, readers should not place undue reliance on the forward-looking statements, timelines and information contained in this news release. Readers are cautioned that the foregoing list of factors is not exhaustive.

The forward-looking statements and information contained in this news release are made as of the date hereof and no undertaking is given to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws or the Canadian Securities Exchange. The forward-looking statements or information contained in this news release are expressly qualified by this cautionary statement.

Investors should consider that the investment in the Company is speculative, carefully consider the foregoing risk factors and should consult their professional advisers to assess income tax, legal and other aspects of an investment in the Shares before making financial decisions regarding a purchase of the Company's Ordinary Shares.

APPROVAL

The Board of Directors of the Company approved the disclosure contained in this MD&A on November 30, 2020.