A copy of this preliminary Prospectus has been filed with the securities regulatory authority in the province of Ontario but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary Prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the prospectus is obtained from the securities regulatory authority.

This Preliminary Prospectus is not related to a public offering. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

PRELIMINARY PROSPECTUS

NON-OFFERING PROSPECTUS September 16, 2020

Blockchain Venture Capital

Blockchain Venture Capital Inc.

(the "**Corporation**" or "**BVCI**")

No securities are being offered pursuant to this Prospectus. This Prospectus is being filed with the Ontario Securities Commission for the purpose of providing full public disclosure regarding the Corporation and its plans to seek a listing on the Canadian Securities Exchange. As no securities are being offered pursuant to this Prospectus, no proceeds will be raised in connection with this Prospectus.

There is no market through which the securities of the Corporation may be sold and purchasers may not be able to resell securities purchased under this Prospectus. This may affect the pricing of the Corporation's securities in the secondary markets; the transparency and availability of trading prices; the liquidity of the Corporation's Securities; and the extent of issuer regulation. See "*Risk Factors*". Listing will be subject to the Corporation fulfilling all of the listing requirements of the Exchange, including without limitation, the distribution of the Corporation's Common Shares to a minimum number of public shareholders and the Corporation meeting certain financial and other requirements.

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

As at the date of this Prospectus, none of the Corporation's securities are listed or quoted, the Corporation has not applied to list or quote any of its securities, and it 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 of 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).

Please see Item 19 - "Risk Factors" in this Prospectus for information about the risks of an investment in the securities being sold by the Corporation. The head office of the Corporation is located at 130 King Street West, Suite 1800, Toronto, ON M5X 1E3. The registered office of the Corporation is located at Suite 1005, 376 Highway 7 East, Richmond Hill, Ontario, L4B 0C7.

ITEM 2- TABLE OF CONTENTS

FORWARD-LOOKING STATEMENTS

Certain statements in this Prospectus may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this Prospectus, such statements use such words as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate" and other similar terminology. These statements reflect the Corporation's current expectations regarding future events and operating performance and speak only as of the date of this Prospectus. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed below and under "Risk Factors". Although the forward-looking statements contained in this Prospectus are based upon what management of the Corporation believes are reasonable assumptions, the Corporation cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this Prospectus and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the Corporation does not assume any obligation to update or revise them to reflect new events or circumstances.

In particular, this Prospectus contains forward-looking statements pertaining to the following:

- expectations regarding industry trends, overall market growth rates and the Corporation’s growth rate and growth strategy;
- the Corporation’s operations, business plans and strategies and discussion of trends affecting the business of the Corporation;
- the Corporation’s competitive position in the industry;
- the anticipated revenues and cashflows from operations and consequent funding requirements of the Corporation;
- the Corporation’s ability to secure and complete anticipated contracts;
- the Corporation’s expected results from operations, future capital and other requirements and expenditures (including the amount, nature and resources of funding thereof);
- the anticipated revenues to be realized by the Corporation from future contracts;
- the Corporation’s operating expenses;
- business prospects and opportunities;
- dependence on key personnel;

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond the control of the Corporation, that could influence actual results include, but are not limited to the following:

- the Corporation has a limited operating history and may encounter difficulties managing its growth and development;

- the market for the Corporation’s technology platform and services is unproven and may not mature and develop at expected levels;

- anticipated relationships with Canadian financial institutions may not materialize in the manner expected or may not materialize at all;

- unintended violations of privacy laws could lead to public relations problems and could impair the Corporation's ability to obtain users for the Corporation's services;

- technological malfunction caused by cyber attacks, human error or natural disaster could lead to a disruption in the Corporation's services;

- the Corporation may fail to successfully market and develop its technology and brand;

- the Corporation may fail to expand its sales capabilities in the manner intended;

- the Corporation may experience delays in the operation of its computer and platform system;

- the Corporation may experience interruptions or delays in services it receives from third-party service providers, or from its own facilities, to host and deliver its services.

- the Corporation may experience delays in the operation of its computer network;

- the Corporation may fail to enforce its intellectual property rights;

- changes in legislation and government requirements may affect the Corporation's ability to operate its business and services in Canada and in international markets;

- the Corporation may be unable to attract or retain key qualified personnel;

- the Corporation may require additional capital to support its business growth, and this capital may not be available on acceptable terms or at all;

- a market may not continue to develop or exist for the Common Shares;

- management has broad discretion over use of proceeds;

- the Corporation may issue additional shares in an equity financing that may have the effect of diluting the interest of its shareholders;

- the Corporation's services may be compromised in the event of a widespread or persistent internet outage;

- the Corporation will continue to incur increased costs and demands upon management as a result of becoming a public company;

- the Corporation has a limited operating history and may be unsuccessful in its business efforts;

The forward-looking information contained in this Prospectus is based on a number of assumptions that may prove to be incorrect, including, but not limited to, assumptions about general business and economic conditions, changes in financial markets generally, the Corporation's ability to attract and retain skilled staff, the Corporation's ability to maintain brand development, changes in laws, and the Corporation's capital expenditure program. Although the Corporation has attempted to identify material factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Corporation does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of the Corporation 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. The factors identified above are not intended to represent a complete list of the factors that could impact the Corporation. Additional risk factors are noted under the heading "*Risk Factors*" on page 37.

CURRENCY

Dollar references in this Prospectus are in Canadian dollars unless otherwise indicated.

ITEM 3 - GLOSSARY OF TERMS

When used in this Prospectus, the following terms have the following meanings ascribed thereto:

"**Articles**" means the articles of incorporation of the Corporation dated January 12, 2018 and the articles of amendment of the Corporation dated January 10, 2020;

"**associate**" has the meaning ascribed thereto in the *Securities Act* (Ontario);

"**Act**" means the *Business Corporations Act* (Ontario);

"**AML**" means anti-money laundering, counter terrorist financing and sanctions compliance;

"**Board**" means the board of directors of the Corporation;

"**Business Day**" means a day other than a Saturday, Sunday or other day when banks in the City of Toronto, Ontario are not generally open for business;

"**BVC Chain**" means the Corporation's proprietary blockchain which supports the issuance of CADT and the BvcPay functions;

"**BvcPay**" means the mobile application developed by the Corporation which functions as a decentralized Digital Currency wallet, a blockchain explorer and an over-the-counter trading and decentralized Digital Currency exchange platform;

"**CADT**" means the Stablecoin issued by the Corporation via the BVC Chain, which represents beneficial ownership of the corresponding amount of Canadian currency deposited with the Corporation's Custodian;

"**CEO**" means Chief Executive Officer;

"**CFO**" means Chief Financial Officer;

"**control**" and related terms including "**controlling**" and "**controlled**", shall mean the possession, directly or indirectly, by or on behalf of a person or group of persons acting jointly or in concert, of the following in respect of another person: (i) in the case where the other person is a corporation, the power to vote more than 50% of the securities having ordinary voting power for the election of directors of such corporation; (ii) in the case where the other person is a limited partnership, the power to control the general partner of the limited partnership; and (iii) in the case where the other person is other than a corporation or limited partnership, any of: (1) the power to exercise more than 50% of the voting rights in such person; or (2) the right to receive more than 50% of the distributions made by that person;

"**Corporation**" means Blockchain Venture Capital Inc., a corporation incorporated under the *Business Corporations Act* (Ontario);

"**CRA**" means the Canada Revenue Agency and any successor thereto;

"**Cryptocurrency**" means a Digital Currency in which encryption (cryptography) techniques are used to regulate the generation and transfer of units of the currency, and which generates a ledger for recording and verifying transactions with those units.

"**CSE**" or the "**Exchange**" means the Canadian Securities Exchange;

"**CSE Escrow Agreement**" means the escrow agreement to be entered into on the day the Corporation is listed on the CSE, among the Corporation, the Transfer Agent and certain shareholders, pursuant to which 18,000,038 Shares will be held in escrow pursuant to National Policy 46-201 – *Escrow for Initial Public Offerings.*

"**CSE Escrow Shares**" means the 18,000,038 Shares that are held in escrow pursuant to the CSE Escrow Agreement.

"**Custodian**" means Concentra Trust, a Schedule I Canadian financial institution, and BVCI's custodian for purposes of holding the Canadian currency beneficially owned by the holder of the corresponding CADT issued in connection with the Custodian's deposit of such funds into a custodial account.

"**Digital Currency**" means an internet or electronic based medium of exchange (i.e., distinct from physical, such as banknotes and coins) that exhibits properties similar to physical currencies, however, allows for near instantaneous transactions and borderless transfer-of-ownership. Stablecoins and Cryptocurrencies are types of Digital Currencies. Like traditional money these currencies may be used to buy physical goods and services but could also be restricted to certain communities such as, for example, for use inside an on-line game or social networks.

"**Fiat Currency**" means a currency that a government has declared to be legal tender but is not backed by a physical commodity. The value of fiat currency is derived from the relationship between supply and demand rather than the value of the material that the money is made of;

"**GAAP**" means generally accepted accounting principles;

"**IFRS**" means International Financial Reporting Standards;

"**KYC**" means know your client;

"**NI 41-101**" means National Instrument 41-101 - *General Prospectus Requirements*;

"**NI 52-110**" means National Instrument 52-110 - *Audit Committees*;

"**NP 46-201**" means National Policy 46-201 - *Escrow for Initial Public Offerings*;

"**person**" includes any individual, partnership, firm, trust, body corporate, government, governmental body, agency or instrumentality, unincorporated body of persons or association and pronouns have a similarly extended meaning;

"**Prospectus**" means this preliminary long form prospectus of the Corporation dated August 20, 2020;

"**SEC**" means the U.S. Securities and Exchange Commission;

"**Securities Act**" means the *Securities Act* (Ontario), as amended;

"**Securities Authorities**" means, collectively, the securities commissions or similar securities regulatory authorities in each of the Provinces of British Columbia, Alberta and Ontario;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval at www.sedar.com;

"**Shares**" means the common shares in the capital of the Corporation;

"**Shareholder**" means a holder of Shares;

"**Stablecoin**" means a Digital Currency designed to minimize the volatility of its price, typically by linking it to some other asset or basket of assets (such as fiat currency or a commodity) or by use of a price-stabilising algorithm.

"**Subscriber**" means a subscriber for Shares hereunder;

"**subsidiary**" has the meaning ascribed thereto in the Securities Act (and shall include all trusts or partnerships directly or indirectly owned by the Corporation);

"**Tax Act**" means the *Income Tax Act* (Canada) as amended;

"**TPS**" means transactions per second which a network is capable of performing;

"**U.S.**" means the United States of America;

"**Shareholder**" means a holder of Shares;

"**Shares**" means the common shares of the Corporation offered for sale under this Prospectus;

"**Transfer Agent**" means the transfer agent and registrar of the Corporation being TMX Equity Transfer Services (Equity Financial Trust Company).

ITEM 4 - PRELIMINARY PROSPECTUS SUMMARY

The following is a brief summary of the business of the Corporation and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus. Purchasers should carefully consider, among other things, the matters discussed under "Risk Factors".

The Corporation: The Corporation is a corporation existing under the *Business Corporations Act* (Ontario). See Item 5 - "Corporate Structure".

Business of the Company: BVCI is a provider of an innovative technology infrastructure to participants in the emerging blockchain and ledger technology industry. Instrumental to BVCI's business and growth strategy is BVC Chain, a proprietary blockchain platform and ledger technology which serves as a platform and infrastructure for BvcPay and CADT, as well as the potential future development of a multitude of blockchain platform-based solutions, products and services. Collectively, BVC Chain, BvcPay and CADT strategically position BVCI to capture the full value chain resulting from the transitioning of data and other financial assets to a blockchain platform and ledger, and the new paradigm of conducting business that utilize such technologies.

See Item 6 - "Business of the Corporation".

Offering: There are no securities being offered through this Prospectus.

Issue Price: n/a.

Funds Available and Use of Available Funds As at the date of this Prospectus, the estimated consolidated working capital, being current assets less current liabilities, for the Corporation is $300,000. To the extent that the Corporation has negative operating cash flow in future periods, the Corporation may use a portion of the unallocated capital referenced in the table below to fund such negative operating cash flow. The principal purposes for the use of those funds for the next twelve months will be as follows:

Item	$
Funds Available	
Working capital of the Corporation as at the date of this Prospectus	$300,000
Total	$300,000
Principal purposes for the use of available funds	
Prospectus related cost	50,000

Legal/Accounting	50,000
Sales & Marketing	50,000
General & Administrative[(1)]	50,000
Employee and Consultant costs	70,000
Unallocated working capital	30,000
Total	300,000

(1) General and administrative is broken down as follows: (i) office supplies ($1,000 per month), (ii) Regulatory ($1,000 per month),(iii) Rent ($3,000 per month).

Directors and Officers of the Company: The Board of Directors of the Company consists of Richard Zhou, Steven Olsthoorn, Winfield Ding, Monika Cywinska and Justin Poy.

The officers of the Company are Richard Zhou (President and Chief Executive Officer) and Steven Olsthoorn (Chief Financial Officer).

See Item 15 - "Directors and Executive Officers".

Selected *Pro Forma* Consolidated Financial information: The following selected financial information is subject to the detailed information contained in the audited financial statements of BVCI for the year ended October 31, 2019 and notes thereto appearing elsewhere in this Prospectus. The selected financial information is derived from and should be read in conjunction with BVCI's unaudited interim financial statements for the period ending April 30, 2020.

	October 31, 2019	**October 31, 2018**
Total assets	111,083	1,000
Total liabilities	864,709	-
Total equity	(753,626)	1,000
Net loss and comprehensive loss	(1,139,232)	-
Loss per share – basic and diluted	(0.06)	0.00

See Item 9 - "Management's Discussion and Analysis".

Risk Factors: Due to the nature of the Corporation's business and the present stage of development of its business, the Corporation is subject to significant risks. Readers should carefully consider all such risks. Risk factors include, but are not limited to, (i) BVCI's absence of any operating history; (ii) future capital needs and uncertainty of additional financing; (iii) the competitive nature of the industry; (iv) unproven market for BVCI's services; (v) BVCI's ability to evaluate and respond to market conditions; (vi) volatility of the Canadian Dollar exchange and public interest in Canadian Dollars; (vii) the need for BVCI to manage its planned growth and expansion; (viii) action taken by regulatory authorities may limit BVCI's business and operations; (ix) lack of regulation and consumer protection; (x) the effects of product development and need for continued technology change; (xi) dependence on technical infrastructure; (xii) foreign growth restrictions; (xiii) currency trading risks; (xiv) protection of intellectual property rights; (xv) the effect of government regulation and compliance on BVCI and the industry; (xvi) use and storage of personal information and compliance with privacy laws; (xvii) network security risks; (xviii) the ability of BVCI to maintain properly working systems; (xix) market expansion risks; (xx) use of BVCI's services for improper or illegal purposes; (xxi) theft and risk of physical harm to personnel; (xxii) reliance on key personnel; (xxiii) customer complaints and negative publicity; (xxiv) global economic and financial market deterioration impeding access to capital or increasing the cost of capital; (xxv) volatile securities markets impacting security pricing unrelated to operating performance; (xxvi) dividend policy; (xxvii) concentration of control of BVCI; and (xxviii) uninsurable risks. Prospective investors of securities of BVCI should carefully consider the risks described below. BVCI's operations are high-risk due to the nature of BVCI's business and its present stage of development. capital requirements, and competition. For a detailed description of these and other risks see Item 19 - "Risk Factors".

ITEM 5 - CORPORATE STRUCTURE

General

The Corporation, Blockchain Venture Capital Inc., was incorporated under the *Business Corporations Act* (Ontario) on January 12, 2018.

Pursuant to articles of amendment dated January 10, 2020, the Corporation removed restrictions on the transfer of it shares, removed the limit on the number of its shareholders and removed restrictions on the business the Corporation could carry on. The Corporation also redesignated its preferred shares and its common shares as one new class of common shares.

On August 23, 2019, BVCI was registered as a money service business ("MSB") with the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC), under MSB registration number M19821264.

The head office of the Corporation is located at 130 King Street West, Suite 1800, Toronto, ON M5X 1E3. The registered office of the Corporation is located at 130 King Street West, Suite 1800, Toronto, ON M5X 1E3.

The Corporation has no subsidiaries.

ITEM 6- BUSINESS OF THE CORPORATION

Overview

BVCI is a provider of an innovative technology infrastructure to participants in the emerging blockchain and ledger technology industry. Instrumental to BVCI's business and growth strategy is BVC Chain, a proprietary blockchain platform and ledger technology which serves as a platform and infrastructure for BvcPay and CADT, as well as the potential future development of a multitude of blockchain platform-based solutions, products and services. Collectively, BVC Chain, BvcPay and CADT strategically position BVCI to capture the full value chain resulting from the transitioning of data and other financial assets to a blockchain platform and ledger, and the new paradigm of conducting business that utilize such technologies. Currently, BVCI's focus is on further developing and promoting BvcPay and CADT.

BVCI believes that blockchain platform and ledger technology has the potential to make business processes more automated, secure and transparent, while reducing costs to the business. The potential benefits of this technology arise in the following circumstances, among others: (i) where there is value to be created from the removal of traditional financial institutions as central points of control (an intermediary) to verify transactions, leading to near or real time processing and settlement of transactions which are verifiable on a public ledger secured by cryptography, (ii) where there are efficiencies to be realized from the automation of transactions between parties according to business logic embedded in a smart contract, and (iii) where the provision of more information that participants know to be verified and immutable can reduce the economic value lost by a lack of trust between parties. By reducing costs and increasing efficiencies and trust among all participants in the economy, BVCI believes that blockchain platform and ledger technology will support and nourish models of peer-to-peer mass collaboration that could make many of the existing financial and other organization forms for transacting redundant.

BVCI History

BVCI has a limited history and is not currently considered an operating corporation. BVCI was formed in January of 2018 to launch its CADT initiative in response to the unmet demand for digital based payment solutions, and to address various infrastructure shortfalls of the more traditional financial infrastructure, including costs, liquidity and counterparty risk management.

Integral to the development of BVCI was its acquisition of the BVC Chain technology from Jiangsu Hengwei Information Technology Co., Ltd. ("Hengwei"), a China based corporation, pursuant to a Blockchain Technology Service Purchase Contract dated November 10, 2018 (the "Hengwei Agreement"). See Item 24, "Material Agreements". Prior to this acquisition, Mr. Xin (Richard) Zhou, the Corporation's CEO, had ongoing dealings with the principals of Hengwei while working together on Blockchain development projects related to the manufacturing sector. During this time, Mr. Zhou and Mr. Hedong Zhang, the CEO of Hengwei, discussed the potential applications and benefits of Blockchain technology to financial infrastructures generally, and more specifically, payment solution services. These discussions led to a more formal arrangement whereby BVCI was incorporated by Mr. Zhou and the parties entered into the Hengwei Agreement. Pursuant to the Hengwei Agreement, BVCI acquired from Hengwei the underlying technology to the BVC Chain, as well as Henwei's services to develop and deploy CADT and BvcPay on the BVC Chain and provide ongoing related technology operation and maintenance for BVCI. See Item 24, "Material Agreements".

The development of CADT and BvcPay was completed in the first quarter of 2019. After completing this development, management focused its efforts on identifying a Canadian financial institution that was suitable to act as a custodian to hold the Canadian currency represented by CADT and to facilitate transactions related to CADT via BvcPay and the BVC Chain, and an application programming interface (API). In the fourth quarter of 2019, the Corporation identified Concentra Trust, a Schedule I Canadian financial institution, as a potential custodian. Following preliminary discussions, the parties worked closely together to develop an application programming interface ("API") between the BVC Chain and the Custodian's internal computer banking software. The API was successfully completed and tested in May of 2020. The terms of the relationship between BVCI and the Custodian are set out in a Custodial Agreement dated effective July 20, 2020.

On August 23, 2019, BVCI was registered as a money service business ("MSB") with the Financial Transactions and Reports Analysis Centre of Canada ("FINTRAC"), under MSB registration number M19821264. BVCI is required to maintain a comprehensive anti-money laundering ("AML") and counter-terrorist financing ("CTF") policy which conforms with the Proceeds of Crime (Money Laundering) Terrorist Financing Act (Canada) and its regulations. As an MSB, the Corporation is required to have a chief AML officer. The Corporation has appointed Mille Pu as the chief AML officer. The Corporation has also developed a relationship with The AML Shop in Toronto, an independent AML/CTF consultant, to provide ongoing advice and support specific to AML/CTF. The Corporation has also engaged the services of IdentityMind, which provides, through the BVC Chain, technical support for AML and fraud prevention across a range of platforms covering Know Your Customer ("KYC"), sanctions screening and AML transaction monitoring.

On October 17, 2019, the Corporation entered into a Share Exchange Agreement with Mr. Richard Zhou as well as a Subscription and Debt Extinguishment Agreement. Pursuant to the Share Exchange Agreement, 99,999 common shares in the capital of the Corporation held by Mr. Zhou were exchanged for 199,998 preferred shares in the capital of the Corporation at a price of $0.005 per share. Pursuant to the Subscription and Debt Extinguishment Agreement, $23,979 owing by the Corporation to Mr. Zhou was extinguished in exchange for 4,759,400 common shares in the capital of the Corporation. Subsequently, on October 25, 2019, the Corporation and Mr. Zhou entered into a second Subscription and Debt Extinguishment Agreement whereby $201,000 owing by the Corporation to Mr. Zhou was extinguished in exchange for the issuance of 55,833 common shares to Mr. Zhou. All such common shares and preferred shares issued to Mr. Zhou were subsequently redesignated as a new class of common share in the capital of the Corporation when it amended its articles on January 10, 2020.

On December 23, 2019, the Corporation declared a stock dividend on all outstanding Class "A" shares. Pursuant to this dividend, holders of Class "A" shares as at that date were paid a dividend of 179 Class "A" shares in the capital of the Corporation on each Class "A" share held.

BVC Technology

BVC Chain

BVC Chain is BVCI's fundamental underlying technology to the BVC Chain; it is the infrastructure which supports BvcPay and CADT, and it is the infrastructure on which a multitude of ledger-based solutions, products and services can be provided. BVCI believes that BVC Chain is an innovative, market leading blockchain technology that creates a compelling value proposition for market participants, and consequently a competitive advantage to BVCI. In particular, BVCI believes that the benefits the BVC Chain offers over other blockchain platforms and ledger technologies strategically position it to provide an expansive and valuable blockchain ecosystem for business and individuals, and to better monetize that ecosystem, and attract new customers who can benefit from it.

BVC Chain was designed to be more robust and diversified than other blockchain platforms and ledger technologies and to overcome many of the limitations and shortfalls of these other technologies. In particular, BVC Chain can handle up to 5,000 transactions per second, it can facilitate both business-to-business as well as business-to-consumer transactions, its native coin, CADT is a Stablecoin representing actual beneficial ownership of Canadian currency, it can support other Stablecoins, it is scalable without the need to change system architecture, and it includes a built in fingate (A built in fingate allows a blockchain to be built on the BVC Chain). In addition, BVC Chain is capable of functioning as an (original) decentralized exchange, and it serves as a platform for Turing complete contracts, and as a platform for financial products and services innovation generally.

BVC Stablecoin - CADT

The market for global payments and money transfers is large and growing, primarily driven by increasing globalization of economies and cross-border movement of people, capital, and technology-based services. BVCI believes that this growth along with the continuing adoption of Stablecoins presents a large opportunity for its business. To leverage this opportunity, BVCI has developed the Stablecoin, CADT, which is the native currency of the BVC Chain.

Stablecoins are a class of Digital Currency that seek to maintain price stability (and reduce volatility) to make the Stablecoin a better medium of exchange and store of value. Stablecoins can be used to purchase goods and services, settle transactions, exchange currencies and efficiently move capital globally in a near real time manner and without the friction that exists today within the global banking environment, and without the volatility that exists with many other Digital Currencies.

The stability of a Stablecoin is typically achieved by relating the Stabelcoin to a value indicator which is generally considered to be stable, or through a stabilising algorithm. For example, a value indicator might be a fiat currency or a commodity, in which case the Stablecoin might be collateralized on a unit for unit basis through the holding of that currency or commodity in support of the Stablecoin’s value. In the case of CADT, the value indicator is Canadian currency, and it is related to CAD through the trust relationship established between BVCI and CADT holders pursuant to the user agreements in effect from time to time between BVCI and CADT holders.

Each CADT issued into circulation represents beneficial ownership, on a one-to-one basis, in the corresponding Canadian currency that is held by BVCI’s Custodian. Ownership and changes to ownership from time to time can be tracked and verified through the BVC Chain public ledger. BVCI does not take deposits, and it does not offer contracts for difference, foreign exchange contracts or over-the-counter derivatives as described in OSC Staff Notice 91-702 – *Offering of Contracts for Difference and Foreign Exchange Contracts to Investors in Ontario*. Transactions with CADT represent the near real time transfer of the beneficial ownership of the Canadian currency held by the Custodian. The relationship between BVCI and the Custodian with respect to that Canadian Currency is set out in the Custodial Agreement. See Item 24, “Material Agreements”.

Stablecoins such as CADT are capable of enhancing traditional payment functions. For example, bank transfers or credit card payments require a series of third-party checks to confirm whether a consumer has sufficient funds or credit, as the case may be, which must then clear the banking system. Through the BVC Chain, CADT has the capability to automate away payment intermediaries, and the potential to eliminate or reduce related overhead and intermediary costs. With CADT, there is no need for a merchant to verify whether a consumer has sufficient funds and there is no need for the merchant to confirm whether funds have been cleared by the merchant’s bank account in order for the merchant to spend the CADT. Rather, ownership of CADT and the transfer of that ownership is evidenced by the consumer and merchant’s respective public cryptographic keys tracked on a public ledger. Holders of CADT protect their ownership of CADT by protecting the privacy of their private cryptographic key paired to their public cryptographic key.

A number of cost factors and associated issues influence the delivery of cross-border payments. These cost factors include correspondent banking fees, telecommunication costs, foreign exchange fees, scheme fees and interchange fees. Additionally, legal, regulatory and compliance costs are often higher than those for domestic payments. CADT transactions do not involve the traditional fees and surcharges associated with traditional cross-border payment methods. International payments utilizing CADT can be made without the need of a third-party intermediary (such as SWIFT, Paypal, etc.), and processing times are near instantaneous in comparison to the requirements of conventional wire transfers. Additionally, CADT is expected to prove useful to payment service providers, as they provide standardisation and interoperability which are key to increasing efficiency and realizing economies of scale in cross-border payments.

Stablecoins such as CADT may also facilitate other Digital Currency trading transactions. Due to regulatory constraints, many Digital Currency exchanges restrict or disallow the use of fiat currency on their platforms such that Digital Currencies must be bought and sold with other Digital Currency, which are often subject to extreme price fluctuations. This can lead to uncertainty, and liquidity and capital risks for trading participants. Stablecoins provide a potential solution to these issues and inconveniences. For example, a Digital Currency exchange might allow for the exchange between a Stablecoin and one or more other more volatile Digital Currencies, which would facilitate more immediate access to the volatile Digital Currencies, as well as the liquidation of those volatile positions via the exchange to a Stablecoin.

BvcPay

BVCI has also developed BvcPay, a cloud-based application serving as the platform through which transactions can be carried out with CADT on the BVC Chain in a user-friendly manner. BvcPay is unlike other more traditional micro-payment software solutions as it has multi-functionality, and is suitable for individuals, businesses, online merchants, financial institutions, governments and any others that may want to operate in the BVCI blockchain ecosystem. Integral to CADT payment and settlement transactions on the BVC Chain, BvcPay supports the following related functions:

- **BVCI Account Openings.** BVCI offers a website platform to download BvcPay, without charge. Once downloaded, BvcPay can be used to open a customer account with BVCI. To open an account, prospective users must agree to a user agreement with BVCI and supply certain information through the BVC Chain necessary for the Custodian and BVCI to conduct KYC and AML/CTF due diligence. Users must also consent to allow BVCI to conduct ongoing monitoring as required by the Proceeds of Crime (Money Laundering) Terrorist Financing Act (the "PCMLTFA") and its regulations. Further, BVCI may share certain information about users with other financial institutions, including the name of users sending CADT to other users and the recipient's name, users' addresses and account or reference numbers, all in accordance with the "travel rule" guideline published by the Financial Action Task Force ("FATF") and as adopted by FINTRAC in Canada.

- **Account Funding and Redemptions.** Through BvcPay, users with a BVCI Account can purchase CADT. Users may purchase CADT using automated funds transfers (with other electronic means to be determined) between their banking institution and the Custodian, which automated transfers are initiated by the Custodian. In addition, BvcPay allows BVCI Account holders to redeem CADT for Canadian Dollars.

- **Digital Asset Wallet.** Users can store CADT in their digital wallet accessed through BvcPay.

- **Payment and Settlement System.** BvcPay allows users to send and receive CADT payments to and from other users within the platform free of transaction service charges.

- **Digital KYC, AML and CTF.** Through BvcPay and the BVC Chain, and BVCI's third-party service provider connected via the BVC Chain, BVCI and the Custodian can perform KYC, AML/CTF due diligence on prospective users. To conduct this due diligence, prospective users of BvcPay must submit personal information through BvcPay, which information is sent to a third-party service provider via the BVC Chain to perform the due diligence and return results in a timely manner to BVCI and the Custodian. Sanctions and watchlist screening is also conducted by a third-party service provider via the BVC Chain. BVCI scans all parties related to a transaction against various sanctions and watchlists which include, but are not limited to: the Office of Foreign Assets Control ("OFAC") Specially Designated Nationals ("SDN") list, HM Treasury, Justice for Victims of Corrupt Foreign Officials Act ("JVCFOA"), Public Safety Canada Listed Terrorist Entities, Special Economic Measures Act ("SEMA") and the UN Consolidated List ("UNCS"). BVCI also scans lists of known politically exposed persons. Scans are conducted using the individual's complete name at the time of onboarding and periodically thereafter. In the event of a potential sanctions match, the transaction is held pending a review to adjudicate the match. During the review, BVCI compares common differentiators such as date of birth or country of origin to determine the veracity of the match. If a match is determined to be false, the transaction is completed. Otherwise, any customer funds that the Corporation is in possession of is held and reported to FINTRAC and other relevant law enforcement agencies.

Business Strategy

Technology-Driven Payment and Settlement Solutions

BVCI currently offers payment and settlement solutions that leverage CADT and BvcPay, allowing for payment and settlement transactions to be made in Canadian Dollars via the BVC Chain. BvcPay and CADT reduces industry friction and creates a compelling value proposition for potential business customers. These customers can effectively send and receive Canadian dollars 24 hours a day, 7 days a week, 365 days a year, securely and in virtually real-time, via the BVC Chain. In contrast, traditional payment and settlement transactions are limited by traditional banking hours and substantial clearing delays. Not only are these traditional transactions typically subject to transaction and other clearing fees, but this delay in transaction execution results in reduced capital efficiency, reduced liquidity and/or increased counterparty risk.

BvcPay and CADT are "turn-key" digital payment and settlement solutions for businesses. Prospective business customers that wish to adopt CADT and BvcPay as a payment and settlement solution do not need to spend a significant amount of time and resources developing customized applications that interface directly with a financial institution or other custodian of fiat currency. Rather, a business simply needs to open a business user account with BVCI (through the BvcPay), integrate the payment system into their operations, and then promote or otherwise make the payment system available for use by its customers and other counterparties to payment and settlement transactions. To integrate the CADT payment system into a business customer's operations, BVCI will work with the business customer to connect the customer to the BVC Chain as a node via an application programming interface (API).

Once a business account is opened, a customer of that business that elects to open a BVCI user account is linked to the business account (or a sub-account) and the business becomes the "node" (or a connection to the BVC Chain which supports the BVC Chain network) for transactions with the customer. BVCI believes that these dynamics will serve as an organic growth, viral marketing tool; as more businesses open BVCI accounts, so too will their customers and counterparties thereby expanding the user base and adoption of CADT and BvcPay.

BVCI intends to charge fees on each CADT transaction carried out on the BVC Chain. BVCI anticipates that the majority of these fees will be based on a percentage of each transaction's value. Such fees will be payable by the user (payor) initiating the payment transaction. Fees will be paid in CADT, and must be paid at the time of and as a condition to initiating the payment transaction.

While BVCI anticipates most fees will be paid based on a percentage basis, it will offer a flat fee option, which may be more favourable to users transacting frequently and or in high amounts. Similarly, in some circumstances, flat rates may be offered to business customers with respect to transactions by its customers with that business. In such circumstances, the customer user would still pay the fee applicable to the CADT transaction, but the amount would be based upon the flat rate agreed upon with BVCI. BVCI may charge users a small percentage fee based the amount of CADT purchases and CADT redemptions processed through BVCI's network.

Account Opening and Flow of Funds

In order to acquire CADT, whether directly from BVCI or via a third-party transaction, prospective participants to a CADT transaction must have a BVCI user account. BVCI user accounts will be free to open by users in eligible markets as long as applicable regulatory requirements, such as AML and KYC requirements, are met. To open an account, the proposed participant must download BvcPay through BVCI's website and complete the registration process. Such process requires that a prospective user submit personal information for purposes of completing AML and KYC due diligence, and that the prospective user agree to BVCI's form of user agreement in effect from time to time.

Users that open an account with BVCI are not opening a bank account. Consequently, users that acquire CADT from BVCI, or from another CADT holder via a third party transaction, are not depositing funds with BVCI, and the amount in a BVCI user account does not constitute evidence of indebtedness or liability by BVCI to a user, except to comply with instructions from the user in relation to transactions initiated by the customer as provided for in such user agreement as is in effect from time to time. There is no interest payable to the user on any amount in the BVCI user account wallet, and the amount in a BVCI user account wallet is not insured by the Canada Deposit Insurance Corporation or any such other deposit insurance.

Users that wish to acquire CADT directly from BVCI may do so by initiating the transaction through BvcPay and directly depositing the corresponding amount of funds with the Custodian (currently by automated funds transfer). Upon receipt of those funds, and subject to satisfactory results of certain verification and anti-money laundering requirements of the Custodian (all of which is carried out via the BVC Chain), the Custodian notifies BVCI via its application programming interface and the BVC Chain, at which time BVCI issues (or "mints") CADT as the representation of the beneficial ownership of the funds so deposited. Similarly, where a BVCI customer wishes to redeem CADT, it initiates the transaction through BvcPay. Upon surrendering the CADT, the CADT is destroyed (or "burned") and the Custodian transfers a corresponding amount of Canadian funds from the Custodial Account to the user's bank account (currently via automated funds transfer).

Users that hold CADT will not have any direct contractual relationship with the Custodian. Rather, upon opening a BVCI Account with BVCI, and as a condition to opening that account, a customer must enter into BVCI's form of user agreement, as in effect from time to time. Such agreement provides that the funds represented by CADT are held by BVCI, through BVCI's Custodian (pursuant to the Custodial Agreement), and that BVCI holds such funds (through the Custodian) as a trustee for the benefit of the user.

To facilitate the issuance and redemption of CADT in exchange for the corresponding Canadian funds they represent ownership of, the Custodian's application programming interface (API) is linked to the BVCI Chain. This allows the Custodian's API to instruct the BVCI Chain to either: (a) issue or "mint" CADT and send it directly to the user's digital wallet once the corresponding Canadian funds have been received and KYC and AML requirements have been satisfied, or, (b) in the case of a redemption, destroy or "burn" the CADT. To expedite KYC and AML requirements, the Custodian's API is also linked to BVCI's third party identification verification and AML/KYC compliance service provider through its link to the BVC Chain. This structure allows the Custodian to receive customer verified information through the BVC Chain directly from a reliable third party source when that customer provides the necessary information in connection with opening a BVCI customer account. See Item 24 - "Material Agreements".

Canadian Funds held by the Custodian are stored free of charge to CADT holders. Fees payable to the Custodian for services are entirely payable by BVCI pursuant to the Custodial Agreement entered into between BVCI and the Custodian. See Item 24, "Material Agreements". The Custodian does not insure any amount in the Custodial Account, nor is any such amount insured by the Canada Deposit Insurance Corporation or any such other deposit insurance. BVCI does not maintain and is not eligible for insurance through government-sponsored programs or deposit insurance, and **as of the date of this Prospectus BVCI does not have any private insurance coverage over amounts held by the Custodian.** No interest is payable on any amount in the Custodial Account.

Technology and Development

BVCI relies primarily on Hengwei, and its team of twenty (20) skilled software engineers with broad technical expertise, to maintain and improve the BVC Chain platform, including BvcPay and related technology, as well as BVCI's website. Pursuant to the Hengwei Agreement, Hengwei provides twenty-four (24) hour, seven (7) days a week maintenance and support services for a fixed annual fee. See Item 24 - "Material Agreements".

BVCI does not currently employ any of its own software engineers. However, five (5) individuals with a broad range of skills in these areas have and continue to contract their services to BVCI from time to time as and when needed. As consideration for their services, these individuals have been granted stock options in lieu of fees.

BVCI, in conjunction with its consultants, as well as Hengwei and its team, have invested substantial time, effort and financial resources on the development of BVCI's technology infrastructure including transaction processing and software. BVCI is committed to further enhancing its technology and believes that it will be an important component of its continued success in retaining and attracting new users.

The BVC Chain platform, including BvcPay, is updated regularly and enhancements continue to be a regular activity. Significant efforts will be dedicated to product and feature enhancement and improvement throughout the term of the Hengwei Agreement to fully leverage the benefits of Hengwei and its team of skilled software engineers.

All of BVC's networking, data management and cyber-security services are provided by Alibaba Cloud (also known as AliCloud, Aliyun, and Alibaba Cloud Intelligence). This includes the network and servers that power the BVC Chain. Alicloud is an Alibaba Group business.

Intellectual Property

BVCI's success depends in part upon its ability to protect its core technology and intellectual property. To establish and protect proprietary rights, BVCI relies on a combination of trade secrets, including know-how, confidentiality procedures, non-disclosure agreements with third parties, employee disclosure and invention assignment agreements, and other contractual rights.

The trade secrets associated with BVC Chain, BvcPay and CADT are not protected by any patent or registered copyright. Presently, BVC Chain relies entirely on its source code being maintained as a trade secret and other Canadian and international copyright laws. BVCI's source code is maintained in BVCI's Canadian head office location. BVCI does not currently intend to apply for any patents or other intellectual property registrations associated with its technology. See Item 19 - "Risk Factors".

BVCI generally controls access to and use of its proprietary technology and other confidential information through the use of internal and external controls, including contractual protections with employees, contractors, customers, and business partners. Despite efforts to protect trade secrets and proprietary rights through intellectual property rights, licenses, and confidentiality agreements, unauthorized parties may still copy or otherwise obtain and use BVCI's software and technology. In addition, if BVCI expands its international operations, effective patent, copyright, trademark and trade secret protection may not be available or may be limited in foreign countries.

Companies in the Internet and technology industries own large numbers of patents, copyrights, trademarks, and trade secrets and frequently enter into litigation based on allegations of infringement, misappropriation, or other violations of intellectual property or other rights. From time to time, BVCI may expect allegations that it has infringed the trademarks, copyrights, patents, trade secrets and other intellectual property rights of third parties, including competitors and non-practising entities. As the business grows and competition increases, the risk of claims of infringement will increase. See Item 19 – "Risk Factors".

BVCI Website

BVCI operates a wholly-owned website under the domain name www.bvcadt.com. The www.bvcadt.com website is currently offered in English. BVCI does not currently intend to offer such website in any other language.

Sales and Marketing

BVCI is initially offering services to customers in Canada. Because payment and settlement transactions occur globally, BVCI expects to benefit from the scalability of Internet based services, and the reach of Internet based marketing and traffic acquisition. BVCI's ability to expand internationally will depend in part on BVCI's ability to satisfy applicable legal and regulatory requirements in countries where it proposes to offer its services. See "Item 20 – Risk Factors".

BVCI will deploy a variety of online marketing to raise awareness of BvcPay and its BVC Chain technology. Marketing campaigns will emphasize the security, efficiency, convenience, and liquidity of CADT transactions to attract users, with a heavy focus on international students studying in Canada and new Canadian immigrants. BVCI will also market to cryptocurrency holders and younger generations generally. Online marketing is designed and executed by a third-party professional marketing firm. Pursuant to BVCI's current agreement with its marketing consultant, an annual fee of $50,000 is being paid for the circulation of 10 news releases per year, with each such circulation appearing in 5 media sources). News releases are disseminated through social media and news sources such as Yahoo Finance and Reuters

BVCI will also market directly to both mature and emerging businesses in Canada across various industries that it believes are most likely to benefit from digital ledger payment solutions that overcome the shortfalls of traditional payment methods, such as import/export businesses and real estate developers. Efforts with this direct marketing will primarily be carried out by collaborating and discussing the benefits of CADT and BvcPay with business and retailers, and via attendance at trade shows. BVCI has a budget of $10,000 allocated to attendance at trade shows in the next twelve (12) months.

BVCI also intends to pursue strategic partnerships with the Canadian affiliate or representative of major payment companies such as WeChat Pay, Alipay and UnionPay. The intent of pursuing these relationships is to integrate BvcPay and CADT into the payment company's payment terminals. Such partnerships have the potential to enhance these players' payment platform functionality while offering BVCI increased exposure. Management will primarily rely on their own personal connections in pursuing these relationships. BVCI has signed a memorandum of understand with Opay Inc., dated August 18, 2020 (the "MOU"), which provides for the inclusion of BvcPay into Opay Inc's existing merchant payment rails. Opay Inc. is in the business of processing payments for merchants including through its smart POS system, integrated QR payment, online API payment and online auto payment portal. If the underlying transaction contemplated in the MOU is completed, all of Opay Inc.'s participating merchants will be able to offer CADT as a payment method for their consumers.

BVCI does not offer services to prohibited users, including, without limitation, (i) users in countries or associated with organizations that are subject to economic sanction by the Canadian Department of Foreign Affairs, Trade, and Development, (ii) users in embargoed countries and individuals or organizations designated as "Specially Designated Nationals" by the United States Treasury Department's Office of Foreign Assets Control, or "OFAC", or (iii) users that do not satisfy KYC/AML/ATF due diligence conducted by BVCI or the Custodian.

Growth

BVCI believes that if it can grow its customer base of CADT business and consumer users, as those customers grow, they will further embrace the benefits of blockchain technology and digital currency, which will generate new opportunities for innovation to address additional customer needs. BVCI believes that this will in-turn lead to increasing brand awareness and high-quality referrals, as well as additional opportunities that will facilitate the growth of BVCI.

BVCI believes that the benefits the BVC Chain technology and BvcPay offers over other blockchain technologies strategically position it to take advantage of such opportunities by providing additional and more comprehensive and customized blockchain technology solutions and services that leverage the capabilities of those technologies, thereby leading to a more expansive and valuable BVC Chain ecosystem that it can monetize. As evidenced by the proliferation of Digital Currency offerings in recent years, and the rapid growth of an industry to support these offerings, BVCI believes that other core use cases for the BVC Chain lies in digital asset securitization, blockchain-enabled decentralized trading platforms, KYC/AML/ATF, and financial archives management.

BVCI believes that the BVC Chain ecosystem can grow to a critical mass of adoption and utilization across the digital ledger and blockchain industry via (i) expansion of its customer base and the future application of the various functions the BVC Chain supports in connection with providing blockchain technology solutions and services to those customers; (ii) collaboration, strategic alliances, joint ventures and other contractual arrangements with customers, businesses and industry participants, and (iii) ongoing internal technology development.

With expansion of the BVC ecosystem and its capabilities, BVCI believes it will be able to create synergies among the businesses in the ecosystem and, as a result, the value of the network will continue to increase providing BVCI with the opportunity to provide additional solutions and services, and thereby earn fees commensurate with the significant value it provides. BVCI believes that many of the customized functions and related technology that are most likely to be deployed in the BVC Chain ecosystem will have applications outside the specific use case for which they were initially developed, and that the work in initially customizing that technology for a specific use case can be leveraged by BVCI to provide additional solutions and services for other third parties. In other words, BVCI anticipates that as solutions are provided to customers, the customer will become a BVC Chain infrastructure provider that utilizes BVCI as a foundational layer for their products and services, thereby enhancing the performance of those business and the capabilities of the BVC ecosystem.

Security and Transparency

BVCI invests in technology, processes, and people as part of its commitment to security, accountability and transparency. The following is a summary of the measures taken by BVCI for transparency, accountability and security in its operations:

- **Cryptography.** The BVC Chain platform is based on cryptography. With the use of cryptography, a centralized system is secured by super administration while a decentralized system can be compatible for every accounts equipped with its own security code. BVCI applies an asymmetric encryption algorithm and smart contracts to protect data on the BVC-Chain. BVC-Chain has the following features:

ITEMS	**BVC-Chain , CADT**
Bottom Tech	BVC-Chain (advantage of Ripple and Ethereum)
Concensus Mechanism	PBFT
TPS/Second	>=5000
Concensus Time	3-10Seconds
Nod Number	More
Smart Contract	Support
Token	Multi-Token
Application	ToC/ToB/ToG
KYC	YES
One-stop Payment and Settlement Solution	BvcPay (Web and App)
DeFi	Decentraliazed / Centralized

- **AliCloud.** Data entrusted with BVCI is stored with Alicloud. Alicloud security features include the following:
    - multi-backup storage on servers in multiple locations for cross region replication, disaster recovery and mitigation of multiple hardware failures;
    - a redundant infrastructure to reduce the possibility of single point failures;
    - container security, security score, the anti-virus feature, classified protection compliance checks, vulnerability fixing, baseline checks, cloud service configuration assessment, security alerts, attack analysis, accesskey pair leak detection, log analysis, asset fingerprints, security reports and threat detection;
- **Third Party Security Audits.** BVCI engages a third-party cyber security company to perform external security audits. Audits are conducted on an annual basis;
- **Chief Risk Officer**. BVCI's Chief Risk Officer ensures employees are abiding by the policies and procedures implemented by BVCI, implements independent verifications, such as reconciliations by personnel of different levels on a timely basis, and performs walkthroughs of transaction recording processes to verify all required steps are being taken.
- **Legal Segregation of User Funds.** Pursuant to the terms of user agreements with BVCI, the Canadian funds represented by CADT are beneficially owned by users and held by BVCI in trust for the benefit of users. User agreements further provide that those Canadian Funds are to be deposited to a Custodial Account with BVCI's Custodian segregated from BVCI's assets, and that the funds be administered by the Custodian. The specifics of the administration of the funds are set out in the Custodian Agreement and are consistent with BVCI's obligations under user agreements and the related CADT transaction services it provides in accordance with user agreements.

- **Audit of Custodial Account.** The Custodian provides BVCI a report on the Custodial Account on a monthly basis, which report is made publicly available such that the funds in the account can be reconciled with a CADT ledger that records CADT transactions on the BVC Chain, and which is also made publicly available.

- **KYC/AML Protocols and Policy**. BVCI maintains KYC and AML policies and procedures similar to those maintained by large Canadian financial institutions. All users with a CADT account are required to upload government-issued identification which is examined by IdentityMind through a personal verification process that includes a background check against government databases for sanctions, terrorism, and other potential risks. Ongoing compliance and suspicious activity or "SAR" reports are filed with relevant regulatory agencies if they are identified. These policies are not implemented to deny service, but to strengthen the integrity of BvcPay for all stakeholders.

- **Corporate Governance.** BVCI maintains policies and practices to facilitate corporate and regulatory compliance, including the following corporate policies: (i) Anti-Money Laundering Policy; (ii) Corrupt Foreign Practices Policy and (iii) Privacy Policy.

- **Financial Reporting.** BVCI is a reporting issuer in Canada. As a result, it is required to provide continuous disclosure and report financial results on a quarterly and annual basis.

- **Audited Annual Financial Statements.** BVCI audited annual financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and audited by an independent accounting firm in accordance with the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

Specialized Skill and Knowledge

Most aspects of BVCI's business require specialized skill and knowledge. Such skills and knowledge include software engineering, marketing, finance, accounting, and regulatory compliance. BVCI meets its needs for such specialized skills and knowledge through the expertise of its directors, officers, and employees. To the extent that additional specialized skills and knowledge are required, the Company retains outside consultants.

BVCI's software engineer consultants have following skills and/or experience:

- familiarity with underlying technology implementation principles and codes of mainstream blockchain projects, such as fabric, Ethereum ad bitcoin, etc.;

- technical foundation and experience in the research and development of underlying technologies in one or more fields, such as distributed computing, distributed storage, smart contract, point-to-point communication, security encryption and decryption;

- Research experience on blockchain, Ethereum and other technologies; familiarity with geth and solidity;

- Understanding of the principles of blockchain technology, and a familiarity with the preparation of smart contracts for large blockchain platforms; and

- Experience in blockchain development such as Ethereum and hyperledger fabric (including DAPP development experience).

Competition

The banking and financial services industry is highly competitive, and BVCI competes with a wide range of financial institutions within its markets, including local, regional and national commercial banks and credit unions. It also competes with fintech companies and other financial intermediaries involved in providing payment solutions, including Digital Currencies. Some of these competitors are not currently subject to the regulatory restrictions and the level of regulatory supervision applicable to BVCI. BVCI may become subject to additional competition as other companies introduce products and services similar to those provided by BVCI, and as BVCI's existing services evolve and any new products introduced.

BVCI faces direct competition from banks that are actively seeking relationships with prospective digital currency customers, and from central banks desirous of implementing blockchain-based digital currencies. In addition, BVCI competes with other infrastructure service providers primarily related to the digital currency industry. As adoption of digital currency grows, BVCI expects additional banks, central banks and other financial institutions and other infrastructure service providers and technology companies to enter into the digital currency industry and compete with it for prospective digital currency customers. The pace of innovation within the digital currency industry is rapid and may result in competitors or new competing business models that BVCI is not aware of today.

Prices on fee-based services is typically a significant competitive factor within the banking and financial services industry. Many of BVCI's competitors are much larger financial institutions and technology companies that have greater financial resources than BVCI does and compete aggressively for market share. These competitors attempt to gain market share through their financial product mix, pricing strategies and banking center locations.

Other areas in which BVCI competes include:

- Users. Competition to attract, engage and retain users. BVCI competes based on the utility, ease of use, performance and quality of BvcPay and CADT.

- Platform. Competition to attract and retain developers to build quality software programs and platforms for BVCI's products. BVCI competes in this area primarily based on the value of the tools and application program interfaces (APIs) it constructs for customer use.

- Talent. Competition to attract and retain highly talented individuals, including software engineers and designers, sales and marketing personnel and senior management.

BVCI believes that its proprietary CADT and BVC Chain technology give it a competitive advantage over many competitors. The following comparison chart lists various features of the BVC Chain and compares those features with other Digital Currencies offered by certain other competitors:

	Ethereum	Ripple	Stellar	R3	Quorum	Libra	BVCI
Users	Startups	Individuals Fin-Institution	Individuals DAPP	Individuals Fin-Institution	JPMorgan	Individuals Fin-Institution	Individuals Fin-Institution
TPS	25	1,500	1,000	–	–	1,000	5,000
Gas	ETH	XRP	XLM	–	–	?	BVC
Target	B2C	B2B	B2C	B2B	B2B	B2B2C	B2B2C
Original Stablecoin	✗	✗	✗	✗	✓	?	✓
Original DEX	✗	✓	✓	✗	✗	?	✓
Built-in FinGate	✗	✓	✓	✗	✗	?	✓
Smart contract (Turing-Complete)	✓	✗	✗	✓	✓	?	✓
Financial Innovation	✓	✗	✓	✗	✗	?	✓

BVCI also believes it has a significant competitive advantage through its relationship with Concentra Trust, the Custodian of the Custodial Account, and a Schedule I Canadian Financial Institution. Management is not aware of any other Digital Currency business similar or competitive to BVCI's business whereby a Schedule I Canadian Financial Institution has strategically aligned itself with a Digital Currency business by integrating their internal banking network with a blockchain via an API for purposes of facilitating transactions with a Digital Currency.

In addition, BVCI has built relationships with reputable partners in legal, compliance, payments, auditing and banking.

Operations

Employees

As of the date hereof, BVCI had six (6) employees, all of whom are full time, and staffing level are expected to increase. Employees are engaged in sales, management, computer programming and administration (primarily at the head office). Geographically, all of the employees are located in Toronto, Ontario. None of the employees are represented by a union or are subject to a collective bargaining agreement.

Facilities

BVCI leases office facilities in Toronto, Ontario. BVCI believes that its facilities are adequate for current needs. See Item 24 - "Material Agreements".

Government Regulation and Compliance

BVCI's services are subject to a wide variety of laws and regulations enacted by the Canadian federal government, each of the provincial governments in which BVCI operates, and other localities and jurisdictions. These include international, federal and provincial anti-money laundering and sanctions laws and regulations; financial services regulations; currency control regulations; anti-bribery laws; regulations of the Canadian Department of Foreign Affairs, Development, and Trade; escheatment laws; tax laws; intellectual property laws; consumer disclosure and consumer protection laws; and rules, laws and regulations including those governing electronic payments and competition. Additionally, BVCI is subject to laws and regulations affecting companies that conduct business through the Internet, many of which are still evolving and being tested in the courts, and could be interpreted in ways that could harm BVCI's business. These include laws regarding user privacy, data protection, content, distribution, electronic contracts, and other online communications. In particular, BVCI is subject to federal, provincial, and foreign laws regarding privacy, data protection and information security laws. Foreign laws and regulations may be more restrictive than those in Canada. Canadian federal and provincial and foreign laws and regulations are constantly evolving and can be subject to significant change. In addition, the application and interpretation of these laws and regulations are often uncertain, particularly in the new and rapidly evolving industry in which BVCI operates. Failure to comply with any of these requirements could result in the limitation, suspension or termination of BVCI's services, the seizure of assets and the imposition of civil and criminal penalties, including fines and restrictions on BVCI's ability to offer services. See Item 19 - "Risk Factors" for additional discussion regarding potential impacts of failure to comply.

BVCI intends to continually enhance its compliance programs, including its anti-money laundering program, which comprises policies, procedures, systems and internal controls to monitor and to address various legal and regulatory requirements. In addition, BVCI intends to adapt its business practices and strategies to help it comply with current and evolving legal standards and industry practices. These programs include dedicated compliance personnel, training and monitoring programs, suspicious activity reporting, regulatory outreach and education, and support and guidance to BVCI's partners and customers concerning regulatory compliance. BVCI's payment services network operates through the Custodian, third-party payment settlement partners, and, therefore, there are limitations on BVCI's legal and practical ability to manage the Custodians payment settlement partners' compliance programs.

BVCI does not maintain and is not eligible for insurance through government-sponsored programs or deposit insurance and does not currently carry any private insurance policy. **As a result, BVCI does not have any insurance coverage in the event of loss.** Although funds held by the Custodian are held on behalf of CADT holders on a segregated basis, there can be no assurance that third parties will not claim interests in such property in a legal proceeding or claim against BVCI. See Item 19 - "Risk Factors".

BvcPay is available outside of Canada. Residents in such jurisdictions may be restricted from using local fiat currencies or Stablecoins supported by local fiat (especially currencies that are not major global reserve currencies). There can be no assurance that BVCI's services or Internet platform will be acceptable to foreign regulatory bodies. Foreign governments may seek to restrict access to BVCI's services, block BVCI's website, or impose other restrictions that may affect BVCI's ability to offer service to new or existing users in those other jurisdictions for an extended period of time or indefinitely. See Item 19 - "Risk Factors".

ITEM 7 - USE OF PROCEEDS

This is a non-offering Prospectus. The Resulting Issuer is not raising any funds in conjunction with this Prospectus. Accordingly, there are no proceeds going to the Corporation in connection with the filing of this Prospectus.

Funds Available and Use of Available Funds

As at the date of this Prospectus, the estimated consolidated working capital, being current assets less current liabilities, for the Corporation is $300,000. To the extent that the Corporation has negative operating cash flow in future periods, the Corporation may use a portion of the unallocated capital referenced in the table below to fund such negative operating cash flow. The principal purposes for the use of those funds for the next twelve months will be as follows:

Item	$
Funds Available	
Working capital of the Corporation as at the date of this Prospectus	$300,000
Total	$300,000
Principal purposes for the use of available funds	
Prospectus related cost	50,000
Legal/Accounting	50,000
Sales & Marketing	50,000
General & Administrative(1)	50,000
Employee and Consultant costs	70,000
Unallocated working capital	30,000
Total	300,000

(1) General and administrative is broken down as follows: (i) office supplies ($1,000 per month), (ii) Regulatory ($1,000 per month),
(iii) Rent ($3,000 per month).

The Corporation intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. Use of net proceeds will be subject to the discretion of management.

Business Objectives and Milestones

The Company's business objectives, and the significant events that must occur for each such business objective to be accomplished, are as follows:

Business Objective	Milestones	Estimated Costs related to Business Objective (Minimum Offering)	Estimated Costs related to Business Objective (Maximum Offering)	Time Period
Grow User base	Entering into marketing campaign	$20,000	n/a	September, 2020 to March 2021
Industrial partnerships	Establish relationships with 10 business partners, including auto dealers, manufacturers, payment companies, private lending and mortgage firms, real estate developers	$20,000	n/a	September 2020 to March, 2021
Become a major payment solution provider	Establish relationships with major retail/wholesales, international trades, venders, restaurants	$20,000	n/a	December 2020, to September 2021

ITEM 8 - DIVIDENDS OR DISTRIBUTIONS

Subject to the provisions of the Act, the Board may from time to time declare and the Corporation may pay dividends to the Shareholders according to their respective rights and interests in the Corporation. Dividends may be paid in money or property or by issuing fully paid shares of the Corporation or options or rights to acquire fully paid shares of the Corporation.

Further, the Corporation has neither declared nor paid any dividends on the Shares since incorporation. The payment of dividends in the future will depend on the earnings and financial condition of the Corporation and such other factors as the Board may consider appropriate. The Corporation does not foresee paying dividends in the near future.

ITEM 9 - MANAGEMENT'S DISCUSSION AND ANALYSIS

The Corporation's Management's Discussion and Analysis for the year ended October 31, 2019 is attached to this Prospectus as Appendix B, and the Corporation's Management

Discussion and Analysis for the six month interim period ending April 30, 2020 is attached to this Prospectus as Appendix C.

Certain information included in the Corporation's Management's Discussion and Analysis is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "Forward-Looking Statements" for further detail.

ITEM 10 - DESCRIPTION OF SHARE CAPITAL

Pursuant to the Articles of the Corporation, the Corporation is authorized to issue an unlimited number of shares without nominal or par value of a class designated as Common Shares.

Common Shares

The holders of the Common Shares are entitled to:

(i) vote at any meeting of shareholders of the Corporation other than meetings of the holders of another class of shares;

(ii) to receive the remaining property of the Corporation upon dissolution;

(iii) to receive any dividend declared by the directors of the Corporation on the Common Shares.

ITEM 11 - OPTIONS AND OTHER RIGHTS TO PURCHASE SECURITIES

The Corporation has adopted a stock option plan effective August 31, 2020 (the "Plan") and under the Plan, stock options were issued to consultants and employees. See Item 6 - "Business of the Corporation", under the heading "Business Strategy, Technology and Development". Under the Plan, stock options previously issued to employees and consultants are now considered outstanding under the Plan.

ITEM 12 - PRIOR SALES

Since incorporation, the Corporation has not issued any Shares or securities convertible into Shares, other than the following:

Blockchain Venture Capital Inc. Share Issuances		
Date (mm/dd/yyyy)	**Price Per Share**	**Number of Shares**
01/12/2018	$0.01	100,000[1]
10/25/2019	$3.60	72,447
10/27/2019	$20.00	5,000
11/07/2019	$95.24	2,100
11/15/2019	$95.24	1,050
12/23/2019	- [2]	14,876,142

[1] 99,999 shares were exchanged for preference shares on October 17, 2019.
[2] Share dividend.

01/20/2020	- [3]	4,959,398
04/30/2020	$0.53	564,771
07/28/2020	$0.53	207,776

ITEM 13 - ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

Escrowed Securities

As of September 1, 2020, the following CSE Escrow Shares are being held in escrow:

Designation of Class	Number of Securities Held in Escrow	Percentage of Class
Common Shares	18,000,038	90.00%

The CSE Escrow Shares

The CSE Escrow Shares will be held in escrow pursuant to the CSE Escrow Agreement. There are to be 18,000,038 Shares to be held in escrow. These are held in escrow as required by CSE policy. The CSE Escrow Shares are to be subject to the release schedule set out in the form of escrow required by CSE pursuant to National Policy 46-201.

Ten (10%) percent of the CSE Escrow Shares are to be released upon the date of listing on the CSE and an additional 15% are to be released every 6 months thereafter until all CSE Escrow Shares have been released (36) months following the date of listing on the CSE. The CSE Escrow Agreement provides that the CSE Escrow Shares are held in escrow pursuant to its terms and the beneficial ownership thereof may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the prior written consent of the CSE. In the event of the bankruptcy of an escrow shareholder, provided the CSE does not object, the CSE Escrow Shares held by such escrow shareholder may be transferred to the trustees in the bankruptcy or such person legally entitled to the CSE Escrow Shares which shares will remain in escrow subject to the escrow agreement. In the event of the death of an escrow shareholder, provided the CSE does not object, the CSE Escrow Shares held by the escrow shareholder will be released from escrow.

Shares Subject to Resale Restrictions

Statutory Hold Periods

In addition to the foregoing escrow provisions, securities legislation imposes certain resale restrictions on securities issued within four months prior to an initial public offering. The legislation which imposes and governs these hold periods is National Instrument 45-102 - *Resale of Securities*.

ITEM 14 - PRINCIPAL SHAREHOLDERS

As at the date of this Prospectus, other than as disclosed in the table below, there are no persons who beneficially own, or control or direct, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation.

[3] Issued in exchange for preference shares.

Shareholder	Number of Shares	Percentage of Shares[1]
Xin Zhou	18,000,038	90.00%

ITEM 15 - DIRECTORS AND EXECUTIVE OFFICERS

The Board of the Corporation consists of Xin (Richard) Zhou, Steven Olsthoorn, Yongbiao (Winfield) Ding, Monika Cywinska and Justin Poy. Additionally, the following persons have been appointed officers of the Corporation: Xin (Richard) Zhou as Chief Executive Officer, Steven Olsthoorn as Chief Financial Officer and Sean Cui as Chief Technical Officer.

The following are the names, municipalities of residence, shareholdings and principal occupations within the previous five years of the directors and officers of the Corporation, and their principal position with the Corporation.

Name and Municipality of Residence	Position Presently Held	Director Since	Number of Ordinary Voting Shares Beneficially Owned Directly or Indirectly as at the Date Hereof	Principal Occupation for past 5 years
Richard Zhou Richmond Hill, Canada	Chief Executive Officer, President and Director	January 12, 2018	18,000,038	For the past 20 years Mr. Zhou has worked in the information technology, Internet, IoT and Energy industries, having held positions at EMC, Siemens, and Apotex.
Steven Olsthoorn Richmond Hill, Ontario, Canada	Chief Financial Officer, Corporate Secretary and Director	January 1, 2020	Nil	Mr. Olsthoorn is currently a Partner at DNTW Toronto LLP specializing in audit, accounting, and tax and has held this position for the past 5 years.
Monika Cywinska [1] Etobicoke, Ontario, Canada	Director	January 1, 2020	Nil	For the past 5 years, Ms. Cywinska has served as the Chief Operating Officer for The AML Shop, an anti-money laundering, counter-terrorist financing and sanctions compliance consulting firm.

Name and Municipality of Residence	Position Presently Held	Director Since	Number of Ordinary Voting Shares Beneficially Owned Directly or Indirectly as at the Date Hereof	Principal Occupation for past 5 years
Yongbiao (Winfield) Ding(1) Toronto, Ontario, Canada	Director	January 1, 2020	Nil	Mr. Ding has been an Independent Director and Audit Committee Chairman of CF Energy Corp. (TSXV:CFY) since March 10, 2015, has been the Chief Financial Officer of Sparton Resources Inc. (TSX-V: SRI) since June of 2011, has been a director and CFO of Gravitas Financial Inc. (CSE: GFI) since April 15, 2019 and has been a director of Green Panda Capital Corp. (TSX-V: GPCC.p) since February 2019.
Justin Poy(1) Richmond Hill, Ontario, Canada	Director	January 1, 2020	56,603	Mr. Poy is the Founder and Creative Director of The Justin Poy Agency (est. July 1993). He is also the President and CEO of Dealer AIBot Ltd., the developers of NEIL *(Natural Enhanced Integrated Learning)*, an AI-based digital concierge for automotive dealerships over the last 5 years.

Notes:

(1) Members of the audit committee.

The following is a brief description of the background of the directors and executive officers of the Corporation:

Richard Zhou, age 47 – President, Chief Executive Officer, Director

Mr. Zhou is the Chief Executive Officer, President and a Director of the Corporation. Mr. Zhou is also the legal and beneficial owner of 18,000,038 Shares of the Corporation, amounting to 90.00% of the Corporation's total issued and outstanding share capital as at the date of this Prospectus. Mr. Zhou is currently the President of Green Panda Capital Corp. (TSX-V:GPCC.p) in Toronto, Canada and acts as an advisor to multiple Fortune 500 and Nasdaq-listed companies. He currently serves as the Co-Chair of the Canada-China IoT and Blockchain Research Institute. Formerly, Mr. Zhou served as an Independent Director on the board of Internet of Things Inc. (TSX-V: ITT), served part time assisting with community outreach at the Legislative Assembly of Ontario, was President of the Canada Evergreen Association, and was the Founding Director of the Chinese Cabinet of the Toronto Sick Kids Foundation. Mr. Zhou has 20 years of industry experience in information technology, Internet, IoT and Energy, having held positions at EMC, Siemens, and Apotex.

Mr. Zhou is a party to a non-competition and non-disclosure agreement with the Corporation. It is expected that Mr. Zhou will devote approximately 100% of his time to the business of the Corporation to effectively fulfill his duties as an officer and director.

Steven Olsthoorn, Age 33 – Chief Financial Officer, Corporate Secretary and Director

Mr. Olsthoorn is the Chief Financial Officer, Corporate Secretary and a Director of the Corporation. Mr. Olsthoorn is a Partner at DNTW Toronto LLP specializing in audit, accounting, and tax. He leads the assurance department at DNTW as an auditor of public companies and registered securities dealers. Mr. Olsthoorn also provides income tax advice to individuals and corporations, particularly owner-managed and small to medium sized businesses. He graduated from Wilfrid Laurier University in 2008 and became a Chartered Accountant in 2011.

Mr. Olsthoorn is a party to a non-competition and non-disclosure agreement with the Corporation. It is expected that Mr. Olsthoorn will devote approximately 10% of his time to the business of the Corporation to effectively fulfill his duties as an officer and director.

Monika Cywinska – Independent Director

Ms. Cywinska is a Chartered Professional Accountant and Chartered Accountant. Following a distinguished tenure with one of the largest accounting firms in Canada in public accounting, Ms. Cywinska co-founded a financial services regulatory compliance consultancy called The AML Shop, for which she now serves as the Chief Operating Officer. Her client base includes federally regulated financial institutions, multi-national money services businesses, and cryptocurrency companies across North America.

Ms. Cywinska graduated from the University of Toronto, Rotman School of Management, with a Bachelor of Commerce degree.

Yongbiao (Winfield) Ding – Independent Director

Mr. Ding has been the CFO and director for a number of public companies in Canada and in the U.S. He is a seasoned senior finance executive with over 20 years of finance and operations experience. A former audit manager and currently a self-practitioner, he has worked in audit, taxation and advisory across a wide range of industries with a focus on public issuers financial reporting and advising Asian investors doing business in Canada. He was the CFO of TWX Group Holding Limited (CSE: TWX) between April 2016 to January 2020, he has been an Independent Director and Audit Committee Chairman of CF Energy Corp. (TSXV:CFY) since March 10, 2015, has been the Chief Financial Officer of Sparton Resources Inc. (TSX-V: SRI) since June of 2011, has been a director and CFO of Gravitas

Financial Inc. (CSE: GFI) since April 15, 2019 and has been a director of Green Panda Capital Corp. (TSX-V: GPCC) since February 2019.

Justin Poy - Independent Director

Mr. Poy is the Founder and Creative Director of The Justin Poy Agency (est. July 1993), a full service award-winning creative and strategic ad agency based in Toronto Canada. He is also the President and CEO of Dealer AIBot Ltd., the developers of NEIL *(Natural Enhanced Integrated Learning)*, an AI-based digital concierge for automotive dealerships. Mr. Poy has received the Queen's Gold and Diamond Jubilee Medals and has been recognized by Ryerson University and The Toronto French School as *Alumni of Distinction*. He is also the recipient of the Chinese Canadian Legend Award and Campbell's Entrepreneurship Leadership Award, sponsored by the Association of Chinese Canadian Entrepreneurs. Justin currently sits on the Board of the SickKids Foundation, among many others and is a recipient of University of Toronto's Arbor Award.

Yongbiao (Winfield) Ding, Monika Cywinska and Justin Poy are members of the audit committee.

OTHER REPORTING ISSUER EXPERIENCE

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

Name	Name of Other Reporting Issuers	Name of Exchange or Market	Position	From	To
Richard Zhou	Internet of Things Inc.	TSX-V	Director	July 2012	December 2016
	Green Panda Capital Corp.	TSX-V	Director, Chief Executive Officer and President	June 18, 2018	Present
Steven Olsthoorn	Green Panda Capital Corp.	TSX-V	Director, Chief Financial Officer and Corporate Secretary	June 18, 2018	Present
Yongbiao (Winfield) Ding	CF Energy Corp.	TSX-V	Director and Chair of the Audit Committee	March 2015	Present
	Sparton Resources Inc.	TSX-V	CFO	June 2011	Present

	Gravitas Financial Inc.	CSE	Director and CFO	April 2019	Present
	Green Panda Capital Corp.	TSX-V	Director	February 2019	Present
	TWX Group Holding Limited	CSE	CFO	April 2016	January 2020

OTHER CORPORATE INFORMATION

Pursuant to the provisions of the Act, the Corporation is required to have an audit committee of the directors of the Corporation. The general function of the audit committee is to review the overall audit plan and the system of internal controls of the Corporation, to review the results of the external audit and to resolve any potential dispute with the auditor of the Corporation. The audit committee of the Corporation currently consists of Winfield Ding (Chair), Monika Cywinska

and Justin Poy.

CORPORATE CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

No director or executive officer of the Corporation has, within the ten years prior to the date of this Prospectus been a director, chief executive officer or chief financial officer of any company that, while such person was acting in that capacity: (a) was the subject of a cease trade order, an order similar to a cease trade order, or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days or (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade order or similar order or an order that denied the company access to an exemption under securities legislation for a period of more than 30 consecutive days.

Bankruptcies

No director or executive officer of the Corporation has, within the ten years prior to the date of this Prospectus been a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Personal Bankruptcies

No director or executive officer of the Corporation has within the past ten years, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

Penalties and Sanction

During the ten years preceding the date of this Prospectus , no proposed director, officer or promoter of the Corporation, nor any securityholder anticipated to hold sufficient number of securities of the Corporation to materially affect the control of the Corporation has, to the knowledge of the Corporation, been subject to any (i) penalties or sanctions imposed by a courts relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a courts or regulatory body, including a self-regulatory body.

CONFLICTS OF INTEREST

The directors of the Corporation are required by law to act honesty and in good faith with a view to the best interests of the Corporation and to disclose any interests which they may have in any project or opportunity of the Corporation. If a conflict of interest arises at any meeting of the Board, any director in a conflict must disclose his interest and abstain from voting on such matter.

To the best of the Corporation's knowledge, and other than as disclosed herein, there are no known existing or potential conflicts of interest among the Corporation, its promoters, directors and officers or other members of management of the Corporation or of any proposed promoter, director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Corporation and their duties as a director or officer of such other companies.

ITEM 16 - EXECUTIVE COMPENSATION

Based on the information available at the date hereof, the following table sets out the anticipated compensation to the Corporation's CEO for the twelve months following the date on which the Corporation becomes a reporting issuer:

Table of Compensation Excluding Compensation Securities							
Name and Position	**Year**	**Salary, Consulting Fee, Retainer or Commission ($)**	**Bonus ($)**	**Committee or Meeting Fees ($)**	**Value of Prerequisites ($)**	**Value of All Other Compensation ($)**	**Total Compensation ($)**
Richard Zhou CEO and Director	2020	900	Nil	Nil	Nil	16,000	16,900

The following table discloses all compensation securities to be granted or issued to each director and named executive officer by the Corporation for the current financial year for services to be provided directly or indirectly, to the Corporation.

Compensation Securities							
Name and Position	**Type of Compensation Security**	**Number of Compensation Securities, number of Underlying Securities, and Percentage of Class**	**Date of Issue or Grant**	**Issue, Conversion 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**
Richard Zhou CEO and Director	Stock Options	160,000 Common Shares	n/a	Exercise Price of $0.53	n/a	n/a	October 1, 2025
Steven Olsthoom CFO and Director	Stock Options	160,000 Common Shares	n/a	Exercise Price of $0.53	n/a	n/a	October 1, 2025
Monika Cywinska Director	Stock Options	100,000 Common Shares	n/a	Exercise Price of $0.53	n/a	n/a	October 1, 2025
Yongbiao (Winfield) Ding Director	Stock Options	100,000 Common Shares	n/a	Exercise Price of $0.53	n/a	n/a	October 1, 2025
Justin Poy Director	Stock Options	100,000 Common Shares	n/a	Exercise Price of $0.53	n/a	n/a	October 1, 2025

Stock Option Plans and Other Incentive Plans

The Corporation has entered into a stock option plan ("Stock Option Plan") with the following individuals:

Richard Zhou, Steven Olsthoorn, Monika Cywinska, Yongiao (Winfield) Ding, Justin Poy.

The material terms of the Stock Option Plan are as follows:

The stock option plan is a rolling plan, where the stock options vest according to the following schedule:

Number of Options	**Vesting**
1/3 of the Options	After October 1, 2020;
1/3 of the Options	After October 1, 2021; and
1/3 of the Options	After October 1, 2022,

The expiry date for the options granted is October 1, 2025.

Employment, Consulting and Management Agreements

None of the executive officers or directors of the Corporation have employment agreements or were party to agreements with the Corporation where compensation was provided.

Oversight and Description of Director and Named Executive Officer Compensation

Following the date of this Prospectus, the Board will establish the compensation arrangements for each director that is not an employee of the Corporation or one of its affiliates. The directors' compensation program will be designed to attract and retain the most qualified individuals to serve on the Board. Directors will be reimbursed for their reasonable out-of-pocket expenses incurred in serving as directors. Directors who are employees of, and who receive a salary from, the Corporation or one of its affiliates will not be entitled to receive any remuneration for serving as directors but will be entitled to reimbursement of their reasonable out-of-pocket expenses incurred in serving as directors.

ITEM 17 - INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Prospectus, there is not and has not been since the beginning of the Corporation's last financial year, any indebtedness owing to the Corporation by the directors, executive officers of the Corporation, or any of their associates or affiliates.

ITEM 18 - AUDIT COMMITTEE AND CORPORATE GOVERNANCE

The Audit Committee's Charter

The charter of the Corporation's audit committee is set out in Appendix "A" to this Prospectus.

Composition of the Audit Committee

The Corporation's audit committee is composed of the following three (3) directors, all of whom may be considered to be independent, and all of whom are financially literate (as determined under Multilateral Instrument 52-110 *Audit Committees*): Monika Cywinska, Yongbiao (Winfield) Ding and Justin Poy.

As a company applying for listing on the CSE, the Corporation is exempt from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting

Obligations) of Multilateral Instrument 52-110 *Audit Committees* and is relying on the exception contained in section 6.1 of that instrument.

Relevant Education and Experience

All members of the audit committee of the Corporation have been involved or had experience with public companies. In particular, Yongbiao (Winfield) Ding has had experience as public company officers and directors dealing with financial statements.

Yongbiao (Winfield) Ding was the CFO of TWX Group Holding Limited (CSE: TWX) between April 2016 to January 2020, he has been an Independent Director and Audit Committee Chairman of CF Energy Corp. (TSXV:CFY) since March 10, 2015, has been the Chief Financial Officer of Sparton Resources Inc. (TSX-V: SRI) since June of 2011, has been a director and CFO of Gravitas Financial Inc. (CSE: GFI) since April 15, 2019 and has been a director of Green Panda Capital Corp. (TSX-V: GPCC) since February 2019.

Monika Cywinska is a Chartered Public Accountant, a Chartered Accountant and has experience in analyzing financial statements by virtue of her past experience in forensic accounting at MNP LLP and The AML Shop.

Justin Poy has industry experience in auditing and financial analysis from his experience as founder and president of The Justin Poy Agency, as president and chief executive officer of Dealer AIBot Ltd. and as a director of the Trillium Gift of Life Network, Ontario Media Development Corporation, SickKids Foundation, The Kidney Foundaton of Canada, and the WALRUS Magazine.

Each audit committee member has had extensive experience reviewing financial statements. Each member has an understanding of the Corporation’s business and has an appreciation for the relevant accounting principles for that business.

Audit Committee Oversight

At no time since the beginning of the fiscal year ended October 31, 2019, was a recommendation of the audit committee to nominate or compensate an external auditor not adopted by the board of directors of the Corporation.

Reliance on Certain Exemptions

At no time since the beginning of the fiscal year ended October 31, 2019 has the Corporation relied on the exemption provided in section 2.4 of NI 52-110 *(*De Minimis Non-Audit Services*)* or an exemption from NI 52-110, in whole or in part, granted under Part 8 *(Exemptions).* It is not anticipated that the Corporation will rely on any of the above exemptions.

As the Corporation is considered a “venture issuer” as that term is defined in NI 52-110, the Corporation will rely on the exemption contained in section 6.1 of National Instrument 52-110.

Pre-Approval Policies and Procedures

The audit committee has not adopted policies and procedures for the engagement of non-audit services from the Corporation's auditors.

Fees Charged by External Auditors

The following table sets out the aggregate fees billed by the Corporation's external auditors in the last fiscal year for the category of fees described:

	October 31, 2019
Audit Fees	23,000
Audit-Related Fees	
Tax Fees	
All Other Fees	
Total	

Corporate Governance

Corporate governance relates to the activities of the Board, 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 and who are charged with the day-to-day management of the Corporation. The Board 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 Board is of the view that the Corporation's general approach to corporate governance, summarized below, is appropriate and substantially consistent with objectives reflected in the guidelines for improved corporate governance in Canada adopted by the Canadian Securities Administrators, National Policy 58-201 *Corporate Governance Guidelines* (the "**National Guidelines**").

Board of Directors

The Board is currently composed of 6 directors.

The National Guidelines suggest that the board of directors of every listed company should be constituted with a majority of individuals who qualify as "unrelated" directors. An "unrelated" director is a director who is independent of management and is free from any interest and any business or other relationship which could or could reasonably be perceived to materially interfere with the director's ability to act with a view to the best interests of the Corporation, other than interests and relationships arising from shareholding. In addition, where a company has a significant shareholder, the National Guidelines suggest that the board of directors should include a number of directors who do not have interests in either the company or the significant shareholder.

Monika Cywinska, Yongbiao (Winfield) Ding and Justin Poy are considered by the Board to be "unrelated" within the meaning of the Guidelines. In assessing the Guidelines and making the foregoing determinations, the circumstances of each director have been examined in relation to a number of factors.

Other Directorships

The following table sets out the proposed directors of the Corporation who are presently directors of other issuers that are reporting issuers in any Canadian jurisdiction.

Name	Name and Jurisdiction of Other Reporting Issuers	Name of Exchange or Market	Position	From	To
Richard Zhou	Green Panda Capital Corp. Ontario	TSX Venture	Director and CEO	January 2018	Present
Steven Olsthoorn	Green Panda Capital Corp. Ontario	TSX Venture	Director and CFO	January 2018	Present
Yongbiao (Winfield) Ding	TWX Group Holding Limited CF Energy Corp. Ontario Gravitas Financial Inc. Ontario Green Panda Capital Corp. Ontario Sparton Resources Inc. Ontario	CSE TSX Venture CSE TSX Venture TSX Venture	CFO Director Director and CFO Director CFO	April 2016 March 2015 April 2019 February 2019 June 2011	January 2020 Present Present Present Present

Orientation and Continuing Education

New directors to the Board are provided with an informal orientation regarding the business, operations and affairs of the Corporation by management. Members of the Board are provided with ongoing education respecting the Corporation's business, operations and affairs by way of management updates and presentations. In addition, directors are encouraged to attend industry workshops respecting the responsibilities of directors.

Ethical Business Conduct

The Board encourages and promotes a culture of ethical business conduct by the Corporation by actively overseeing the management of the Corporation's business. In addition, The Board is considering adopting a Code of Conduct and Whistleblower Policy for the Corporation to address the recommendations set out in National Policy 58-201 - *Corporate Governance Guidelines*. The Code of Conduct will be filed on SEDAR under the Corporation's profile when adopted.

Nomination of Directors

The members of the Board share responsibility for proposing new nominees to the Board. Due to the small number of Board members and the different strengths and viewpoints each brings to the Board, this duty is not delegated to a committee.

Compensation

The Board is responsible for reviewing compensation for the directors and senior management in either a formal or informal fashion. The Board will form a compensation committee to determine the compensation to be allocated to the CEO, within the twelve-month period following the date of this Prospectus.

Board Committees

To facilitate its exercise of independent supervision over management, the Board established the Audit Committee. The Board may strike additional committees as appropriate following the date of this Prospectus.

Audit Committee

The composition of the Audit Committee and their "financial literacy" and "independence", as such terms are defined under National Instrument 52-110 - *Audit Committees*, is described in this Prospectus under the heading "Audit Committee".

Assessments

The Board does not have a formal process or steps established to satisfy itself that the Board, its committees and its individual directors are performing effectively. The Board discusses these issues from time to time amongst itself and management and implements such changes and makes such modifications as are determined to be necessary or desirable.

ITEM 19 - RISK FACTORS

An investment in Shares involves a high degree of risk and should only be considered by persons who can afford to lose their entire investment. The following are certain risk factors relating to an investment in Shares which prospective investors should carefully consider before deciding whether to purchase any Shares. The following information must be read in conjunction with the detailed information appearing elsewhere in this Prospectus. Such risk factors may have a material adverse effect on the financial position or results of operations of the Corporation or the value of the Shares.

Due to the nature of BVCI’s business and its present stage of development, prospective investors should carefully consider certain risks involved in an investment in the securities of BVCI including: (i) BVCI’s absence of any operating history; (ii) future capital needs and uncertainty of additional financing; (iii) the competitive nature of the industry; (iv) unproven market for BVCI’s services; (v) BVCI’s ability to evaluate and respond to market conditions; (vi) volatility of the Canadian Dollar exchange and public interest in Canadian Dollars; (vii) the need for BVCI to manage its planned growth and expansion; (viii) action taken by regulatory authorities may limit BVCI’s business and operations; (ix) lack of regulation and consumer protection; (x) the effects of product development and need for continued technology change; (xi) dependence on technical infrastructure; (xii) foreign growth restrictions; (xiii) currency trading risks; (xiv) protection of intellectual property rights; (xv) the effect of government regulation and compliance on BVCI and the industry; (xvi) use and storage of personal information and compliance with privacy laws; (xvii) network security risks; (xviii) the ability of BVCI to maintain properly working systems; (xix) market expansion risks; (xx) use of BVCI’s services for improper or illegal purposes; (xxi) theft and risk of physical harm to personnel; (xxii) reliance on key personnel; (xxiii) customer complaints and negative publicity; (xxiv) global economic and financial market deterioration impeding access to capital or increasing the cost of capital; (xxv) volatile securities markets impacting security pricing unrelated to operating performance; (xxvi) dividend policy; (xxvii) concentration of control of BVCI; and (xxviii) uninsurable risks. Prospective investors of securities of BVCI should carefully consider the risks described below. BVCI’s operations are high-risk due to the nature of BVCI’s business and its present stage of development. The following describes some of the risks that could affect BVCI and could materially affect BVCI’s future operating results and could cause actual events to differ materially from those described in forward-looking information relating to BVCI. BVCI may face additional risks and uncertainties other than those listed below (or elsewhere in this Application), including risks and uncertainties that are unknown to BVCI and risks and uncertainties that BVCI now believes to be immaterial, which could turn out to be material, that could have a material adverse effect on the business of BVCI. If any of the risks described below (or elsewhere in this Prospectus) actually occur, the business, financial condition and/or results of operations of BVCI could be materially adversely affected.

Risks Related to BVCI’s Business and Industry

Absence of Operating History

BVCI has a limited operating history on which an investor might evaluate its performance. It is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel and financing sources and lack of revenues, any of which could have a material adverse effect on BVCI and may force it to reduce or curtail its operations. BVCI is not currently profitable and has incurred operating losses since its inception. There is no assurance that BVCI will generate profits in the future, or that profitability will be sustained, and the likelihood of success must be considered in light of the early stage of its operations. Even if BVCI accomplishes its objectives, it may not generate positive cash flows or profits.

Although BVCI anticipates earning revenue in the near future, it is also incurring substantial expenses in the establishment of its business. To the extent that such expenses do not result in revenue gains that are adequate to sustain and expand its business, BVCI’s long-term viability may be materially and adversely affected. A significant portion of BVCI’s financial resources have been and will continue to be directed to the development of its business and marketing activities. The success of BVCI will ultimately depend on its ability to generate revenues and profits from its business. There is no assurance that the future expansion of BVCI’s business will be sufficient to raise the required funds to continue the development of its business and marketing activities.

There can be no assurance that BVCI will be successful in developing and marketing BvcPay and CADT in a timely manner or at all, or that the solutions and services will adequately address market demands. Market acceptance and adoption of these products will depend on, among other things, these products and the related solutions they provide demonstrating a real advantage over existing products and services, the success of our sales and marketing teams in creating awareness of these products, competitive pricing of such solutions and services, customer recognition of the value of our technology and the general willingness of potential customers to try new technologies. In particular, if we are unable to achieve sufficient market adoption of the BVC Chain, our growth strategy may be adversely affected.

It is possible that BvcPay will not be adopted by a large number of users. Such a lack of use or interest may result in insufficient demand for the BvcPay business to be commercially viable, which could have an adverse effect on BVCI's business, financial condition and results of operation.

The digital currency is a new and rapidly evolving industry, and the viability and future growth of the industry and adoption of digital currencies and the underlying technology is subject to a high degree of uncertainty, including based upon the adoption of the technology and regulation of the industry, among other factors. Because the sector is relatively new, additional risks which are not yet known or quantifiable may exist or materialize in the future.

Operational Risk

Operational risk is the risk of an adverse outcome resulting from inadequate or failed internal processes, people, systems or external events. BVCI's exposure to operational risk arises from routine processing errors, as well as extraordinary incidents, such as major systems failures or legal and regulatory matters. Because BVCI's business is reliant on both technology and human expertise and execution, BVCI is exposed to material operational risk arising from a number of factors, including, but not limited to, human error, processing and communication errors, errors of third-party service providers, counterparties or other third parties, failed or inadequate processes, design flaws and technology or system failures and malfunctions.

Operational errors or significant operational delays could materially negatively impact BVCI's ability to conduct its business or service its clients, which could adversely affect results of operations due to potentially higher expenses and lower revenues, create liability for BVCI or its clients or negatively impact its reputation. Recurring operational issues may also raise concerns among regulators regarding BVCI's governance and control environment.

BVCI is establishing risk management and oversight policies and procedures to provide a sound operational environment for the types of risk to which it is subject, including operational risk and market risk. However, as with any risk management framework, there are inherent limitations to BVCI's current and future risk management strategies, including risks that it has not appropriately anticipated or identified and that certain policies may be insufficient when used in connection with the BVC Chain. Accurate and timely enterprise-wide risk information is necessary to enhance management's decision-making in times of crisis. If BVCI's risk management framework proves ineffective or if BVCI's enterprise-wide management information is incomplete or inaccurate, it could suffer unexpected losses or fail to generate the expected revenue, which could materially adversely affect its business, financial condition and results of operations.

Future Capital Needs and Uncertainty of Additional Financing

BVCI currently anticipates that its cash balance will be sufficient to meet its presently anticipated working capital and capital expenditure requirements over the next 12 months. However, BVCI may need to raise additional funds in order to support expansion, respond to competitive pressures, acquire complementary businesses or technologies or take advantage of unanticipated opportunities. BVCI may be required to raise additional funds through public or private financing, strategic relationships or other arrangements. There can be no assurance that such additional funding, if needed, will be available on terms attractive to BVCI, or at all. Furthermore, any additional equity financing may be dilutive to shareholders and debt financing, if available, may involve restrictive covenants. If additional funds are raised through the issuance of equity securities, the percentage ownership of the shareholders of BVCI will be reduced, shareholders may experience additional dilution in net book value per share, or such equity securities may have rights, preferences or privileges senior to those of the holders of other shares in the capital of BVCI. If adequate funds are not available on acceptable terms BVCI may be unable to develop or enhance its business, take advantage of future opportunity or respond to competitive pressures, any of which could have a material adverse effect on BVCI's business, financial condition and operating results.

Digital Assets and blockchain technology may not be widely adopted

Digital Currency is a new asset class that, as of yet, has not been widely adopted. The majority of BVCI's business relies, and will rely, on the acceptance and use of CADT at a scale to create demand sufficient to make BVCI's business commercially viable. Though BVCI believes that the anticipated benefits of Digital Currencies will create such demand, there can be no assurance that this will occur, or if it does occur that it will be in the near term.

Furthermore, the growth of the blockchain industry in general, as well as the blockchain technology on which BVCI relies, is subject to a high degree of uncertainty. The factors affecting the further development of blockchain technology and Digital Assets, include, without limitation:

- worldwide growth in the adoption and use of Digital Assets and blockchain technology;
- government and quasi-government regulation of Digital Assets and blockchain technology and their use, or restrictions on or regulation of access to and operation of blockchain technology or similar systems;
- changes in consumer demographics and public tastes and preferences;
- the availability and popularity of other forms or methods of buying and selling goods and services, or trading assets including new means of using government-backed currencies or existing networks;
- general economic conditions and the regulatory environment relating to Digital Assets; and
- a decline in the popularity or acceptance of Digital Assets.

The blockchain industry as a whole has been characterized by rapid changes and innovations and is constantly evolving. Although it has experienced significant growth in recent years, the slowing or stopping of the development, general acceptance and adoption and usage of blockchain technology and Digital Assets may materially adversely affect BVCI's business plans.

Unproven Market

CADT is a novel application of technology to the use of Canadian currency as a storage of value and a medium of exchange which aims to facilitate everyday transactions. There is currently no proven market for a service of this kind, and there can be no assurance that a market will develop in the near future, or at all. BVCI is relying on its ability to convince customers that its services are an attractive alternative to other forms of transaction-accessible accounts (such as bank accounts, and competitor virtual payment solutions), and other stores of monetary value (such as currencies, commodities, equities, debt instruments, and ETFs). BVCI believes that its assumptions and projections are reasonable, based on the proven markets for Canadian currency, and for internet-based payment settlement services, but there can be no assurance that this will be the case. Any failure to develop and sustain a market for BVCI's services could adversely affect BVCI's business, operations, and financial condition.

Ability to Evaluate and Respond to Market Conditions

BVCI has no operating history, and operates in an evolving market that may not grow as expected. This limited operating history makes it difficult to effectively assess BVCI's future prospects. BVCI's business and prospects should be considered in light of the risks and difficulties that BVCI may encounter in acquiring customers; offering a superior user experience; earning and preserving customers' trust with respect to the security of their storage of Canadian funds, payment processing, and personal financial information; processing, storing, and using customers' personal information in compliance with applicable privacy laws; complying with existing and new laws and regulations, which may be onerous; building and maintaining a scalable, high-performance technology infrastructure that can efficiently and reliably handle CADT transactions and payment processing; and international expansion. If the market for the services that BVCI provides does not develop as expected, or if BVCI fails to address the needs of this market, BVCI's business will be harmed. BVCI may not be able to successfully address these risks and challenges, including those described elsewhere in these risk factors. Failure to adequately address these risks and challenges could harm BVCI's business and results of operations.

As digital assets and blockchain technologies become more widely available, the services and products associated with them may evolve. In order to stay current with the industry, BVCI's business model may need to evolve as well. From time to time, BVCI may modify aspects of its business model relating to its product mix and service offerings. Any such modifications we may make may not be successful and may result in harm to our business. We may not be able to manage growth effectively, which could damage our reputation, limit our growth and negatively affect our operating results.

Interest in Canadian Dollars

The development of BVCI's business depends on the interest of the public wishing to hold and transact in Canadian dollars. Accordingly, BVCI's ability to establish its business and become profitable depends on the public's perception of Canadian dollars and on its future foreign exchange rate with other currencies, and will be significantly affected by changes in such foreign exchange rates. Foreign exchange rates can be subject to volatile price movements which can be material and occur over short periods of time, and which are affected by numerous factors, all of which are beyond BVCI's control. Such factors include, but are not limited to, interest rates, inflation or deflation, fluctuations in the value of the Canadian dollar and foreign currencies, global and regional supply and demand, speculative trading, and political and economic conditions. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems, the strength of and confidence in the Canadian dollar, and political developments. The effect of these factors on the value of the Canadian dollar (and hence the CADT), and therefore the economic viability of any of BVCI's business, cannot be accurately determined.

Ability to Manage Growth

BVCI may experience rapid growth in the scope of its operations. Growth may result in increased responsibilities for BVCI's existing personnel, the hiring of additional personnel and, in general, higher levels of operating expenses. In order to manage its current operations and any future growth effectively, BVCI will need to continue to implement and improve its operational, financial and management information systems, as well as hire, manage and retain its employees and maintain its corporate culture including technical and customer service standards. There can be no assurance that BVCI will be able to manage such growth effectively or that its management, personnel or systems will be adequate to support BVCI's expansion. Any failure to implement cohesive and efficient operating, financial, and management information systems, to add resources on a cost-effective basis or to otherwise properly manage BVCI's expansion could have a material adverse effect on its business and results of operations.

Lack of Regulation and Customer Protection

BVCI's business is designed to be in full compliance with all legal and regulatory requirements of its users, including anti-money laundering legislation and banking department recordkeeping requirements, as well as being fully integrated with the ability to check various worldwide watch lists for wanted criminals, terrorists and other sanctioned persons. Nevertheless, the fact that BVCI is not a bank, investment dealer or trust company, may result in the business of BVCI not being subject to a regulatory environment which is as extensive and robust as the regulatory environment for financial institutions. Furthermore, BVCI does not have insurance through government sponsored programs or deposit insurance. **As of the date of this Prospectus, BVCI does not have insurance which protects User funds in the Custodial Account.** Although Canadian money is held by the Custodian there can be no assurance that a third party will not claim an interest in such property in a legal proceeding or claim against BVCI, the Custodian, or any of their respective affiliates.

If BVCI and/or any governmental agency believe that it has accepted capital contributions by, or is otherwise holdings assets of, any person or entity that is acting directly or indirectly in violation of any money laundering or corruption laws, rules, regulations, treaties, sanctions or other restrictions, or on behalf of any suspected terrorist or terrorist organization, suspected drug trafficker or senior foreign political figure(s) suspected in engaging in foreign corruption, BVCI and/or such governmental agency may "freeze the assets" of such person or entity. BVCI may also be required to report and remit or transfer those assets to a governmental agency. Any such action may harm BVCI's reputation and materially and adversely affect its business, financial condition and results of operations.

Product Development and Rapid Technological Change

The advent of internet-based digital money and payment solutions may erode established money markets resulting in a significant adverse effect upon BVCI's continued growth and profitability. The development of a cashless society has been impeded by factors such as issues respecting infrastructure, cultural resistance, distribution problems and patchwork regulations. BVCI's success could be seriously affected by a competitor's ability to develop and market technologies that compete with BVCI or with established money markets in general. To remain competitive, BVCI must continue to enhance and improve the responsiveness, functionality and features of its technology and payment platform.

The Internet and the e-commerce industry are characterized by rapid technological change, changes in user and customer requirements and preferences, frequent new product and service introductions embodying new technologies and the emergence of new industry standards and practices that could render BVCI's existing operations and proprietary technology and systems obsolete. BVCI's success will depend, in part, on its ability to develop leading technologies useful in its business, enhance its existing services, develop new services and technology that address the increasingly sophisticated and varied needs of its existing and prospective users and respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. The development of Internet and other proprietary technology entails significant technical, financial and business risks. There can be no assurance that BVCI will successfully implement new technologies or adapt its proprietary technology and transaction-processing systems to customer requirements or emerging industry standards. If BVCI is unable to adapt in a timely manner, or at all, in response to changing market conditions or customer requirements for technical, legal, financial or other reasons, BVCI's business could be materially adversely affected.

Many participants in the financial industry (including certain regulators) and other industries may oppose the development of products and services that utilize blockchain technology. The market participants who may oppose such products and services may include entities with significantly greater resources, including financial resources and political influence, than BVCI has. The ability of BVCI to operate and achieve its commercial goals could be adversely affected by any actions of any such market participants that result in additional regulatory requirements or other activities that make it more difficult for BVCI to operate.

As an alternative to currencies that are backed by central governments, Digital Currencies, which are relatively new, are subject to supply and demand forces. How such supply and demand will be impacted by geopolitical events is largely uncertain but could be harmful to BVCI. Political or economic crises may motivate large-scale acquisitions or sales of cryptocurrencies either globally or locally. Such events could have a material adverse on our business, prospects or operations.

Dependence on Technical Infrastructure

BVCI's ability to attract, retain, and serve users is dependent upon the reliable performance of the CADT platform and the underlying technical infrastructure. BVCI's systems or those systems of third parties on which BVCI relies, may not be adequately designed with the necessary reliability and redundancy to avoid performance delays or outages that could be harmful to the business. If the CADT platform is unavailable when users attempt to access it, or if it does not load as quickly as they expect, users may close their accounts. As the user base continues to grow, BVCI will need an increasing amount of technical infrastructure, including network capacity, and computing power, to continue to satisfy the needs of users. It is possible that BVCI may fail to effectively scale and grow its technical infrastructure to accommodate these increased demands. In addition, the business is subject to interruptions, delays, or failures resulting from earthquakes, other natural disasters, terrorism, or other catastrophic events. Any disruption or failure in the services BVCI receives from third party Internet or technology providers used to facilitate its business could harm BVCI's ability to handle existing or increased traffic and could significantly harm its business. Any financial or other difficulties these providers face may adversely affect BVCI's business, and BVCI exercises little control over these providers, which increases vulnerability to problems with the services they provide.

The success of blockchain technology-based products and services will depend on the continued development of a stable infrastructure, with the necessary speed, data capacity and security, and complementary products such as high-speed networking equipment for providing reliable internet access and services. Digital Assets have experienced, and are expected to continue to experience, significant growth in the number of users and amount of content. There is no assurance that the relevant public infrastructure will continue to be able to support the demands placed on it by this continued growth or that the performance or reliability of blockchain technology will not be adversely affected by this continued growth. There is also no assurance that the infrastructure or complementary products or services necessary to make Digital Assets a viable product for their intended use will be developed in a timely manner, or that such development will not result in the requirement of incurring substantial costs to adapt to changing technologies. The failure of these technologies or platforms or their development could materially and adversely affect BVCI's business, financial condition and results of operation.

CADT is created, issued, transmitted, and stored according to protocols run within the BVC Chain. It is possible these protocols have undiscovered flaws or could be subject to network scale attacks which could result in losses to BVCI. Advancements in quantum computing could break the cryptographic rules of protocols which support CADT.

Foreign Restrictions on Operations

Foreign governments may restrict or block access to the CADT platform within their jurisdictions, or impose restrictions that may affect the accessibility of CADT in their country for an extended period of time or indefinitely. For example, some countries like South Africa limit the amount physical currency a resident is permitted to leave the country with, and others may impose restrictions on exchanging local currency into foreign currency (or other assets backed by foreign currency). In addition, foreign governments may seek to restrict access to CADT if they consider BVCI's business to be in violation of their laws. If access to CADT is restricted in whole or in part in one or more countries, or competitors are able to successfully penetrate geographic markets that BVCI cannot access, BVCI's ability to retain or increase its user base and user engagement may be adversely affected, BVCI may not be able to maintain or grow revenue as anticipated, and financial results could be adversely affected.

Intellectual Property

Proprietary rights are important to BVCI's success and its competitive position. Although BVCI seeks to protect its proprietary rights, its actions may be inadequate to protect any trademarks and other proprietary rights or to prevent others from claiming violations of their trademarks and other proprietary rights. In addition, effective copyright and trademark protection may be unenforceable or limited in certain countries, and the global nature of the Internet makes it impossible to control the ultimate designation of BVCI's work. Any of these claims, with or without merit, could subject BVCI to costly litigation and the diversion of the time and attention of its technical management personnel. If the protection of proprietary rights is inadequate to prevent unauthorized use or appropriation by third parties, the value of BVCI's brand and other intangible assets may be diminished and competitors may be able to more effectively mimic BVCI's service and methods of operations. Any of these events could have an adverse effect on BVCI's business and financial results.

There is no certainty that the intellectual property used in the operation of BVCI's business does not infringe the rights of any other third party. BVCI acquired BVC Chain, its core blockchain technology, pursuant to the Hengwei Agreement. See "Item 24 - Material Agreements, Blockchain Technology Service Agreement". Such agreement does not contain representations or warranties customarily found in agreements of a similar nature respecting the acquisition of intellectual property. In particular, such agreement provides no assurances that the intellectual property rights related to the BVC Chain does not infringe the rights of any other third party, or that the Vendor, Hengwei, owned all the intellectual property rights in the BVC Chain technology such that it could sell all such rights to BVCI. In acquiring IP rights, the Corporation did not perform any due diligence.

The intellectual property used in the operation of BVCI's business has not been patented and may not be patentable, and therefore it will rely significantly on trade secrets, trade and service marks and copyright. BVCI also relies on trade secret protection and confidentiality agreements with its employees, consultants, suppliers, third-party service providers, and others to protect its intellectual property and proprietary rights. Nevertheless, the steps BVCI takes to protect its intellectual property and proprietary rights against infringement or other violation may be inadequate and it may experience difficulty in effectively limiting the unauthorized use of its patents, trade secrets, trade and service marks, copyright and other intellectual property and proprietary rights worldwide. BVCI cannot guarantee that others will not independently develop technology with the same or similar function to any proprietary technology it relies on to conduct its business and differentiate itself from competitors.

BVCI could incur significant costs and management distraction in pursuing claims to enforce its intellectual property and proprietary rights through litigation, and defending any alleged counterclaims. If BVCI is unable to protect or preserve the value of its patents, trade secrets, trade and service marks, copyright, or other intellectual property and proprietary rights for any reason, its brand and reputation could be damaged and its business, financial condition and results of operations could be materially adversely affected.

Due to the fundamentally open-source nature of blockchain technology, BVCI may not always be able to determine that it is using or accessing protected information or software. For example, there could be issued patents of which BVCI is not aware that its products infringe. Moreover, patent applications are in some cases maintained in secrecy until patents are issued. The publication of discoveries in scientific or patent literature frequently occurs substantially later than the date on which the underlying discoveries were made and patent applications were filed. Because patents can take many years to issue, there may be currently pending applications of which BVCI is unaware that may later result in issued patents that its products infringe.

If one or more other persons, companies or organizations obtains a valid patent covering technology critical to the operation of BVCI's business, there can be no guarantee that such an entity would be willing to license such technology at acceptable prices or at all, which could have a material adverse effect on BVCI's business, financial condition and results of operations. Moreover, if for any reason BVCI were to fail to comply with its obligations under an applicable license agreement, it may be unable to operate, which would also have a material adverse effect on BVCI's business, financial condition and results of operations.

BVCI could expend significant resources defending against patent infringement and other intellectual property right claims, which could require it to divert resources away from operations. Any damages BVCI is required to pay or injunctions against its continued use of such intellectual property in resolution of such claims may cause a material adverse effect to its business, financial condition and results of operations.

Government Regulation and Compliance

The law and regulation surrounding the operation of BVCI's businesses with respect to CADT is unclear, uncertain, rapidly evolving and not assured to develop in a way that is favorable to BVCI. As blockchain technology and Digital Currency have grown in popularity and in market size, governments, regulators and self-regulators (including law enforcement and national security agencies) around the world are examining the operations of blockchain technology and Digital Currency issuers, users, investors and platforms. To the extent that any government or quasi-governmental agency exerts regulatory authority over the Digital Currency industry in general, the issuance of CADT, and trading and ownership of and transactions involving the purchase and sale or pledge of CADT, may be adversely affected, which could materially adversely affect BVCI's business, financial condition and results of operations.

The anticipated business activities of BVCI may cause regulatory bodies to delay, or refuse to issue, licenses and qualifications to BVCI that it would otherwise receive. There is a risk that BVCI's business, in whole or in part, could be outlawed in jurisdictions in which it seeks to do business, or subjected to laws which impose costly and onerous obligations which could materially affect BVCI's ability to expand its business and become profitable. For example, governments and other regulatory bodies may restrict or ban the use of Digital Currency in their country or by their residents as certain Digital Currencies, such as stablecoins, may, or may be perceived to, adversely impact a governments ability to implement monetary policies intended to preserve the value of its money.

BVCI's services are subject to a wide range of laws and regulations intended to help detect and prevent money laundering, terrorist financing, fraud and other illicit activity. The interpretation of those requirements by judges, regulatory bodies and enforcement agencies is changing, often quickly and with little notice. Economic and trade sanctions programs that are administered by the Department of Foreign Affairs, Trade, and Development prohibit or restrict transactions to or from or dealings with specified countries, their governments, and in certain circumstances, with individuals and entities that are specially-designated nationals of those countries, narcotics traffickers and terrorists or terrorist organizations. As regulatory scrutiny and enforcement action in these areas increase, BVCI expects its costs to comply with these requirements will increase, perhaps substantially. Failure to comply with any of these requirements could result in the limitation, suspension or termination of BVCI's services, the seizure and/or forfeiture of BVCI's assets and/or the imposition of civil and criminal penalties, including fines. BVCI's senior management have limited experience dealing with regulatory requirements in relation to Digital Assets.

BVCI is subject to Canadian and foreign laws and regulations that affect companies conducting business on the Internet, which regulate user privacy, data protection, content, intellectual property, distribution, electronic contracts and other communications, competition, consumer protection and taxation. In particular, BVCI is subject to federal, provincial, and foreign laws regarding privacy and protection of user data. Foreign data protection, privacy, and other laws and regulations are often more restrictive than those in Canada. Existing and proposed laws and regulations can be costly to comply with and can delay or impede the development of new products, increase operating costs, require significant management time and attention, and subject BVCI to claims or other remedies, including fines or demands that BVCI modify or cease existing business practices.

BVCI is registered with FINTRAC and is subject to regulatory oversight and enforcement by FINTRAC. In the event that registration and reporting requirements under PCMLTFA change, BVCI may become subject to more onerous reporting, recordkeeping and anti-money laundering provisions of the PCMLTFA. Any non-compliance with anti-laundering or reporting procedures could result in significant financial penalties and the possibility of criminal prosecution. The foregoing laws and regulations are constantly evolving, unclear and inconsistent across various jurisdictions, making compliance challenging. Many of these laws are still evolving and being tested in the courts, and could be interpreted in ways that could harm BVCI's business. If BVCI fails to update its compliance systems to reflect legislative or regulatory developments, BVCI could incur penalties. New legislation, changes in laws or regulations, implementing rules and regulations, litigation, court rulings, changes in industry practices or standards, changes in systems rules or requirements or other similar events could expose BVCI to increased compliance costs, liability, reputational damage, and could reduce the market value of BVCI's services or render them less profitable or obsolete. Responding to inquiries, investigations, audits, lawsuits and proceedings, regardless of the ultimate outcome of the matter, is time-consuming and expensive and can divert the attention of senior management. The outcome of such proceedings may be difficult to predict or estimate until late in the proceedings, which may last a number of years.

Money transfers are regulated by provincial, federal and foreign governments. BVCI and the Custodian are subject to an extensive set of legal and regulatory requirements. BVCI's international operations may become subject to licensing requirements. If federal, state, provincial or foreign regulators were to take actions that interfere with BVCI's ability to reliably effect payment transfers, hold (indirectly through the Custodian) Canadian currency on behalf of customers, or limit or prohibit BVCI or payment services partners from transferring or transacting in Canadian currency, this could harm BVCI's business. If BVCI is prevented from transferring or transacting in Canadian currency from particular jurisdictions that are significant to its business, it could harm BVCI's business and results of operations.

The regulatory risks described above may be greater for companies in the blockchain industry as it is relatively new and clients, counterparties and regulators are expected to need significant education to understand the mechanics of products and services that rely on blockchain technology.

Personal Information and Privacy Laws

BVCI receives, transmits, and stores confidential personal information and other customer data in connection with its services, including, bank account numbers, credit and debit card information, identification numbers, addresses, telephone numbers, and images of government identification, and information relating to financial transactions. These activities are subject to the laws and regulations of Canada and other jurisdictions. The requirements imposed by these laws and regulations, which often differ materially among the many jurisdictions where BVCI intends to offer service, are designed to protect the privacy of personal information and to prevent that information from being inappropriately disclosed.

BVCI is required to comply with the privacy provisions the *Freedom of Information and Protection of Privacy Act* (Ontario). There are also numerous other federal, provincial and local laws around the world regarding privacy and the storing, sharing, use, processing, disclosure and protection of personal information and other customer data, the scope of which are changing, subject to differing interpretations, and may be inconsistent between countries or conflict with other applicable rules. It is possible that these obligations may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules or BVCI's business practices. Additionally, with advances in computer capabilities and data protection requirements to address ongoing threats, BVCI may be required to expend significant capital and other resources to protect against potential security breaches or to alleviate problems caused by security breaches. Any failure or perceived failure by BVCI to comply with its privacy policies, privacy-related obligations to customers or other third parties, or privacy-related legal obligations, or any compromise of security that results in the unauthorized release or transfer of personally identifiable information or other customer data, may result in governmental enforcement actions, fines or litigation.

If any third parties with whom BVCI works, such as marketing partners, vendors or developers, violate applicable laws or BVCI's policies, such violations may put BVCI's customers' information at risk and could harm BVCI's business. Any negative publicity arising out of a data breach or failure to comply with applicable privacy requirements could cause reputational damage and cause customers to lose trust in BVCI, which could adversely affect BVCI's business, results of operations, financial position and potential for growth.

Cybersecurity Risks

Cybersecurity incidents and cyber-attacks have been occurring globally at a more frequent and severe level and will likely continue to increase in frequency in the future. Advances in computer capabilities, new discoveries in the field of cryptography or other events or developments, including improper acts by third parties, may result in a compromise or breach of the security measures that BVCI uses to protect its systems. Failures of BVCI's cybersecurity system could harm its reputation, subject it to legal claims and otherwise materially and adversely affect its business, financial condition and results of operations.

The blockchain industry is a particular target for cybersecurity incidents, which may occur through intentional or unintentional acts by individuals or groups, including state-sponsored actors, having authorized or unauthorized access to BVCI's systems or BVCI's clients' or counterparties' information, all of which may include confidential information. These individuals or groups include employees, third-party service providers, customers and hackers. The information and technology systems used by BVCI and its service providers are vulnerable to unauthorized access, damage or interruption from, among other things:

hacking, ransomware, malware and other computer viruses; denial of service attacks; network failures; computer and telecommunication failures; phishing attacks; infiltration by unauthorized persons; fraud; security breaches; usage errors by their respective professionals; power outages; terrorism; and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Recently, the Cryptocurrency exchange industry has become a significant target for fraud.

While BVCI will deploy a range of defenses, it is possible BVCI could suffer an impact or disruption that could materially and adversely affect it. The security of the information and technology systems used by BVCI and its service providers may continue to be subjected to cybersecurity threats that could result in material failures or disruptions in BVCI's business. If these systems are compromised, become inoperable for extended periods of time or cease to function properly, BVCI or a service provider may have to make a significant investment to fix or replace them. As a company whose material business include financial services, BVCI has and will continue to have access to sensitive, confidential information of clients and counterparties which makes the cybersecurity risks identified above more important than they may be to other non-financial services companies.

BVCI relies on a variety of technologies to provide security to its systems. Despite the implementation of network security measures, BVCI's infrastructure is potentially vulnerable to computer break-ins and similar disruptive problems. BVCI could also suffer from an internal security breach. Computer viruses, break-ins or other security problems could lead to misappropriation of proprietary information and interruptions, delays or cessation in service to BVCI users. If a third party or employee were to misappropriate, misplace or lose corporate information, including financial and account information, customers' personal information, or source code, BVCI's business may be harmed. BVCI may be required to expend significant capital and other resources to protect against these security breaches or losses or to alleviate problems caused by these breaches or losses. If third parties gain improper access to BVCI's systems or databases or those of BVCI's partners or contractors, they may be able to steal, publish, delete or modify confidential customer information. A security breach could expose BVCI to monetary liability, lead to inquiries and fines or penalties from regulatory or governmental authorities, lead to reputational harm and make users less confident in BVCI's services, which could harm BVCI's business, financial condition and results of operations

Risk of System Failure or Inadequacy

BVCI's operations are dependent on its ability to maintain its equipment in effective working order and to protect its systems against damage from fire, natural disaster, power loss, telecommunications failure or similar events. In addition, the growth of BVCI's customer base may strain or exceed the capacity of its computer and telecommunications systems and lead to degradations in performance or systems failure. BVCI may in the future experience failure of its information systems which may result in decreased levels of service delivery or interruptions in service to its users. While BVCI continually reviews and seeks to upgrade its technical infrastructure and provides for certain system redundancies and backup power to limit the likelihood of systems overload or failure, any damage, failure or delay that causes interruptions in BVCI's operations could have a material and adverse effect on BVCI's business. All of BVCI's applications are hosted by external service providers. Any failure on the part of those external service providers to maintain their equipment in good working order and to prevent system disruptions could have a material and adverse effect on BVCI's business.

Loss of Private Key

CADT is controllable only by the possessor of the private key or keys relating to the "digital wallet" in which the CADT is held. Private keys must be safeguarded and kept private in order to prevent a third party from accessing the CADT while held in such wallet. To the extent a private key is lost, destroyed or otherwise compromised by BVCI or another digital party and no backup of the private key is accessible, BVCI will be unable to access the CADT held in the related digital wallet. Any loss of private keys relating to digital wallets used to store CADT held by BVCI from time to time could adversely affect its business, financial condition and results of operations. If any such CADT is lost, stolen or destroyed under circumstances rendering a party liable to BVCI, the responsible party may not have the financial resources sufficient to satisfy BVCI's claims.

Risks Associated with Market Expansion and Growth

BVCI's opportunities to expand its operations into new markets abroad by increasing the number of eligible countries from which users may open and transact using CADT may be limited. Any future expansion into new markets could place BVCI in unfamiliar competitive environments and involve various risks, including incurring losses or failing to comply with applicable laws and regulations. Such expansion would also require significant resources and management time, and there is no guarantee that, after expending such resources and time, BVCI would receive the necessary approvals to operate in such new markets. If BVCI were granted authority to operate in such new markets, it is possible that returns on such investments would not be achieved for several years, if at all. There is no guarantee that BVCI's business model will be successful in a new market, that BVCI could maintain acceptable profit margins in any such new market, or that international expansion would help grow BVCI's business. If BVCI is unable to successfully expand operations into new markets, future growth rates may be harmed.

As BVCI grows its business, its employee headcount and the scope and complexity of its business may increase dramatically. BVCI only has a limited operating history at its current scale and its management team does not have substantial tenure working together. Consequently, if BVCI's business grows at a rapid pace, it may experience difficulties maintaining this growth and building the appropriate processes and controls. Growth may increase the strain on resources, cause operating difficulties, including difficulties in sourcing, logistics, maintaining internal controls, marketing, designing products and services and meeting customer needs.

In addition, BVCI may seek to run more than one business line and, while these business lines are anticipated to be complimentary, there can be no assurance that BVCI will be able to effectively deliver internal or external resources effectively to each business line as and when needed, particularly when multiple business lines are experiencing high levels of need at the same time. Finally, some or many of BVCI's business lines are or are expected to be interlinked. Delays or the inability to roll out products in one business line may pose corresponding issues in other business lines.

If BVCI does not adapt to meet these challenges, it could have a material adverse effect on its business, financial condition and results of operations.

Use of BVCI's Services for Improper or Illegal Purposes

BVCI's services remain susceptible to potentially illegal or improper uses as criminals are using increasingly sophisticated methods to engage in illegal activities involving Internet services and payment providers. Because BVCI's customers transfer CADT, and money using bank accounts via the Internet, and these are not face-to-face transactions, these transactions involve a greater risk of fraud. Other illegal or improper uses of CADT and BVCI's services may include money laundering, terrorist financing, drug trafficking, human trafficking, illegal online gaming, and other online scams, illegal sexually-oriented services, prohibited sales of pharmaceuticals, fraudulent sale of goods or services, piracy of software, movies, music and other copyrighted or trademarked goods, unauthorized uses of bank accounts and similar misconduct. Users of CADT and BVCI's services may also encourage, promote, facilitate or instruct others to engage in illegal activities. If the measures BVCI takes are too restrictive and inadvertently screen proper transactions, this could diminish BVCI's customer experience which could harm BVCI's business. Despite BVCI's efforts, there can be no assurance that measures taken by BVCI will stop all illegal or improper uses of CADT and BVCI's services. BVCI's business could be harmed if customers use CADT or BVCI's services for illegal or improper purposes.

The use of Digital Assets for illegal purposes, or the perception of such use, even if such use does not involve BVCI's services or products, could result in significant damage to BVCI's reputation, damage to the reputation of Digital Assets and a loss of confidence in the services provided by the blockchain technology community as a whole.

Risk of Theft and Misconduct

The Canadian dollars exchanged in consideration of the purchase of CADT are held by the Custodian, who, as part of its daily business, faces the risk of theft and employee dishonesty. Of particular concern are circumstances where employees could collude with customers to engage in theft by evasion of internal and other controls and cause damage which may not be predictable or within the terms of existing insurance coverage.

There is a risk that an employee of, or contractor to, BVCI or any of its affiliates could engage in misconduct that adversely affects BVCI's business. It is not always possible to deter such misconduct, and the precautions BVCI takes to detect and prevent such misconduct may not be effective in all cases. Misconduct by an employee of, or contractor to, BVCI or any of its affiliates, or even unsubstantiated allegations of such misconduct, could result in direct financial harm to BVCI.

Litigation Risk

As an enterprise whose primary business line is considered a financial service, BVCI depends to a significant extent on its relationships with its clients and its reputation for integrity and high-caliber professional services. As a result, if a client is not satisfied with BVCI's services or if there are allegations of improper conduct, including improper conduct by any of BVCI's partners, by private litigants or regulators, whether the ultimate outcome is favorable or unfavorable to BVCI, it may harm BVCI's reputation and may be more damaging to BVCI than to businesses in other non-financial industries.

Customer Complaints and Negative Publicity

Customer complaints or negative publicity about BVCI's services could diminish consumer confidence in BVCI, which could lead to a reduced use of BVCI's services. Breaches of customers' privacy and security measures could have the same effect. BVCI may take measures to combat risks of fraud and breaches of privacy and security such as cancelling customer transactions or closing customer accounts that may damage relations with BVCI's customers. These measures heighten the need for prompt and accurate customer service to resolve irregularities and disputes. Effective customer service will require significant personnel expense, and this expense, if not managed properly, could impact BVCI's profitability. Any inability to manage or train customer service representatives properly could compromise BVCI's ability to handle customer complaints effectively. If BVCI does not handle customer complaints effectively, its reputation may be harmed and BVCI may lose its customers' confidence.

Reliance on Key Personnel

BVCI currently has a small senior management group, which is sufficient for BVCI's present level of activity. BVCI's future growth and its ability to develop depend, to a significant extent, on its ability to attract and retain highly qualified personnel. BVCI relies on a limited number of key employees, consultants and members of senior management and there is no assurance that BVCI will be able to retain such key employees, consultants and senior management. The loss of one or more of such key employees, consultants or members of senior management, if not replaced, could have a material adverse effect on BVCI's business, financial condition and prospects. The development of BVCI is dependent upon its ability to attract and retain key personnel, particularly the services of Richard Zhou. See Item 15 – "Directors and Officers". The loss of Mr. Richard Zhou's services could have a materially adverse impact on the business of BVCI. There can be no assurance that BVCI can attract and train qualified personnel in the future. To operate successfully and manage its potential future growth, BVCI must attract and retain highly qualified managerial and financial personnel. BVCI faces intense competition for qualified personnel in these areas. If BVCI is unable to hire and retain additional qualified personnel in the future to develop its business, then its financial condition and operating results could be adversely affected.

Reliance on Third-Party Service Providers

CADT will be backed by Canadian dollars stored by the Custodian in the Custodial Account. Any failure by the Custodian to properly secure the Canadian dollars backing the CADT, resulting in part or all of the Canadian dollar backing the CADT being lost, damaged or stolen, or access to such money being restricted, whether by natural events (such as an earthquake) or human actions (such as a terrorist attack), could result in a decrease in the value of the CADT, which could expose BVCI to liability and reputational harm and seriously curtail the utilization of the CADT which could have a material adverse effect on our business, financial condition, or results of operations.

BVCI's operations could be interrupted or disrupted if BVCI's third-party service providers, or even the vendors of such third-party service providers, experience operational or other systems difficulties, terminate their service, fail to comply with regulations or raise their prices. BVCI may also suffer the consequences of such third-party providers' mistakes. BVCI outsources some of its operational activities and accordingly depends on relationships with many third-party service providers. For example, BVCI relies on third parties for certain services, including anti-money laundering and counter-terrorist financing software. The failure or capacity restraints of third-party services, a cybersecurity breach involving any third-party service providers or the termination or change in terms or price of a third-party software license or service agreement on which BVCI relies could interrupt BVCI's operations. Replacing third-party service providers or addressing other issues with BVCI's third-party service providers could entail significant delay, expense and disruption of service. As a result, if these third-party service providers experience difficulties, are subject to cybersecurity breaches, terminate their services or raise their prices, and BVCI is unable to replace them with other service providers, particularly on a timely basis, BVCI's operations could be interrupted. If an interruption were to continue for a significant period, BVCI's business, financial condition and results of operations could be adversely affected. Even if BVCI can replace third-party providers, it may be at a higher cost to BVCI, which could also adversely affect BVCI's business, financial condition and results of operations.

While BVCI has obtained banking services with the Custodian there is no assurance the Custodian will continue to provide banking services, or that replacement banking services could be obtained. A number of companies that provide blockchain technology-related products and services have been unable to find banks that are willing to provide them with bank accounts and banking services. Similarly, a number of such companies have had their existing bank accounts closed by their banks. Banks may refuse to provide bank accounts and other banking services to blockchain technology-related companies, including BVCI, for a number of reasons, such as perceived compliance risks or costs. Similarly, continued general banking difficulties may decrease the utility or value of Digital Assets or harm public perception of those assets. In addition to banks, other third-party service providers including accountants, lawyers and insurance providers may also decline to provide services to companies engaged in blockchain technology-related businesses because of the perceived risk profile associated with such businesses or the lack of regulatory certainty. The failure of blockchain technology-related businesses to be banked or obtain services could materially and adversely affect BVCI's business, financial condition and results of operation.

Competition

BVCI faces competition from established competitors, and also from competitors using alternative technologies. While the market for Digital Assets, including technologies backed by fiat currency or other commodities is highly fragmented, there exists little in the way of barriers to entry to this type of business, and BVCI anticipates that such barriers to entry will become lower in the future. BVCI therefore believes that it must continue to develop new products and services and introduce enhancements to its existing products and services in a timely manner if it is to remain competitive. Even if BVCI introduces new and enhanced products and services, it may not be able to compete effectively because of the significantly greater financial, technical, marketing and other resources available to some of its competitors. As the markets for BVCI's products and services expand, additional competition may emerge and competitors may commit more resources to competitive products and services. There can be no assurance that BVCI will be able to compete successfully in these circumstances. Some of BVCI's current and potential competitors have significantly greater resources and better competitive positions in certain markets than BVCI. These factors may allow competitors to respond more effectively than BVCI to new or emerging technologies and changes in market requirements. Competitors may develop products, features, or services that are similar to those of BVCI or that achieve greater market acceptance, may undertake more far-reaching and successful product development efforts or marketing campaigns, or may adopt more aggressive pricing policies. In addition, certain competitors could use strong or dominant positions in one or more markets to gain competitive advantage against BVCI in areas where it operates. As a result, competitors may acquire and engage users at the expense of the growth or engagement of BVCI's user base, which may negatively affect its business and financial results.

Global Economic and Financial Market Conditions

Market events and conditions, including disruption in the Canadian, U.S. and international credit markets and other financial systems and the deterioration of Canadian, U.S. and global economic and financial market conditions, could, among other things, impact currency trading and impede access to capital or increase the cost of capital, which would have an adverse effect on BVCI's ability to fund its working capital and other capital requirements. Market disruptions could, among other things, make it more difficult for BVCI to obtain, or increase its cost of obtaining, capital and financing for its operations. BVCI's access to additional capital may not be available on terms acceptable to BVCI or at all.

Force Majeure Risks

BVCI may be affected by events beyond its control, including acts of nature, fires, floods, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism, civil unrest, change in overall legal framework and labor strikes. Some such events may adversely affect the ability of BVCI or a counterparty to BVCI to perform its obligations. In addition, the cost to BVCI of repairing or replacing its damaged reputation or assets as a result of such an event could be considerable. Certain events such as war or an outbreak of an infectious disease could have a broader negative impact on the world economy and international business activity generally, or in any location in which BVCI may invest or conduct its business specifically.

Market Price of Common Shares

Securities of micro-cap and small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries. The price of the Common Shares is also likely to be significantly affected by the rapid technological changes affecting the crypto-currency market, or changes in BVCI's financial condition or results of operations as reflected in its quarterly earnings reports. Other factors unrelated to BVCI's performance that may have an effect on the price of the Common Shares include the following: the extent of analytical coverage available to investors concerning BVCI's business may be limited if investment banks with research capabilities do not follow BVCI's securities; naked short selling; lessening in trading volume and general market interest in BVCI's securities may affect an investor's ability to trade significant numbers of Common Shares; the size of BVCI's public float may limit the ability of some institutions to invest in BVCI's securities; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause BVCI's securities, if listed on an exchange, to be delisted from such exchange, further reducing market liquidity. As a result of any of these factors, the price of the Common Shares at any given point in time may not accurately reflect BVCI's long-term value.

Dividend Policy No cash dividends on the Common Shares have been paid by BVCI to date. Payment of any future dividends will be at the discretion of the BVCI Board after taking into account many factors, including BVCI's operating results, financial condition and current and anticipated cash needs.

Control of BVCI Richard Zhou, the President, Chief Executive Officer and Chairperson of BVCI, is the principal shareholder of BVCI and a promoter of BVCI. As of the date hereof, Mr. Zhou beneficially owns 18,000,038 Common Shares, representing approximately 90% of the issued and outstanding Common Shares. See Item 14 – "Principal Shareholders" and Item 15 – "Directors and Officers". By virtue of his status as the principal shareholder of BVCI, and by being a director and officer of BVCI, Mr. Zhou has the power to exercise control over all matters requiring shareholder approval, including the election of directors, amendments to BVCI's articles and by-laws, mergers, business combinations and the sale of substantially all of BVCI's assets. As a result, BVCI could be prevented from entering into transactions that could be beneficial to BVCI or its other shareholders. Also, third parties could be discouraged from making a take-over bid. As well, sales by Mr. Zhou of a substantial number of Common Shares could cause the market price of the Common Shares to decline. All of the Common Shares owned by Mr. Zhou will be escrowed in accordance with the policies of the Exchange. See Item 13 – "Escrowed Securities and Securities Subject to Restriction on Transfer".

Uninsurable Risks The operations of BVCI are subject to risks associated with settling CADT transactions in an accurate and secure manner, as well as the depositing with and holding of Canadian money through the Custodian, and any and all legal liability associated with these dealing or with BVCI's internet technology business generally. It is not always possible to obtain insurance against all such risks and **neither BVCI nor the Custodian insures the Canadian dollars held on behalf of BVCI's customers**. The Custodian is not required to hold any insurance for the benefit of BVCI or its users. As custodian, the Custodian maintains insurance through third party insurance providers on such terms and conditions as it considers appropriate. While BVCI may in the future obtain insurance against certain risks in such amounts as it considers adequate, the nature of these risks are such that liabilities could exceed policy limits or be excluded from coverage. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage may cause substantial delays and require significant capital outlays, thereby adversely affecting BVCI's business and financial condition.

Even if BCVI obtains insurance for certain potential liabilities in the future, such insurance will not cover all types and amounts of potential liabilities and is subject to various exclusions as well as caps on amounts refundable. Even if BVCI believes a claim is covered by insurance, insurers may dispute BVCI's entitlement for a variety of different reasons, which may affect the timing and, if the insurers prevail, the amount of BVCI's recovery. Any claims or litigation, even if fully indemnified or insured, could damage BVCI's reputation and make it more difficult to compete effectively or to obtain adequate insurance in the future.

AS A RESULT OF THESE RISK FACTORS, THE OFFERING IS SUITABLE ONLY FOR THOSE SUBSCRIBERS WHO ARE WILLING TO RELY ON THE MANAGEMENT OF THE CORPORATION AND WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT IN THE SHARES.

ITEM 20 - PROMOTERS

Richard Zhou is a "Promoter" of the Company under applicable Canadian securities legislation within the financial year ended October 31, 2019, and for the interim period ending April 30, 2020. As of the date of this Prospectus, Mr. Zhou owns or controls a total of 18,000,038 Shares (approximately 90.00% of total issued and outstanding). Mr. Zhou owns 160,000 stock options exercisable at $0.53.

ITEM 21 - LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Management of the Corporation is not aware of any legal proceedings or regulatory actions outstanding, threatened or pending as of the date hereof by or against the Corporation or relating to the business which would be material to a Subscriber of Shares.

ITEM 22 - INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Management of the Corporation is not aware of any material interest, direct or indirect, of any director or officer of the Corporation, any person beneficially owning, directly or indirectly, more than 10% of the Corporation's voting securities, or any associate or affiliate of such person in any transaction within the last financial year or in any proposed transaction which in either case has materially affected or will materially affect the Corporation.

ITEM 23 - AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Corporation are NVS Professional Corporation, 100 Allstate Parkway, Suite 303, Markham, Ontario L3R 6H3. NVS Professional Corporation was first appointed as auditors of the Corporation in September of 2019.

The transfer agent and registrar of the Corporation is TMX Equity Transfer Services (Equity Financial Trust Company).

ITEM 24 - MATERIAL CONTRACTS

The only material contracts currently in force and effect which have been entered into by the Corporation or will be entered into prior to the Closing of this Offering are the following:

(a) **Hengwei Agreement**. The Hengwei Agreement is dated November 10, 2018 and has been entered into between the Corporation and Jiangsu Hengwei Information Technology Co. Ltd. ("Jiangsu"). The Hengwei Agreement is in respect of the purchase by the Corporation of an underlying blockchain technology for a purchase price which includes all intellectual property rights associated with the technology, which constitutes the BVC Chain technology, including the underlying blockchain, smart contract, data API, cross chain, feepool, blockchain browser and ERC20 and ERC721 standard contracts. Additionally, Jiangsu is building the BVC Chain blockchain environment and deploying related applications for the Corporation (collectively, the "Goods and Services").

Pursuant to the Hengwei Agreement, the Corporation is acquiring all of the intellectual property rights related to the underlying blockchain technology which was acquired by Jiangsu. Jiangsu is obligated not to disclose, transfer or license any technical source code, technical files or documents to any third party in any way.

Jiangsu will provide software maintenance and support services to the Corporation on a 24 hour, 7 day a week basis, for an annual service fee. In addition to the software maintenance and support, included in the purchase price is software training, where the Corporation's employees will be trained by Jiangsu to be able to independently and competently operate the technology. Each party to the agreement is subject to a confidentiality clause, in that during the term of the Hengwei Agreement and for three years afterwards, no party may disclose the other party's business secrets without the consent of the other party. The confidentiality clause is subject to the following exemptions: it does not apply where (i) disclosure is required by law, or where (ii) written consent for the disclosure is obtained from the other party. Each party is subject to a financial penalty in the event of a breach of the confidentiality covenants contained in the agreement. Each party is obligated to take sufficient security measures in order to protect trade secrets and proprietary technology, and a party may reasonably request to audit the security measures taken by the other party.

To date, no payments have been made by the Corporation to Jiangsu towards the purchase price for the Goods and Services. The Corporation and Jiangsu reached a verbal agreement approximately two years prior to the date of this Prospectus, that no payments would be required to be paid by the Corporation under the agreement until the Corporation has sufficient revenue to afford to make the payments. To date the Corporation has not had sufficient revenue to afford to make the payments. Further, the parties verbally agreed that in the event the Corporation never has the ability to make the payments, the agreement is capable of being terminated with no penalty to be paid by the Corporation.

(b) **Custodial Agreement**. This agreement is dated July 20, 2020 and has been entered into between the Corporation and Concentra Trust. The agreement is in respect of the services Concentra Trust will provide as custodian to the Corporation. Concentra Trust will hold in safe custody Canadian dollar funds (the "Custodial Funds") received in consideration of the issuance of CADT by the Corporation in a custodial account (the "Custodial Account"). The Corporation will pay Concentra Trust a fee based on a percentage of the amount of deposits of fiat and redemptions of CADT. Concentra Trust is acting solely in its capacity as a service provider to the Corporation and is not acting as a trustee to the Corporation or any holder of CADT.

Concentra Trust will hold the Custodial Funds indefinitely, or until such time that the corresponding amount of CADT is surrendered or otherwise redeemed and removed from the BVC Chain.

During the term of the agreement, neither Concentra Trust, the Corporation, nor any third-party shall be entitled to any of the Custodial Funds at any time, and no such amounts paid into the Custodial Account shall become the property of Concentra Trust, or be subject to any debts, liabilities, liens, interests or encumbrances of any kind of Concentra Trust. Notwithstanding the foregoing, in the event credits to the Custodial Account are made by Concentra Trust, in its sole discretion, in anticipation of the receipt of funds, and such funds are not received or payment is reversed:

(i) if the transaction where funds are not received, or payments that are reversed, is equal to or less than $1,000 (or such other amount agreed in writing by the Corporation and Concentra Trust from time to time) and such amount is less than the retainer amount to be deposited by the Corporation to Concentra Trust (such retainer being due and payable on the effective date of the agreement), Concentra Trust shall deduct an equivalent amount from such retainer deposit, in lieu of a deduction from the Custodial Account; and

(ii) in all other circumstances, notwithstanding (b)(i) above, Concentra Trust may debit the Custodial Account with an amount representing (1) funds which are not actually received for value at such later date or (2) the reversed payment.

For transactions that exceed $1,000 (or such other amount as agreed in writing by the parties from time to time), Concentra Trust shall delay the notification through the API of that the funds have been received for not less than forty-eight (48) business hours (or such other period as agreed in writing by the parties from time to time). There is a risk that reversals may occur beyond the forty-eight (48) business hour delay in notification period.

The obligations and responsibilities of Concentra Trust are entirely administrative and not discretionary or fiduciary.

Each of the Corporation and Concentra Trust are subject to confidentiality obligations which survive the expiration or termination of the agreement.

Pursuant to the Custodial Agreement, Concentra Trust shall conduct its obligations hereunder honestly and in good faith, and shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances, but in any event no less than the reasonable standards of a professional custodian (the "Standard of Care"). Concentra Trust shall not be liable for any action taken or omitted by it, or any action suffered by it to be taken or omitted excepting only its own failure to act in accordance with its Standard of Care.

The Corporation has agreed to indemnify and hold harmless Concentra Trust and its affiliates, and their respective directors, officers, employees, delegates, assigns, representatives, related companies and agents, from and against any and all losses, claims, damages, liabilities, penalties, actions, suits, demands, levies, assessments, costs, expenses and disbursements, including any and all legal fees and disbursements (the "Losses"), of any kind or nature whatsoever, which may at any time be suffered by, imposed on, incurred by or asserted against Concentra Trust, whether groundless or otherwise, howsoever arising from, out of, in connection with, or as a result of:

(i) any suit or claim brought or commenced against a CADT holder or prospective CADT holder which arises from the failure of BVCI to observe, perform or keep the obligations required of BVCI under the agreement and any agreement with a CADT holder;

(ii) any suit or claim brought or commenced against Concentra Trust by any CADT holder, prospective CADT holder, or any other person, in each such case which arises from the issuance, delay in issuance, lack of issuance, cancellation, delay in cancelation or failure to cancel by the Corporation of any CADT;

(iii) the failure or delay in the Corporation complying with its obligations to use its best efforts to bring to the attention of Concentra Trust any new statute or regulation pertaining to securities law and cryptocurrency, which may affect the provisions of the agreement (other than new statutes or regulations pertaining to the operation of a Canadian federal trust company);

(iv) any act, omission or error of Concentra Trust in connection with its acting as the Custodian; and

(v) any other act or thing done or omitted to be done by, or any error by, the Corporation or any affiliate, or their respective directors, officers, employees, agents, delegates and assigns, as the case may be;

except to the extent any such Losses are directly as a result of a breach of the Standard of Care by Concentra Trust.

The Corporation is subject to representations and warranties which are standard for these types of custodial agreements, including the following:

(i) The Corporation represents it will maintain and enforce an information technology security program and will take steps to enforce, review and update industry-standard internal security procedures; and

(ii) The Corporation will comply with all applicable laws in its dealings with its users and Concentra Trust.

The agreement expires upon the earlier of the following to occur:

(i) Where there are no Custodial Funds held in the Custodial Account for a period of ninety (90) consecutive days as all CADT has been surrendered by the holders of CADT;

(ii) Concentra Trust exercising its termination rights as specified in the agreement; and

(iii) Concentra Trust being removed by the Corporation exercising its removal and termination rights as specified in the agreement.

Prior to the expiration of the agreement, in the event there are still funds in the Custodial Account, the Corporation will appoint a successor custodian (which must be a Canadian financial institution or a Canadian trust company that is acceptable to the Custodian, in its sole discretion) to hold funds. Upon the appointment of a successor custodian, the Custodian will deliver, within ten (10) days, all of the Corporation's property in the Custodian's possession, to the successor custodian. If the Corporation does not appoint a successor custodian, the Custodian may, in its discretion, pay all of the Custodial Funds into an account administered by a court of competent jurisdiction in Ontario, Canada. Under no circumstances can the Custodian transfer funds to the Corporation at any time during this process.

(c) **Shareholder Loan.** Effective November 20, 2018, Richard Zhou, president and director of the Corporation, agreed to advance a shareholder loan to the Corporation. Advances under the loan has been made from time to time. Under advice from legal counsel, it was suggested that a promissory note be signed by the Corporation to evidence the indebtedness owing to Richard Zhou. A promissory note was drafted and is dated August 1, 2020. The principal amount owing under the promissory note is $55,163.53. The terms of the loan are as follows: the loan is unsecured, non-interest bearing and due on demand.

(d) **Identity Mind Agreement**. This agreement is dated December 30, 2018 and is entered into between the Corporation and IDM Global, Inc. ("Identity Mind"). This agreement pertains to the various AML services which Identity Mind provides the Corporation (which form the basis of the Corporation's AML screening), including: (i) real time anti-fraud reputation service, (ii) customer account origination service (KYC service), which evaluates in real time the validity of certain elements of a user's information provided, (iii) real time anti-money laundering monitoring service and (iv) merchant risk service. Further, as additional services regarding identity proofing for onboarding of client's KYC, Identity Mind provides identity validation and authentication, risk and compliance analysis, sanctions/PEP screening and identification of possible identity fraud, through the Identity Mind database. For transaction monitoring for AML, Identity Mind monitors movement of money transactions (transfers, withdrawals, deposits and suspicious activity monitoring). For API platform services, the Identity Mind platform provides electronic DNA and IndentityLink analysis functionality that identifies identities and their risk in the context of a transaction or on-boarding process. The service also includes 1 hour of web based training for up to 5 users and provides a help desk support from Monday to Friday, 9:00am Pacific Time to 5:00pm Pacific Time. One hour email response is available for critical issues during the aforementioned business hours and next business day email response is available for non-critical maintenance and support. In consideration of the services, the Corporation paid a fee on closing and is obligated to pay a monthly fixed fee. Pursuant to the agreement, either party may terminate the agreement if any of the following events occur: (i) the other party materially breaches the agreement (after receiving written notice of such breach and 30 days opportunity to cure), (ii) the agreement is in violation of applicable law, or (iii) the other party becomes insolvent, enters into bankruptcy or other similar proceedings, or attempts to make an assignment for the benefit of creditors.

(e) **Commercial Lease.** This agreement pertains to the lease of the property which the Corporation uses as a business office, which is situated at 130 King Street West, Suite 1800, Toronto, Ontario M5X 1E3, and has been entered into between the Corporation and RGN Management Limited Partnership (the "Landlord"). The Corporation pays rent on a monthly basis. The effective date of the lease is December 1, 2019 and the end date is May 31, 2021. This agreement automatically renews for successive 1 year periods until brought to an end by the Corporation or Landlord. The Landlord is entitled to terminate the lease immediately upon the occurrence of any of the following: (i) the Corporation becomes bankrupt or insolvent, (ii) the Corporation breaches any of its obligations under the lease, which breach cannot be resolved within 14 days written notice from the Landlord, (iii) the Corporation's conduct, or someone in the leased premises with the Corporation's invitation or permission, is incompatible with ordinary office use, and that conduct continues despite notice having been given by the landlord and the conduct is material enough to warrant immediate termination, or (iv) the Corporation is in breach of relevant laws and regulations in the conduct if its business, causes nuisance or annoyance, causes damage or loss to the Landlord, or to the owner of any other interest in the building.

ITEM 25 - EXPERTS

Certain legal matters relating to the issue and sale of Shares offered hereby will be passed upon by McLeod Law LLP on behalf of the Corporation. As at the date hereof, the partners and associates of McLeod Law LLP, as a group, do not own any of the Shares.

NVS Professional Corporation is independent of the Corporation pursuant to the rules of professional conduct of the Chartered Professional Accountants of Ontario.

ITEM 26 - RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain provinces of Canada provides Subscribers 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 preliminary Prospectus and any amendment. In several of the provinces, the legislation further provides a Subscriber with remedies for rescission or, in some jurisdictions, damages if the Prospectus and any amendment contains a misrepresentation or is not delivered to the Subscriber, provided that such remedies for rescission or damages are exercised by the Subscriber within the time limit prescribed by the securities legislation of the Subscriber's province. The Subscriber should refer to any applicable provisions of the securities legislation of the Subscriber's province for the particulars of these rights or consult with a legal advisor.

ITEM 27 - FINANCIAL STATEMENT DISCLOSURE

Included in this Prospectus are the audited annual financial statements of the Corporation for the year ended October 31, 2019 and the unaudited interim financial statements for the six month period ending April 30, 2020.

BLOCKCHAIN VENTURE CAPITAL INC.

Financial Statements
October 31, 2019 and 2018
(Presented in Canadian Dollars)

BLOCKCHAIN VENTURE CAPITAL INC.
October 31, 2019 and 2018
Contents

INDEPENDENT AUDITOR'S REPORT

To the shareholders of **Blockchain Venture Capital Inc.**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Blockchain Venture Capital Inc.**(the "Corporation"), which comprise of the statements of financial position as at **October 31, 2019** and **October 31, 2018**, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at **October 31, 2019** and **October 31, 2018**, and its financial performance and its cash flows for the years 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 Financial Statements section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our 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

Without qualifying our audit opinion, we draw attention to Note 2 in the financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Corporation’s ability to continue as a going concern.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis
- The information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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Members of RSM Canada Alliance have access to RSM International resources through RSM Canada but are not member firms of RSM International.

INDEPENDENT AUDITOR'S REPORT

The Annual Report is expected to be made available to us after the date of the auditor's report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation’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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation’s financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation’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 Corporation’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Corporation to express an opinion on the 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.

NVS Professional Corporation

NVS Professional Corporation
Chartered Professional Accountants
Authorized to practice public accounting by
Chartered Professional Accountants of Ontario

Markham, Ontario
June 23, 2020

BLOCKCHAIN VENTURE CAPITAL INC.
Statement of Financial Position
As at October 31, 2019 and 2018
(Presented in Canadian Dollars)

	Notes	2019	2018
ASSETS			
Current Assets			
Cash		$ 105,100	$ 1,000
Advances to shareholder	4	5,983	-
Total Assets		$ 111,083	$ 1,000
LIABILITIES AND DEFICIENCY			
Current Liabilities			
Accounts payable and accrued liabilities		$ 47,134	$ -
Non-Current Liabilities			
Long-term debt	5	817,575	
Total Liabilities		864,709	-
Equity			
Share capital	6	385,606	1,000
Deficit		(1,139,232)	-
Total Equity		(753,626)	1,000
Total Liabilities and Equity		$ 111,083	$ 1,000

Approved on Behalf of the Board

Signed - Xin Zhou
Director

BLOCKCHAIN VENTURE CAPITAL INC.
Statement of Comprehensive Loss
Year Ended October 31, 2019 and 2018
(Presented in Canadian Dollars)

	Notes	2019	2018
Expenses			
Blockchain costs		$ 894,369	$ -
Professional fees		140,909	-
Accretion expense	5	72,469	-
Office and general		40,485	-
Total Expenses		1,148,232	-
Other income		9,000	-
Net Loss and Comprehensive Loss		$ (1,139,232)	$ -
Weighted Average Number of Shares Outstanding		17,531,357	18,000,000
Loss Per Share - Basic and Diluted		$ (0.06)	$ 0.00

BLOCKCHAIN VENTURE CAPITAL INC.
Statement of Changes in Equity
Year Ended October 31, 2019 and 2018
(Presented in Canadian Dollars)

	Notes	Preference Shares #	Preference Shares $	Common Shares #	Common Shares $	Deficit	Total Equity
Balance upon incorporation as at June 18, 2018		-	-	-	$ -	$ -	$ -
Issuance of common shares	6	-	-	18,000,000	1,000	-	1,000
Balance as at October 31, 2018		-	-	18,000,000	$ 1,000	$ -	$ 1,000
Share exchange	6	199,998	1,000	(17,999,820)	(1,000)	-	-
Shares-for-debt exchange	6	4,759,400	23,797	13,040,460	260,809	-	284,606
Issuance of common shares	6	-	-	900,000	100,000	-	100,000
Net loss		-	-	-	-	(1,139,232)	(1,139,232)
Balance as at October 31, 2019		4,959,398	24,797	13,940,640	$ 360,809	$(1,139,232)	$ (753,626)

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

BLOCKCHAIN VENTURE CAPITAL INC.

Statement of Cash Flows
Year Ended October 31, 2019 and 2018
(Presented in Canadian Dollars)

	2019	2018
Operating Activities		
Net loss	$ (1,139,232)	$ -
Items not requiring an outlay of cash:		
Accretion expense	72,469	-
Blockchain costs	745,106	-
Changes in non-cash working capital:		
Accounts payable and accrued liabilities	47,134	-
Cash Used In Operating Activities	(274,523)	-
Financing Activities		
Proceeds from issuance of common shares	100,000	1,000
Advances to shareholder	278,623	-
Cash Provided By Financing Activities	378,623	1,000
Net Increase in Cash	104,100	1,000
Cash, Beginning of Period	1,000	-
Cash, End of Period	$ 105,100	$ 1,000

Supplemental Cash Flow Information		
Shares-for-debt exchange	$ 284,606	$ -
Interest paid	-	-
Income taxes paid	$ -	$ -

1. NATURE OF THE BUSINESS AND GOING CONCERN

Blockchain Venture Capital Inc. (the "Company") was incorporated on June 18, 2018 under the laws of the Province of Ontario. As at October 31, 2019, the Company has not commenced commercial operations and has no assets other than a minimum amount of cash.

The Company is domiciled in the Province of Ontario and has its registered office at 376 Highway 7 East, Suite 1005, Richmond Hill, Ontario, L4B 0C7.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company has no source of operating revenues and its ability to operate as a going concern in the near-term will depend on its ability to successfully raise additional financing and to commence profitable operations in the future. These financial statements do not purport to give effect to adjustments, if any, that may be necessary should the Company be unable to continue and therefore, be required to realize its assets and discharge its liabilities in a manner other than in the ordinary course of business. These circumstances create material uncertainties that cast significant doubt on the Company's ability to continue as a going concern.

2. BASIS OF PREPARATION

Statement of Compliance

These financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC"). Significant accounting estimates, judgments, and assumptions used or exercised by management in the preparation of these financial statements are presented below.

The Board of Directors approved these financial statements for issue on June 23, 2020.

Basis of Measurement

These financial statements have been prepared on the historical cost basis except for certain financial instruments, which are stated at fair value.

Functional and Presentation Currency

The Company's functional and presentation currency is the Canadian dollar.

Critical Accounting Judgments, Estimates, and Assumptions

Preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses during the 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. Uncertainty about these judgments, estimates, and assumptions could result in material adjustment to the carrying amount of the asset or liability affected in future periods.

2. BASIS OF PREPARATION (Continued)

Critical Accounting Judgments, Estimates, and Assumptions (Continued)

Significant areas of estimation uncertainty considered by management in preparing the financial statements are as follows:

Going Concern

Management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. However, material uncertainty exits that casts significant doubt upon the Company's ability to continue as a going concern.

Recognition of Deferred Tax Assets

Deferred tax assets are recognized in respect of tax losses and other temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits, together with future tax planning strategies. These estimates will affect the reported amounts of deferred tax assets and expenses.

Measurement of Long-Term Debt

Long-term debt is measured at the present value of the principal amount of the debt, using a discount rate which is an estimate of the Company's marginal borrowing rate. This estimate is highly subjective, given that the Company does not presently have any interest-bearing debt, and its actual borrowing rate may change over the period to maturity, given the nature of the Company's business and the market in which it operates. These estimates will impact the carrying value of long-term debt and accretion expense recognized.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the preparation of the financial statements are set out below. These policies have been consistently applied to the years presented.

Revenue Recognition

Other income is earned as a consulting fee from other blockchain companies for time spent aiding in implementation of a blockchain solution.

Revenue is recognized when (i) the Company and its customer have signed a contract identifying each party's rights and payment terms for the delivery of services; (ii) it is probable that the Company will collect its fees under the contract; and (iii) the Company has satisfied its performance obligations for the delivery of services.

Financial Instruments

Recognition and Derecognition

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of an instrument. Financial assets and liabilities are derecognized when the rights to receive cash flows from a financial asset have expired or substantially all risks and rewards of ownership have been transferred, or when obligations under financial liabilities have been discharged, cancelled, or expired.

Gains and losses on derecognition, determined as the difference between the settlement amount and the carrying value of a financial asset or liability, are recognized in the statement of comprehensive income (loss).

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (Continued)

Classification

Financial assets and liabilities are classified in the following measurement categories: i) those to be measured subsequently at fair value (either through profit or loss or through other comprehensive income), and ii) those to be measured subsequently at amortized cost. The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss. For financial assets and liabilities measured at fair value, gains and losses are either recorded in profit or loss or other comprehensive income. Classification of financial assets or financial liabilities at fair value through either profit or loss or other comprehensive income, is an irrevocable designation at the time of recognition.

Financial assets are reclassified when, and only when, the Company's business model for managing those assets changes. Financial liabilities are not reclassified.

The Company has implemented the following classifications:

Cash and advances to shareholder are classified as subsquently measured at amortized cost.

Accounts payable and accrued liabilities and long-term debt are classified as subsquently measured at amortized cost.

Measurement

All financial instruments are required to be measured at fair value on initial recognition, plus, in the case of a financial instruments not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issuance of that instrument. Transaction costs of financial instruments with embeded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest are measured at amortized cost at the end of the subsequent accounting periods. All other financial assets including equity investments are measured at their fair values at the end of subsequent accounting periods, with any change taken through profit or loss or other comprehensive income.

Impairment

The Company assesses all information available, including on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is significant increase in credit risk, the Company compares the risk of default occurring as at the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportive forward looking information.

Share Capital

Share capital is classified as equity. Incremental costs directly attributable to the issue of shares and share options are recognized as a deduction from equity. When share capital is repurchased, the amount of the consideration paid, including directly attributable costs, is recognized as a deduction from equity.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Company follows the asset and liability method of tax allocation in accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and for loss carry-forwards. The resulting changes in the net deferred tax asset or liability are included in income.

Deferred tax assets and liabilities are measured using enacted, or substantively enacted, tax rates expected to apply to taxable income (loss) in the years in which temporary differences are expected to be recovered or settled. The effect on deferred income tax assets and liabilities of a change in tax rates, is included in income in the period that includes the substantive enactment date. Deferred income 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.

Foreign Currency Transactions and Balances

Transactions in foreign currencies are initially recorded in the functional currency at the rate in effect on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange in effect on the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate on the date of the initial transaction.

Loss Per Share

Basic earnings (loss) per share is calculated based on the weighted average number of common shares oustanding during the fiscal year. Diluted earnings (loss) per share is determined by adjusting the weighted average number of common shares outstanding for the effects of all potentially dilutive shares. Instruments which would be anti-dilutive are not included in the calculation of diluted earnings (loss) per share.

Recent Accounting Pronouncements

The following are IFRS changes that have been issued by the IASB, which may affect the Company, but are not yet effective:

(a) IFRS 16, *Leases* ("IFRS 16") was issued in January 2016 to improve the accounting for leases, generally by eliminating a lessees' classification of leases and introducing a single lessee accounting model. The most significant effect of the new standard will be the lessee's recognition of the initial present value of unavoidable future lease payments as lease assets and lease liabilities on the statement of financial position. Leases with durations of 12 months or less and leases for low value assets are both exempted. The measurement of the total lease expense over the term of a lease will be unaffected by the new standard. However, the new standard will result in the timing of lease expense recognition being accelerated for leases which would be currently accounted for as operating leases. The presentation on the statement of loss and other comprehensive loss required by the new standard will result in most lease expenses being presented as amortization of lease assets and financing costs arising from lease liabilities rather than as being a part of goods and services purchased. The standard is effective for annual periods beginning on or after January 1, 2019 and will supersede IAS 17 *Leases*. Earlier application is permitted.

(Presented in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recent Accounting Pronouncements (Continued)

(b) In December 2017, the IASB published Annual Improvements to IFRS Standards 2015–2017 Cycle, containing the following amendments to IFRS. These amendments are effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted.

IFRS 3 *Business Combinations* and IFRS 11 *Joint Arrangements* – The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to IFRS 11 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.

IAS 12 *Income Taxes* – The amendments clarify that the requirements in the former paragraph 52B (to recognise the income tax consequences of dividends where the transactions or events that generated distributable profits are recognised) apply to all income tax consequences of dividends by moving the paragraph away from paragraph 52A that only deals with situations where there are different tax rates for distributed and undistributed profits.

IAS 23 *Borrowing Costs* – The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings.

(c) The Company has not yet begun to assess the impact that the new and amended standards will have on its financial statements.

4. ADVANCES TO SHAREHOLDER

As at October 31, 2019, advances of $5,983 are due from the President of the Company (2018 - $Nil). These advances are unsecured, non-interest bearing, and are due on demand. The advances were made for general working capital purposes.

5. LONG-TERM DEBT

On November 10, 2018, the Company purchased the base technology for its Stablecoin blockchain from Jiangsu Hengwei Information Technology Co., Ltd., a blockchain development company located in Wuxi, China. The purchase price for the technology is $1,200,000, which is due to be paid on November 10, 2023.

The purchase of the technology was recorded at the present value of the purchase price of $745,106 and is recorded as blockchain costs on the statement of comprehensive loss. The present value was determined using an interest rate of 10% per annum, being management's estimate of the cost of capital for the Company. The following is a continuity of long-term debt:

		2019		2018
Balance - beginning of year	$	-	$	-
Liability recognized		745,106		-
Accretion expense		72,469		-
Balance - end of year	$	817,575	$	-

(Presented in Canadian Dollars)

6. SHARE CAPITAL

(a) Authorized

Unlimited common shares, no par value
Unlimited preference shares, no par value

On December 23, 2019, the Company authorized a stock dividend of 14,874,542 common shares to effect an increase in the number of shares issued and outstanding, on the basis of 180 common shares for each existing common share as at that date. All quantities of common shares in these financial statements are stated on a post-dividend basis.

On January 10, 2020, the Company amended its articles of incorporation to redesignate the preference shares as common shares effective as at that date. See note 12.

(b) Issued and Outstanding

During the years ended October 31, 2019 and 2018, the Company transacted in its issued and outstanding common and preference shares as follows:

(i) Issued 18,000,000 common shares for gross proceeds of $1,000 on January 12, 2018.

(ii) Exchanged 17,999,820 common shares for 199,998 preference shares on October 17, 2019. The stated capital of the exchanged shares was $1,000.

(iii) Exchanged 4,759,400 preference shares for the extinguishment of advances from shareholder of $23,797 on October 17, 2019.

(iv) Exchanged 13,040,460 common shares for the extinguishment of advances from shareholder of $260,809 on October 25, 2019.

(v) Issued 900,000 common shares in a private placement at a price of $0.11 per share for gross proceeds of $100,000 on October 28, 2019.

(c) Loss Per Share

	2019	2018
Numerator:		
Net loss	$ (1,139,232)	$ -
Denominator:		
Weighted average number of shares outstanding	17,531,357	18,000,000
Loss Per Share:		
Basic and diluted	$ (0.065)	$ -

(Presented in Canadian Dollars)

7. RELATED PARTY TRANSACTIONS

All transactions with related parties have occurred in the normal course of operations. The Company's related party transactions are as follows:

(a) Key management personnel are those individuals having responsibility for planning, directing, and controlling the activities of the Company. BVCI considers its President to be the sole member of key management. The President is also a significant shareholder and is a director of the Company. No compensation was paid to key management personnel for the years ended October 31, 2019 and 2018.

(b) Advances made to the President of the Company are described in note 4. During the years ended October 31, 2019 and 2018, the Company transacted with the President in common and preferred shares as described in note 6 (b), paragraphs (i), (ii), (iii), and (iv).

8. INCOME TAXES

Income Tax Expense

Reconciliation of the combined statutory federal and provincial corporate tax rate to the income tax expense is as follows:

		2019		2018
Loss before taxes	$	(1,139,232)	$	-
Corporate tax rate		26.50%		26.50%
Expected recovery at statutory rates		(301,896)		-
Deferred tax asset not recognized		301,896		-
Income tax expense	$	-	$	-

The components of income tax expense are as follows

		2019		2018
Current income taxes	$	-	$	-
Deferred income taxes		-		-
Income tax expense	$	-	$	-

Deferred Taxes

The components of deferred income taxes have been determined at the combined federal and provincial statutory rate of 26.5% and are as follows:

		2019		2018
Non-capital losses available for carry-forward	$	83,657	$	-
Long-term debt		216,657		-
Amount not recognized		(300,314)		-
Deferred tax asset	$	-	$	-

The Company has non-capital losses of approximately $315,685, which are available to be carried forward and used against future taxable income. These losses expire in 2039.

(Presented in Canadian Dollars)

9. COMMITMENTS

In connection with the sale of the underlying blockchain technology mentioned in note 5, Jiangsu Hengwei Information Technology Co. Ltd. will also provide software maintenance and support to the Company on a 24 hour, 7 days per week basis, for an annual service fee of $240,000.

10. MANAGEMENT OF CAPITAL

The Company includes the following in its managed capital:

	2019	2018
Share capital	$ 385,606	$ 1,000
Deficit	(1,139,232)	-
	$ (753,626)	$ 1,000

The Company's objectives in managing capital are to:

(a) Ensure the Company maintains the minimum level of capital required to effectively operate its business;
(b) Ensure the Company's ability to provide capital growth to its shareholders; and
(c) Maintain a flexible structure that optimizes the cost of capital at acceptable levels of risk.

To maintain its capital structure, the Company keeps all of its assets in very liquid form. The Company's primary sources of capital were proceeds from the issuance of shares. There were no changes in the Company's approach to capital management during the periods presented. The Company are not subject to externally imposed capital requirements. Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the relative size 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 to sustain future development of the business.

11. FINANCIAL RISK MANAGEMENT

Fair Values

The Company's financial instruments consist of cash, advances to shareholder, accounts payable and accrued liabilities, and long-term debt. The fair values of these instruments, except for long-term debt, approximate their carrying values due to the short-term nature of these instruments. The long-term debt is carried at its present value, which is the discounted value of the cash flows required to settle the obligation.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company manages its liquidity risk by forecasting cash flows and anticipated investing and financing activities. Officers of the Company are actively involved in the review and approval of planned expenditures. As at October 31, 2019, the Company has liabilities of $864,709 due within twelve months and has cash of $111,083 to meet its current obligations (2018 - liabilities of $Nil and cash of $1,000). As a result, management has judged liquidity risk to be high.

(Presented in Canadian Dollars)

11. FINANCIAL RISK MANAGEMENT (Continued)

The following are the Company's financial obligations based on their due dates:

	Payments due by period			
	Less than 1 year	1 - 3 years	4 - 5 years	Total
October 31, 2019				
Accounts payable	$ 47,134	$ -	$ -	$ 47,134
Long term debt	-	-	1,200,000	1,200,000
	$ 47,134	$ -	$ 1,200,000	$ 1,247,134

Credit Risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfil its payment obligations. As at October 31, 2019, the Company's maximum exposure to credit risk is $111,083 and is comprised of cash and advances to shareholder (July 31, 2018 - $1,000). All of the Company's cash is held in a chartered bank in Canada. The advances to the President are considered of low credit risk due to his investment and involvement in the Company. Management has judged credit risk to be low.

12. SUBSEQUENT EVENTS

Stock Dividend

On December 23, 2019, the Company authorized a stock dividend of 14,874,542 common shares to effect an increase in the number of shares issued and outstanding, on the basis of 180 common shares for each existing common share as at that date. All quantities of common shares in these financial statements are stated on a post-dividend basis.

Authorized Share Capital

On January 10, 2020, the Company amended its articles of incorporation to redesignate its preference shares as common shares. As a result, the issued capital of the preference shares of $24,797 was reclassified to the issued capital of the common shares, and subsequently, Company is only authorized to issue one class of shares, which are common shares.

Share Issuances

In November 2019, the Company issued 450,000 common shares in private placements at a price of $0.11 per share for gross proceeds of $50,000.

In November 2019, the Company issued 378,000 common shares in a private placement at a price of $0.53 per share for total proceeds of $200,000 to the vendor in note 5. The proceeds on this private placement were not received in cash, but were applied as a direct reduction of the long-term debt.

From November 2019 to March 2020, the Company issued 753,771 common shares in private placements at a price of $0.53 per share for gross proceeds of $399,328.

12. SUBSEQUENT EVENTS (Continued)

Economic Conditions

Subsequent to year-end, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the JV as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

While the extent of the impact is unknown, we anticipate this outbreak may cause reduced customer demand, supply chain disruptions, staff shortages, and increased government regulations, all of which may negatively impact the JV’s business growth prospects and financial condition.

BLOCKCHAIN VENTURE CAPITAL INC.

Interim Condensed Financial Statements

Unaudited - See Notice to Reader

April 30, 2020 and 2019

(Presented in Canadian Dollars)

BLOCKCHAIN VENTURE CAPITAL INC.
April 30, 2020 and 2019
Contents

NOTICE TO READER

Under National Instrument 51-102, *Continuous Disclosure Obligations*, if an auditor has not performed a review of a reporting issuer's interim financial statements, the financial statements must be accompanied by a notice indicating that they have not been reviewed by an auditor.

The accompanying unaudited interim condensed financial statements of Blockchain Venture Capital Inc. (the "Company") have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these interim condensed financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

BLOCKCHAIN VENTURE CAPITAL INC.
Interim Condensed Statement of Financial Position
Unaudited - See Notice to Reader
As at
(Presented in Canadian Dollars)

	Notes	April 30, 2020	October 31, 2019
ASSETS			
Current Assets			
Cash		$ 114,632	$ 105,100
Prepaid expenses		3,976	-
Advances to shareholder	4	-	5,983
Total Current Assets		118,608	111,083
Non-Current Assets			
Computer equipment		3,050	-
Total Assets		$ 121,658	$ 111,083
LIABILITIES AND DEFICIENCY			
Current Liabilities			
Accounts payable and accrued liabilities		$ 78,950	$ 47,134
Advances from shareholder		55,045	-
Total Current Liabilities		133,995	47,134
Non-Current Liabilities			
Long-term debt	5	715,189	817,575
Total Liabilities		849,184	864,709
Equity			
Share capital	6	1,034,606	385,606
Deficit		(1,762,132)	(1,139,232)
Total Equity		(727,526)	(753,626)
Total Liabilities and Equity		$ 121,658	$ 111,083

Approved on Behalf of the Board

Signed - Xin Zhou
Director

BLOCKCHAIN VENTURE CAPITAL INC.

Interim Condensed Statement of Comprehensive Loss
Unaudited - See Notice to Reader
Three and Six Months Ended April 30, 2020 and 2019
(Presented in Canadian Dollars)

	Notes	Three Months Ended April 30, 2020	Three Months Ended April 30, 2019	Six Months Ended April 30, 2020	Six Months Ended April 30, 2019
Expenses					
Professional fees		$ 183,178	$ 31,799	$ 274,906	$ 31,799
Blockchain service fees		121,000	-	121,000	-
Office and general		28,168	9,310	76,885	17,682
Loss on debt settlement	5	-	-	63,397	-
Blockchain costs		21,216	20,016	52,495	852,605
Accretion expense	5	16,791	18,168	34,217	34,907
Total Expenses		370,353	79,293	622,900	936,993
Net Loss and Comprehensive Loss		$ (370,353)	$ (79,293)	$ (622,900)	$ (936,993)
Weighted Average Number of Shares Outstanding		20,481,809	18,000,000	18,121,183	18,000,000
Loss Per Share - Basic and Diluted		$ (0.02)	$ (0.00)	$ (0.03)	$ (0.05)

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

BLOCKCHAIN VENTURE CAPITAL INC.

Interim Condensed Statement of Changes in Equity
Unaudited - See Notice to Reader
Six Months Ended April 30, 2020 and 2019
(Presented in Canadian Dollars)

	Notes	Preference Shares #	Preference Shares $	Common Shares #	Common Shares $	Deficit	Total Equity
Balance as at October 31, 2018		-	$ -	18,000,000	$ 1,000	$ -	$ 1,000
Net loss		-	-	-	-	(936,993)	(936,993)
Balance as at April 30, 2019		-	$ -	18,000,000	$ 1,000	$ (936,993)	$ (935,993)

	Notes	Preference Shares #	Preference Shares $	Common Shares #	Common Shares $	Deficit	Total Equity
Balance as at October 31, 2019		4,959,398	$ 24,797	13,940,640	$ 360,809	$(1,139,232)	$ (753,626)
Share exchange	6	(4,959,398)	(24,797)	4,959,398	24,797	-	-
Issuance of common shares	6	-	-	1,581,771	649,000	-	649,000
Net loss		-	-	-	-	(622,900)	(622,900)
Balance as at April 30, 2020		-	$ -	20,481,809	$ 1,034,606	$(1,762,132)	$ (727,526)

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

BLOCKCHAIN VENTURE CAPITAL INC.

Interim Condensed Statement of Cash Flows
Unaudited - See Notice to Reader
Six Months Ended April 30, 2020 and 2019
(Presented in Canadian Dollars)

		2020		2019
Operating Activities				
Net loss	$	(622,900)	$	(936,993)
Item not requiring an outlay of cash:				
Accretion expense		34,217		34,907
Loss on debt settlement		63,397		-
Blockchain costs		-		745,106
Changes in non-cash working capital:				
Prepaid expenses		(3,976)		-
Accounts payable and accrued liabilities		31,816		-
Cash Used In Operating Activities		(497,446)		(156,980)
Financing Activities				
Proceeds from issuance of common shares		449,000		-
Advances from shareholder		61,068		157,044
Cash Provided By Financing Activities		510,028		157,044
Investing Activities				
Acquisition of computer equipment		(3,050)		-
Net Increase in Cash		9,532		64
Cash, Beginning of Period		105,100		1,000
Cash, End of Period	$	114,632	$	1,064

Supplemental Cash Flow Information				
Shares issued in debt settlement	$	200,000	$	-
Interest paid		-		-
Income taxes paid	$	-	$	-

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

1. NATURE OF THE BUSINESS AND GOING CONCERN

Blockchain Venture Capital Inc. (the "Company") was incorporated on June 18, 2018 under the laws of the Province of Ontario. As at April 30, 2020, the Company has not commenced commercial operations and has no assets other than a minimum amount of cash.

The Company is domiciled in the Province of Ontario and has its registered office at 376 Highway 7 East, Suite 1005, Richmond Hill, Ontario, L4B 0C7.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company has no source of operating revenues and its ability to operate as a going concern in the near-term will depend on its ability to successfully raise additional financing and to commence profitable operations in the future. These financial statements do not purport to give effect to adjustments, if any, that may be necessary should the Company be unable to continue and therefore, be required to realize its assets and discharge its liabilities in a manner other than in the ordinary course of business. These circumstances create material uncertainties that cast significant doubt on the Company's ability to continue as a going concern.

The Board of Directors approved these interim financial statements for issue on July ●, 2020.

2. BASIS OF PREPARATION

Statement of Compliance

These interim condensed financial statements are unaudited and have been prepared on a condensed basis in accordance with International Accounting Standard 34, *Interim Financial Reporting*, issued by the International Accounting Standards Board ("IASB") using accounting policies consistent with IFRS.

These interim condensed financial statements for the six months ended April 30, 2020 should be read together with the annual financial statements as at and for the year ended October 31, 2019. With the exception of the accounting policies disclosed in note 3, the same accounting policies and methods of computation were followed in the preparation of these interim financial statements, as described in note 3 of the annual audited financial statements.

Basis of Measurement

These financial statements have been prepared on the historical cost basis except for certain financial instruments, which are stated at fair value.

Functional and Presentation Currency

The Company's functional and presentation currency is the Canadian dollar.

Critical Accounting Judgments, Estimates, and Assumptions

Preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses during the 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. Uncertainty about these judgments, estimates, and assumptions could result in material adjustment to the carrying amount of the asset or liability affected in future periods.

The judgments, estimates, and assumptions involved in preparing these interim condensed financial statements are the same as those disclosed in the annual audited financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

Change in Accounting Policies

The following new and amended IFRS standards have been adopted as at November 1, 2019. The adoption of these standards did not have a retrospective impact on any financial statement balances as at that date.

(a) IFRS 16, *Leases* ("IFRS 16") was issued in January 2016 to improve the accounting for leases, generally by eliminating a lessees' classification of leases and introducing a single lessee accounting model. The most significant effect of the new standard will be the lessee's recognition of the initial present value of unavoidable future lease payments as lease assets and lease liabilities on the statement of financial position. Leases with durations of 12 months or less and leases for low value assets are both exempted. The measurement of the total lease expense over the term of a lease will be unaffected by the new standard. However, the new standard will result in the timing of lease expense recognition being accelerated for leases which would be currently accounted for as operating leases. The presentation on the statement of loss and other comprehensive loss required by the new standard will result in most lease expenses being presented as amortization of lease assets and financing costs arising from lease liabilities rather than as being a part of goods and services purchased. The standard is effective for annual periods beginning on or after January 1, 2019 and will supersede IAS 17 *Leases*.

(b) In December 2017, the IASB published Annual Improvements to IFRS Standards 2015–2017 Cycle, containing the following amendments to IFRS. These amendments are effective for annual periods beginning on or after January 1, 2019.

IFRS 3 *Business Combinations* and IFRS 11 *Joint Arrangements* – The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to IFRS 11 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.

IAS 12 *Income Taxes* – The amendments clarify that the requirements in the former paragraph 52B (to recognise the income tax consequences of dividends where the transactions or events that generated distributable profits are recognised) apply to all income tax consequences of dividends by moving the paragraph away from paragraph 52A that only deals with situations where there are different tax rates for distributed and undistributed profits.

IAS 23 *Borrowing Costs* – The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

(Presented in Canadian Dollars)

4. ADVANCES TO (FROM) SHAREHOLDER

As at April 30, 2020, advances of $55,045 are due to the President of the Company (October 31, 2019 - $5,983 due to the President). These advances are unsecured, non-interest bearing, and are due on demand. The advances were made for general working capital purposes.

5. LONG-TERM DEBT

On November 10, 2018, the Company purchased the base technology for its Stablecoin blockchain from Jiangsu Hengwei Information Technology Co., Ltd. ("Jiangsu"), a blockchain development company located in Wuxi, China. The purchase price for the technology is $1,200,000, which is due to be paid on November 10, 2023.

The purchase of the technology was recorded at the present value of the purchase price of $745,106 and is recorded as blockchain costs on the statement of comprehensive loss. The present value was determined using an interest rate of 10% per annum, being management's estimate of the cost of capital for the Company. The following is a continuity of long-term debt:

		2020
Balance - beginning of period	$	817,575
Liability derecognized (i)		(136,603)
Accretion expense		34,217
Balance - end of period	$	715,189

(i) On November 7, 2019, the Company settled $200,000 of the principal of $1,200,000 of this long-term debt. Accordingly, the Company has derecognized a portion of the long-term debt with a carrying value of $136,603, and has recognized a loss on early settlement of $63,397.

The settlement of $200,000 was made by way of a set-off agreement between Jiangsu, the Company, and a shareholder of the Company, whereby 378,000 common shares of the Company were issued to Jiangsu in exchange for partial settlement of the debt.

6. SHARE CAPITAL

(a) Authorized

Unlimited common shares, no par value
Unlimited preference shares, no par value

On December 23, 2019, the Company authorized a stock dividend of 14,874,542 common shares to effect an increase in the number of shares issued and outstanding, on the basis of 180 new common shares for each existing common share as at that date. All quantities of common shares in these financial statements are stated on a post-dividend basis.

On January 10, 2020, the Company amended its articles of incorporation to redesignate the preference shares as common shares effective as at that date.

(Presented in Canadian Dollars)

6. SHARE CAPITAL (Continued)

(b) Issued and Outstanding

During the six months ended April 30, 2020 and 2019, the Company transacted in its issued and outstanding common and preference shares as follows:

(i) Issued 450,000 common shares in private placements at a price of $0.11 per share for gross proceeds of $50,000 in November 2019.

(ii) Issued 1,131,771 common shares in private placements at a price of $0.53 per share for gross proceeds of $599,000 from November 2019 to March 2020. As described in note 5, 378,000 of these shares were issued directly to the creditor for the long-term debt as a partial debt settlement.

(iii) Exchanged 4,959,398 preference shares for 4,959,398 common shares on January 10, 2020.

(c) Loss Per Share

	Three Months Ended April 30, 2020	Three Months Ended April 30, 2019	Six Months Ended April 30, 2020	Six Months Ended April 30, 2019
Numerator:				
Net loss	$ (370,353)	$ (79,293)	$ (622,900)	$ (936,993)
Denominator:				
Weighted average number of shares outstanding	20,481,809	18,000,000	18,121,183	18,000,000
Loss Per Share:				
Basic and diluted	(0.02)	(0.00)	(0.03)	(0.05)

7. RELATED PARTY TRANSACTIONS

All transactions with related parties have occurred in the normal course of operations. The Company's related party transactions are as follows:

(a) Key management personnel are those individuals having responsibility for planning, directing, and controlling the activities of the Company. BVCI considers its President to be the sole member of key management. The President is also a significant shareholder and is a director of the Company. For the six months ended April 30, 2020, compensation paid to key management personnel was $900 (2019 - $Nil).

(b) Advances made to the President of the Company are described in note 4. During the three months ended April 30, 2020 and 2019, the Company transacted with the President in common and preferred shares as described in note 6 (b), paragraphs (iii).

8. COMMITMENTS

In connection with the sale of the underlying blockchain technology mentioned in note 5, Jiangsu Hengwei Information Technology Co. Ltd. will also provide software maintenance and support to the Company on a 24 hour, 7 days per week basis, for an annual service fee of $240,000

(Presented in Canadian Dollars)

9. MANAGEMENT OF CAPITAL

The Company includes the following in its managed capital:

	April 30, 2020	October 31, 2019
Share capital	$ 1,034,606	$ 385,606
Deficit	(1,762,132)	(1,139,232)
	$ (727,526)	$ (753,626)

The Company's objectives in managing capital are to:

(a) Ensure the Company maintains the minimum level of capital required to effectively operate its business;
(b) Ensure the Company's ability to provide capital growth to its shareholders; and
(c) Maintain a flexible structure that optimizes the cost of capital at acceptable levels of risk.

To maintain its capital structure, the Company keeps all of its assets in very liquid form.

10. FINANCIAL RISK MANAGEMENT

Fair Values

The Company's financial instruments consist of cash, advances to shareholder, accounts payable and accrued liabilities, and long-term debt. The fair values of these instruments, except for long-term debt, approximate their carrying values due to the short-term nature of these instruments. The long-term debt is carried at its present value, which is the discounted value of the cash flows required to settle the obligation.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company manages its liquidity risk by forecasting cash flows and anticipated investing and financing activities. Officers of the Company are actively involved in the review and approval of planned expenditures. As at April 30, 2020, the Company has liabilities of $133,995 due within twelve months and has cash of $114,632 to meet its current obligations (2019 - liabilities of $47,134 due within twelve months and cash of $105,100). As a result, management has judged liquidity risk to be high.

(Presented in Canadian Dollars)

10. FINANCIAL RISK MANAGEMENT (Continued)

Liquidity Risk (Continued)

The following are the Company's financial obligations based on their due dates:

	Payments due by period			
	Less than 1 year	1 - 3 years	4 - 5 years	Total
April 30, 2020				
Accounts payable	$ 78,950	$ -	$ -	$ 78,950
Advances from shareholder	55,045	-	-	55,045
Long-term debt	-	-	1,000,000	1,000,000
	$ 133,995	$ -	$ 1,000,000	$ 1,133,995
October 31, 2019				
Accounts payable	$ 47,134	$ -	$ -	$ 47,134
Long-term debt	-	-	1,200,000	1,200,000
	$ 47,134	$ -	$ 1,200,000	$ 1,247,134

Credit Risk

Credit risk is the risk of loss associated with a counter-party’s inability to fulfil its payment obligations. As at April 30, 2020, the Company's maximum exposure to credit risk is $114,632 and is comprised of cash (October 31, 2019 - $105,100). All of the Company's cash is held in a chartered bank in Canada. The advances to the President are considered of low credit risk due to his investment and involvement in the Company. Management has judged credit risk to be low.

ITEM 28 - CERTIFICATE OF THE CORPORATION

September 16, 2020

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 the province of Ontario.

BLOCKCHAIN VENTURE CAPITAL INC.

Per: "Richard Zhou"
Richard Zhou
Chief Executive Officer

Per: "Steven Olsthoorn"
Steven Olsthoorn
Chief Financial Officer

On behalf of the Board of Directors

Per: "Monika Cywinska"
Monika Cywinska
Director

Per: "Yongbiao (Winfield) Ding"
Yongbiao (Winfield) Ding
Director

APPENDIX A

AUDIT COMMITTEE CHARTER

The Audit Committee (the **Committee**) of the Board (the **Board**) of Blockchain Venture Capital Inc. (the **Corporation**) shall have the oversight responsibility, authority and specific duties as described below.

Composition

The Committee will be comprised of three or more directors as determined by the Board, none of whom shall be or shall have been, unless permitted by applicable securities rules, an officer or employee of the Corporation or any subsidiary of the Corporation. Each Committee member shall satisfy the independence, financial literacy and experience requirements of applicable securities laws, rules or guidelines, any applicable stock exchange requirements or guidelines and any other applicable regulatory rules. Determinations as to whether a particular director satisfies the requirements for membership on the Committee shall be made by the Committee.

Members of the Committee shall be appointed by the Committee. Each member shall serve until his successor is appointed, unless he shall resign or be removed by the Committee or he shall otherwise cease to be a director of the Corporation. The Committee shall fill any vacancy if the membership of the Committee is less than three directors.

The Chair of the Committee shall be designated by the Committee by vote of a majority of the full Committee membership.

Communication, Authority to Engage Advisors and Expenses

The Committee shall have access to such officers and employees of the Corporation, the Corporation's external auditor and to such other information respecting the Corporation, as it considers to be necessary or advisable in order to perform its duties and responsibilities.

The Committee provides an avenue for communication, particularly for outside directors, with the external auditor and financial and senior management and the Board. The external auditor shall have a direct line of communication to the Committee through its Chair and shall report directly to the Committee. The Committee, through its Chair, may contact directly any employee in the Corporation as it deems necessary, and any employee may bring before the Committee, on a confidential basis, any matter involving the Corporation's financial practices or transactions.

The Committee has the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set the compensation for any such counsel and advisors. Any engagement of independent counsel or other advisors is to be at the Corporation's expense.

The Corporation shall be responsible for all expenses of the Committee that are deemed necessary or appropriate by the Committee in carrying out its duties.

Meetings and Record Keeping

Meetings of the Committee shall be conducted as follows:

1. the Committee shall meet at least four times annually at such times and at such locations as the Chair of the Committee shall determine, provided that meetings shall be scheduled so as to permit timely review of the quarterly and annual financial statements and reports. The external auditor or any two members of the Committee may also request a meeting of the Committee. The Chair of the Committee shall hold in camera sessions of the Committee at every meeting without management present;

2. the quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or by other telecommunication device that permits all persons participating in the meeting to hear each other;

3. if the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee who is present at the meeting shall be chosen by the Committee to preside at the meeting;

4. the Chair shall, in consultation with management and the auditor, establish the agenda for the meetings and circulate or instruct management to circulate properly prepared agenda materials to the Committee with sufficient time for study prior to the meeting;

5. every matter of business at a Committee meeting shall be decided by a majority of the votes cast;

6. the Chief Executive Officer shall be available to advise the Committee, shall receive notice of meetings and may attend meetings of the Committee at the invitation of the Chair of the Committee. Other management representatives may be invited to attend as necessary; and

7. a Committee member, or any other person selected by the Committee, shall be appointed at each meeting to act as secretary for the purpose of recording the minutes of each meeting.

The Committee shall provide the Board with a summary of all meetings together with a copy of the minutes from such meetings. Where minutes have not yet been prepared, the Chair shall provide the Board with oral reports on the activities of the Committee. All information reviewed and discussed by the Committee at any meeting shall be referred to in the minutes and made available for examination by the Board upon request to the Chair.

Responsibilities

The Committee is part of the Board. Its primary functions are to assist the Board in fulfilling its oversight responsibilities with respect to: (i) the oversight, review and approval of the financial statements and the accounting and financial reporting processes of the Corporation; (ii) the assessment of the system of internal controls that management has established; and (iii) the external audit process. In addition, the Committee shall assist the Board, as requested, in fulfilling its oversight responsibilities with respect to (i) financial policies and strategies; (ii) financial risk management practices; and (iii) transactions or circumstances which could materially affect the financial profile of the Corporation.

The Committee shall be directly responsible, in its capacity as a committee of the Board, for making a recommendation to the Board regarding the appointment, compensation and retention of the external auditor and overseeing the work of the external auditor and the relationship of the external auditor with the Corporation (including the resolution of disagreements between management and the external auditor regarding financial reporting). Management is responsible for preparing the financial statements and financial reporting of the Corporation and for maintaining internal control and management information and risk management systems and procedures. The external auditor is responsible for the audit or review of the financial statements and other services they provide.

The duty and standard of care which directors must meet is as set forth in applicable corporate and securities legislation. These terms of reference are intended to assist the members of the Committee in satisfying the standard of care which is imposed upon them by applicable law and is not intended to increase or decrease the standard of care to which all directors are subject.

The Committee should have a clear understanding with the external auditor that they must maintain an open and transparent relationship with the Committee, and that the ultimate accountability of the external auditor is to the shareholders of the Corporation.

Specific Duties

A. Relationship with External Auditor

The Committee shall:

1 consider and make a recommendation to the Board as to the appointment or re-appointment of the external auditor, ensuring that such auditor is a participant in good standing pursuant to applicable securities laws;

2 consider and make a recommendation to the Board as to the compensation of the external auditor which is to be paid by the Corporation;

3 oversee the work of the external auditor in performing their audit or review services and oversee the resolution of any disagreements between management of the Corporation and the external auditor;

4 review and discuss with the external auditor all material identified relationships that the external auditor and its affiliates have with the Corporation and its affiliates in order to determine the external auditor's independence, including, without limitation:

(a) requesting, receiving and reviewing, on a periodic basis, a formal written statement from the external auditor delineating all relationships that may reasonably be thought to bear on the independence of the external auditor with respect to the Corporation;

(b) discussing with the external auditor any disclosed relationships or services that may impact the objectivity and independence of the external auditor; and

(c) recommending that the Board take appropriate action in response to the external auditor's statement to satisfy itself of the external auditor's independence;

5 review and discuss the audit plan of the external auditor with the external auditor, including the staffing thereof, prior to the commencement of the audit;

6 as may be required by applicable securities laws, rules and guidelines, either:

(a) pre-approve all non-audit services to be provided by the external auditor to the Corporation (and its subsidiaries, if any), or, in the case of de minimis non-audit services, approve such non-audit services prior to the completion of the audit; or

(b) adopt specific policies and procedures for the engagement of the external auditor for the purposes of the provision of non-audit services; and

7 review and approve the hiring policies of the Corporation regarding partners and employees and former partners and employees of the present and former external auditor of the Corporation.

B. <u>Financial Statements and Financial Reporting</u>

The Committee shall:

1 review with management and the external auditor, and recommend to the Board for approval, the annual financial statements of the Corporation and related financial reporting, including management's discussion and analysis. In particular, the Committee's review of such financial statements should include, but not be limited to:

(a) reviewing any changes in accounting principles, or in their application, which may have a material effect on the current or future years' financial statements;

(b) reviewing material identified accruals, reserves or other similar estimates;

(c) reviewing the accounting treatment of unusual or non-recurring transactions;

(d) reviewing the adequacy of the provision for abandonment and reclamation costs, if any; and

(e) reviewing disclosure requirements for commitments and contingencies;

2 upon completion of each audit, review with the external auditor the results of such audit. This process should include but not be limited to:

(a) reviewing the scope and quality of the audit work performed;

(b) reviewing the capability of the Corporation’s financial personnel;

(c) reviewing the co-operation received from the Corporation’s financial personnel during the audit;

(d) reviewing the resources used by the Corporation;

(e) reviewing material identified transactions outside of the normal business of the Corporation; and

(f) reviewing material proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems;

3 review with management and (at the Committee's discretion) the external auditor, and approve, the interim financial statements of the Corporation and related financial reporting, including management's discussion and analysis. In particular, the Committee's review of such financial statements should include, but not be limited to, those items set forth in 1.(a) to (e) above, as applicable;

4 review with management and recommend to the Board for approval, the Corporation's annual information form, if applicable;

5 review with management and approve or recommend to the Board for approval, as required by the terms hereof, any financial statements of the Corporation which have not previously been approved and which are to be included in a Prospectus or other public disclosure document of the Corporation;

6 consider and be satisfied that appropriate policies and procedures are in place by management for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements (other than public disclosure referred to in clauses B.1 and B.3 above), and periodically assess the adequacy of such procedures;

7 review with management, the external auditor and, if necessary, legal counsel, any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Corporation, and the manner in which these matters may be, or have been, disclosed in the financial statements;

8 review accounting, tax, legal and financial aspects of the operations of the Corporation as the Committee considers appropriate; and

9 encourage cooperation and communication between the Committee, the external auditors and management on the use of corporate information and records in the financial reporting process.

C. Internal Controls

The Committee shall:

1. review with management and, as applicable, the external auditor and legal counsel, the adequacy and effectiveness of the internal control and management information systems and procedures of the Corporation (with particular attention given to accounting, financial statements and financial reporting matters) and consider whether the Corporation is in compliance with applicable legal and regulatory requirements and with the Corporation's policies;

2. review the external auditor's recommendations regarding any matters, including internal control and management information systems and procedures, and management's responses thereto;

3. establish procedures for the receipt, retention and treatment of complaints, submissions and concerns regarding accounting, internal controls or auditing matters and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters;

4. review policies and practices concerning the expenses and perquisites of the President and Chief Executive Officer, including the use of the assets of the Corporation; and

5. review with management and the external auditor any identified corporate transactions in which directors or officers of the Corporation have a personal interest and other transactions with affiliated parties of the Corporation.

D. Financial Risk Management

The Committee shall:

1. review with management their assessment of the material financial risks and exposures of the Corporation and discuss with management the steps which the Corporation has taken to monitor and control such exposures;

2. review current and expected future compliance with covenants under any financing agreements;

3. understand the financial risks arising from the Corporation’s exposure to such things as commodity prices, interest rates, foreign currency exchange rates and credit, as applicable. Review the management of those risks including any proposed hedging of such exposures, as applicable;

4. review the activities of the Corporation’s marketing group or investor relations firm and the financial risks arising from such activities;

5. review the Corporation's insurance coverage including insurance covering directors and officers liability;

6 review any other material financial exposures including such things as tax audits, government audits or any other activities that expose the Corporation to the risk of a material financial loss;

7 report the results of such reviews to the Board for the purpose of assisting the Board in identifying the principal business risks associated with the businesses of the Corporation; and

8 review the appropriateness of the controls, policies and procedures used in the preparation of the Corporation's financial statements and other required disclosure documents, and consider recommendations for any material change to such policies

APPENDIX B

MANAGEMENT DISCUSSION AND ANALYSIS - OCTOBER 31, 2019

Management's Discussion and Analysis
Year Ended October 31, 2019

The following discussion and analysis is the responsibility of management. The Board of Directors carries out its responsibility for review of the disclosure principally through its audit committee, comprised exclusively of independent directors. The audit committee reviews this disclosure and recommends its approval by the Board of Directors. The management's discussion and analysis (MD&A) is prepared to conform to National Instrument 51-102F1 and has been approved by the Board of Directors. This MD&A should be read in conjunction with Blockchain Venture Capital Inc.'s ("BVCI" or the "Company") audited financial statements for the year ended October 31, 2019 together with the accompanying notes. Such 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 International Financial Reporting Interpretations Committee ("IFRIC"). The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets, fair value measurements of shares-based payments and contingent liabilities.

This MD&A is prepared as of June 23, 2020.

Forward Looking Statements

Certain statements contained in the report constitute forward-looking statements. When used in this document the words "anticipate", "believe", "estimate", "expect", "plan", "future", "intend", "may", "will", "should", "predicts", "potential", "continue", and similar expressions, as they relate to BVCI or its management, are intended to identify forward-looking statements. Such statements reflect current views of BVCI with respect to future events and are subject to certain known and unknown risks, uncertainties and assumptions. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Factors that could cause actual results or events to differ materially from current expectations include, among other things, changes in legislation governing digital currency and blockchain technology, market demand for blockchain and distributed ledger technology, uncertainties relating to the availability and costs of financing needed in the future, the capital and operating costs varying significantly from estimates, delays in the development of projects, as well as those risk factors discussed or referred to herein, including those set forth under the heading "Risks and Uncertainties". Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward looking statements prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected. Unless required by law, the Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements.

Description of Business

Blockchain Venture Capital Inc. ("BVCI") is a provider of an innovative technology infrastructure to participants in the emerging blockchain and ledger technology industry. Instrumental to BVCI's business and growth strategy is BVC Chain, a proprietary blockchain platform and ledger technology which serves as a platform and infrastructure for BvcPay and CADT, as well as the potential future development of a multitude of blockchain platform-based solutions, products and services. Collectively, BVC Chain, BvcPay and CADT strategically position BVCI to capture the full value chain resulting from the transitioning of data and other financial assets to a blockchain platform and ledger, and the new paradigm of conducting business that utilize such technologies.

BVCI was incorporated on June 18, 2018 under the *Business Corporations Act* (Ontario), and has its head office at 130 King Street West, Suite 1800, Toronto, ON M5X 1E3.

Overall Performance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company has no source of operating revenues and its ability to operate as a going concern in the near-term will depend on its ability to successfully raise additional financing and to commence profitable operations in the future. These financial statements do not purport to give effect to adjustments, if any, that may be necessary should the Company be unable to continue and therefore, be required to realize its assets and discharge its liabilities in a manner other than in the ordinary course of business. These circumstances create material uncertainties that cast significant doubt on the Company's ability to continue as a going concern.

As at October 31, 2019, the Company has working capital of $63,949, compared to working capital of $1,000 as at October 31, 2018. Working capital has been provided by advances from its principal shareholder of $278,623 which were received in the 2019 year, as well as a private placement of $100,000 which closed in October 2019. The advances from shareholder, totaling $284,606 were exchanged for common and preference shares of the Company in October 2019.

Commercial operations in respect of the blockchain platform have not yet commenced, and the Company has not yet begun to generate revenue from the platform. During the 2019 year, other income of $9,000 was earned, however this was incidental to its intended business plan and is not expected to reoccur.

Management intends to continue financing operations through equity financings until such time as the blockchain platform commences operating.

Results of Operations

Year Ended October 31, 2019 and 2018

During the year ended October 31, 2019, net loss was $1,139,232 compared to $nil for the period ended October 31, 2018.

The Company was incorporated on June 18, 2018 and had its first year-end on October 31, 2018. There was no activity in this period and accordingly net income (loss) was $nil.

Net loss for 2019 is primarily comprised of the following:

- Blockchain costs of $894,369 were incurred in the year ended October 31, 2019, which are comprised of $745,106 for the initial acquisition of the core blockchain technology. Anti-money laundering consulting fees totaling $111,188 were incurred for developing a compliance program, as well as $38,075 in trustee fees for setup of the clearing function for the Company’s US dollar denominated stablecoin.

- Professional fees of $140,909 were incurred in the year ended October 31, 2019, which are comprised of legal fees of $107,122 for evaluating and assisting in the setup of the business structure, as well as preparing the prospectus. Accounting and audit fees of $33,787 were incurred for the 2018 year-end and 2019 interim audits.

- Accretion expense of $72,469 was incurred in the year ended October 31, 2019, in respect of the Company’s long-term debt due to the vendor of its core blockchain technology. Accretion is accrued at the rate of 10% per annum until the maturity of the long-term debt, which is due November 10, 2023.

- Office and general expenses of $40,485 were incurred in the year ended October 31, 2019, which is comprised of rent of $9,005, server hosting fees of $12,896, and other items such as travel, meals, and promotional expenses totaling $18,584.

Loss per share was $0.06 for the year ended October 31, 2019, compared to $nil for the period ended October 31, 2018.

Fourth Quarter Ended October 31, 2019 and 2018

During the fourth quarter ended October 31, 2019, net loss was $99,451 compared to $nil for the quarter ended October 31, 2018.

The Company was incorporated on June 18, 2018 and had its first year-end on October 31, 2018. There was no activity in this period and accordingly net income (loss) was $nil.

Net loss for Q4 2019 is primarily comprised of the following:

- Blockchain costs totaled $9,167 for the quarter ended October 31, 2019, which were comprised of monthly anti-money laundering fees as well as monthly trustee fees for the US dollar stablecoin.

- Professional fees totaled $65,647 for the quarter ended October 31, 2019, which were comprised of accounting and audit fees of $33,335 and legal fees of $32,312. The Company obtained an audit for the 2018 year and for the nine months ended July 31, 2019, which were billed during this quarter. Legal fees were for capital transactions during the quarter as well as for beginning work on the prospectus.

- Accretion expense of $18,781 was incurred in the quarter ended October 31, 2019, in respect of the Company’s long-term debt due to the vendor of its core blockchain technology. Accretion is accrued at the rate of 10% per annum until the maturity of the long-term debt, which is due November 10, 2023.

- Office and general expenses of $14,856 were incurred for the quarter ended October 31, 2019, which were comprised of rent, travel, server hosting fees, and meals and entertainment.

- Other income of $9,000 was earned in the quarter ended October 31, 2019, related to some mutual software development work performed with the vendor for the core blockchain technology. This income is incidental to the Company's regular operations is not expected to reoccur.

Selected Annual Information

Selected annual information from the audited financial statements for the year ended October 31, 2019 is presented in the table below. The financial data has been prepared in accordance with International Financial Reporting Standards ("IFRS") and is reported in Canadian dollars

	October 31, 2019	**October 31, 2018**
Total assets	111,083	1,000
Total liabilities	864,709	-
Total equity	(753,626)	1,000
Net loss and comprehensive loss	(1,139,232)	-
Loss per share – basic and diluted	(0.06)	0.00

Total assets were $111,083 as at October 31, 2019, an increase of $110,083 from $1,000 as at October 31, 2018. Assets are comprised of cash of $105,100 and advances to shareholder of $5,983. Assets have increased as a result of the timing of a private placement of $100,000 which closed immediately before year-end.

Total liabilities were $864,709 as at October 31, 2019, an increase of $864,709 from $nil as at October 31, 2018. Current liabilities are comprised of trade payables due in respect of legal, audit, and accounting fees. Non-current liabilities are comprised of long-term debt which is an amount payable to the vendor of the Company's core blockchain technology and is stated at the present value of the principal amount of $1,200,000 which is due on November 10, 2023.

Total equity was ($753,626) as at October 31, 2019 compared to $1,000 as at October 31, 2018. Equity is comprised of share capital of $385,606 and an accumulated deficit of $1,139,232 as at October 31, 2019. Share capital increased from $1,000 to $385,606 as a result of share issuances to the Company's President to extinguish debt of $284,606, and a further $100,000 received from a private placement in the year.

Net loss for the year ended October 31, 2019 increased significantly from $nil as at October 31, 2018, as a result of the purchase of the core technology for the Company's blockchain platform, the cost of which was an expense of $745,106, as well as other blockchain costs of $149,263, professional fees of $140,909, accretion of 72,469, office and general of $40,485, and less other income of $9,000.

The Company was incorporated on June 18, 2018 and had its first year-end on October 31, 2018. There was no activity in this period and accordingly net income (loss) was $nil. The Company's only transaction during this period was issuance of initial share capital of $1,000.

Discussion of Operations

The Company is in a very early stage of development and as of the date hereof has no revenue. As a result, there are no costs of sales or gross profits to report. This year, the Company has been focused on building a relationship with a schedule 1 Canadian bank and trust company, building a relationship with a payment service provider, and raising funds pursuant to various private placements in order to cover the cost of operating expenses. In the near future, the Company plans to organize and conduct a marketing campaign in an effort to bring users onto the Company's platform. Effective July 20, 2020, the Company entered into a custodial agreement ("Custodial Agreement") with Concentra Trust, a federal trust company incorporated pursuant to the laws of Canada. Users who purchase the Company's stablecoin CADT will deposit Canadian dollar funds with the Company, who is holding funds in trust for the benefit of the users. Under the terms of the Custodial Agreement, the Company has nominated Concentra Trust as its agent to hold the Canadian dollar funds representing corresponding CADT issued to users.

To date there have been no unusual or infrequent events or transactions.

Summary of Quarterly Results

The Company's selected quarterly results for the eight most recently completed interim financial periods are as follows. The Company was incorporated on June 18, 2018, and accordingly, there are no fiscal periods prior to this date.

Quarter Fiscal Year	**Q4 2019**	**Q3 2019**	**Q2 2019**	**Q1 2019**	**Q4 2018**	**Q3 2018**
Net loss	(99,451)(1)	(102,788)(2)	(79,294)(3)	(857,699)(4)	-	-
Loss per share	(0.00)	(0.01)	(0.00)	(0.05)	(0.00)	(0.00)

(1) Decrease from prior quarter was $3,337 and was primarily comprised of increased professional fees expense of $22,185 and decreased blockchain costs of $23,431. Increased professional fees relate to capital transactions and are related to the Company's prospectus.

(2) Increase from prior quarter was $23,494 and was primarily comprised of increased blockchain costs of $12,355 and increased professional fees of $11,889. Increased professional fees relate to capital transactions and are related to the Company's prospectus.

(3) Decrease from prior quarter was $778,405 and was primarily comprised of decreased blockchain costs of $812,119 and increased professional fees of $31,347. The decreased blockchain costs is primarily from the purchase of the core blockchain technology which occurred in Q1 and did not reoccur for Q2.

(4) Increase from prior quarter was $857,699 and was a result of the purchase of the Company's core blockchain technology, for $754,106, as well as other blockchain consulting costs of $78,256 for developing anti-money laundering procedures.

Liquidity and Capital Resources

As at October 31, 2019, the Company has cash of $105,100 available to settle current liabilities of $47,134 (2018 – cash of $1,000 to settle liabilities of $nil). The Company also has a non-current liability of $1,200,000 due November 10, 2023, which is presented at its present value of $817,575 on the statement of financial position as at October 31, 2019.

The Company does not currently have a recurring source of revenue and has incurred negative cash flows from operations since inception. As at October 31, 2019, the Company has working capital of $57,966 consisting of cash, less trade payables due within 30 days. All cash is held at a chartered bank in Canada and is unrestricted.

Management intends to finance operations through continued equity financings until the Company's blockchain platform is ready to operate, at which time it can begin earning revenue.

The Company does not have bank debt or banking credit facilities in place as at the date of this report.

The Company has a contractual commitment to pay $240,000 to the vendor of its underlying blockchain technology for software maintenance and support, for the 5-year term ending November 10, 2023. The Company recognizes an expense when invoices are received in respect of this maintenance and support, which thus far have been below the specified amount of $240,000, as the platform has not been fully operational throughout the year.

Outstanding Share Data

During the years ended October 31, 2019 and 2018, the Company transacted in its issued and outstanding common and preference shares as follows:

(i) Issued 18,000,000 common shares for gross proceeds of $1,000 on January 12, 2018.

(ii) Exchanged 17,999,820 common shares for 199,998 preference shares on October 17, 2019. The stated capital of the exchanged shares was $1,000.

(iii) Exchanged 4,759,400 preference shares for the extinguishment of advances from shareholder of $23,797 on October 17, 2019.

(iv) Exchanged 13,040,460 common shares for the extinguishment of advances from shareholder of $260,809 on October 25, 2019.

(v) Issued 900,000 common shares in a private placement at a price of $0.11 per share for gross proceeds of $100,000 on October 28, 2019.

On December 23, 2019, the Company authorized a stock dividend of 14,874,542 common shares to effect an increase in the number of shares issued and outstanding, on the basis of 180 new common shares for each existing common share as at that date. All quantities of common shares in these financial statements are stated on a post-dividend basis.

On January 10, 2020, the Company amended its articles of incorporation to redesignate the preference shares as common shares effective as at that date.

As at October 31, 2019, the Company has 4,959,398 preference shares and 13,940,640 common shares issued and outstanding.

As at June 23, 2020, the Company has 20,481,809 common shares issued and outstanding.

Off Balance Sheet Arrangements

There were no off balance sheet arrangements as at October 31, 2019.

Transactions with Related Parties

All transactions with related parties have occurred in the normal course of operations. The Company's related party transactions are as follows:

(a) Key management personnel are those individuals having responsibility for planning, directing, and controlling the activities of the Company. BVCI considers its President to be the sole member of key management. The President is also a significant shareholder and is a director of the Company. No compensation was paid to key management personnel for the years ended October 31, 2019 and 2018.

(b) During the year ended October 31, 2019, the President paid expenses and made advances to the Company for working capital purposes, totaling $278,623. These advances were settled in a shares-for-debt exchange, whereby the Company issued 4,759,400 preference shares and 13,040,460 common shares for share capital totaling $284,606. As at October 31, 2019, there remains a balance receivable from the President totaling $5,983, which is unsecured, non-interest bearing, and is due on demand.

Key Risks and Uncertainties

Management has identified the following risks and uncertainties:

Absence of Operating History

The Company has a limited operating history on which an investor might evaluate its performance. It is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel and financing sources and lack of revenues, any of which could have a material adverse effect on the Company and may force it to reduce or curtail its operations. The Company is not currently profitable and has incurred operating losses since its inception. There is no assurance that the Company will generate profits in the future, or that profitability will be sustained, and the likelihood of success must be considered in light of the early stage of its operations. Even if the Company accomplishes its objectives, it may not generate positive cash flows or profits.

Operational Risk

Operational risk is the risk of an adverse outcome resulting from inadequate or failed internal processes, people, systems or external events. The Company’s exposure to operational risk arises from routine processing errors, as well as extraordinary incidents, such as major systems failures or legal and regulatory matters. Because the Company’s business lines are reliant on both technology and human expertise and execution, the Company is exposed to material operational risk arising from a number of factors, including, but not limited to, human error, processing and communication errors, errors of third-party service providers, counterparties or other third parties, failed or inadequate processes, design flaws and technology or system failures and malfunctions.

Operational errors or significant operational delays could materially negatively impact the Company's ability to conduct its business or service its clients, which could adversely affect results of operations due to potentially higher expenses and lower revenues, create liability for the Company or its clients or negatively impact its reputation. Recurring operational issues may also raise concerns among regulators regarding the Company's governance and control environment.

Future Capital Needs and Uncertainty of Additional Financing

The Company currently anticipates that its cash balance will be sufficient to meet its presently anticipated working capital and capital expenditure requirements over the next 12 months. However, the Company may need to raise additional funds in order to support expansion, respond to competitive pressures, acquire complementary businesses or technologies or take advantage of unanticipated opportunities. The Company may be required to raise additional funds through public or private financing, strategic relationships or other arrangements. There can be no assurance that such additional funding, if needed, will be available on terms attractive to the Company, or at all. Furthermore, any additional equity financing may be dilutive to shareholders and debt financing, if available, may involve restrictive covenants. If additional funds are raised through the issuance of equity securities, the percentage ownership of the shareholders of the Company will be reduced, shareholders may experience additional dilution in net book value per share, or such equity securities may have rights, preferences or privileges senior to those of the holders of other shares in the capital of the Company. If adequate funds are not available on acceptable terms the Company may be unable to develop or enhance its business, take advantage of future opportunity or respond to competitive pressures, any of which could have a material adverse effect on the Company's business, financial condition and operating results.

Digital Assets and distributed ledger technology may not be widely adopted

Digital Currency is a new asset class that, as of yet, have not been widely adopted. The majority of the Company's business relies, and will rely, on the acceptance and use of CADT at a scale to create demand sufficient to make the Company's business lines commercially viable. Though the Company believes that the anticipated benefits of Digital Currencies will create such demand, there can be no assurance that this will occur, or if it does occur that it will be in the near term.

Unproven Market

CADT is a novel application of technology to the use of Canadian currency as a storage of value and a medium of exchange which aims to facilitate everyday transactions. There is currently no proven market for a service of this kind, and there can be no assurance that a market will develop in the near future, or at all. BVCI is relying on its ability to convince customers that its services are an attractive alternative to other forms of transaction-accessible accounts (such as bank accounts, and competitor virtual payment solutions), and other stores of monetary value (such as currencies, commodities, equities, debt instruments, and ETFs). BVCI believes that its assumptions and projections are reasonable, based on the proven markets for Canadian currency, and for internet-based payment settlement services, but there can be no assurance that this will be the case. Any failure to develop and sustain a market for BVCI's services could adversely affect BVCI's business, operations, and financial condition.

Interest in Canadian Dollars

The development of BVCI's business depends on the interest of the public wishing to hold and transact in Canadian dollars. Accordingly, BVCI's ability to establish its business and become profitable depends on the public's perception of Canadian dollars and on its future foreign exchange rate with other currencies, and will be significantly affected by changes in such foreign exchange rates. Foreign exchange rates can be subject to volatile price movements which can be material and occur over short periods of time, and which are affected by numerous factors, all of which are beyond BVCI's control. Such factors include, but are not limited to, interest rates, inflation or deflation, fluctuations in the value of the Canadian dollar and foreign currencies, global and regional supply and demand, speculative trading, and political and economic conditions. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems, the strength of and confidence in the Canadian dollar, and political developments. The effect of these factors on the value of the Canadian dollar (and hence the CADT), and therefore the economic viability of any of BVCI's business, cannot be accurately determined.

Lack of Regulation and Customer Protection

BVCI's business is designed to be in full compliance with all legal and regulatory requirements of its users, including anti-money laundering legislation and banking department recordkeeping requirements, as well as being fully integrated with the ability to check various worldwide watch lists for wanted criminals and terrorists. Nevertheless, the fact that BVCI is not a bank, investment dealer or trust company, may result in the business of BVCI not being subject to a regulatory environment which is as extensive and robust as the regulatory environment for financial institutions. Furthermore, BVCI does not have insurance through government sponsored programs or deposit insurance and has no private insurance coverage. Although Canadian money is held by the Escrow Agent there can be no assurance that a third party will not claim an interest in such property in a legal proceeding or claim against BVCI, the Trustee, or any of their respective affiliates.

Critical Accounting Judgments, Estimates, and Assumptions

Preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses during the 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. Uncertainty about these judgments, estimates, and assumptions could result in material adjustment to the carrying amount of the asset or liability affected in future periods.

Significant areas of estimation uncertainty considered by management in preparing the financial statements are as follows:

Going Concern

Management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. However, material uncertainty exits that casts significant doubt upon the Company's ability to continue as a going concern.

Recognition of Deferred Tax Assets

Deferred tax assets are recognized in respect of tax losses and other temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits, together with future tax planning strategies. These estimates will affect the reported amounts of deferred tax assets and expenses.

Measurement of Long-Term Debt

Long-term debt is measured at the present value of the principal amount of the debt, using a discount rate which is an estimate of the Company's marginal borrowing rate. This estimate is highly subjective, given that the Company does not presently have any interest-bearing debt, and its actual borrowing rate may change over the period to maturity, given the nature of the Company's business and the market in which it operates. These estimates will impact the carrying value of long-term debt and accretion expense recognized

Financial Risk Management

Fair Values

The Company's financial instruments consist of cash, advances to shareholder, accounts payable and accrued liabilities, and long-term debt. The fair values of these instruments, except for long-term debt, approximate their carrying values due to the short-term nature of these instruments. The long-term debt is carried at its present value, which is the discounted value of the cash flows required to settle the obligation.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company manages its liquidity risk by forecasting cash flows and anticipated investing and financing activities. Officers of the Company are actively involved in the review and approval of planned expenditures. As at October 31, 2019, the Company has liabilities of $864,709 due within twelve months and has cash of $111,083 to meet its current obligations (2018 - liabilities of $Nil and cash of $1,000). As a result, management has judged liquidity risk to be high.

The following are the Company's financial obligations based on their due dates:

	Payments due by period			
	Less than 1 year	**1 - 3 years**	**4 - 5 years**	**Total**
October 31, 2019				
Accounts payable	$ 47,134	$ -	$ -	$ 47,134
Long term debt	-	-	1,200,000	1,200,000
	$ 47,134	$ -	$ 1,200,000	$ 1,247,134

Credit Risk

Credit risk is the risk of loss associated with a counter-party’s inability to fulfil its payment obligations. As at October 31, 2019, the Company's maximum exposure to credit risk is $111,083 and is comprised of cash and advances to shareholder (July 31, 2018 - $1,000). All of the Company's cash is held in a chartered bank in Canada. The advances to the President are considered of low credit risk due to his investment and involvement in the Company. Management has judged credit risk to be low.

Additional Information

Additional information about the Company is available on SEDAR at www.sedar.com and at the Company's website at https://bvcinc.ca/.

APPENDIX C

MANAGEMENT DISCUSSION AND ANALYSIS - APRIL 30, 2020

Management's Discussion and Analysis
Six Months Ended April 30, 2020

The following discussion and analysis is the responsibility of management. The Board of Directors carries out its responsibility for review of the disclosure principally through its audit committee, comprised exclusively of independent directors. The audit committee reviews this disclosure and recommends its approval by the Board of Directors. The management's discussion and analysis (MD&A) is prepared to conform to National Instrument 51-102F1 and has been approved by the Board of Directors. This MD&A should be read in conjunction with Blockchain Venture Capital Inc.'s ("BVCI" or the "Company") audited financial statements for the year ended October 31, 2019 together with the accompanying notes. Such 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 International Financial Reporting Interpretations Committee ("IFRIC"). The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets, fair value measurements of shares-based payments and contingent liabilities.

This MD&A is prepared as of June 25, 2020.

Forward Looking Statements

Certain statements contained in the report constitute forward-looking statements. When used in this document the words "anticipate", "believe", "estimate", "expect", "plan", "future", "intend", "may", "will", "should", "predicts", "potential", "continue", and similar expressions, as they relate to BVCI or its management, are intended to identify forward-looking statements. Such statements reflect current views of BVCI with respect to future events and are subject to certain known and unknown risks, uncertainties and assumptions. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Factors that could cause actual results or events to differ materially from current expectations include, among other things, changes in legislation governing digital currency and blockchain technology, market demand for blockchain and distributed ledger technology, uncertainties relating to the availability and costs of financing needed in the future, the capital and operating costs varying significantly from estimates, delays in the development of projects, as well as those risk factors discussed or referred to herein, including those set forth under the heading "Risks and Uncertainties". Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected. Unless required by law, the Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements.

Description of Business

Blockchain Venture Capital Inc. ("BVCI") is a provider of an innovative technology infrastructure to participants in the emerging blockchain and ledger technology industry. Instrumental to BVCI's business and growth strategy is BVC Chain, a proprietary blockchain platform and ledger technology which serves as a platform and infrastructure for BvcPay and CADT, as well as the potential future development of a multitude of blockchain platform-based solutions, products and services. Collectively, BVC Chain, BvcPay and CADT strategically position BVCI to capture the full value chain resulting from the transitioning of data and other financial assets to a blockchain platform and ledger, and the new paradigm of conducting business that utilize such technologies.

BVCI was incorporated on June 18, 2018 under the *Business Corporations Act* (Ontario), and has its head office at 130 King Street West, Suite 1800, Toronto, ON M5X 1E3.

Overall Performance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company has no source of operating revenues and its ability to operate as a going concern in the near-term will depend on its ability to successfully raise additional financing and to commence profitable operations in the future. These financial statements do not purport to give effect to adjustments, if any, that may be necessary should the Company be unable to continue and therefore, be required to realize its assets and discharge its liabilities in a manner other than in the ordinary course of business. These circumstances create material uncertainties that cast significant doubt on the Company's ability to continue as a going concern.

As at April 30, 2020, the Company has negative working capital of $25,187, compared to working capital of $63,949 as at October 31, 2019. Working capital was reduced during the six months ended April 30, 2020 by net loss before non-cash items of $535,086 and by the purchase of computer equipment of $3,050. Working capital increased by $449,000 from the proceeds of issuing common shares.

Commercial operations in respect of the blockchain platform have not yet commenced, and the Company has not yet begun to generate revenue from the platform. During the fourth quarter of 2019, other income of $9,000 was earned, however this was incidental to the Company's intended business plan and is not expected to reoccur.

Management intends to continue financing operations through equity financings until such time as the blockchain platform commences operating.

Results of Operations

Six months ended April 30, 2020 compared to 2019

During the six months ended April 30, 2020, net loss was $632,700 compared to $936,993 for the six months ended April 30, 2019.

Net loss is primarily comprised of the following:

- Professional fees of $284,065 were incurred in the six months ended April 30, 2020 (2019 - $31,799), which are legal fees for evaluating and assisting in the setup of the business structure, as well as review of agreements, corporate record keeping, and preparing the prospectus.

- Blockchain service fees of $121,000 were incurred for the six months ended April 30, 2020 (2019 - $Nil), which were paid to the vendor of the core blockchain technology, for 24/7 support and continuing development and service work provided by the vendor.

- Loss on debt settlement of $63,397 was incurred in the six months ended April 30, 2020, which was a one-time non-cash loss related to the difference between the value of common shares issued of $200,000 and the book value of debt settled of $136,603. Under IFRS, long-term debts are required to be stated at their present value, thus the loss is the result of a difference between the book value of the debt settled and the value of the amount settled.

- Blockchain costs of $53,035 were incurred for the six months ended April 30, 2020 compared to $852,605 for the six months ended April 30, 2019. The most significant component of these expenses was the acquisition of the core technology of $745,106, which occurred in 2019. Blockchain costs incurred in the six months ended April 30, 2020 included API fees of $21,972 (2019 - $Nil), consulting fees of $26,681 (2019 - $63,194), and anti-money laundering fees of $4,383 ($44,305).

- Accretion expense of $34,217 was incurred in the six months ended April 30, 2020 (2019 - $34,907), in respect of the Company's long-term debt due to the vendor of its core blockchain technology. Accretion is accrued at the rate of 10% per annum until the maturity of the long-term debt, which is due November 10, 2023.

- Office and general expenses of $76,986 were incurred in the six months ended April 30, 2020 (2019 - $17,682), which is comprised of rent of $17,783 (2019 - $3,887), server hosting fees of $16,964 (2019 - $8,940), and other items such as office, supplies, travel, meals, and promotional expenses totaling $42,239 (2019 - $4,855).

Loss per share was ($0.03) for the six months ended April 30, 2020, compared to ($0.05) for the six months ended April 30, 2019.

Three months ended April 30, 2020 compared to 2019

During the three months ended April 30, 2020, net loss was $380,153 compared to $79,293 for the thee months ended April 30, 2019.

Net loss is primarily comprised of the following:

- Professional fees of $192,337 were incurred in the three months ended April 30, 2020 (2019 - $31,799), which are legal fees for evaluating and assisting in the setup of the business structure, as well as review of agreements, corporate record keeping, and preparing the prospectus.

- Blockchain service fees of $121,000 were incurred for the three months ended April 30, 2020 (2019 - $Nil), which were paid to the vendor of the core blockchain technology, for 24/7 support and continuing development and service work provided by the vendor.

- Blockchain costs of $21,756 were incurred for the three months ended April 30, 2020 compared to $20,016 for the three months ended April 30, 2019. Blockchain costs incurred in the three months ended April 30, 2020 included API fees of $5,555 (2019 - $Nil), consulting fees of $12,201 (2019 - $20,243).

- Accretion expense of $16,791 was incurred in the three months ended April 30, 2020 (2019 - $18,168), in respect of the Company's long-term debt due to the vendor of its core blockchain technology. Accretion is accrued at the rate of 10% per annum until the maturity of the long-term debt, which is due November 10, 2023.

- Office and general expenses of $28,269 were incurred in the three months ended April 30, 2020 (2019 - $9,310), which is comprised of rent of $9,082 (2019 - $1,962), server hosting fees of $11,717 (2019 - $3,495), and other items such as office, supplies, travel, meals, and promotional expenses totaling $7,470 (2019 - $3,853).

Loss per share was ($0.02) for the three months ended April 30, 2020, compared to ($0.00) for the three months ended April 30, 2019.

Discussion of Operations

The Company is in a very early stage of development and as of the date hereof has no revenue. As a result, there are no costs of sales or gross profits to report. This year, the Company has been focused on building a relationship with a schedule 1 Canadian bank and trust company, building a relationship with a payment service provider, and raising funds pursuant to various private placements in order to cover the cost of operating expenses. In the near future, the Company plans to organize and conduct a marketing campaign in an effort to bring users onto the Company's platform. Effective July 20, 2020, the Company entered into a custodial agreement ("Custodial Agreement") with Concentra Trust, a federal trust company incorporated pursuant to the laws of Canada. Users who purchase the Company's stablecoin CADT will deposit Canadian dollar funds with the Company, who is holding funds in trust for the benefit of the users. Under the terms of the Custodial Agreement, the Company has nominated Concentra Trust as its agent to hold the Canadian dollar funds representing corresponding CADT issued to users.

To date there have been no unusual or infrequent events or transactions.

Summary of Quarterly Results

The Company's selected quarterly results for the eight most recently completed interim financial periods are as follows. The Company was incorporated on June 18, 2018, and accordingly, there are no fiscal periods prior to this date.

Quarter Fiscal Year	**Q2 2020**	**Q1 2020**	**Q4 2019**	**Q3 2019**	**Q2 2019**	**Q1 2019**	**Q4 2018**	**Q3 2018**
Net loss	(380,153)[(1)]	(252,547)[(2)]	(99,451)[(3)]	(102,788)[(4)]	(79,294)[(5)]	(857,699)[(6)]	-	-
Loss per share	(0.02)	(0.01)	(0.00)	(0.01)	(0.00)	(0.05)	(0.00)	(0.00)

(1) Increase from prior quarter was $127,606 and was primarily comprised of increased legal fees of $101,001 and system development service charges from Jiangsu Hengwei of $121,000. A significant decrease compared to the previous quarter was the non-recurrence of the loss on debt settlement in the first quarter of $63,397.

(2) Increase from prior quarter was $153,096, of which $63,397 was a one-time, non-cash loss on debt settlement related to the issuance of common shares for partial settlement of the Company's long-term debt. Further increases in expenses for the first quarter included an increase in legal fees of $59,026, a further $10,791 for consultants' time, and a further $10,939 in API fees, as compared to the previous quarter.

(3) Decrease from prior quarter was $3,337 and was primarily comprised of increased professional fees expense of $22,185 and decreased blockchain costs of $23,431. Increased professional fees relate to capital transactions and are related to the Company's prospectus.

(4) Increase from prior quarter was $23,494 and was primarily comprised of increased blockchain costs of $12,355 and increased professional fees of $11,889. Increased professional fees relate to capital transactions and are related to the Company's prospectus.

(5) Decrease from prior quarter was $778,405 and was primarily comprised of decreased blockchain costs of $812,119 and increased professional fees of $31,347. The decreased blockchain costs is primarily from the purchase of the core blockchain technology which occurred in Q1 and did not reoccur for Q2.

(6) Increase from prior quarter was $857,699 and was a result of the purchase of the Company's core blockchain technology, for $754,106, as well as other blockchain consulting costs of $78,256 for developing anti-money laundering procedures.

Liquidity and Capital Resources

As at April 30, 2020, the Company has cash of $114,632 available to settle accounts payable of $88,631 and advances from a shareholder of $55,164 (October 31, 2019 – cash of $105,100 to settle accounts payable of $47,134). The Company also has a long-term debt of $1,000,000 due November 10, 2023, which is presented at its present value of $715,189 on the statement of financial position as at April 30, 2020.

During the six months ended April 30, 2020, the Company settled $200,000 of principal of its long-term debt, reducing the principal balance from $1,200,000 as of October 31, 2019 to $1,000,000 as of April 30, 2020. Under IFRS, long-term debts are required to be stated at their present value, thus at the time of settlement there was a difference between the book value of the settled debt and the value of the principal. At the time of settlement, the book value of the principal of $200,000 that was settled was $136,603, and a non-cash accounting loss of $63,397 was incurred as a result of the early settlement.

The Company does not currently have a recurring source of revenue and has incurred negative cash flows from operations since inception. As at April 30, 2020, the Company has negative working capital of ($25,187) As at October 31, 2019, the Company had working capital of $63,949. All cash is held at a chartered bank in Canada and is unrestricted.

Management intends to finance operations through continued equity financings until the Company's blockchain platform is ready to operate, at which time it can begin earning revenue.

The Company does not have bank debt or banking credit facilities in place as at the date of this report.

The Company has a contractual commitment to pay $240,000 to the vendor of its underlying blockchain technology for software maintenance and support, for the 5-year term ending November 10, 2023. The Company recognizes an expense when invoices are received in respect of this maintenance and support, which thus far have been below the specified amount of $240,000, as the platform has not been fully operational throughout the year.

Outstanding Share Data

During the six months ended April 30, 2020 and 2019, the Company transacted in its issued and outstanding common and preference shares as follows:

(i) Issued 450,000 common shares in private placements at a price of $0.11 per share for gross proceeds of $50,000 in November 2019.

(ii) Issued 1,131,771 common shares in private placements at a price of $0.53 per share for gross proceeds of $599,000 from November 2019 to March 2020. As described in note 5, 378,000 of these shares were issued directly to the creditor for the long-term debt as a partial debt settlement.

(iii) Exchanged 4,959,398 preference shares for 4,959,398 common shares on January 10, 2020.

On December 23, 2019, the Company authorized a stock dividend of 14,874,542 common shares to effect an increase in the number of shares issued and outstanding, on the basis of 180 new common shares for each existing common share as at that date. All quantities of common shares in these financial statements are stated on a post-dividend basis.

On January 10, 2020, the Company amended its articles of incorporation to redesignate the preference shares as common shares effective as at that date.

As at April 30, 2020, the Company has 20,481,809 common shares issued and outstanding.

As at June 25, 2020, the Company has 20,481,809 common shares issued and outstanding.

Off Balance Sheet Arrangements

There were no off balance sheet arrangements as at April 30, 2020.

Transactions with Related Parties

All transactions with related parties have occurred in the normal course of operations. The Company's related party transactions are as follows:

(a) Key management personnel are those individuals having responsibility for planning, directing, and controlling the activities of the Company. BVCI considers its President to be the sole member of key management. The President is also a significant shareholder and is a director of the Company. For the six months ended April 30, 2020, compensation paid to key management personnel was $900 (2019 - $Nil).

(b) Advances made to the President of the Company are described in note 4. During the three months ended April 30, 2020 and 2019, the Company exchanged 4,959,398 preference shares for 4,959,398 common shares which belonged to the President.

Key Risks and Uncertainties

Management has identified the following risks and uncertainties:

Absence of Operating History

The Company has a limited operating history on which an investor might evaluate its performance. It is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel and financing sources and lack of revenues, any of which could have a material adverse effect on the Company and may force it to reduce or curtail its operations. The Company is not currently profitable and has incurred operating losses since its inception. There is no assurance that the Company will generate profits in the future, or that profitability will be sustained, and the likelihood of success must be considered in light of the early stage of its operations. Even if the Company accomplishes its objectives, it may not generate positive cash flows or profits.

Operational Risk

Operational risk is the risk of an adverse outcome resulting from inadequate or failed internal processes, people, systems or external events. The Company's exposure to operational risk arises from routine processing errors, as well as extraordinary incidents, such as major systems failures or legal and regulatory matters. Because the Company's business lines are reliant on both technology and human expertise and execution, the Company is exposed to material operational risk arising from a number of factors, including, but not limited to, human error, processing and communication errors, errors of third-party service providers, counterparties or other third parties, failed or inadequate processes, design flaws and technology or system failures and malfunctions.

Operational errors or significant operational delays could materially negatively impact the Company's ability to conduct its business or service its clients, which could adversely affect results of operations due to potentially higher expenses and lower revenues, create liability for the Company or its clients or negatively impact its reputation. Recurring operational issues may also raise concerns among regulators regarding the Company's governance and control environment.

Future Capital Needs and Uncertainty of Additional Financing

The Company currently anticipates that its cash balance will be sufficient to meet its presently anticipated working capital and capital expenditure requirements over the next 12 months. However, the Company may need to raise additional funds in order to support expansion, respond to competitive pressures, acquire complementary businesses or technologies or take advantage of unanticipated opportunities. The Company may be required to raise additional funds through public or private financing, strategic relationships or other arrangements. There can be no assurance that such additional funding, if needed, will be available on terms attractive to the Company, or at all. Furthermore, any additional equity financing may be dilutive to shareholders and debt financing, if available, may involve restrictive covenants. If additional funds are raised through the issuance of equity securities, the percentage ownership of the shareholders of the Company will be reduced, shareholders may experience additional dilution in net book value per share, or such equity securities may have rights, preferences or privileges senior to those of the holders of other shares in the capital of the Company. If adequate funds are not available on acceptable terms the Company may be unable to develop or enhance its business, take advantage of future opportunity or respond to competitive pressures, any of which could have a material adverse effect on the Company's business, financial condition and operating results.

Digital Assets and distributed ledger technology may not be widely adopted

Digital Currency is a new asset class that, as of yet, have not been widely adopted. The majority of the Company's business relies, and will rely, on the acceptance and use of CADT at a scale to create demand sufficient to make the Company's business lines commercially viable. Though the Company believes that the anticipated benefits of Digital Currencies will create such demand, there can be no assurance that this will occur, or if it does occur that it will be in the near term.

Unproven Market

CADT is a novel application of technology to the use of Canadian currency as a storage of value and a medium of exchange which aims to facilitate everyday transactions. There is currently no proven market for a service of this kind, and there can be no assurance that a market will develop in the near future, or at all. BVCI is relying on its ability to convince customers that its services are an attractive alternative to other forms of transaction-accessible accounts (such as bank accounts, and competitor virtual payment solutions), and other stores of monetary value (such as currencies, commodities, equities, debt instruments, and ETFs). BVCI believes that its assumptions and projections are reasonable, based on the proven markets for Canadian currency, and for internet-based payment settlement services, but there can be no assurance that this will be the case. Any failure to develop and sustain a market for BVCI's services could adversely affect BVCI's business, operations, and financial condition.

Interest in Canadian Dollars

The development of BVCI's business depends on the interest of the public wishing to hold and transact in Canadian dollars. Accordingly, BVCI's ability to establish its business and become profitable depends on the public's perception of Canadian dollars and on its future foreign exchange rate with other currencies, and will be significantly affected by changes in such foreign exchange rates. Foreign exchange rates can be subject to volatile price movements which can be material and occur over short periods of time, and which are affected by numerous factors, all of which are beyond BVCI's control. Such factors include, but are not limited to, interest rates, inflation or deflation, fluctuations in the value of the Canadian dollar and foreign currencies, global and regional supply and demand, speculative trading, and political and economic conditions. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems, the strength of and confidence in the Canadian dollar, and political developments. The effect of these factors on the value of the Canadian dollar (and hence the CADT), and therefore the economic viability of any of BVCI's business, cannot be accurately determined.

Lack of Regulation and Customer Protection

BVCI's business is designed to be in full compliance with all legal and regulatory requirements of its users, including anti-money laundering legislation and banking department recordkeeping requirements, as well as being fully integrated with the ability to check various worldwide watch lists for wanted criminals and terrorists. Nevertheless, the fact that BVCI is not a bank, investment dealer or trust company, may result in the business of BVCI not being subject to a regulatory environment which is as extensive and robust as the regulatory environment for financial institutions. Furthermore, BVCI does not have insurance through government sponsored programs or deposit insurance and has no private insurance coverage. Although Canadian money is held by the Escrow Agent there can be no assurance that a third party will not claim an interest in such property in a legal proceeding or claim against BVCI, the Trustee, or any of their respective affiliates.

Critical Accounting Judgments, Estimates, and Assumptions

Preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses during the 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. Uncertainty about these judgments, estimates, and assumptions could result in material adjustment to the carrying amount of the asset or liability affected in future periods.

Significant areas of estimation uncertainty considered by management in preparing the financial statements are as follows:

Going Concern

Management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. However, material uncertainty exits that casts significant doubt upon the Company's ability to continue as a going concern.

Recognition of Deferred Tax Assets

Deferred tax assets are recognized in respect of tax losses and other temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits, together with future tax planning strategies. These estimates will affect the reported amounts of deferred tax assets and expenses.

Measurement of Long-Term Debt

Long-term debt is measured at the present value of the principal amount of the debt, using a discount rate which is an estimate of the Company's marginal borrowing rate. This estimate is highly subjective, given that the Company does not presently have any interest-bearing debt, and its actual borrowing rate may change over the period to maturity, given the nature of the Company's business and the market in which it operates. These estimates will impact the carrying value of long-term debt and accretion expense recognized

Financial Risk Management

Fair Values

The Company's financial instruments consist of cash, advances to shareholder, accounts payable and accrued liabilities, and long-term debt. The fair values of these instruments, except for long-term debt, approximate their carrying values due to the short-term nature of these instruments. The long-term debt is carried at its present value, which is the discounted value of the cash flows required to settle the obligation.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company manages its liquidity risk by forecasting cash flows and anticipated investing and financing activities. Officers of the Company are actively involved in the review and approval of planned expenditures. As at April 30, 2020, the Company has liabilities of $143,795 due within twelve months and has cash of $114,632 to meet its current obligations (2019 - liabilities of $47,134 due within twelve months and cash of $105,100). As a result, management has judged liquidity risk to be high.
The following are the Company's financial obligations based on their due dates:

	Payments due by period			
	Less than 1 year	**1 - 3 years**	**4 - 5 years**	**Total**
April 30, 2020				
Accounts payable	$ 88,631	$ -	$ -	$ 88,631
Advances from shareholder	55,164	-	-	55,164
Long-term debt	-	-	1,000,000	1,000,000
	$ 143,795	$ -	$ 1,000,000	$ 1,143,795
October 31, 2019				
Accounts payable	$ 47,134	$ -	$ -	$ 47,134
Long-term debt	-	-	1,200,000	1,200,000
	$ 47,134	$ -	$ 1,200,000	$ 1,247,134

Credit Risk

Credit risk is the risk of loss associated with a counter party’s inability to fulfil its payment obligations. As at April 30, 2020, the Company's maximum exposure to credit risk is $114,632 and is comprised of cash (October 31, 2019 $105,100). All of the Company's cash is held in a chartered bank in Canada. The advances to the President are considered of low credit risk due to his investment and involvement in the Company. Management has judged credit risk to be low.

Additional Information

Additional information about the Company is available on SEDAR at www.sedar.com and at the Company’s website at https://bvcinc.ca/.