

FOGCHAIN CORP.

**CSE FORM 2A
LISTING STATEMENT**

May 24, 2018

TABLE OF CONTENTS

GLOSSARY	3
FORWARD LOOKING STATEMENTS	6
GENERAL MATTERS.....	6
1. CORPORATE STRUCTURE.....	7
2. GENERAL DEVELOPMENT OF THE BUSINESS.....	8
3. NARRATIVE DESCRIPTION OF THE BUSINESS.....	10
4. SELECTED CONSOLIDATED FINANCIAL INFORMATION	16
5. MANAGEMENT'S DISCUSSION AND ANALYSIS	18
6. MARKET FOR SECURITIES	19
7. CONSOLIDATED CAPITALIZATION	19
8. OPTIONS TO PURCHASE SECURITIES.....	19
9. DESCRIPTION OF THE SECURITIES	20
10. ESCROWED SECURITIES	23
11. PRINCIPAL SHAREHOLDERS	23
12. DIRECTORS AND OFFICERS OF THE ISSUER.....	24
13. CAPITALIZATION	29
14. EXECUTIVE COMPENSATION	31
15. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS	34
16. RISK FACTORS.....	34
17. PROMOTERS.....	43
18. LEGAL PROCEEDINGS	43
19. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	43
20. AUDITORS, TRANSFER AGENTS AND REGISTRARS	43
21. MATERIAL CONTRACTS.....	44
22. INTEREST OF EXPERTS.....	44
23. OTHER MATERIAL FACTS	45
24. FINANCIAL STATEMENTS.....	45
SCHEDULE "A" – FOGCHAIN FINANCIAL STATEMENTS.....	48
SCHEDULE "B" – PRO-FORMA FINANCIAL STATEMENTS	49

GLOSSARY

“Annual MD&A” means the Issuer’s MD&A for the year ended December 31, 2017;

“Acquisition” means the acquisition of all the issued and outstanding FogChain Shares by the Issuer as set out in the Merger Agreement;

“Agency Agreement” means the agency agreement dated March 6, 2018 among FogChain, the Issuer and the Agents in respect of the Financing;

“Agents” means collectively Canaccord Genuity Inc., Haywood Securities Inc. and PI Financial Corp;

“Agents’ Warrants” means the common share purchase warrants of the Issuer for which FogChain Agents’ Warrants were exchanged pursuant to the Merger Agreement, with each such Agent’s Warrant having the same economic value as a FogChain Agents’ Warrant;

“Applicable U.S. Stockholders” has the meaning ascribed to such term in the Merger Agreement;

“Associate” has the meaning ascribed to such term in the *Securities Act* (Ontario), as amended, including the regulations promulgated thereunder;

“Auditors” has the meaning ascribed to it in section 20.1 of this Listing Statement;

“Board” means the board of directors of the Issuer;

“Canadian Resident Shareholder” means a beneficial holder of FogChain Shares who, for purposes of the *Income Tax Act* (Canada) is either resident in Canada or a “Canadian partnership”;

“Certificate of Merger” means the certificate filed under the DGCL in connection with Merger;

“Common Shares” means the common shares of the Issuer;

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

“CSE” means the Canadian Securities Exchange;

“CSE Listing” means the listing of the Common Shares on the CSE;

“DGCL” means the Delaware *General Corporation Law*, as amended;

“Effective Date” means the effective date of the Merger (Delaware time), which shall be the date on the Certificate of Merger;

“Effective Time” means the time set out in the Certificate of Merger for the Merger (Delaware time) on the Effective Date;

“Escrow Agent” means TSX Trust Company, in its capacity as escrow agent for the Common Shares held in escrow under the Escrow Agreement;

“Escrow Agreement” has the meaning ascribed to it in section 10 of this Listing Statement;

“Financial Statements” means the statement of financial position of the Issuer as at December 31, 2017 and the statements of comprehensive loss, changes in shareholders’ equity (deficiency), and cash flows for the years then ended;

“Financing” means the brokered private placement financing of FogChain completed on March 6, 2018 raising gross proceeds of C\$5,391,297.36 through the issuance of 9,983,884 Subscription Receipts at a price of C\$0.54 per Subscription Receipt;

“FogChain” means FogChain, Inc.;

“FogChain Agents’ Warrants” means the common share purchase warrants of FogChain issued to the Agents pursuant to the Financing, with each warrant entitling the holder thereof to acquire one (1) FogChain Share at an exercise price equal to C\$0.54 pursuant to the terms of the compensation warrant certificate;

“FogChain Convertible Notes” means the US\$400,000 principal amount of convertible notes issued by FogChain.

“FogChain Shareholders” means the shareholders of FogChain;

“FogChain Shares” means the common stock in the capital of FogChain;

“Governmental Authority” means any (a) multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, court, tribunal, commission, board or agency, domestic or foreign, or (b) regulatory authority, including any securities commission, or stock exchange, including the CSE;

“Issuer” means FogChain Corp. (formerly Mukuba Resources Limited);

“Listing Date” means the date of the CSE Listing;

“Listing Statement” means this listing statement;

“Mergeco” means FogChain, the surviving corporation of the Merger of Subco with and into FogChain pursuant to the Merger which retained the name “FogChain, Inc.”;

“Merger” means the combination of the businesses of FogChain and the Issuer by way of a reverse triangular merger of Subco into FogChain under the DGCL pursuant to which FogChain became a wholly-owned subsidiary of the Issuer in accordance with the Merger Agreement;

“Merger Agreement” means the agreement dated May 18, 2018 made among the Issuer, Subco and FogChain;

“MD&A” means management’s discussion and analysis;

“OBCA” means the *Business Corporations Act* (Ontario), as amended, including the regulations promulgated thereunder;

“person” means a Company or individual;

“Plan” has the meaning ascribed to it in section 8 of this Listing Statement;

“Pro-Forma Financial Statements” means the unaudited pro forma statement of financial position for the Issuer as at December 31, 2017 to give effect to the Transaction as if it had taken place as of December 31, 2017, which is attached as Schedule “B” of this Listing Statement;

“RadJav Agreement” has the meaning ascribed to it in section 3.1(1) of this Listing Statement;

“RadJav Engine” has the meaning ascribed to it in section 3.1(1) of this Listing Statement;

“Restricted Voting Common Shares” means the class A restricted voting shares in the capital of the Issuer;

“SEDAR” means System for Electronic Document Analysis and Retrieval;

“Subco” means Mukuba Subco Inc., a wholly-owned subsidiary of Mukuba Resources Limited incorporated pursuant to the laws of the State of Delaware to facilitate the completion of the Merger;

“Subco Shares” means shares in the common stock of Subco;

“Subscription Receipts” means the subscription receipts of FogChain issued under the Financing, each automatically convertible into one (1) FogChain Share for no additional consideration upon satisfaction of the Escrow Release Conditions (as defined in the Agency Agreement) prior to the Merger;

“Transaction” means the completion of the Acquisition and the CSE Listing;

“TSX Trust” means TSX Trust Company; and

“TSXV” means the TSX Venture Exchange Inc.

FORWARD LOOKING STATEMENTS

Certain statements contained in this Listing Statement constitute forward-looking information and forward-looking statements (collectively, **“forward-looking statements”**) pursuant to the applicable securities laws. All statements, other than statements of historical fact, contained in this Listing Statement are forward-looking statements, including, without limitation, statements regarding the future financial position, business strategy, proposed acquisitions, budgets, projected costs and plans and objectives of the Issuer. The use of any of the words “anticipate”, “intend”, “continue”, “estimate”, “expect”, “may”, “will”, “plan”, “project”, “should”, “believe” and similar expressions are intended to identify forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Examples of such statements include: (A) expectations regarding the Issuer’s ability to raise capital; (B) the intention to grow the business and operations of the Issuer; and (C) the use of available funds of the Issuer. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Listing Statement. Such forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to: the economy generally; obtaining requisite licenses or governmental approvals to conduct business; the revenues from the Issuer’s proposed business in information technology relating to Blockchain technology, if any revenues are obtained; consumer interest in the products of the Issuer; competition; and anticipated and unanticipated costs. These forward-looking statements should not be relied upon as representing the Issuer’s views as of any date subsequent to the date of this Listing Statement. Although the Issuer has attempted to identify important 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 not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The factors identified above are not intended to represent a complete list of the factors that could affect the Issuer. Additional factors are noted under “Risk Factors” in this Listing Statement. The forward-looking statements contained in this Listing Statement are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this Listing Statement are made as of the date of this Listing Statement and the Issuer does not undertake an obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless required by applicable securities legislation.

GENERAL MATTERS

Any market data or industry forecasts used in this Listing Statement, unless otherwise specified, were obtained from publicly available sources. Although the Issuer believes these sources to be generally reliable, the accuracy and completeness of such information are not guaranteed and have not been independently verified.

Statistical information included in this Listing Statement and other data relating to the industry in which the Issuer intends to operate is derived from recognized industry reports published by industry analysts, industry associations and independent consulting and data compilation organizations.

In this Listing Statement, references to “C\$” are to the lawful currency of Canada and references to “US\$” are to the lawful currency of the United States of America.

1. CORPORATE STRUCTURE

1.1 Corporate Name and Office

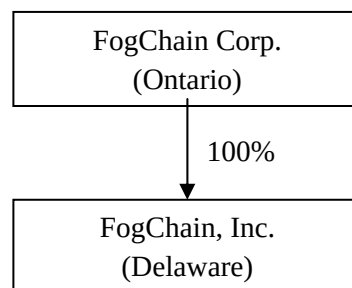
The Issuer’s registered and records office is located at 181 Bay Street, Suite 4400, Toronto, Ontario, Canada, M5J 2T3.

1.2 Jurisdiction of Incorporation

The Issuer was incorporated under the name Redaurum Red Lake Mines Limited by Articles of Incorporation dated February 7, 1984, under the *Business Corporations Act* (Ontario). The articles of the Issuer were amended on (i) May 5, 1994, to change the name of the Issuer to Redaurum Limited, (ii) December 15, 2003, to change the number of directors to a minimum of three (3) and a maximum of 20, (iii) April 14, 2004, to change the name of the Issuer to BF Minerals Limited and to consolidate the issued and outstanding Common Shares on a basis of one (1) new Common Share for each 40 issued and outstanding Common Shares, (iv) on June 27, 2008, to change the name of the Issuer to Mukuba Resources Limited and to consolidate the issued and outstanding Common Shares on a basis of one (1) new Common Share for each 4.0987 issued and outstanding Common Shares, (v) on August 31, 2012 to consolidate the issued and outstanding Common Shares on a basis of one (1) new Common Share for each four (4) issued and outstanding Common Shares, (vi) on August 10, 2016 to consolidate the issued and outstanding Common Shares on a basis of one (1) new Common Share for each 30 issued and outstanding Common Shares, and (vii) on May 23, 2018 to change the name of the Issuer to FogChain Corp., to consolidate the issued and outstanding Common Shares on a basis of one (1) new Common Share for each 1.66 issued and outstanding Common Shares and to add the Restricted Voting Common Shares as an additional class of shares of the Issuer.

1.3 Intercorporate Relationships

The following chart illustrates the intercorporate relationships that exists among the Issuer and its subsidiaries as at the date hereof.



1.4 Fundamental Change

The Issuer is applying to list the Common Shares on the CSE following the fundamental change, being the Acquisition. Prior to completing the fundamental change, the Issuer was known as Mukuba Resources Limited, with no subsidiaries, affiliates or associated companies and FogChain was a privately held Delaware company.

1.5 Non-Corporate Issuers and Issuers Incorporated Outside of Canada

The Issuer is not a non-corporate issuer or issuer incorporated outside of Canada.

2. GENERAL DEVELOPMENT OF THE BUSINESS

2.1 General Development of the Business

In the Issuer's three (3) most recently completed financial years, the Issuer's principal activity was identifying a new project in the mining and resource, oil and gas, or technology sectors or other opportunities to create shareholder value.

On May 18, 2018, the Issuer entered into the Merger Agreement with Subco and FogChain, pursuant to which:

- (a) the FogChain Convertible Notes issued and outstanding immediately prior to the Effective Time were converted into 9,000,000 FogChain Shares pursuant to the terms of the FogChain Convertible Notes, which were issued to holders of the FogChain Convertible Notes pro rata in proportion to their holdings of FogChain Convertible Notes;
- (b) each FogChain Share issued and outstanding immediately prior to the Effective Time (including the FogChain Shares in accordance with paragraph (a) above) was exchanged by each FogChain Shareholder, other than Applicable U.S. Stockholders and Canadian Resident Shareholders, for one (1) fully paid and non-assessable Common Share;
- (c) each FogChain Share issued and outstanding immediately prior to the Effective Time and held by Applicable U.S. Stockholders (including the FogChain Shares in accordance with paragraph (a) above) were exchanged by each holder thereof for one (1) fully paid and non-assessable Restricted Voting Common Share;
- (d) each FogChain Share issued and outstanding immediately prior to the Effective Time and held by a Canadian Resident Shareholder (including the FogChain Shares in accordance with paragraph (a) above) was disposed of to the Issuer in exchange for one (1) fully paid and non-assessable Common Share;

- (e) each FogChain Share exchanged for one (1) fully paid and non-assessable Common Share in accordance with paragraph (b) above was cancelled;
- (f) each FogChain Share exchanged for one (1) fully paid and non-assessable Restricted Voting Common Share in accordance with paragraph (c) above was cancelled;
- (g) each FogChain Share disposed of to the Issuer in exchange for one (1) fully paid and non-assessable Common Share in accordance with paragraph (d) above was exchanged for one (1) share of common stock of Mergeco;
- (h) each Subco Share issued and outstanding immediately prior to the Effective Time was exchanged for one (1) share of common stock of Mergeco;
- (i) each FogChain Agents' Warrant outstanding immediately prior to the Effective Time was exchanged for one (1) Agents' Warrant on economically equivalent terms;
- (j) all FogChain Agents' Warrants exchanged for Agents' Warrants in accordance with paragraph (i) above were cancelled;
- (k) Mergeco issued 72,983,884 shares of common stock of Mergeco to the Issuer in consideration of the Issuer issuing Common Shares, Restricted Voting Common Shares and Agents' Warrants pursuant to paragraphs (b), (c) (i) above, respectively; and
- (l) Mergeco became a wholly-owned subsidiary of the Issuer.

The acquisition of FogChain was an arm's length transaction for the Issuer. No formal valuation was commissioned or received in connection with the Acquisition.

Additional information pertaining to the Issuer including financial information, is contained in the various disclosure documents of the Issuer filed with applicable securities commissions and made available under the Issuer's SEDAR profile at www.sedar.com.

2.2 Significant Acquisitions or Dispositions

Other than the acquisition of FogChain described in this Listing Statement, the Issuer has not completed any significant acquisitions or dispositions during the Issuer's three (3) most recently completed financial years.

On May 24, 2018, the Issuer completed the acquisition of FogChain pursuant to the Merger Agreement.

2.3 Trends, Commitments, Events or Uncertainties

Except as may be disclosed elsewhere in this Listing Statement, the Issuer is not aware of any trend, commitment, event or uncertainty presently known to management and reasonably expected to have a material effect on the Issuer's business, financial condition, or results of operations.

3. NARRATIVE DESCRIPTION OF THE BUSINESS

3.1 (1) Description of the Business

The Issuer was engaged in identifying oil and gas, technology or other opportunities to create shareholder value. Following the completion of the Acquisition, the Issuer assumed the business of FogChain.

FogChain is a private company, incorporated under the laws of Delaware. FogChain is based in San Carlos, California.

FogChain provides a software development platform that enables any company, of any size, to rapidly deploy apps on all popular platforms, i.e. iOS, Android, HTML5, Windows and OSX, using one body of source code (or “code base”). Traditionally, software applications are developed on one platform and then re-developed, or “ported”, to other platforms. With FogChain’s software development platform, developers only need to develop one code base, and the application will work on all platforms. Compared to other software development platforms, FogChain’s software development platform allows for applications to be developed faster, cheaper and more efficiently for use on all popular platforms. FogChain’s software development platform eliminates the dependency of applications on multiple runtime libraries (runtime libraries are platform-specific collections of functions used by an application when running), the need to compile code multiple times, and reduces need for multiple development teams and overhead.

FogChain plans to host the service in the “fog”, which leverages “edge computing” to carry out operations, as opposed to traditional cloud computing which leverages a datacenter. “Edge computing” refers to performing data processing at the edge of the network, near the source of the data. This approach uses resources that may not be continuously connected to a network such as laptops, smartphones, tablets and sensors. The “Fog” differs from the cloud in that it is decentralized, implying distribution of the communication, computation, and storage resources on or close to the end user. “Fog Computing” utilizes decentralized computing resources and application services which are closer to the endpoints of software applications. FogChain combines the advantages of both through a decentralized software development suite. This architecture has the potential to reduce cost and enhance operational quality and efficiency.

FogChain anticipates it will generate revenue through both licensing and delivering Software as a Service (SaaS) on a monthly and yearly subscription basis, as well as application development and implementation of Blockchain software as a consulting service tailored to large enterprise clients, who may not be interested in a public Blockchain solution but prefer a private, more finely-tuned Blockchain implementation. Blockchain is a decentralized and distributed digital ledger that is used to record transactions across many computers so that the record cannot be altered retroactively without the alteration of all subsequent blocks and collusion of the network. At present, many companies are investigating and implementing Blockchain solutions in a variety of industries, including supply chain, mobile networks, real estate, personal information. Enterprises will require companies such as FogChain to advise on and implement these Blockchain solutions.

Intellectual Property Development

Development of FogChain's intellectual property began in April 2017, when FogChain's founders conducted a search for comparable products, services and prior art and identified a market opportunity. FogChain is currently pursuing patents protection on several inventions involving rapid software development, improved Blockchain technologies, and edge computing. In connection therewith, FogChain engaged the services of Knobbe, Marten, Olson & Bear, LLP, one of the largest U.S. intellectual property and technology law firms. FogChain's intellectual property counsel has conducted research on the patentability of the FogChain's inventions and believes the inventions are valid. The patents are currently being written with formal application to be made within approximately 60 days from the date of this Listing Statement. Since December 2017, FogChain has paid an aggregate of approximately US\$23,000 in legal expenses in connection with its patent applications.

To further bolster its strategy to develop valuable intellectual property, FogChain appointed Charles Berman as a director of FogChain on January 11, 2018. Mr. Berman practiced as intellectual property attorney with Greenberg Traurig LLP until 2016.

(a) Business Objectives

The Issuer expects to accomplish the following business objectives over the following 12-month period:

- (a) Launch first version of the application development platform;
- (b) Expand offerings by adding a SaaS product;
- (c) Improve the initial service features with rollout of Rapid Software Development Platform Enterprise Edition to include: Single sign-on, group management and team communications;
- (d) Launch a "Land-and-Expand" enterprise sales program to penetrate existing markets and upsell through the enterprise;
- (e) Make selective acquisitions to add new improvements; and
- (f) Secure 25 paying enterprise customers.

It is anticipated that the Issuer's main sources of revenue will be from:

- (a) licensing and delivering Software as a Service (SaaS) on a monthly and yearly subscription basis; and
- (b) application development and implementation of Blockchain software tailored to large enterprise clients on a consulting basis.

(b) Milestones

Below are the key milestones targeted to be met by the Issuer to achieve the business objectives set out in subsection 3.1(1)(a) above:

	Description	Timeframe	Estimated Costs
Phase 1	Complete an initial capital raise of at least C\$5 million	May 2018	Net of fees
Phase 2	Complete development of Rapid Software Development Platform – MVP Version 1.0	June 2018	C\$300,000
Phase 3	Expand development team (hire four (4) full-time developers)	June 2018	C\$600,000 per year
Phase 4	Launch Land-and-Expand enterprise sales program (hire President of Sales and team)	September 2018	C\$500,000 per year
Phase 5	Initiate mergers and acquisitions target search (Hire VP of Corporate Development)	December 2018	C\$250,000 per year
Phase 6	Expand Sales and Marketing team (hire six (6) additional full-time employees to include Sales development representatives and outbound marketing experts)	March 2019	C\$750,000 per year

(c) Funds Available

As of the date hereof, the Issuer has an estimated working capital of approximately C\$5.7 million, the majority of such working capital resulting from the consideration received by the Issuer through the Financing.

(d) Use of Funds

The following table represents the available funds of the Issuer and the principal uses of those funds over a 12-month period:

Use	Amount (C\$)
Research and development	C\$2,000,000
Mergers and Acquisitions	C\$1,200,000
Working capital for sales department (salaries and discretionary spending)	C\$600,000
Working capital for marketing (salaries and discretionary spending)	C\$400,000
General and administrative expenses - Facilities (C\$150,000) - Salaries (C\$1,100,000) - Professional services (C\$250,000)	C\$1,500,000

(2) Principal Products

The Issuer's principal products are as follows:

- (a) licensing and delivering the FogChain software development platform on a Software as a Service (SaaS) model on a monthly and yearly subscription basis (currently under development with an anticipated release of June 2018 and estimated development costs of C\$300,000);
- (b) Rapid Application Software Platform (currently under development with an anticipated release of June 2018 and estimated development costs of C\$200,000) – the first toolkit release with a suite of software development tools including:
 - (i) Multi Platform Software Development;
 - (ii) Deployment;
 - (iii) Server Apps;
 - (iv) Blockchain 1.1 (based on Bitcoin)¹; and
- (c) application development and implementation of Blockchain software tailored to large enterprise clients (service offering only; to begin with the Enterprise edition in Q3 2018);
- (d) V 2.0 of RASP to include:
 - (i) Blockchain Data Center; Release Management/Blockchain Deployment;
 - (ii) Testing; and
 - (iii) Performance Management.

The Issuer's principal markets are as follows:

- a) Segment: SMB / Midmarket;
- b) Personas: Developers, Product, IT, Testing, Consultants Verticals: IoT, B2C, Applications, Social, E-tail, Payment, Hospitality, dev houses, ad-tech, big data; and
- c) Verticals: IoT, B2C Applications, Social, E-tail, Payment, Hospitality, ad-tech, big data.

The Issuer's secondary markets are as follows:

- a) Segment: Enterprise;
- b) Personas: Directors / VPs of Eng, Product, QA, Analytics and Development to CTO, CIO and CEO;
- c) Verticals: Financial, Healthcare, Telecom, Media, B2B Apps., IoT, Social, Hospitality E-Tail, ISV, SI;

Consumers:

¹ "Blockchain 1.0" refers to Bitcoin and simple alt-coins (like Litecoin) that are generally referred to as cryptocurrencies. "Blockchain 1.1" enables users to deploy a private Blockchain using the Bitcoin protocol.

Any individual or business that develops software and/or has a web presence that can benefit from accelerated software development using the Blockchain. The Issuer will initially target the consumer segment.

Enterprises:

The Issuer's second product iteration will be enterprise-grade application capable of seamless large-scale company integration. The Issuer anticipates it will sell directly into large organizations in various industries.

The Issuer anticipates continuing to conduct its own research and development for its products and services.

(3) Production and Sales

Specialized Skill and Knowledge

The Issuer has a strong management team with significant software development, go-to-market, marketing and Blockchain experience. Software developers are currently in high demand. Peer-to-peer relationships are instrumental in attracting programmers who are seeking out the next disruptive application.

Accountability and oversight of the Issuer rests with the Issuer's board of directors. The Issuer's board consists of a good mix of technology and capital market expertise so as to drive the value and performance of the Issuer from both a development standpoint and a shareholder value perspective.

An expanded management team will be put in place to oversee the business development activities of the Issuer and perform all core functions.

Employees and Contractors

The Issuer currently has six (6) contractors and employees on staff or under offer to begin work and will expand that number as required by the demands of its business. Other work is performed for the Issuer by contractors and consultants.

The Issuer intends to build an expanded management team, which will include a strong development team that will oversee the business development activities of the Issuer and perform all core functions of the business.

Material Contracts

On January 29, 2018, the Issuer entered into an exclusive software licensing agreement (the "**RadJav Agreement**") with Higher Edge Software, LLC to use the RadJav development engine (the "**RadJav Engine**"). The RadJav Engine enables developers of all kinds and skill levels to easily create desktop, mobile and HTML5 applications using the same code. The Issuer is currently utilizing the RadJav Engine to accelerate development of its software development platform. The RadJav Agreement continues on a monthly recurring basis unless earlier terminated in accordance with its terms. Since January 2018, the Issuer has paid an aggregate of approximately US\$90,000 under the RadJav Agreement for use of the RadJav Engine.

The Issuer has no other material contracts.

(4) Competitive Conditions

There are a number of other providers of software development tools. Some examples include 8base, Pragmatic Coders, Heroku, nanobox, Flynn, Dokku, OpenShift, Rancher, Kubernetes, convox, mesosphere and hyper.sh. However, FogChain's rapid application development and testing platform, as a combined unified platform with a unique Blockchain, does not directly compete with these companies. Our competitors primarily operate as Platform as a Service (PaaS) providers and are cloud-based, whereas FogChain's business is Software as a Service (SaaS) based and will operate a dedicated "edge" or "fog" based network. In addition, our integrated suite of services also includes application testing and deployment as well as the ability to integrate this on a unique Blockchain. While FogChain's competitors may compete with it in one facet of our business or another (rapid application development / application testing / application deployment / Blockchain development) FogChain is neither aware of nor expects any direct competition to offer such an end-to-end Blockchain based solution now or in the near term.

Management of FogChain has carefully reviewed and assessed the marketplace, in addition to its senior management and founders having extensive experience in the application development and testing industries with over 40 years of combined experience, and are highly confident of FogChain's unique market positioning and suite of solutions.

The most significant competition for FogChain are legacy systems or the traditional software development approaches. FogChain's software development system has the potential to gain momentum towards disrupting and replacing many aspects of legacy systems in the coming years. In today's application development, testing, deployment and computing environment, there are three main problems that we believe are ripe to be resolved:

- (1) application development for different devices and platforms is still very disconnected and requires different resources and talent to develop for each device type (desktop, laptop, tablets, smart phones) and operating system (Microsoft, Linux, Android, iOS);
- (2) testing applications and deploying them takes considerable computing resources, which are costly to own and maintain; and
- (3) cyber security to secure networks and applications is very complicated and expensive.

With a unified rapid application development, testing and deployment platform, FogChain plans to solve these issues while democratizing and monetizing the entire application lifecycle while securing it with a unique high performance and secure Blockchain. Leveraging the latest technologies (vs. costly and lower performing legacy systems), FogChain will offer an integrated suite of services that will create a paradigm shift in application development/testing/deployment that will not only perform at a higher level, be more secure and be easier to use, and also be considerably more cost-efficient. Similar to how the Internet and the web browser democratized and monetized the access to information, news and data, FogChain will do so with application development and application lifecycle management.

(5) Lending Operations

Not applicable.

(6) Bankruptcy or Receivership Proceedings

Not applicable.

(7) Material Restructuring Transactions

Not applicable.

(8) Social or Environmental Policies

Not applicable.

3.2 Companies with Asset-backed Securities Outstanding

Not applicable.

3.3 Mineral Projects

Not applicable.

3.4 Issuers with Oil and Gas Operations

Not applicable.

4. SELECTED CONSOLIDATED FINANCIAL INFORMATION

4.1 Financial Information – Annual Information

The Issuer

The following table is a summary of selected financial information of the Issuer for the years ended December 31, 2017, December 31, 2016 and December 31, 2015:

	Year ended December 31, 2017 (audited)	Year ended December 31, 2016 (audited)	Year ended December 31, 2015 (audited)
Revenue	Nil	Nil	Nil
Net Income (Loss)	C\$(56,433)	C\$(118,372)	C\$537,761
Basic and diluted earnings from continued operations (loss) per share	C\$(0.02)	C\$(0.07)	C\$0.37
Total Assets	C\$27,318	C\$5,761	C\$6,489

Total Liabilities	C\$104,288	C\$166,712	C\$49,068
-------------------	------------	------------	-----------

A copy of the Financial Statements previously filed with applicable securities commissions is available on the Issuer's SEDAR profile at www.sedar.com.

A copy of the pro forma consolidated statement of financial position of the Issuer as at December 31, 2017 is attached to Schedule "B" of this Listing Statement.

FogChain, Inc.

The following table is a summary of selected financial information of FogChain for the financial years ended December 31, 2017 and December 31, 2016:

	Year ended December 31, 2017 (audited)	Year ended December 31, 2016 (audited)
Revenue	Nil	Nil
Net Loss	US\$(74,267)	US\$(2,520)
Basic and diluted loss per share	US\$0.00	US\$0.00
Total Assets	US\$353,462	Nil
Total Liabilities	US\$421,334	US\$2,520

A copy of the FogChain financial statements for the years ended December 31, 2017 and December 31, 2016 are attached to Schedule "A" to this Listing Statement.

4.2 Quarterly Information

The Issuer

The following information is in respect of the Issuer for the eight (8) quarters preceding the date of this Listing Statement:

Quarter Ended	Total Revenues	Net Income/Loss	Basic and diluted earning/loss per share
December 31, 2017	Nil	C\$(20,609)	C\$(0.01)
September 30, 2017	Nil	C\$(9,159)	C\$(0.00)
June 30, 2017	Nil	C\$(17,409)	C\$(0.01)

March 31, 2017	Nil	C\$(9,256)	C\$(0.00)
December 31, 2016	Nil	C\$(20,085)	C\$(0.01)
September 30, 2016	Nil	C\$(16,144)	C\$(0.01)
June 30, 2016	Nil	C\$(66,860)	C\$(0.04)
March 31, 2016	Nil	C\$(15,281)	C\$(0.00)

Copies of the respective unaudited interim financial statements for the periods listed above for the Issuer are available on the Issuer's SEDAR profile at www.sedar.com.

FogChain, Inc.

The following information is in respect of FogChain for the seven (7) quarters preceding the date of this Listing Statement for which FogChain had prepared quarterly financial statements for that period:

Quarter Ended	Total Revenues	Net Income/Loss	Basic and diluted loss per share
December 2017	Nil	US\$(43,487.14)	US\$(0.00)
September 30, 2017	Nil	US\$(10,260.00)	US\$(0.00)
June 30, 2017	Nil	US\$(10,260.00)	US\$(0.00)
March 31, 2017	Nil	US\$(10,260.00)	US\$(0.00)
December 31, 2016	Nil	US\$(1,260.00)	US\$(0.00)
September 30, 2016	Nil	US\$(1,260.00)	US\$(0.00)
June 30, 2016	Nil	US\$(0.00)	US\$(0.00)

4.3 Dividends

No dividends on Common Shares have been paid to date.

4.4 Foreign GAAP

Not applicable.

5. MANAGEMENT'S DISCUSSION AND ANALYSIS

A copy of the Annual MD&A related to its financial statements previously filed with applicable securities commissions are available through the Internet under the Issuer's SEDAR profile at www.sedar.com.

6. MARKET FOR SECURITIES

The Common Shares are currently listed on the CSE under the trading symbol “FOG”.

7. CONSOLIDATED CAPITALIZATION

The following table summarizes the Issuer’s consolidated capitalization as at the date of this Listing Statement:

Designation of Security	Amount Authorized	Shares Outstanding (as of the date hereof)
Common Shares	Unlimited	60,343,098
Restricted Voting Common Shares	Unlimited	18,630,000

8. OPTIONS TO PURCHASE SECURITIES

The Issuer currently has a stock option plan which was approved by its shareholders on March 22, 2018 (the “**Plan**”). The following is a brief description of the principal terms of the Plan:

Number of Shares Reserved: The number of Common Shares which may be issued pursuant to options granted under the Plan shall equal to 10% of the issued and outstanding shares of the Issuer from time to time at the date of grant.

Maximum Term of Options: The term of any options granted under the Plan is fixed by the Board and may not exceed five (5) years from the date of grant. The options are non-assignable and non-transferable. The term of an option may not be amended once issued under the CSE requirements. If an option is cancelled prior to the expiry date, the Issuer shall not grant new options to the same person until 30 days have elapsed from the date of cancellation.

Exercise Price: The exercise price of options granted under the Plan is determined by the Board, provided that it is not less than the price permitted by the CSE or, if the shares are no longer listed on the CSE, then such other exchange or quotation system on which the Common Shares are listed or quoted for trading.

Vesting: Vesting, if any, and other terms and conditions relating to such options shall be determined by the Board, or if the Board so elects, the committee, in accordance with the CSE requirements.

Termination: Any options granted pursuant to the Plan will terminate generally within 90 days of the holder ceasing to act as director, officer, or employee of the Issuer or any of its affiliates, and within generally 30 days of the holder ceasing to act as an employee engaged in investor relations activities, unless such cessation is on account of death. If such cessation is on account of death, the options terminate on the first anniversary of such cessation. If such cessation is on account of cause, or terminated by regulatory sanction or by reason of judicial order, the options terminate immediately. Options that have been cancelled or that have expired without having been exercised shall continue to be issuable

under the Plan. The Plan also provides for adjustments to outstanding options in the event of any consolidation, subdivision, conversion or exchange of Common Shares.

Administration: The Plan is administered by the Board of, if the Board so elects, by a committee appointed by the Board.

Board Discretion: The Plan provides that, generally, the number of shares subject to each option, the exercise price, the expiry time, the extent to which such option is exercisable, including vesting schedules, and other terms and conditions relating to such options shall be determined by the Board and in accordance with CSE requirements.

9. DESCRIPTION OF THE SECURITIES

9.1 Description of the Securities

The Issuer will be authorized to issue an unlimited number of Common Shares and an unlimited number of Restricted Voting Common Shares.

Common Shares

The holders of Common Shares will be entitled to receive notice of and to attend all meetings of the shareholders of the Issuer and to one (1) vote per share at meetings of the shareholders of the Issuer. Except as otherwise set out below or as required by law, holders of Common Shares and Restricted Voting Common Shares will vote as one class at all meetings of shareholders of the Resulting Issuer. The holders of Common Shares will also be entitled to receive dividends as and when declared by the Board on the Common Shares as a class, provided that no dividend may be declared or paid in respect of Common Shares unless concurrently therewith the same dividend is declared or paid on the Restricted Voting Common Shares. The holders of the Common Shares shall be entitled, in the event of any liquidation, dissolution or winding up, whether voluntary or involuntary, or any other distribution of assets among the Issuer's shareholders for the purpose of winding up its affairs, (collectively, a "**Liquidation Event**") to share rateably, together with the holders of Restricted Voting Common Shares, in such assets of the Issuer as are available for distribution. All Common Shares outstanding after completion of the Merger will be fully paid and nonassessable and not subject to any pre-emptive rights, conversion or exchange rights, redemption, retraction or surrender provisions, sinking or purchase fund provisions, provisions permitting or restricting the issuance of additional securities or provisions requiring a shareholder to contribute additional capital. The Common Shares shall not be subdivided, consolidated, reclassified or otherwise changed unless contemporaneously therewith the Restricted Voting Common Shares are adjusted proportionately.

Restricted Voting Common Shares

The holders of the Restricted Voting Common Shares, including those issued pursuant to the Merger, will be entitled to receive notice of and to attend all meetings of the shareholders of the Issuer and to one (1) vote per share at any meeting of the shareholders of the Issuer provided that the holders of the Restricted

Voting Common Shares shall not be entitled to vote for the election or removal of the directors of the Issuer. Except as otherwise described herein or as required by law, holders of Common Shares and Restricted Voting Common Shares shall vote as one class at all meetings of shareholders of the Issuer. The holders of Restricted Voting Common Shares will also be entitled to receive dividends as and when declared by the Board on the Restricted Voting Common Shares as a class, provided that no dividend may be declared or paid in respect of Restricted Voting Common Shares unless concurrently therewith the same dividend is declared or paid on the Common Shares. The holders of Restricted Voting Common Shares shall be entitled, in the event of any Liquidation Event to share rateably, together with the holders of the Common Shares in such assets of the Issuer as are available for distribution. No Restricted Voting Common Share shall be transferred by any holder thereof pursuant to an Exclusionary Offer (as defined below) unless concurrently with such an offer, an offer to acquire the Common Shares is made that is identical to the Exclusionary Offer in terms of price per share, percentage of outstanding shares to be taken up (excluding those held by the offeror) and in all other material respects. For these purposes, an **“Exclusionary Offer”** means an offer to purchase Restricted Voting Common Shares which must be made by reason of applicable securities legislation or the rules or policies of a stock exchange to all or substantially all of the holders of the Restricted Voting Common Shares.

Each Restricted Voting Common Share shall be convertible into one (1) Common Share, without payment of additional consideration, at the option of the holder thereof as follows:

- (a) at any time that is not a Restricted Period (as defined below) or with the consent of the Board;
- (b) if the Issuer determines that it has ceased to be a foreign issuer for the purposes of United States securities laws, and has notified the holders of the Restricted Voting Common Shares of such determination;
- (c) if there is an offer to purchase the Common Shares, and the Issuer has notified the holders of the Restricted Voting Common Shares of such offer and commencing on the date the offer is made until completion or termination of such offer.

As used herein, a **“Restricted Period”** means any time at which the Board reasonably believes that the Resulting Issuer is a “domestic issuer” under applicable United States securities laws or would become a as a result of the issuance of Common Shares upon the conversion of Restricted Voting Common Shares.

All Restricted Voting Common Shares outstanding after completion of the Merger will be fully paid and non-assessable and not subject to any pre-emptive rights, retraction or surrender provisions, sinking or purchase fund provisions, provisions permitting or restricting the issuance of additional securities or provisions requiring a shareholder to contribute additional capital. The Restricted Voting Common Shares shall not be subdivided, consolidated, reclassified or otherwise changed unless contemporaneously therewith the Common Shares are adjusted proportionately.

As of the date hereof, 60,184,521 Common Shares and 18,630,000 Restricted Voting Common Shares are outstanding and 686,255 Common Shares are reserved for issuance pursuant to the Agents’ Warrants.

9.2 Debt Securities

Not applicable.

9.3 Other Securities

Not applicable.

9.4 Modification of Terms

Not applicable.

9.5 Other Attributes

Not applicable.

9.6 Prior Sales

The following table summarizes the issuances of securities of the Issuer within 12 months prior to the date of this Listing Statement:

Date of Issue	Number of Securities	Price per Security	Aggregate Price
May 24, 2018	9,000,000 Common Shares ⁽¹⁾	-	US\$400,000
May 24, 2018	9,983,884 Common Shares ⁽²⁾	C\$0.54	C\$5,391,297.36
May 24, 2018	3,750,000 Common Shares ⁽³⁾	C\$0.54	C\$2,025,000
May 24, 2018	207,927 Common Shares ⁽³⁾	C\$0.54	C\$112,280.58

Notes:

- (1) Issued pursuant to the Merger Agreement to holders of the FogChain Convertible Notes.
- (2) Issued pursuant to the Merger Agreement to holders of the Subscription Receipts.
- (3) Issued as finder's fees in connection with the Merger.
- (4) Issued to settle outstanding debts of the Issuer.

9.7 Stock Exchange Price

The Common Shares are listed on the CSE as of the date of this Listing Statement under the symbol "FOG". Prior to May 24, 2018 the Common Shares were listed on the NEX Board of the TSXV under the symbol "MKU.H". The following table sets out the high and low trading price and volume of trading of Common Shares on the CSE and TSXV during the last 12 months:

Period	High (C\$)	Low (C\$)	Volume
March 2018	-	-	0
February 2018	-	-	0

Period	High (C\$)	Low (C\$)	Volume
January 2018 ⁽¹⁾	C\$0.23	C\$0.14	14,250
December 2017	C\$0.25	C\$0.115	68,344
November 2017	-	-	0
October 2017	-	-	0
September 2017	C\$0.055	C\$0.055	185
August 2017	C\$0.055	C\$0.055	4,295
July 2017	C\$0.075	C\$0.075	28
June 2017	C\$0.075	C\$0.075	766
May 2017	C\$0.075	C\$0.075	2,657
April 2017	C\$0.08	C\$0.08	707
March 2017	C\$0.16	C\$0.08	5,660

Note:

- (1) Trading of the Common Shares on the TSXV was halted on January 17, 2018 upon entering into the letter of intent in connection with the Merger Agreement.

10. ESCROWED SECURITIES

Pursuant to the policies of the CSE, an escrow agreement was entered into on May 24, 2018 among the Escrow Agent, the Issuer, and certain FogChain Shareholders (the “**Escrow Agreement**”).

In respect of the Common Shares subject to the Escrow Agreement, 10% of such securities will be released from escrow on the Listing Date. The remaining 90% of such securities will be released from escrow in 15% tranches during consecutive six-month intervals over a 36-month period following the Listing Date. This escrow release schedule is subject to acceleration in accordance with National Policy 46-201 – *Escrow for Initial Public Offerings* and the policies of the CSE. The following table sets forth details of the securities of the Issuer held in escrow:

Number of Securities	Percentage of Class	Release Schedule
3,240,000 Common Shares	5.4%	10% released on the Listing Date 15% released 6 months from the Listing Date 15% released 12 months from the Listing Date
18,630,000 Restricted Voting Common Shares	100%	15% released 18 months from the Listing Date 15% released 24 months from the Listing Date 15% released 30 months from the Listing Date 15% released 36 months from the Listing Date

11. PRINCIPAL SHAREHOLDERS

As of the date of this Listing Statement, the following shareholders own, beneficially and of record, more than 10% of the issued Common Shares:

Name	Number of Shares Held	Percentage of class
James Cerna	18,630,000 Restricted Voting Common Shares ⁽¹⁾	100% ⁽²⁾

Note:

(1) 10,800,000 Restricted Voting Common Shares are registered to James Cerna and 7,830,000 Restricted Voting Common Shares are registered to Newton Energy Inc., an entity controlled by James Cerna.

(2) 100% on a fully-diluted basis.

12. DIRECTORS AND OFFICERS OF THE ISSUER

12.1 Directors and Executive Officers of the Issuer

As of the date of this Listing Statement, the Board is composed of three (3) directors, as set out below.

The name, municipality of residence, position or office held with the Issuer and principal occupation of each director and executive officer of the Issuer, as well as the number of voting securities beneficially owned, directly or indirectly, or over which each exercises control or direction, are as follows:

Name, place of the residence and position with Issuer	Principal occupation during the last five (5) years	Date of appointment as director or officer	Shares Beneficially Owned, Directly or Indirectly, or Controlled or Directed ⁽¹⁾
James Cerna ⁽²⁾ California, USA Chief Executive Officer & Director	Chief Executive Officer, FogChain, Inc. Chief Executive Officer and Chief Financial Officer of SauceLabs, Chief Executive Officer and NetCurrents	May 24, 2018	18,630,000 Restricted Voting Common Shares
Ravinder Kang Vancouver, Canada Chief Financial Officer	Mr. Kang has been a self-employed consultant since April 2015. He was the Director of Listed Issuer Services and held other positions with TMX Group from March 1992 to March 2015. Mr. Kang is currently the principal of RSJ Consulting Inc., a firm that provides corporate finance advice.	May 24, 2018	Nil

Name, place of the residence and position with Issuer	Principal occupation during the last five (5) years	Date of appointment as director or officer	Shares Beneficially Owned, Directly or Indirectly, or Controlled or Directed ⁽¹⁾
Anthony Cerna California, USA Corporate Secretary	14 year veteran of Apple, Inc. most recently as Program Manager of Localization QA. Co-founder of NetCurrents. B.S., University of California, Berkeley.	May 24, 2018	3,240,000 Restricted Shares
Charles Berman ⁽²⁾⁽³⁾ California, USA Director	Principal Shareholder, Greenberg Traurig LLP, Los Angeles office until 2016. Board of Directors, General Counsel and Secretary of Hemopet. Of Counsel, Bugnion S.p.A.	May 24, 2018	Nil
Karamveer Thakur ⁽²⁾⁽³⁾ Vancouver, Canada Director	Capital Markets Consultant Director of Bluerock Ventures Corp, AAJ Capital 1 Corp. and former director of E3 Metals Corp. Leader of the Blockchain and Crypto Investment Initiative at Varshney Capital Corp., a Vancouver-based Merchant Bank	May 24, 2018	Nil

Notes:

- (1) The information as to principal occupation, business or employment and shares beneficially owned or controlled is not within the knowledge of management of the Resulting Issuer and has been furnished by the respective individuals.
- (2) Member of the audit committee.
- (3) Independent director.

12.2 Period of Service of Directors

Each of the directors and officers were appointed upon the closing of the Acquisition. The term of each director expires on the date of the next annual general meeting, unless his or her office is earlier vacated or he or she is removed in accordance with the Issuer's articles and the OBCA.

12.3 Directors and Executive Officers Common Share Ownership

The directors and executive officers of the Issuer as a group, directly or indirectly, will beneficially own or exercise control or direction over 18,630,000 Restricted Voting Common Shares and 3,240,000 Common Shares, representing 100% of the issued and outstanding Restricted Voting Common Shares and 5.4% of the issued and outstanding Common Shares, respectively.

12.4 Committees

The Issuer's audit committee consists of James Cerna, Charles Berman and Karamveer Thakur, each of whom is a director and financially literate in accordance with National Instrument 52-110 *Audit Committees* ("NI 52-110"). Charles Berman and Karamveer Thakur are independent, as defined under NI 52-110, and James Cerna is not independent as he is an officer of the Issuer.

The Board may from time to time establish additional committees.

12.5 Principal Occupation of Directors and Executive Officers

Information on directors and executive officers' principal occupation is set out in section 12.1 – *Directors and Executive Officers of the Issuer*.

12.6 Corporate Cease Trade Orders or Bankruptcies

Other than as disclosed herein, no proposed director, officer or promoter of the Issuer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, is, or within 10 years before the date of the Listing Statement has been, a director or officer of any other issuer that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order, or an order that denied the other Issuer access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days;
- (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 or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (c) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (d) 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.

12.7 Penalties or Sanctions

Other than as disclosed below, no proposed director, executive officer or promoter of the Issuer, or a shareholder holding a sufficient number of the Issuer's securities to affect materially the control of the Issuer, has been subject to:

- (a) any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

12.8 Settlement Agreements

Not applicable.

12.9 Personal Bankruptcies

Except as disclosed herein, no proposed director, executive officer or promoter of the Issuer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, or a personal holding company of any such persons has, within the 10 years before the date of the Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer.

12.10 Conflicts of Interest

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

To the best of the Issuer's knowledge, there are no known existing or potential conflicts of interest among the Issuer, proposed directors, proposed officers or other proposed members of management of the Issuer as a result of their outside business interests except that certain proposed directors and officers may serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Issuer and their duties as a director or officer of such other companies. See "*Risk Factors*".

12.11 Management Details

The following sets out details of the proposed directors and management of the Issuer:

James Cerna (49), Chief Executive Officer and Director

Mr. Cerna was previously the CEO and CFO of SauceLabs Inc., the world's largest automation cloud for testing web and native mobile applications, the CEO and founder of NetCurrents Information Services Inc., the CEO and founder of Camber Energy, Inc. (previously known as Lucas Energy Inc.) and has been involved in multiple successful start-up ventures.

Ravinder Kang (52), Chief Financial Officer

Mr. Kang has been self-employed since April 2015. He was the Director of Listed Issuer Services and held other positions with TMX Group from March 1992 to March 2015. He is a corporate finance professional who is experienced in all aspects of Exchange policy, corporate governance and public company obligations. Mr. Kang is currently the principal of RSJ Consulting Inc., a firm that provides corporate finance advice. Mr. Kang received a Bachelor of Commerce degree from the University of British Columbia in 1988 and obtained his C.A. designation at Ernst and Young.

Anthony Cerna (42), Corporate Secretary

Mr. Cerna is a 14 year veteran of Apple, Inc., having served most recently as Program Manager of Localization QA. Mr. Cerna is also a co-founder of NetCurrents. B.S.

University of California, Berkeley. Charles Berman (74), Director

Mr. Berman has been active for 50 years in IP prosecution, counseling, transactions, opinions, and litigation support in all areas of U.S. and international patents. Mr. Berman is a Founding Fellow of the American Intellectual Property Law Association (AIPLA,) and has been President of LAIPLA, and is a member of the liaison Counsel US Bar/EPO and US Bar/JPO, and has served on numerous committees. Mr. Berman also served as Chair of the Fellows of the AIPLA where he held several prominent positions over the past several years. A frequently invited speaker, he has also written many articles on intellectual property issues.

Karamveer Thakur (27), Director

Mr. Thakur has extensive capital markets experience, and has served as a board member and senior officer in public and private companies. Mr. Thakur is currently on the board of Bluerock Ventures Corp and AAJ Capital 1 Corp, capital pool companies listed on the TSXV and was formerly a director of E3 Metals Corp (previously known as Savannah Gold Corp.) Over the years, Mr. Thakur has helped take numerous North American Growth Companies public, developed equity financing strategies and go-public structures. Mr. Thakur leverages his passion for emerging technologies and the venture market to identify opportunities with paradigm shifting/disrupting capabilities. At Varshney Capital Corp. (a Vancouver-based merchant bank), Mr. Thakur leads the Blockchain and Crypto investment initiative and has traveled extensively to global Blockchain hubs in Germany, Switzerland, and the United States to identify the latest trends and developments in the evolving sector to identify unique opportunities.

13. CAPITALIZATION

13.1 Class of Securities

Issued Capital

	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
<u>Public Float</u>				
Total outstanding (A)	78,814,521	79,500,776	100%	100%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	56,430,000	57,116,255	71.60%	71.84%
Total Public Float (A-B)	22,384,521	22,384,521	28.40%	28.16%
<u>Freely-Tradeable Float</u>				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	54,000,000	54,686,255	68.52%	68.79%
Total Tradeable Float (A-C)	24,814,521	24,814,521	31.48%	31.21%

Public Securityholders (Registered)

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	24	404
100 – 499 securities	35	14,458
500 – 999 securities	1	924
1,000 – 1,999 securities	4	5,667

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
2,000 – 2,999 securities	4	10,365
3,000 – 3,999 securities	1	3,496
4,000 – 4,999 securities	0	0
5,000 or more securities	31	24,777,140
TOTAL	100	24,814,454

Public Securityholders (Beneficial)

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	395	1,569
100 – 499 securities	60	19,348
500 – 999 securities	24	16,603
1,000 – 1,999 securities	12	17,062
2,000 – 2,999 securities	15	35,547
3,000 – 3,999 securities	1	3,496
4,000 – 4,999 securities	7	28,875
5,000 or more securities	151	24,640,245
Unable to confirm	-	49,709
TOTAL	351	24,814,454

Non-Public Securityholders (Beneficial)

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	0	0
100 – 499 securities	0	0
500 – 999 securities	0	0
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	14	54,000,000
TOTAL	14	54,000,000

13.2 Convertible Securities

The following are details for any securities convertible or exchangeable into Common Shares:

Description of Security (include conversion/exercise terms, including conversion/exercise price)			Number of convertible/exchangeable securities outstanding	Number of listed securities issuable upon conversion/exercise
Exercise Price	Expiry Date	Type of Security		
C\$0.54	May 24, 2020	Warrants	686,255 Agents' Warrants	686,255 Common Shares

14. EXECUTIVE COMPENSATION

Details related to the executive compensation paid by Issuer, prepared in accordance with Form 51-102F6 of National Instrument 51-102 – *Continuous Disclosure Obligations*, can be found on SEDAR (www.sedar.com) in the Issuer's management information circular dated February 28, 2018.

The objectives, criteria and analysis of the compensation of the executive officers of the Issuer following the completion of the Acquisition will be determined by the Board and are expected to be substantially similar to how FogChain currently compensates its executive officers.

FogChain, Inc.

The following table (presented in accordance with Form 51-102F6 sets forth all compensation for services in all capacities to FogChain for FogChain's completed financial years ended December 31, 2017 and December 31, 2016 in respect of:

- (a) each individual who acted as CEO or CFO for all or any portion of the most recently completed financial year;
- (b) each of the three most highly compensated executive officers of the company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than C\$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6, for that financial year; and
- (c) any individual who would have satisfied these criteria but for the fact that the individual was neither an executive officer of FogChain, nor acting in a similar capacity, at the end of the most recently completed financial year

(collectively, the "Named Executive Officers" or "NEOs").

NEO Name and Principal Position	Year	Salary (C\$)	Share-Based	Option-Based	Non-Equity Incentive Plan Compensation	Pension Value	All Other Compensation	Total Compensation
---------------------------------	------	--------------	-------------	--------------	--	---------------	------------------------	--------------------

			Awards (C\$)	Awards (C\$)	(C\$)		(C\$)	(C\$)	(C\$)
					Annual Incentive Plans	Long- term Incentive Plans			
James Cerna Chief Executive Officer	2017	C\$0	C\$0	C\$0	C\$0	C\$0	C\$0	C\$0	C\$0
	2016	C\$0	C\$0	C\$0	C\$0	C\$0	C\$0	C\$0	C\$0

Compensation Discussion and Analysis

FogChain does not have in place any formal objectives, criteria or analysis for determining or assessing the compensation of its executive officers and directors, nor does it have a compensation committee.

FogChain is aware of the challenges that it faces in its present stage of development and the financial limitations of being a start-up technology company. Corporate performance and level of activity has been a consideration in determining compensation. As FogChain's business and operations grow in size and complexity, it is anticipated that it will establish a compensation committee with formal objectives and policies, including specific performance goals or benchmarks as such relate to executive compensation, that will review compensation practices of companies of similar size and stage of development to ensure the compensation paid is competitive within the company's industry.

The compensation of FogChain's officers and directors is based on an incentive philosophy with the intent that all efforts will be directed toward a common objective of creating shareholder value. The compensation strategy is to attract talent and experience with focused leadership in the operations, financing, and management of the company with the objective of maximizing the value of the company. The officers and board of directors each have defined skills and experience that are essential to a start-up company in the FogChain technology sector.

Elements of Executive Compensation

FogChain's executive compensation policy consists of an annual base salary and long-term incentives in the form of stock options granted under the Plan.

The base salaries paid to officers of FogChain have been modest and are not intended to provide fixed levels of pay that reflect each officer's primary duties and responsibilities and the level of skill and experience required to successfully perform their role. As the company is an early stage development company with limited financial resources, FogChain's officers and directors have actively chosen to deploy the company's financial resources to hire and pay employees involved in developing of the company's technology. FogChain intends, as its business expands, to pay base salaries to officers that are competitive with those for similar positions in the technology sector, to attract and retain executive talent in the market in which the company competes for talent.

An incentive component of FogChain's compensation program is the potential longer-term reward provided through the grant of stock options. The Plan is intended to attract, retain and motivate officers and directors in key positions, and to align the interests of those individuals with those of the company's shareholders. The Plan provides such individuals with an opportunity to acquire a proprietary interest in the company's value growth through the exercise of stock options. Options are granted at the discretion of the board of directors, which considers factors such as how other, similar companies grant options and the potential value that each optionee is contributing to the company. The number of options granted to an individual is based on such considerations. Stock options are granted at an exercise price determined by

the board of directors, for a term of exercise not exceeding ten years. Due to limited number of optionable shares available during this phase of the company's development, FogChain's officers and directors have actively chosen to reward primarily employees and advisors with stock option grants.

The stage of the FogChain's development and the small size of its specialized management team allow frequent communication and constant management decisions in the interest of developing shareholder value as a primary goal. As FogChain progresses toward a revenue producing entity, and performance goals are more apt to be delegated, particular performance goals will become more complex and measurable, and included in the compensation structure accordingly.

Compensation Policies and Risk Management

The board of directors considers the implications of the risks associated with the Issuer's compensation policies and practices when determining rewards for its officers. The board of directors intends to review at least once annually the risks, if any, associated with the company's compensation policies and practices at such time.

Executive compensation is comprised of short-term compensation in the form of a base salary and long-term ownership through the Plan. This structure ensures that a significant portion of executive compensation (stock options) is both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long term shareholder value. As the benefits of such compensation, if any, are not realized by officers until a significant period of time has passed, the ability of officers to take inappropriate or excessive risks that are beneficial to their short-term compensation at the expense of the company and the shareholders is extremely limited. Furthermore, the short-term component of executive compensation (base salary) represents a relatively small part of the total compensation. As a result, it is unlikely an officer would take inappropriate or excessive risks at the expense of the company or the shareholders that would be beneficial to their short-term compensation when their long-term compensation might be put at risk from their actions.

Due to the small size of FogChain and the current level of the company's activity, the board of directors is able to closely monitor and consider any risks which may be associated with the company's compensation policies and practices. Risks, if any, may be identified and mitigated through Board meetings during which financial and other information of the company are reviewed. No risks have been identified arising from the company's compensation policies and practices that are reasonably likely to have a material adverse effect on the company.

Hedging of Economic Risks in FogChain's Securities

FogChain has not adopted a policy prohibiting directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in the value of the company's securities granted as compensation or held, directly or indirectly, by directors or officers. However, FogChain is not aware of any directors or officers having entered into this type of transaction.

Option-based Awards

The Plan limits the grant of options, including previously granted options, to an aggregate total of 6,034,309 options to purchase Common Shares.

The Plan has been and will be used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as his or her impact or contribution to the longer-

term operating performance of the company. In determining the number of options to be granted to the executive officers, the board of directors takes into account the number of options, if any, previously granted to each executive officer, and the exercise price of any outstanding options, to closely align the interests of the executive officers with the interests of shareholders.

The board of directors as a whole has the responsibility to administer the compensation policies related to the executive management of the company, including option-based awards.

Outstanding Option-Based and Share-based Awards

As at December 31, 2017, FogChain had no incentive stock options (option-based awards) and no share-based awards outstanding for NEOs.

Compensation Governance

Options are granted at the discretion of the board of directors, which considers factors such as how other start-up technology companies grant options and the potential value that each optionee is contributing to the company. The number of options granted to an individual is based on such considerations.

Outstanding Share-Based Awards and Option-Based Awards

FogChain does not have any incentive plans, pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to the NEOs.

Pension Plan Benefits

FogChain does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

Termination and Change of Control Benefits

FogChain has no compensatory plan, contract or agreement with any NEO.

15. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or officer of the Issuer or person who acted in such capacity in the last financial year of the Issuer, or proposed director or officer of the Issuer, or any Associate of any such director or officer is, or has been, at any time since the beginning of the most recently completed financial year of the Issuer, indebted to the Issuer nor is any indebtedness of any such person to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Issuer.

16. RISK FACTORS

Prior to making any investment decision regarding the Issuer, investors should carefully consider, among other things, the risk factors set forth below.

While this Listing Statement describes the risks and uncertainties that management of the Issuer believe to be material to the Issuer's business, it is possible that other risks and uncertainties affecting the Issuer's business will arise or become material in the future.

If the Issuer is unable to address these and other potential risks and uncertainties, its business, financial condition or results of operations could be materially and adversely affected. In this event, the value of the Common Shares could decline and an investor could lose all or part of their investment.

The following is a description of the principal risk factors that will affect the Issuer:

Low Barriers to Entry

There is high potential that the Issuer will face competition from other companies, some of which can be expected to have longer operating histories and more financial resources and marketing experience than the Issuer. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of the Issuer.

The market for Blockchain technology solutions and data analytics is evolving and while competition is low, the Issuer expects competition to increase in the future.

There is no guarantee that any factors that differentiate the Issuer from its competitors will give the Issuer a market advantage or continue to be a differentiating factor for the Issuer in the foreseeable future. Competitive pressures created by any one of the above-mentioned companies, or by the Issuer's competitors collectively, could have a material adverse effect on its business, results of operations and financial condition.

Early Market Development Stage

The Issuer is currently in an early development stage and its growth and success is heavily dependent upon the Issuer's ability to develop a market for its products. The existence of a market for products like software platforms is wholly dependent upon the Issuer's efforts to create and establish such market.

The Issuer has currently developed and targeted its products for, and substantially all of the Issuer's revenues for the foreseeable future will be derived from, its current identified market, being the software development sectors. Should this market cease to exist, fail to grow or grow more slowly than anticipated, or become saturated with competitors, the Issuer's business, financial condition and results of operations could be adversely affected.

Market Acceptance

If the Issuer's software development platform and other services do not gain market acceptance, its operating results may be negatively affected. If the markets for the Issuer's software products and services fail to develop, develop more slowly than expected or become subject to increased competition, its business may suffer. As a result, the Issuer may be unable to: (i) successfully market its software development platform; (ii) develop new products or services; or (ii) complete software products and

services currently under development. If the Issuer's software development platform and other services are not accepted by its customers or by other businesses in the marketplace, the Issuer's business, operating results and financial condition will be materially affected.

Failure to Innovate

The Issuer's success depends upon its ability to design, develop, test, market, license and support new software products and enhancements of current products on a timely basis in response to both competitive threats and marketplace demands. In addition, software products and enhancements must remain compatible with the other software products and systems used by its customers. Often, the Issuer must integrate software licensed or acquired from third parties with its proprietary software to create or improve its products. If the Issuer is unable to successfully integrate third party software to develop new software products and enhancements to existing products, or to complete products currently under development, its operating results will materially suffer. In addition, if the integrated or new products or enhancements do not achieve acceptance by the marketplace, the Issuer's operating results will materially suffer. Also, if new industry standards emerge that the Issuer does not anticipate or adapt to, its software products could be rendered obsolete and, as a result, its business and operating results, as well as its ability to compete in the marketplace, would be materially harmed.

Competition

The Issuer is engaged in an industry that is highly competitive. Because its industry is evolving and characterized by technological change, it is difficult for the Issuer to predict whether, when and by whom new competing technologies may be introduced or when new competitors may enter the market. The Issuer faces increased competition from companies with strong positions in certain markets the Issuer intends to serve and in new markets and regions it may enter. Many of the Issuer's competitors have significantly greater financial and other resources than the Issuer currently possesses and may spend significant amounts of resources to gain market share. The Issuer cannot assure investors that it will be able to compete effectively against current and future competitors. In addition, increased competition or other competitive pressures may result in price reductions, reduced margins or loss of market share, any of which could have a material adverse effect on the Issuer's business, financial condition or results of operations. Competitors may be able to respond to new or emerging technologies and changes in customer requirements more effectively than the Issuer can, or devote greater resources to the development, promotion and sale of products than the Issuer can. Current and potential competitors may establish cooperative relationships among themselves or with third parties, including through mergers or acquisitions, to increase the ability of their products to address the needs of the Issuer's prospective customers. If these competitors were to acquire significantly increased market share, it could have a material adverse effect on the Issuer's business, financial condition or results of operations. The Issuer's competitors may also establish or strengthen co-operative relationships with systems integrators, third-party consulting firms or other parties with whom the Issuer has relationships, thereby limiting its ability to promote its products.

Failure to Protect its Intellectual Property

Failure to protect the Issuer's intellectual property could harm its ability to compete effectively. The Issuer is highly dependent on its ability to protect its proprietary technology. The Issuer intends to rely on a combination of copyright, trademark and trade secret laws, as well as non-disclosure agreements and other contractual provisions to establish and maintain its proprietary rights. The Issuer intends to protect its rights vigorously. However, there can be no assurance that these measures will, in all cases, be successful. Enforcement of the Issuer's intellectual property rights may be difficult, particularly in some nations outside of North America in which the Issuer may seek to market its products. While U.S. and Canadian copyright laws, international conventions and international treaties may provide meaningful protection against unauthorized duplication of software, the laws of some foreign jurisdictions may not protect proprietary rights to the same extent as the laws of Canada or of the United States. The absence of internationally harmonized intellectual property laws makes it more difficult to ensure consistent protection of the Issuer's proprietary rights. Software piracy has been, and is expected to be, a persistent problem for the software industry, and piracy of the Issuer's products represents a loss of revenue to the Issuer. Despite the precautions the Issuer may take, unauthorized third parties, including its competitors, may be able to: (i) copy certain portions of its products; or (ii) reverse engineer or obtain and use information that the Issuer regards as proprietary. Also, the Issuer's competitors could independently develop technologies that are perceived to be substantially equivalent or superior to the Issuer's technologies. The Issuer's competitive position may be materially adversely affected by its possible inability to effectively protect its intellectual property.

Intellectual Property Infringement

Other companies may claim that the Issuer has infringed their intellectual property, which could materially increase costs and materially harm the Issuer's ability to generate future revenue and profits. Claims of infringement are becoming increasingly common as the software industry develops and as related legal protections, including patents are applied to software products. Although the Issuer does not believe that its products infringe on the rights of third parties, third parties may assert infringement claims against the Issuer in the future. Although most of the Issuer's technology is proprietary in nature, the Issuer does include significant amounts of third party software in its products. In these cases, this software is licensed from the entity holding the intellectual property rights. Although the Issuer believes that it has secured proper licenses for all third-party software that is integrated into its products, third parties may assert infringement claims against the Issuer in the future. Any such assertion may result in litigation or may require the Issuer to obtain a license for the intellectual property rights of third parties. Such licenses may not be available, or they may not be available on reasonable terms. In addition, such litigation could be disruptive to the Issuer's ability to generate revenue or enter into new market opportunities and may result in significantly increased costs as a result of the Issuer's efforts to defend against those claims or its attempt to license the patents or rework its products to ensure they comply with judicial decisions. Any of the foregoing could have a significant adverse impact on the Issuer's business and operating results as well as its ability to generate future revenue and profits. The loss of licenses to use third-party software or the lack of support or enhancement of such software could materially adversely affect the Issuer's business. The Issuer could also be forced to do one or more of the following: (i) stop selling, incorporating or using its products that use the challenged intellectual property; (ii) obtain from the owner

of the infringed intellectual property right a license to sell or use the relevant technology, which license may not be available on reasonable terms, or at all; (iii) redesign those products that use allegedly infringing technology which may be costly or time-consuming; or (iv) refund license fees and other amounts received, and make payments of additional amounts in damages or settlement payments, for allegedly infringing technology or products.

Reliance on Third Party Software

The Issuer currently depends upon third party software products to develop its products. If in future such reliance existed and the software products were not available, the Issuer might experience delays or increased costs in the development of its products. The Issuer currently does not rely on software products that it licenses from third-parties. Should the Issuer in the future rely upon third-party software licenses that may not continue to be available to the Issuer, and the related software may not continue to be appropriately supported, maintained, or enhanced by the licensors, the loss by the Issuer of the license to use, or the inability by licensors to support, maintain, and enhance any of such software, could result in increased costs or in delays or reductions in product shipments until equivalent software is developed or licensed and integrated with internally developed software. Such increased costs or delays or reductions in product shipments could materially adversely affect its business. The loss of the Issuer's rights to use software licensed to it by third parties could increase its operating expenses by forcing the Issuer to seek alternative technology and materially adversely affect its ability to compete. In addition, the Issuer's web-based software applications depend on the stability, functionality and scalability of the underlying infrastructure software including application servers, databases, java platform software and operating systems produced by IBM, Microsoft and others. If weaknesses in such infrastructure software exist, the Issuer may not be able to correct or compensate for such weaknesses. If the Issuer is unable to address weaknesses resulting from problems in the infrastructure software such that its products do not meet customer needs or expectations, its reputation, and consequently, its business may be significantly harmed.

Regulatory Risks

The activities of the Issuer will be subject to regulation by Governmental Authorities. Achievement of the Issuer's business objectives are contingent, in part, upon compliance with regulatory requirements enacted by these Governmental Authorities and obtaining all regulatory approvals, where necessary, for the sale of its products. The Issuer cannot predict the time required to secure all appropriate regulatory approvals for its products, or the extent of testing and documentation that may be required by Governmental Authorities. Any delays in obtaining, or failure to obtain regulatory approvals would significantly delay the development of markets and products and could have a material adverse effect on the business, results of operations and financial condition of the Issuer.

Use of Open Source Software

The Issuer's software makes use of and incorporates open source software components. These components are developed by third parties over whom the Issuer has no control. There are no assurances that those components do not infringe upon the intellectual property rights of others. The Issuer could be

exposed to infringement claims and liability in connection with the use of those open source software components, and the Issuer may be forced to replace those components with internally developed software or software obtained from another supplier, which may increase its expenses. The developers of open source software are usually under no obligation to maintain or update that software, and the Issuer may be forced to maintain or update such software itself or replace such software with internally developed software or software obtained from another supplier, which may increase its expenses. Making such replacements could also delay enhancements to its products. Certain open source software licenses provide that the licensed software may be freely used, modified and distributed to others provided that any modifications made to such software, including the source code to such modifications, are also made available under the same terms and conditions. As a result, any modifications the Issuer makes to such software will be available to all downstream users of the software, including its competitors. In addition, certain open source licenses provide that if the Issuer wishes to combine the licensed software, in whole or in part, with its proprietary software, and distribute copies of the resulting combined work, the Issuer may only do so if such copies are distributed under the same terms and conditions as the open source software component of the work was licensed to the Issuer, including the requirement to make the source code to the entire work available to recipients of such copies. The types of combinations of open source software and proprietary code that are covered by the requirement to release the source code to the entire combined work are uncertain and much debated by users of open source software. An incorrect determination as to whether a combination is governed by such provisions will result in non-compliance with the terms of the open source license. Such non-compliance could result in the termination of the Issuer's license to use, modify and distribute copies of the affected open source software and the Issuer may be forced to replace such open source software with internally developed software or software obtained from another supplier, which may increase its expenses. In addition to terminating the affected open source license, the licensor of such open source software may seek to have a court order that the proprietary software that was combined with the open source software be made available to others, including its competitors, under the terms and conditions of the applicable open source license.

Lack of Operating History

The Issuer has only recently started to carry on its business. The Issuer is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. The failure by the Issuer to meet any of these conditions could have a materially adverse effect on the Issuer and may force it to reduce, curtail, or discontinue operations. There is no assurance that the Issuer will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations. The Issuer may not successfully address all of the risks and uncertainties or successfully implement its existing and new products and services. If the Issuer fails to do so, it could materially harm its business and impair the value of its common stock, resulting in a loss to shareholders. Even if the Issuer accomplishes these objectives, the Issuer may not generate the anticipated positive cash flows or profits. No assurance can be given that the Issuer can or will ever be successful in its operations and operate profitably.

Growth and Consolidation in the Industry

Acquisitions or other consolidating transactions could have adverse effects on the Issuer. The Issuer could lose strategic relationships if its partners are acquired by or enter into agreements with a competitor, causing the Issuer to lose access to distribution, content and other resources. The relationships between the Issuer and its strategic partners may deteriorate and cause an adverse effect on the business. The Issuer could lose customers if competitors or user of competing technology consolidate with the Issuer's current or potential customers. Furthermore, the Issuer's current competitors could become larger players in the market or new competitors could form from consolidations. Any of the foregoing events could put the Issuer at a competitive disadvantage, which could cause the Issuer to lose customers, revenue, and market share. Consolidation in the industry could also force the Issuer to divert greater resources to meet new or additional competitive threats, which could harm the Issuer's operating results.

Intellectual Property Risks

The Issuer's ability to compete largely depends on the superiority, uniqueness, and value of its intellectual property and technology, including both internally-developed technology and the ability to acquire patent protection and/or trademark protection. To protect its proprietary rights, the Issuer will rely on a combination of trademark, copyright, and trade secret laws, trademark and patent applications, confidentiality agreements with its employees and third parties, and protective contractual provisions. Despite these efforts, certain risks may reduce the value of the Issuer's intellectual property. The Issuer's applications for trademarks and copyrights relating to its business may not be granted, and if granted, may be challenged or invalidated. There is no guarantee that issued trademarks and registered copyrights will provide the Issuer with any competitive advantages. The Issuer's efforts to protect its intellectual property rights may not be effective in preventing misappropriation of its technology and may not prevent the development and design by others of products or technology similar to, competitive with, or superior to those the Issuer develops. There is a risk that another party may obtain a blocking patent and the Issuer would need to either obtain a license or design around the patent in order to continue to offer the contested feature or service in its products.

Disruption of its Information Technology Systems

The Issuer relies on information technology in virtually all aspects of our business. A significant disruption or failure of our information technology systems could result in service interruptions, safety failures, security violations, regulatory compliance failures, and inability to protect information and assets against intruders, and other operational difficulties. Attacks perpetrated against its information systems could result in loss of assets and critical information and exposes us to remediation costs and reputational damage. Although the Issuer has taken steps intended to mitigate these risks, including business continuity planning, disaster recovery planning and business impact analysis, a significant disruption or cyber intrusion could lead to misappropriation of assets or data corruption and could adversely affect its results of operations, financial condition and liquidity. Additionally, if the Issuer is unable to acquire or implement new technology, it may suffer a competitive disadvantage, which could also have an adverse effect on its results of operations, financial condition and liquidity.

Cyber-attacks could further adversely affect the Issuer's ability to operate facilities, information technology and business systems, or compromise confidential customer and employee information.

Political, economic, social or financial market instability or damage to or interference with its operation assets, or its customers or suppliers may result in business interruptions, lost revenue, higher commodity prices, disruption in fuel supplies, lower energy consumption, unstable markets, increased security and repair or other costs, any of which may materially affect its consolidated financial results. Furthermore, instability in the financial markets as a result of terrorism, sustained or significant cyber-attacks, or war could also materially adversely affect the Issuer's ability to raise capital.

Dependence on Internet Infrastructure; Risk of System Failures, Security Risks and Rapid Technological Change

The success as a developer of Blockchain platforms will depend by and large upon the continued development of a stable public infrastructure, with the necessary speed, data capacity and security, and the timely development of complementary products such as high-speed modems for providing reliable internet access and services. Blockchain has experienced, and is expected to continue to experience significant growth in the number of users, amount of content and bandwidth availability. It cannot be assured that the associated infrastructure will continue to be able to support the demands placed upon it by this continued growth or that the performance or reliability of the technology will not be adversely affected by this continued growth.

Risk of Security Weaknesses in the Issuer's Products and Services

The Issuer's products and services consists of open source software that is itself based on open source software. There is a risk that the developers of the Issuer, or other third parties may intentionally or unintentionally introduce weaknesses or bugs into the core infrastructural elements of the Issuer's software development platform or other products, interfering with the use of or causing the loss of data.

Risk of Weaknesses or Exploitable Breakthroughs in the Field of Cryptography

Advances in cryptography, or technical advances such as the development of quantum computers, could present risks to Blockchain and the Issuer's products and services, which could result in the theft or loss of tokens or other data.

Risk of Theft and Hacking

Hackers or other groups or organizations may attempt to interfere with the Issuer's products and services or the availability of it any number of ways, including without limitation denial of service attacks, Sybil attacks, spoofing, smurfing, malware Issuer's products and services attacks, or consensus-based attacks.

Market for Securities and Volatility of Share Price

There can be no assurance that an active trading market in the Issuer's securities will be established or sustained. The market price for the Issuer's securities could be subject to wide fluctuations. Factors such as announcements of quarterly variations in operating results and acquisition or disposition of properties, as well as market conditions in the industry, may have a significant adverse impact on the market price of

the securities of the Issuer. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Payment of Dividends Unlikely

There is no assurance that the Issuer will pay dividends on its shares in the near future or ever. The Issuer will likely require all its funds to further the development of its business.

Management of Growth

Any expansion of the Issuer's business may place a significant strain on its financial, operational and managerial resources. There can be no assurance that the Issuer will be able to implement and subsequently improve its operations and financial systems successfully and in a timely manner in order to manage any growth it experiences. There can be no assurance that the Issuer will be able to manage growth successfully. Any ability of the Issuer to manage growth successfully could have a material adverse effect on the Issuer's business, financial condition and results of operations.

Reliance on Key Personnel and Consultants

There can be no assurance that any of the Issuer's officers, directors, employees and consultants will remain with the Issuer or that, in the future, they will not organize competitive businesses or accept opportunities with companies competitive with the Issuer. The Issuer will depend on a number of key officers and directors the loss of any one of whom could have an adverse effect on the Issuer.

Shareholders' Interest may be Diluted in the Future

The Issuer will require additional funds for its planned activities. If the Issuer raises additional funding by issuing equity securities, which is highly likely, such financing could substantially dilute the interests of the Issuer's shareholders. Sales of substantial amounts of shares, or the availability of securities for sale, could adversely affect the prevailing market prices for the Issuer's shares. A decline in the market prices of the Issuer's shares could impair the ability of the Issuer to raise additional capital through the sale of new common shares should the Issuer desire to do so.

Conflicts of Interest

Certain of the directors and officers of the Issuer are also directors and officers of other companies, and conflicts of interest may arise between their duties as officers and directors of the Issuer and as officers and directors of such other companies.

Litigation

The Issuer may be forced to litigate, enforce, or defend its intellectual property rights, protect its trade secrets, or determine the validity and scope of other parties' proprietary rights. Such litigation would be a drain on the financial and management resources of the Issuer which may affect the operations and business of the Issuer. Furthermore, because the content of most of the Issuer's intellectual property

concerns cannabis and other activities that are not legal in some state jurisdictions, the Issuer may face additional difficulties in depending its intellectual property rights.

The Issuer may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Issuer becomes involved be determined against the Issuer such decision could adversely affect the Issuer's ability to continue operating and the market price for Common Shares and could use significant resources. Even if the Issuer is involved in litigation and wins, litigation can redirect significant company resources.

17. PROMOTERS

Other than as set out below, there are no promoters of the Issuer or any subsidiary of the Issuer within the last two years immediately preceding the date hereof.

The following person is a promoter of the Issuer:

Name	Number and percentage of securities of the Issuer	Nature and amount of services to be received by the Issuer
James Cerna	18,630,000 Restricted Voting Common Shares (100% of the issued and outstanding Restricted Voting Common Shares)	Full time service as CEO of the Issuer

18. LEGAL PROCEEDINGS

There are no legal proceedings to which the Issuer is, or has been, a party or of which any of its property is, or has been, the subject matter. Additionally, to the reasonable knowledge of the management of the Issuer, there are no such proceedings contemplated.

19. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as described herein, to the knowledge of the Issuer's management, no director or officer, insider, nor any of their respective associates, affiliates or member of their group have any interest in any material transaction of the Issuer since its incorporation.

20. AUDITORS, TRANSFER AGENTS AND REGISTRARS

20.1 Auditors

The auditors of the Issuer are RBSM LLP (the "**Auditors**"), located at 871, Coronado Center Drive, Suite 110, Henderson, Nevada 89052.

20.2 Registrar and Transfer Agent

The registrar and transfer agent of the Issuer is TSX Trust Company, located at Suite 300, 200 University Ave, Toronto, Ontario, Canada M5H 4H1.

21. MATERIAL CONTRACTS

Except for contracts entered into by the Issuer in the ordinary course of business, the only material contracts entered into by the Issuer in the previous two (2) years are the following:

- (a) the Merger Agreement; and
- (b) the Agency Agreement.

FogChain, Inc.

Except for contracts entered into by FogChain in the ordinary course of business, the only material contracts entered into by FogChain in the previous two (2) years are the following:

- (a) the RadJav Agreement
- (b) the Merger Agreement; and
- (c) the Agency Agreement.

22. INTEREST OF EXPERTS

McGovern, Hurley, Cunningham, LLP, located at 251 Consumers Rd, Suite 800, North York, ON M2J 1R3, audited the Financial Statements and is independent within the meaning of the CPA Code of Professional Conduct of Ontario. Based on information provided by McGovern, Hurley, Cunningham, LLP, McGovern, Hurley, Cunningham, LLP has not received nor will receive the direct or indirect interests in the property of the Issuer. McGovern, Hurley, Cunningham, LLP nor any of the directors, officers, employees and partners thereof, beneficially own, directly or indirectly, any securities of the Issuer or its associates and affiliates.

RBSM LLP, located at 805 Third Avenue, New York, NY 10022 audited the FogChain Financial Statements and is independent within the meaning of applicable rules and adopted by the American Institute of Certified Public Accountants. Based on information provided by RBSM LLP, RBSM LLP has not received nor will receive the direct or indirect interests in the property of the Issuer. RBSM LLP nor any of the directors, officers, employees and partners thereof, beneficially own, directly or indirectly, any securities of the Issuer or its associates and affiliates.

23. OTHER MATERIAL FACTS

The Issuer is not aware of any other material facts relating to FogChain or the Issuer or to the Transaction that are not disclosed under the preceding items and are necessary in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to FogChain and the Issuer, assuming completion of the Transaction, other than those set forth herein.

24. FINANCIAL STATEMENTS

24.1 Financial Statements

A copy of the financial statements of FogChain for the years ended December 31, 2017 are attached to Schedule “A” to this Listing Statement.

A copy of the pro forma consolidated statement of financial position of the Issuer as at December 31, 2017 is attached to Schedule “B” of this Listing Statement.

CERTIFICATE OF FOGCHAIN CORP.

Pursuant to a resolution duly passed by the board of directors of FogChain Corp. (the “**Issuer**”), the Issuer, hereby applies for the listing of the above mentioned securities on the Canadian Securities Exchange. The foregoing contains full, true and plain disclosure of all material information relating to the Issuer. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Toronto, Ontario this 24th day of May, 2018.

“James Cerna”

James Cerna
Chief Executive Officer and Director

“Ravinder Kang”

Ravinder Kang
Chief Financial Officer

“Charles Berman”

Charles Berman
Director

“Karamveer Thakur”

Karamveer Thakur
Director

CERTIFICATE OF FOGCHAIN, INC.

The foregoing contains full, true and plain disclosure of all material information relating to FogChain, Inc. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Toronto, Ontario this 24th day of May, 2018.

“James Cerna”

James Cerna
Chief Executive Officer and Director

“Ravinder Kang”

Ravinder Kang
Chief Financial Officer

“Charles Berman”

Charles Berman
Director

“Karamveer Thakur”

Karamveer Thakur
Director

SCHEDULE “A” – FOGCHAIN FINANCIAL STATEMENTS

Please see attached.

FogChain, Inc.

Financial Statements

for the Year Ended December 31, 2017 and

Period from Inception (April 13, 2016) to December 31, 2016

FogChain, Inc.

TABLE OF CONTENTS

Report of Independent Public Registered Accounting Firm	1
Statements of Financial Position for December 31, 2017 and 2016	2
Statements of Loss for Year Ended December 31, 2017 and Period from Inception (April 13, 2016) to December 31, 2016	3
Statements of Changes in Stockholders' Deficit for Year Ended December 31, 2017 and Period from Inception (April 13, 2016) to December 31, 2016	4
Statements of Cash Flows for Year Ended December 31, 2017 and Period from Inception (April 13, 2016) to December 31, 2016	5
Notes to Financial Statements	6

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Fogchain, Inc.

Opinion on the Financial Statements

We have audited the accompanying statements of financial position of FogChain, Inc. (the “Company”) as of December 31, 2017 and 2016, and the related statements of loss, changes in stockholders’ deficit, and cash flows for the year in the period ended December 31, 2017 and from inception (April 13, 2016) to December 31, 2016, and the related notes to the financial statements. In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2017 and 2016, and the results of its operations and its cash flows for the year in the period ended December 31, 2017 and from inception (April 13, 2016) to December 31, 2016, in conformity with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The Company's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As disclosed in Note 1 to the financial statements, the Company has not commenced planned principal operations and has suffered recurring losses since inception, which raises substantial doubt about its ability to continue as a going concern. Management's plans with respect to these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/RBSM LLP

We have served as the Company’s auditor since 2017
Henderson, NV

February 28, 2018

FogChain, Inc.
Statements of Financial Position
(Expressed in US dollars)

	Notes	December 31, 2017	December 31, 2016
ASSETS			
Current assets			
Cash and cash equivalents		\$ 353,462	\$ -
TOTAL ASSETS		\$ 353,462	\$ -
LIABILITIES			
Trade payables and accrued liabilities		\$ 13,774	\$ -
Payable due to related party		7,560	2,520
Convertible debenture	4	400,000	-
TOTAL LIABILITIES		421,334	2,520
STOCKHOLDERS' DEFICIT			
Preferred stock, par value \$0.0001 per share 10,000 authorized and nil outstanding		-	-
Common Stock, par value \$0.0001 per share 150,000,000 authorized and 54,000,000 outstanding	5	5,400	5,400
Additional paid-in-capital	5	3,625	3,600
Subscription Receivable	3	(110)	(9,000)
Accumulated deficit		(76,787)	(2,520)
TOTAL EQUITY DEFICIT		(67,872)	(2,520)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT		\$ 353,462	\$ -

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

FogChain, Inc.
Statements of Loss
(Expressed in US dollars)

	Year Ended December 31, 2017	Period from Inception (April 13, 2016) to December 31, 2016
EXPENSES		
Rent	\$ 36,000	\$ -
Professional fees	18,006	-
Office and miscellaneous	20,261	2,520
	(74,267)	(2,520)
Income tax	-	-
Net loss	\$ (74,267)	\$ (2,520)
Basic and diluted net loss per common share	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding – basic and diluted	54,000,000	54,000,000

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

FogChain, Inc.
Statement of Changes in Stockholders' Deficit
(Expressed in US dollars)

	Number of voting common shares	Amount	Additional Paid-In Capital	Subscription Receivable	Deficit	Total
Balance at Inception (April 13, 2016)	-	-			-	-
		\$	\$	\$		
Shares issued for notes	54,000,000	5,400	3,600	(9,000)	-	-
Net loss for the year	-	-	-	-	\$ (2,520)	\$ (2,520)
Balance at December 31, 2016	54,000,000	5,400	\$3,600	(9,000)	\$ (2,520)	\$ (2,520)
Payments for subscription receivable				8,890	-	8,890
Shareholder Contribution			25			
Net loss for the year	-	-	-	-	(74,267)	(74,267)
Balance at December 31, 2017	54,000,000	5,400	\$3,625	\$ (110)	\$(76,787)	\$(67,872)

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

FogChain, Inc.
Statements of Cash Flows
(Expressed in US dollars)

	Year Ended December 31, 2017	Period from Inception (April 13, 2016) to December 31, 2016
Operating activities		
Loss for the period	\$(74,267)	\$(2,520)
Changes in non-cash working capital items:		
Increase in payable to related party:	5,040	2,520
Increase in trade payables and accrued liabilities	13,774	-
Net cash flows used in operating activities	(55,453)	-
Investing activities	-	-
Net cash flows provided by investing activities	-	-
Financing activities		
Receipt of cash for subscription receivables	8,890	-
Issuance of convertible debenture(net)	400,000	-
Shareholder contribution	25	-
Net cash flows provided by financing activities	408,915	-
Increase in cash and cash equivalents	353,462	-
Cash and cash equivalents, beginning of period	-	-
Cash and cash equivalents, end of period	\$353,462	\$ -

Supplemental disclosure of cash flow information:

Interest paid	\$ -	\$ -
Taxes paid	\$ -	\$ -

Schedule of non-cash investing and financing activities:

Stock subscription receivable	\$ 9,000	\$ -
--------------------------------------	-----------------	-------------

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

FOGCHAIN, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE FOR YEAR ENDED DECEMBER 31, 2017
AND PERIOD FROM INCEPTION (APRIL 13, 2016) TO DECEMBER 31, 2016

1. Nature and continuance of operations

FogChain, Inc. (“FogChain” or the “Company”) was incorporated as Sunworks Installation, Inc. on April 13, 2016, under the laws of the State of Delaware. The Company was formed to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware. On December 11, 2017, the Company changed its name from Sunworks Installation, Inc. to FogChain, Inc. The head office, principal address and registered and records office of the Company are located at 655 Skyway Rd., #235, San Carlos, CA 94070.

During the year ended December 31, 2016, the Company issued 9,000 shares of its common stock (“Common Stock”) at a price of \$1.00 per share in exchange for promissory notes for subscription receivables. On January 11, 2018, the Company increased its authorized shares of Common Stock to 150,000,000 shares and issued a dividend to its stockholders of Common Stock, payable as a six thousand-for-one forward split of the issued and outstanding shares of Common Stock, for all stockholders of record on the close of business on January 10, 2018.

To date, the Company has not generated sales revenues. Consequently, its operations are subject to all the risks inherent in the establishment of a new business enterprise. These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company’s continuation as a going concern for one year from the date these financials are issued is dependent upon the successful results from its activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management intends to finance operating costs over the next twelve months with cash on hand and private placement of Common Stock.

2. Significant accounting policies and basis of preparation

Statement of compliance and conversion to International Financial Reporting Standards

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and its related interpretations as issued by the International Accounting Standards Board (IASB).

Basis of preparation

The financial statements of the Company have been prepared on an accrual basis and are based on historical costs. The annual financial statements are presented in US dollars unless otherwise noted.

Use of Estimates

Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

Earnings Per Share

We compute basic earnings per share amounts using the weighted average number of common shares outstanding during the period and exclude any dilutive effects of common stock equivalent shares. We compute diluted per share amounts using the weighted average number of common shares outstanding plus common stock equivalent shares outstanding during the period using the treasury stock method. We exclude common stock equivalent shares from the computation if their effect is anti-dilutive.

FOGCHAIN, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE FOR YEAR ENDED DECEMBER 31, 2017
AND PERIOD FROM INCEPTION (APRIL 13, 2016) TO DECEMBER 31, 2016

2. Significant accounting policies and basis of preparation (continued)

Cash and cash equivalents

We classify all highly liquid investments with stated maturities of three months or less from date of purchase as cash equivalents.

Income Taxes

The Company accounts for income taxes under the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases.

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Financial assets and liabilities carried at fair value are classified and disclosed in one of the following three categories:

Level 1 — Quoted market prices in active markets for identical assets or liabilities.

Level 2 — Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The Company's cash equivalents at December 31, 2017 and 2016 were carried at fair value, determined according to the fair value hierarchy.

The carrying amounts reflected in the balance sheets for accounts payable and accrued expenses approximate their fair values due to their short-term maturities at December 31, 2017 and 2016, respectively.

Comprehensive Loss

Comprehensive loss includes net loss as well as other changes in stockholders' equity that result from transactions and economic events other than those with stockholders. For the years ended December 31, 2017 and 2016, there was no difference between net loss and comprehensive loss.

Recently Issued Accounting Pronouncements

New Accounting Pronouncements not yet adopted

Standards issued but not yet effective as of the date of issuance of the Company's financial statements are listed below. This listing of standards and interpretations issued are those that the Company reasonably expects to have on impact on disclosures, financial position or performance when applied at a future date. The Company intends to adopt these standards when they become effective.

FOGCHAIN, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE FOR YEAR ENDED DECEMBER 31, 2017
AND PERIOD FROM INCEPTION (APRIL 13, 2016) TO DECEMBER 31, 2016

IFRS 9 Financial instruments: Classification and Measurement

IFRS 9, Financial Instruments, specifies how an entity should classify and measure financial assets, financial liabilities, and some contracts to buy or sell non-financial items. The standard is effective for annual reports beginning on or after January 1, 2018. The effect of this standard to the Company's financial statements is undetermined at this time.

IFRS 15 Revenue from Contracts with Customers

The IASB have issued a new revenue recognition standard, IFRS 15 in May 2014, which replaces all existing IFRS revenue requirements. The standard applies to all revenue contracts and provides a model for the recognition and measurement of sales of some non-financial assets. Application is required for all annual periods beginning on or after January 1, 2018. There are new specific requirements in respect of variable consideration such that it is only included in the transaction price if it is **highly** probable that the amount of revenue recognized would not be subject to significant future reversals as a result of subsequent re-estimation. The effect of this to the Company's financial statements is undetermined at this time.

IFRS 16 Leases

IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

IFRS 16 was issued in January 2016 and applies to annual reporting periods beginning on or after 1 January 2019. The effect of this to the Company's financial statements is undetermined at this time.

3. Promissory notes for subscriptions receivable

During the year ended December 31, 2016, the Company issued 9,000 shares of its common stock ("Common Stock") at a price of \$1.00 per share in exchange for promissory notes which are classified as subscription receivables. The promissory notes have a maturity date of December 31, 2017 and does not bear any interest. As of December 31, 2017 and 2016, \$110 and \$9,000 were due from the promissory notes. The remaining \$110 was collected in 2018.

4. Convertible debenture

On December 19, 2017, the Company received \$400,000 in convertible debenture subscriptions. The convertible debentures have a term of 12-months, bear no interest and will be automatically converted into common shares (the "Converted Common Shares") in the capital of the Company upon the Company entering into a letter of intent with an arm's length third-party Canadian reporting issuer (the "Shell") for the purpose of completing a reverse takeover (the "Transaction") on the TSC Venture Exchange or Canadian Securities Exchange. The convertible debentures will convert into Converted Common Shares based on a \$2.4 million pre-Transaction valuation of the Company which currently equals 9,000,000 shares of the Company's Common Stock. In the event that the convertible debentures do not automatically convert into Converted Common Shares before March 19, 2018, the convertible debentures shall be repaid to the holders without interest.

FOGCHAIN, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE FOR YEAR ENDED DECEMBER 31, 2017
AND PERIOD FORM INCEPTION (APRIL 13, 2016) TO DECEMBER 31, 2016

Since the debenture becomes convertible only upon the occurrence of a future event outside the control of the holder, the Company concluded the beneficial conversion feature shall be measured using the commitment date stock price, but shall not be recognized in earnings until the contingency is resolved.

5. Share capital

Authorized share capital

The Company was incorporated with authorized capital of 90,000 shares of Common Stock and 10,000 shares of preferred stock, each with a par value of \$0.0001. On January 11, 2018, the Company increased its authorized shares of Common Stock to 150,000,000 shares of Common Stock and issued a dividend to its stockholders of Common Stock, payable as a six thousand-for-one forward split of the issued and outstanding shares of Common Stock, for all stockholders of record on the close of business on January 10, 2018. All per share amounts and outstanding shares of common stock have been retroactively adjusted in these financial statements for all periods presented to reflect the six thousand-for-one forward split. The 10,000 authorized shares of preferred stock was unaffected by any of the aforementioned transaction

Share issuances

During the period of inception (April 13, 2016) to December 31, 2016, the Company issued 9,000 shares of its common stock ("Common Stock") at a price of \$1.00 per share in exchange for promissory notes classified as subscription receivables.

During the year ending December 31, 2017, a shareholder contributed \$25.

Options and Warrants

As of both December 31, 2017 and 2016, there were no options or warrants issued by the Company.

6. Related party transactions

Related party balances

During the period ended December 31, 2016, the Company issued James Cerna, the Company's sole director and officer 1,800 shares for \$1.00 per share in exchange for a promissory note for a subscription receivable. During the period ended December 31, 2016, the Company issued 1,305 for \$1.00 per share to Newton Energy Inc., a company controlled by the Company's sole director and officer.

The Company leases office space on a month to month basis from Newton Energy, Inc. Monthly lease payments are \$3,000 per month. There was an account payable to the sole director and officer of \$7,560 and \$2,520 at December 31, 2017 and 2016, respectively.

The total expenses paid to a related party for rent expense for the periods ended December 31, 2017 and 2016 was \$36,000 and \$0, respectively. Total expense for internet and telecom expenses due to a related party for the periods ended December 31, 2017 and 2016 was \$5,040 and \$2,520, respectively.

FOGCHAIN, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE FOR YEAR ENDED DECEMBER 31, 2017
AND PERIOD FORM INCEPTION (APRIL 13, 2016) TO DECEMBER 31, 2016

7. Income Taxes

The Company is a United States Company, incorporated in the state of Delaware and has its office in California. The Company has no foreign operations.

The tax reform bill that Congress voted to approve Dec. 20, 2017, also known as the “Tax Cuts and Jobs Act”, made sweeping modifications to the Internal Revenue Code, including a much lower corporate tax rate, changes to credits and deductions, and a move to a territorial system for corporations that have overseas earnings.

The act replaced the prior-law graduated corporate tax rate, which taxed income over \$10 million at 35%, with a flat rate of 21%.

The Company had no income tax expense due to operating losses incurred for the years ended December 31, 2017 and from inception (April 13, 2016) to December 31, 2016.

The tax effects of temporary differences and tax loss and credit carry forwards that give rise to significant portions of deferred tax assets and liabilities at December 31, 2017 and 2016 are comprised of the following:

	As of December 31,	
	2017	2016
Deferred tax assets:		
Net-operating loss carryforward	\$ 76,787	\$ 2,520
Total Net-operating loss carryforward	76,787	2,520
Valuation allowance	(76,787)	(2,520)
Net-operating loss carryforward, Net of Allowance	\$ -	\$ -
	For the years ended December 31,	
	2017	2016
Federal		
Current	\$ -	\$ -
Deferred	14,253	529
State		
Current	-	-
Deferred	995	37
Valuation allowance	(15,248)	(566)
Income tax provision	\$ -	\$ -

At December 31, 2016, the Company had net operating loss carry forwards for federal and state tax purposes of approximately \$77,000 which expires in 2037. The Company has generated net operating losses (NOL's). Management of the Company's analysis indicates the net operating losses would be subject to significant limitations pursuant to Internal Revenue Code Section 382. The Company has not completed its IRC Section 382 Valuation, as required and the NOL's because of potential Change of Ownerships might limit the usage or render the NOL's completely worthless. Therefore, Management of the Company has

FOGCHAIN, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE FOR YEAR ENDED DECEMBER 31, 2017
AND PERIOD FROM INCEPTION (APRIL 13, 2016) TO DECEMBER 31, 2016

recorded a Full Valuation Reserve, since it is more likely than not that no benefit will be realized for the Deferred Tax Assets.

In assessing the realization of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the period in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income and taxing strategies in making this assessment. In case the deferred tax assets will not be realized in future periods, the Company has provided a valuation allowance for the full amount of the deferred tax assets at December 31, 2017. The valuation allowance increased by approximately \$74,000 as of December 31, 2017.

The expected tax expense (benefit) based on the U.S. federal/State statutory rate is reconciled with actual tax expense (benefit) as follows:

	For the years ended December 31,	
	2017	2016
Statutory Federal Income Tax Rate	(21.0)%	(21.0)%
Statutory State Income Tax Rate	(7.0)%	(7.0)%
	<u>(28.00)%</u>	<u>(28.00)%</u>

The Company has not identified any uncertain tax positions requiring a reserve as of December 31, 2017.

8. Subsequent Events

On January 11, 2018, the Company increased its authorized shares of Common Stock to 150,000,000 shares and issued a dividend to its stockholders of Common Stock, payable as a six thousand-for-one forward split of the issued and outstanding shares of Common Stock, for all stockholders of record on the close of business on January 10, 2018. All per share amounts and outstanding shares of common stock have been retroactively adjusted in these financial statements for all periods presented to reflect the six thousand-for-one forward split.

FogChain has entered into: (i) a letter of intent dated January 17, 2018 (the “Letter of Intent”) with Mukuba Resources Limited (“Pubco”) whereby Pubco will acquire all of the issued and outstanding shares of FogChain (the “Merger”); and (ii) an engagement letter dated January 11, 2018 (the “Engagement Letter”) with Canaccord Genuity Inc. (“Canaccord”) pursuant to a brokered private placement of subscription receipts of FogChain (the “Subscription Receipts”) for gross proceeds of up to US\$10,000,000 (the “Brokered Financing”).

The Company entered into a business advisory services agreement with a consultant on January 25, 2018. The contract will expire on December 30, 2018. Consultant fees consists of a monthly retainer fee of \$10,000 payable on the 25th of each month for the term of the contract. The retainer fees will be paid \$7,000 in cash and \$3,000 in restricted common stock of the Company. Shares will accumulate and be issued semi-annually. Shares will be issued at the average closing price of the 10 previous trading days prior to the 15th of each month.

SCHEDULE “B” – PRO-FORMA FINANCIAL STATEMENTS

Please see attached.

Pro-forma Consolidated Balance Sheet
FogChain, Inc. (Formerly Mukuba Resources Limited)
As at December 31, 2017
Canadian Dollars unless otherwise stated

	FogChain, Inc. (Audited) CAD	Mukuba Resources Limited	Note	Pro-forma Adjustment	Pro-Forma Consolidated
ASSETS					
Current assets					
Cash and cash equivalents	\$444,510	\$27,318	B	4,962,681	\$471,828
TOTAL ASSETS	\$444,510	\$27,318			\$471,828
LIABILITIES					
Trade payables and accrued liabilities	\$17,322	\$22,132			\$39,454
Payable due to related party	9,507	-			9,507
Promissory notes	-	65,206			65,206
Convertible debenture	503,036	-	C	(503,036)	-
Total current liabilities	529,865	87,337			114,167
Accounts payable and other liabilities		16,950			16,950
TOTAL LIABILITIES	529,865	104,288			113,117
SHAREHOLDERS' EQUITY (DEFICIENCY)					
Common Stock	6,791	21,434,611	A	(21,434,273)	6,791
			B	1,256	
			C	1,132	
			D	396	
Additional paid-in-capital	4,559	5,760,484	A	(5,760,484)	4,559
			B	4,961,425	
			C	501,904	
			D	1,700.604	
Subscription Receivable	(138)	-			(138)
Accumulated deficit	(96,567)	(27,272,065)	A	27,195,095	(173,537)
TOTAL EQUITY DEFICIT	(85,355)	(76,970)			(162,325)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$444,510	\$27,318			\$471,828

Notes to Pro-forma Consolidated Balance Sheet
FogChain, Inc. (Formerly Mukuba Resources Limited)
As at December 31, 2017 (Unaudited)
Canadian Dollars unless otherwise stated

1. BASIS OF PRESENTATION

FogChain, Inc. (“FogChain”) entered into an agreement with Mukuba Resources Limited (“Mukuba”) which outlines the general terms and conditions pursuant to which FogChain and Mukuba have agreed to complete a transaction that will result in a reverse triangular merger of pursuant to which FogChain shall become a wholly-owned subsidiary of Mukuba in accordance with a merger agreement described below (the “Transaction”)

The unaudited pro-forma consolidated balance sheet has been compiled from and includes:

- a) the audited balance sheet of FogChain, as at December 31, 2017; and
- b) the audited balance sheet of Mukuba as at December 31, 2017.

The audited balance sheets have been consolidated and adjusted to give effect to the Transaction as if it had occurred at December 31, 2017.

The unaudited pro-forma consolidated balance sheet should be read in conjunction with the financial statements and notes thereto of FogChain and Mukuba described above. The unaudited pro-forma consolidated balance sheet may not reflect the actual consolidated balance sheet of the continuing entity as at December 31, 2017.

The unaudited pro-forma consolidated balance sheet has been compiled using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The pro-forma consolidated balance sheet has been accounted for in accordance with IFRS 2, Share Based Payments. The Transaction is considered to be a reverse takeover by FogChain, the accounting acquirer, of Mukuba, the accounting acquiree. A reverse takeover transaction involving a non-public operating entity and a non-operating company is considered to be in substance a share based payment transaction and is not a business combination. Any difference in the value of the shares deemed to have been issued by the accounting acquirer and the fair value of the acquiree’s net assets should be expensed in the current period as a payment for services as a stock exchange listing.

The pro-forma adjustments and allocations of the purchase price of Mukuba by FogChain as a reverse takeover are based in part on estimates of the fair value of the assets acquired and liabilities assumed as of the date of completion of the acquisition.

2. REPORTING CURRENCY

FogChain’s reporting and functional currency is United States Dollars. The functional currency of Mukuba is Canadian Dollars. The reporting currency after the Transaction will be Canadian Dollars.

For the purposes of presenting pro-forma consolidated financial statements, FogChain’s current assets and liabilities are translated into Canadian Dollars using exchange rates prevailing at December 31, 2017, CAD 1.25759 per USD 1.

Notes to Pro-forma Consolidated Balance Sheet
FogChain, Inc. (Formerly Mukuba Resources Limited)
As at December 31, 2017 (Unaudited)
Canadian Dollars unless otherwise stated

3. PROPOSED TRANSACTION

Effective May 18, 2018 FogChain and Mukuba entered into a Merger Agreement which sets out the terms and conditions pursuant to which FogChain and Mukuba have agreed to complete a transaction that will result in FogChain acquiring the issued and outstanding securities of Mukuba. Under the Merger Agreement FogChain will consolidate its shares on the basis of one post consolidation share for each one share¹ and will adjust its outstanding share purchase warrants and incentive stock options to reflect the consolidation. These pro-forma consolidated financial statements are presented having given effect to the share consolidation.

Post-consolidation FogChain will have 60,343,098 common shares and 18,630,000 Class A convertible restricted voting shares outstanding and 686,255 common share purchase warrants with a strike price of CAD 0.54 per share.

4. ADJUSTMENTS

The pro forma consolidated Balance Sheet sets out the accounts of the Resulting Issuer after giving effect to the Transaction. The following Adjustments correspond with the note references on the pro forma balance sheet and as further set out in these Notes

- (A) To eliminate Mukuba's accumulated deficit and adjust capital structure for proposed merger.
- (B) To recognize cash and securities from the brokered private placement financing of FogChain (the "Financing") completed on March 6, 2018 raising gross proceeds of C\$5,391,297.36 through the issuance of 9,983,884 Subscription Receipts at a price of C\$0.54 per Subscription Receipt
- (C) To recognize the conversion of \$400,000 in convertible debentures issued by FogChain. The convertible debentures converted into FogChain common stock based on a \$2.4 million valuation of the Company, before the Financing which equalled 9,000,000 shares.
- (D) To recognize 3,750,000 common shares issued as finder's fees in connection with the Transaction.

5. WARRANTS

There are 686,255 common share purchase warrants issued to the agents pursuant to the financing, with each warrant entitling the holder thereof to acquire one FogChain share at an exercise price equal to CAD 0.54 pursuant to the terms of the compensation warrant certificate.