

INTRODUCTION

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Blockmate Ventures Inc. (or the Company) constitutes management's review of the factors that affected the Company's financial and operating performance for nine months ended March 31, 2023. This MD&A was written to comply with the requirements of National Instrument 51-102—*Continuous Disclosure Obligations*. This discussion should be read in conjunction with the audited consolidated financial statements of the Company for the year ended June 30, 2022 together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's consolidated financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Information contained herein is presented as of March 31, 2023, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the board of directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the common shares of the Company; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the board of directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations is available at the Company's offices or on SEDAR at www.sedar.com.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. Specifically, this MD&A includes, but is not limited to, forward-looking statements regarding: the Company's ability to protect its proprietary technology; the Company's ability to meet its working capital needs at the current level for the period ending June 30, 2022; the plans, costs, timing and capital for future development of the Company's assets, including the costs and potential impact of complying with existing and proposed laws and regulations; management's outlook regarding future trends; sensitivity analysis on financial instruments, which may vary from amounts disclosed; and general business and economic conditions.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. These risks, uncertainties and other factors include, but are not limited to, changes in debt and equity markets,

timing and availability of external financing on acceptable terms, increases in costs, interest rate and exchange rate fluctuations, as well as those risk factors listed in the “Risk Factors” section below. Readers are cautioned that the foregoing list is not exhaustive of the factors that may affect the forward-looking statements. 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 MD&A. Such statements are based on a number of assumptions that may prove to be incorrect, including, but not limited to, assumptions about the following: the availability of financing for the Company’s development of its assets; operating costs; the Company’s ability to retain and attract skilled staff; timing of the receipt of regulatory and governmental approvals for operations; market competition; and general business and economic conditions.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

HIGHLIGHTS

For the nine months ended March 31, 2023 the Company recorded revenue of \$275,459 with the following business highlights:

- Gross margin of 41.30%
- Basic and Diluted loss per share of \$0.03

On November 17, 2022, the Company announced that it successfully completed a non-brokered private placement for gross proceeds of \$814,667 for general working capital.

BUSINESS OVERVIEW

Blockmate Ventures Inc. (Formerly Midpoint Holdings Ltd) ("Blockmate" or "the Company") was incorporated under the Business Corporations Act (British Columbia) on April 15, 2010 and was classified as a Capital Pool Company as defined in the TSX Venture Exchange ("TSX V") Policy 2.4. The principal business of the Company was to negotiate an acquisition or participation in a business subject to acceptance by regulatory authorities and, in certain cases, shareholder approval (the "Qualifying Transaction") which it completed on April 11, 2013.

The Company now operates through its wholly owned subsidiaries in the United Kingdom and Hong Kong, Blockchain World Ltd ("BWL"), Midpoint & Transfer Ltd and Midpoint Hong Kong Limited (together, "Midpoint"). BWL owns the premium domain names Blockchain.eu (Europe), Blockchain.com.au (Australia) and Hivello.com. Midpoint is a web-based enterprise that matches buyers and sellers of foreign currency and transfers the funds to their desired location through an intermediary third-party payment provider. The Company receives fees from all parties for matching the currency exchanges and transferring the funds.

On March 15, 2022, the Company acquired all of the issued and outstanding share capital of BWL, a company focused on building innovative consumer-focused blockchain-based products.

The Company's head office is 505 Kootenay Street, Nelson, Vancouver, British Columbia, V1L 1K9.

For the three months ended March 31, 2023 and as at the date of this MD&A, Midpoint generates most of the revenue within the group.

Midpoint has licences issued by:

- Financial Conduct Authority (FCA), United Kingdom
- Financial Transactions and Reports Analysis Centre (FINTRAC), Canada, and the
- Hong Kong Securities and Futures Commission (HKSF)

Midpoint has been operating under its UK licence since 2013, and Midpoint is in discussions with industry players regarding utilising its other licences.

Midpoint's primary customer base is SMEs and HNWs making international payments. So far, its clients are primarily from US, UK, Canada, Australia, New Zealand and Continental Europe.

Midpoint has developed a platform which enables its customers to login and on a self-serve basis, enjoy a simultaneous, multi-party, multi-currency matching and netting.

Midpoint is also set to offer its clients additional capability to open USD, CAD, GBP and Euro accounts within 15 minutes, via virtual international bank account number (IBAN).

Blockmate is a reporting issuer under applicable securities legislation in the provinces of Alberta, British Columbia and Ontario and its outstanding shares are listed on the:

- TSX-V under the symbol "MATE"
 - OTCQB under the symbol "MATEF" and
 - Frankfurt Stock Exchange under the symbol "8MH".
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ACQUISITION OF SUBSIDIARY

On March 15, 2022, the Company completed its Qualifying Transaction and acquired all of the issued and outstanding Blockchain World Ltd. shares. The Company issued a total of 10,000,000 common shares. As a result of the transaction, the Company obtained 100% of the common shares of the entity. Only the assets, liabilities, and the results of operations of Blockchain World Ltd. after March 15, 2022 are included in these consolidated financial statements.

Since the Company issued shares to Blockchain World Ltd. shareholders with a value in excess of the assets received, the difference is assigned to premium on acquisition of subsidiary of \$2,250,000 which is the difference between fair value of the consideration and the net identifiable assets at the time of acquisition.

At the date of issuance of the equity instruments, a synergy was obtained through the acquisition of executive leadership from BWL, which did not qualify for recognition as an asset, therefore was immediately recognized as an expense. The \$2,250,000 attributed to the executive leadership is recorded as consideration paid in excess of net assets acquired from acquisition in the consolidated statement of net loss and comprehensive net loss.

The premium of acquisition of subsidiary of \$2,250,000 are a non-cash expense item that represents the excess fair value associated with the shares issued on Closing of the Qualifying Transaction over the fair value of the net assets acquired by the accounting acquirer. Prior to Closing the net asset value of the Company was \$nil.

STRATEGY AND OUTLOOK

Having established payment licences in 3 continents, built a payments platform usable on a self-serve basis globally and built a team with expertise in FX, blockchain and scaling startups, the Company is well positioned to achieve the following business objectives:

- Build businesses by founding and incubating them in-house and once proven the business model, finding partners to help continue their growth.
- The first business developed by Blockmate was Midpoint. Having been awarded the licences, built the FX platform and grown the business to over \$300k per annum, our current focus is finding a strategic partner to rapidly scale the business.
- Blockmate's other businesses are focussed on blockchain ("Web3") and our approach during this "crypto winter" is to minimise investment and leverage off our extensive network to identify opportunities to scale our current blockchain assets: blockchain.eu, blockchain.com.au and Hivello.

Midpoint continues to maintain a five-star rating on Trustpilot, an independent rating platform and continues to accumulate good customer testimonials and referrals.

Operations

Our Midpoint business currently offers 32 currencies. Midpoint no longer primarily relies on outsourced software development and has brought software development and engineering inhouse. Midpoint's platform provides:

- Full treasury system with multi-currency e-Wallets
 - Mass pay-out functionality
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- Multiple users for both personal and business accounts
- Improved beneficiary management
- Multiple beneficiary payments from a single FX conversion
- Multiple FX conversions consolidated into a single currency beneficiary payment
- Integration with Xero cloud accounting software
- Real-time fees and indicative rates calculator

Midpoint has implemented a continuous delivery model with rapid software release cycles and continues to focus on leveraging both patented technology and existing platform in developing the new products outlined in the section above.

Regulatory Compliance

The Company is regulated by the Financial Conduct Authority in the UK as a Payments Institution. Regulation is an extremely important part of the Company's activities. In addition to its work with the regulators, the Company periodically reviews its internal processes and procedures in the area of Know Your Client (KYC) and Anti Money Laundering (AML). The Company recognizes the importance of regulatory compliance and is fully committed to continuously monitoring developments within the industry to ensure its ongoing compliance. These standards and practices require constant attention as regulators around the world increase the requirements and demands on payment institutions.

The Company has also incorporated a dedicated Canadian operating subsidiary in anticipation of launching a second office. This entity has been registered with Fintrac, the Canadian regulator as a Money Service Business allowing it to potentially offer a new business model for its Canadian clients.

The Company has incorporated a wholly owned subsidiary in Hong Kong, Special Administrative Region (SAR), China. Midpoint Hong Kong Ltd received its Money Service Operator Licence from the Hong Kong Custom and Excise in December 2017. In February 2019, the Company secured money service banking services with DBS Bank, Hong Kong, SAR, China.

Sales & Marketing

The target client base for the business includes both Small and Medium sized Enterprises (SMEs) and individuals. These are the two client segments that traditionally find it difficult to access competitive foreign exchange services. Midpoint targets industry sectors which engage in frequent foreign exchange transactions, including leisure & tourism, accountancy practices & IFAs, software & tech companies, foreign homeowners, migrant workers and expats.

FINANCIAL PERFORMANCE

During the nine months ended March 31, 2023, the Company expensed \$1,759,079 (nine months ended March 31, 2022 - \$3,585,063).

As at March 31, 2023, the Company had a working capital deficit of \$622,163 (June 30, 2022 – working capital of \$386,176). The Company had cash and cash equivalents of \$330,052 at March 31, 2023 (June 30, 2022 - \$740,389).

In 2022, the Company was trading on the website and incurring expenses which were financed with available cash. As a result, the working capital and cash and cash equivalents were reduced by operating activities. On November 17, 2022, the Company announced that it successfully completed a non-brokered private placement for gross proceeds of \$814,667 for general working capital.

The Company has invested in a foreign subsidiary. The Company receives no income from that investment currently. The Company's current strategy is to scale its business in new currencies, geographies and industry silos. The Company maintains direct ownership of the patents and IT platform. All licensing agreements with the current subsidiary and future subsidiaries will be directly with the Company creating a revenue stream in the future. Dividends from the subsidiaries will also create revenues for the Company in the future. Risks related to operating in the financial services industry largely revolve around increased regulation and compliance legislation and associated costs.

HISTORY OF THE COMPANY

The Company was incorporated under the *Business Corporation Act* (British Columbia) on April 15, 2010 and was classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange ("TSX-V") Corporate Finance Manual. The principal business of the Company was to identify and evaluate companies, assets or businesses with a view to completing a Qualifying Transaction (as defined in Policy 2.4). The common shares of the Company were initially listed on the TSX-V with the trading symbol "JRL.P".

On April 11, 2013 the Company completed its Qualifying Transaction (the "Transaction") with BuyFX Ltd. ("BuyFX") and concurrent financing whereby the Company acquired all issued and outstanding securities of BuyFX in exchange for the issuance of securities of the Company. For accounting purposes, this share exchange is treated as a reverse takeover ("RTO") with BuyFX being the accounting acquirer.

BuyFX was a private company incorporated pursuant to the laws of Bermuda. Until its acquisition pursuant to the Transaction, BuyFX operated a P2P foreign exchange matching platform through its wholly owned UK subsidiary, Midpoint & Transfer Ltd ("Midpoint"). The platform allows any registered and authorized individuals or companies to conduct foreign exchange transactions for a transparent fee at the interbank midpoint or mid-market rate. On December 9, 2013 BuyFX made and received application to discontinue in Bermuda and continued to the Province of British Columbia. On May 20, 2014 BuyFX and the Company amalgamated to form one company as Midpoint Holdings Ltd.

Midpoint was registered in London, UK with the Financial Services Authority ("FSA") and subsequent to March 2013 with the Financial Conduct Authority ("FCA"), the regulatory body for payment services in the UK. Midpoint currently offers its service in 24 currencies with over 244 payout countries available. Midpoint's operations and technology platforms have been designed and built to scale as volumes grow and further currencies are added. The initial currencies are used in most global FX and payment transactions.

BLOCKMATE VENTURES INC. (FORMERLY MIDPOINT HOLDINGS LTD.)

MANAGEMENT DISCUSSION & ANALYSIS
FOR THE NINE MONTHS ENDED MARCH 31, 2023
DISCUSSION DATED: MAY 29, 2023

**SELECTED FINANCIAL INFORMATION**

The following is selected financial data derived from the unaudited quarterly consolidated financial statements of the Company for the three months ended March 31, 2023, 2022, and 2021, and year ended June 30, 2022, 2021 and 2020. Note that all financial data for 2023, 2022, 2021 and 2020 are stated in Canadian dollars.

	Three months March 31, 2023 (CAD)	Three months March 31, 2022 (CAD)	Three months March 31, 2021 (CAD)	Year ending June 30, 2022 (CAD)	Year ending June 30, 2021 (CAD)	Year ending June 30, 2020 (CAD)
Total revenues	\$ 96,813	\$ 253,458	\$ 108,556	\$ 435,779	\$ 388,314	\$ 427,531
Net Income (loss)	(644,630)	(2,948,259)	(207,116)	(4,590,247)	(786,544)	(1,158,067)
Net income/(loss) income per share – basic	(0.0078)	(0.0559)	(0.0050)	(0.08)	(0.02)	(0.04)
Net income/(loss) income per share – diluted	(0.0062)	(0.0446)	(0.0036)	(0.06)	(0.02)	(0.04)
Total assets	442,491	2,471,733	3,383,622	794,219	3,067,206	814,330
Total non-current liabilities	nil	737,626	nil	nil	nil	123,524
Dividends distributed/declared	nil	nil	nil	nil	nil	nil

- The net loss for the three months ended March 31, 2023, consisted primarily of professional fees, wages, general and administrative, marketing, website and software operating costs, rent, filing fees and amortization and depreciation.
- The net loss for the period ended March 31, 2022, consisted primarily of transaction costs, professional fees, wages, amortization and depreciation, marketing, filing fees, rent, general and administrative, and software development and website expenses.
- The net loss for the period ended March 31, 2021, consisted primarily of professional fees, wages, amortization and depreciation, marketing, filing fees, rent, general and administrative, and software development and website expenses.
- The net loss for the year ended June 30, 2022, consisted primarily of professional fees, wages, depreciation and amortization, marketing, filing fees, rent, general and administrative expenses, and website and software operating. Also, the Company incurred impairment losses on intangibles and equipment, and premium on acquisition of BWL.
- The net loss for the year ended June 30, 2021, consisted primarily of professional fees, wages, depreciation, marketing, filing fees, rent, general and administrative expenses, website and software operating costs, and settlement accretion expenses.
- The net loss for the year ended June 30, 2020, consisted primarily of professional fees, wages, amortization and depreciation, marketing, filing fees, rent, general and administrative expenses, website, and settlement accretion expenses.

BLOCKMATE VENTURES INC. (FORMERLY MIDPOINT HOLDINGS LTD.)

MANAGEMENT DISCUSSION & ANALYSIS
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The following table sets forth selected financial information for the Company's eight most recent quarters ending with the last quarter for the three months ending March 31, 2023.

	Three months ended March 31, 2023 \$	Three months ended Dec 31, 2022 \$	Three months ended Sep 30, 2022 \$	Three months ended Jun 30, 2022 \$
Total revenues	96,813	98,287	80,359	81,522
Net Income (loss)	(644,630)	(951,953)	(529,355)	(1,301,916)
Net income/(loss) per share—basic	(0.01)	(0.02)	(0.01)	(0.02)
Net income/(loss) per share—diluted	(0.01)	(0.02)	(0.01)	(0.02)
Total assets	442,491	619,990	458,680	794,219

	Three months ended March 31, 2022 \$	Three months ended Dec 31, 2021 \$	Three months ended Sep 30, 2021 \$	Three months ended Jun 30, 2021 \$
Total revenues	253,458	100,799	107,591	107,733
Total Income (loss)	(2,948,259)	(396,377)	(268,243)	(224,040)
Net income/(loss) per share—basic	(0.0559)	(0.01)	(0.00)	(0.02)
Net income/(loss) per share—diluted	(0.0446)	(0.01)	(0.00)	(0.02)
Total assets	2,471,733	2,440,402	2,816,513	3,067,206

SUMMARY OF QUARTERLY RESULTS

	Total Assets \$	Profit or Loss \$	Basic & Diluted Earnings (Loss) Per Share \$
2023 - March 31	442,491	(644,630) ⁽¹⁾	(0.01)
2022 - December 31	619,990	(951,953) ⁽²⁾	(0.02)
2022 - September 30	458,680	(529,355) ⁽³⁾	(0.01)
2022 - June 30	794,219	(1,301,916) ⁽⁴⁾	(0.02)

Notes:

- (1) The net loss of \$644,630 consisted primarily of premium on acquisition of subsidiary, share-based compensation, professional fees, wages, amortization and depreciation, marketing, filing fees, rent, general and administrative expenses, and software development and website costs.
- (2) The net loss of \$951,953 consisted primarily of professional fees, wages, amortization and depreciation, marketing, filing fees, rent, general and administrative expenses, and software development and website costs.
- (3) The net loss of \$529,355 consisted primarily of professional fees, wages, amortization and depreciation, marketing, filing fees, rent, general and administrative expenses, and software development and website costs.
- (4) The net loss of \$1,301,916 consisted primarily of transaction costs, professional fees, wages, amortization and depreciation, marketing, filing fees, rent, general and administrative expenses, and software development and website costs.

DISCUSSION OF OPERATIONS

Three Months Ended March 31, 2023 compared with the Three Months Ended March 31, 2022.

The Company's net loss totalled \$644,630 for the three months ended March 31, 2023, with basic and diluted loss per share of \$0.0078 and \$0.0062. This compares with a total net loss of \$2,948,259 with basic and diluted loss per share of \$0.0559 and \$0.0446 for the three months ended March 31, 2022, a decrease of \$2,303,629 in net loss principally due to an decrease in transaction costs, professional and consulting, software development, marketing, filing fees, amortization and depreciation since the Company acquired its subsidiaries in 2022.

Nine Months Ended March 31, 2023 compared with the Nine Months Ended March 31, 2022.

The Company's net loss totalled \$2,125,938 for the nine months ended March 31, 2023, with basic and diluted loss per share of \$0.0322 and \$0.0251. This compares with a total net loss of \$3,344,636 with basic and diluted loss per share of \$0.0627 and \$0.0500 for the nine months ended March 31, 2022, an decrease of \$1,218,698 in net loss principally due to an decrease in transaction costs, software development and professional and consulting since the Company acquired its subsidiaries in 2022.

LIQUIDITY AND FINANCIAL POSITION

The activities of the Company were financed through equity transactions such as equity offerings.

There is no assurance that the Company's business will result in future profitable operations. The business is subject to risk, market conditions, supply and demand, and competition. The Company currently has cash available to meet its administrative overhead and maintain its assets. The recoverability of amounts shown in assets is dependent on several factors. These factors include the ability of the Company to obtain financing to complete the planned growth, reduction of operating expenses, and future cashflow from the Company's business.

However, there can be no assurance that the Company will be able to continue to raise funds in the future in which case the Company may be unable to meet its obligations. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the statement of financial position. Current liabilities increased to \$1,028,337 at March 31, 2023, compared to \$385,177 at June 30, 2022; this was due to increases in accounts payable, accrued liabilities and loans payable. The Company's cash and cash equivalents at March 31, 2023, are sufficient to pay these liabilities.

As of March 31, 2023, the Company had 89,795,037 common shares issued; all options granted had not been exercised and had hence expired. The Company issued 13,025,000 warrants exercisable at \$0.20 per warrant in a private placement dated February 5, 2020; these warrants expire three years from the closing of the Private Placement. The Company has issued 1,250,000 Warrants exercisable at \$0.20 per Warrant in a Private Placement dated July 9, 2020; these Warrants expire two years from the closing of the Private Placement. The Company has issued 6,000,000 Warrants exercisable at \$0.35 per Warrant in a Private Placement dated July 22, 2021; these Warrants expire two years from the closing of the Private Placement. The Company also issued 16,293,337 warrants exercisable at \$0.075 per warrant in a private placement dated November 17, 2022. These warrants expire three years from the closing of the Private Placement

The Company's operating subsidiary has revenues from sales but must utilize its current cash reserves, funds obtained from the exercise of stock options and other financing transactions to maintain its capacity to meet ongoing operating activities. Given that the Company has sufficient funds on hand to meet its current anticipated expenditures, it only anticipates raising additional funds opportunistically. See "Risk Factors" below.

Cash used in operating activities was \$1,145,931, for the period ended March 31, 2023. Operating activities were affected by a net decrease in non-cash working capital balances of \$475,265 because of an increase in accounts receivable and prepaid expenses of \$45,158, an increase in accounts payable and accrued liabilities of \$526,673, and a decrease in due to directors of \$6,250.

The Company's use of cash at present occurs, and in the future will occur, principally in two areas, namely, funding of its wages and marketing to drive and manage its growth in revenue.

The Company had a working capital deficit of \$622,163 as of March 31, 2023.

The ability of the Company to obtain necessary financing to market its platform, and fund on-going sales and administrative expenses is uncertain. The ability of the Company to generate sales revenue to offset the expenses and maintain profitability is uncertain. These material uncertainties cast significant doubt on the Company's ability to continue as a going concern. The Company will require additional financing from time to time, which it intends to obtain through the issue of common shares. While the Company has been successful in raising equity financing through the issuances of common shares in the past, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be available on acceptable terms.

MANAGEMENT OF CAPITAL

The Company manages its capital with the following objectives:

- To ensure sufficient financial flexibility to achieve the ongoing business objectives; and
- To maximize shareholder return.

The Company monitors its capital structure and adjusts according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets.

The capital structure is reviewed by management and the board of directors on an ongoing basis. The Company considers its capital to be equity, comprising of share capital, warrant and option reserves, contributed surplus, accumulated other comprehensive loss and deficit which as at March 31, 2023, totaled deficit of \$585,846 and as of June 30, 2022, totaled equity of \$409,042.

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its operating activities. Selected information is provided to the board of directors. The Company's capital management objectives, policies and processes have remained unchanged during the nine months ended March 31, 2023.

The Company is not subject to any capital requirements imposed by a lending institution or any other external capital requirements. The UK operating subsidiary ("Midpoint" or "MPNT") is subject to FCA regulatory capital adequacy requirements under which it is required to maintain a share capital balance in excess of accumulated deficit plus 10% of fixed operating costs from the previous year. As at March 31, 2023 and June 30, 2022, the Company met this requirement.

SHARE CAPITAL

The Company is authorized to issue an unlimited number of common shares. As of March 31, 2023 and the date of this MD&A, the Company had 89,795,037 and 91,567,003 common shares outstanding respectively and \$1,643,389 warrants.

As of March 31, 2023 and the date of this MD&A, company had no stock options outstanding.

As of March 31, 2023 and the date of this MD&A, the Company had 36,568,337 and 16,293,337 warrants outstanding respectively.

RISK FACTOR

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Only investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment should undertake such investment. Prospective investors should carefully consider the risk factors described below.

Credit Risk, Foreign Exchange Risk, Liquidity Risk, Cybersecurity Risk

Financial instruments that could expose the Company to credit risk are primarily cash and cash equivalents and accounts receivable. The Company has deposited its cash in financial institutions with good reputations, and management considers the risk of losses to be negligible.

The Company is exposed to currency risk. To date, funds have been raised in Canadian currency (CAD) while expenses are largely in British Pounds (GBP) in the UK operating subsidiary. The Company continues to operate primarily in CAD at the holding level. However, the Company is exposed to foreign exchange risk on a portion of its accounts payable and accrued liabilities and its GBP bank account. Management is actively hedging a portion of that exposure to mitigate this.

The Company is exposed to liquidity risk. Liquidity risk is the exposure of the Company to the risk of not being able to meet its financial obligations as they become due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's future liquidity is dependent on factors such as the ability to generate cash from operations and to raise money through debt or equity financing.

The Company had cash and cash equivalents of \$330,052 at March 31, 2023 (June 30, 2022 - \$740,389) and current liabilities of \$1,028,337 as at March 31, 2023, (June 30, 2022 - \$385,177).

The Company is exposed to cybersecurity risks of hacking and data breaches, although the risk is mitigated as it does not hold client funds directly.

Competition

The Company is competing in the online payments markets based in part on the Company's ability to execute its customers' orders at competitive prices, to retain its existing customers and to attract new customers. The Company's competitors range from small venture backed enterprises with limited resources to multi-national banks with larger customer bases, more established name recognition and substantially greater financial, marketing, technological and personnel resources than the Company has. The larger and better capitalized competitors, including commercial and investment banking firms, may have access to capital in greater amounts and at lower costs than the Company will have, and thus, may be better able to respond to changes in the payments industry, to compete for skilled professionals, to finance acquisitions, to fund internal growth and to compete for market share generally. The Company may not be able to compete effectively against these firms, particularly those with greater financial resources, and the Company's failure to do so could materially and adversely affect the Company's business, financial condition and results of operations and cash flows.

Management

The success of the Company is currently largely dependent on the performance of its management. Shareholders will be relying on the good faith, experience and judgment of the Company's management and advisers in supervising and providing for the effective management of the Company's business. The loss of the services of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its management or other qualified personnel required to operate its business. Failure to do so could have a materially adverse effect on the UK Company and its prospects.

The Company has not purchased "key-man" insurance, nor has it entered into non-competition and non-disclosure agreements with management and has no current plans to do so.

OFF-BALANCE SHEET ARRANGEMENTS, COMMITMENTS, AND CONTINGENCIES

As of the date of this MD&A, the Company has not engaged in any off-balance sheet arrangements, such as obligations under guarantee contracts, a retained or contingent interest in assets transferred to an unconsolidated entity, any obligation under derivative instruments, or any obligation under a material variable interest in an unconsolidated entity that provides financing, liquidity, market risk or credit risk support to the Company or engages in leasing or hedging services with the Company. The Company has no commitments or contingencies.

PROPOSED TRANSACTIONS

As of the date of this MD&A, there is no firm offer that may result in a material transaction being considered by the Company. The Company continues to evaluate offers and assets that it may acquire in the future.

RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying financial statements are summarized below:

BLOCKMATE VENTURES INC. (FORMERLY MIDPOINT HOLDINGS LTD.)

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Key management personnel:

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Remuneration attributed to key management personnel can be summarized as follows:

	For the three months ended March 31, 2023	For the nine months ended March 31, 2023	For the three months ended March 31, 2022	For the nine months ended March 31, 2022
	\$	\$	\$	\$
Director fees	60,497	140,342	62,682	312,950
Consulting and professional fees	128,294	267,982	361,234	410,572
Share-based compensation	-	-	-	-
Total	188,791	408,324	423,916	723,522

Accounts payable to directors in the statement of financial position is \$97,727 as of March 31, 2023.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS

	Three months ended March 31, 2023	Three months ended March 31, 2022	Nine months ended March 31, 2023	Nine months ended March 31, 2022	Year ended June 30, 2022	Year ended June 30, 2021
General and Administrative Expenses						
	\$	\$	\$	\$	\$	\$
Amortization and depreciation	5,931	8,925	18,268	13,376	108,909	25,740
Filing and transfer fees	10,676	14,563	50,951	17,076	24,365	29,337
General and administrative expenses	99,749	77,950	225,257	137,843	278,877	120,571
Marketing	56,459	63,847	122,996	87,592	134,729	72,714
Professional and consulting fees	222,965	361,234	498,643	547,676	771,806	393,977
Rent	40,356	31,963	80,743	49,756	-	-
Software development and website costs	47,561	107,700	95,751	158,077	233,898	136,563
Salaries and benefits	212,974	205,280	666,470	323,667	740,374	296,187
Transaction costs	-	2,250,000	-	2,250,000	-	-
Total	696,671	3,121,462	1,759,079	3,585,063	2,292,958	1,075,089

BLOCKMATE VENTURES INC. (FORMERLY MIDPOINT HOLDINGS LTD.)

MANAGEMENT DISCUSSION & ANALYSIS
FOR THE NINE MONTHS ENDED MARCH 31, 2023
DISCUSSION DATED: MAY 29, 2023



Other Items	Three months ended March 31, 2023	Three months ended March 31, 2022	Year ended June 30, 2022	Year ended June 30, 2021
	\$	\$	\$	\$
Impairment on intangibles	-	-	88,633	-
Impairment on equipment	-	-	253,157	-
Premium on acquisition of subsidiary	-	-	2,250,000	-

SUBSEQUENT EVENTS

Subsequent to the nine months ended March 31, 2023, the Company had the following events:

On May 17, 2023 Blockmate Ventures Inc. has reached agreements with directors or officers of the company and two arm's-length creditors to settle outstanding indebtedness totalling \$141,538.03 through the issuance of 2,830,761 common shares at a deemed price of five cents per share. Completion of the debt settlement remains subject to the approval of the TSX Venture Exchange. All common shares issued in connection with the debt settlement will be subject to a four-month-and-one-day statutory holder period in accordance with applicable securities laws.

DISCLOSURE OF INTERNAL CONTROLS

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements; and (ii) the consolidated financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented.

On November 23, 2007 the British Columbia Securities Commission exempted registered venture issuers, of which the Company is one, from certifying certain disclosure controls and procedures. In contrast to the certificate required for non-venture issuers under National Instrument 52-109 - *Certification of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109"), the Venture Issuer Basic Certificate filed by the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

- i. controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii. a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

CRITICAL ACCOUNTING ESTIMATES

As of March 31, 2023, there are no relevant changes in accounting standards applicable to future periods other than as disclosed in the most recent audited financial statements as at and for the year ended June 30, 2022.

The determination as to the existence and measurement of any impairment requires management to make significant estimates and assumptions, which includes estimated future cash flows, discount rates and estimated useful life. These significant estimates and judgments could impact the Company's future results if the current estimates of future performance and fair value change. This could affect the amount of amortization expense and any impairment charges on intangible assets in future periods.
