CASCADIA BLOCKCHAIN GROUP CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THREE MONTHS ENDED APRIL 30, 2021 AND 2020

(Expressed in Canadian Dollars)

NOTICE TO READER OF THE UNAUDITED CONDENSED INTERIM CONOSLIDATED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of Cascadia Blockchain Group Corp. (the "Company") have been prepared by the Company's management and have not been reviewed by the Company's independent auditors. These condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended January 31, 2021 which are available at the SEDAR website at www.sedar.com.

CASCADIA BLOCKCHAIN GROUP CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT APRIL 30, 2021 AND JANUARY 31, 2021
(Expressed in Canadian dollars)

	Notes		April 30, 2021		January 31, 2021
ASSETS			**(Unaudited)**		
Current assets					
Cash and cash equivalents		**$**	**238,542**	$	337,268
Cryptocurrency	3		**488,943**		251,358
Accounts receivable and other receivables	4		**4,169**		3,953
Total current assets			**731,654**		592,579
Non-current assets					
Fixed assets	5		**14,252**		16,747
Total non-current assets			**14,252**		16,747
TOTAL ASSETS		**$**	**745,906**	$	609,326
LIABILITIES AND EQUITY					
Current liabilities					
Accounts payable and accrued liabilities	9	**$**	**250,117**	$	165,875
Total current liabilities			**250,117**		165,875
Long-term liabilities					
Loan payable	7		**40,000**		40,000
Total long-term liabilities			**40,000**		40,000
Total liabilities			**290,117**		205,875
Equity					
Share capital	8		**13,532,553**		13,364,643
Contributed surplus			**58,248**		58,248
Accumulated other comprehensive income			**417,878**		223,303
Deficit			**(13,540,661)**		(13,233,387)
Total equity attributable to equity holders of the company			**468,018**		412,807
Non-controlling interest			**(12,229)**		(9,356)
TOTAL LIABILITIES AND EQUITY		**$**	**745,906**	$	609,326

NATURE OF BUSINESS (NOTE 1)

On behalf of the Board:

(signed) Di Deng, Director *(signed) Hanxuan Wu*, Director

(The accompanying notes are an integral part of these condensed interim consolidated financial statements.)

CASCADIA BLOCKCHAIN GROUP CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	Notes	Three Months Ended April 30, **2021**	2020
EXPENSE			
Consulting and professional fees		**$ 131,189**	$ 161,603
Salaries and benefits	9	**90,718**	142,287
Marketing and promotion	9	**14,208**	-
Rent		**11,918**	-
Office and miscellaneous		**7,995**	3,922
Listing and transfer agent expenses		**4,428**	3,098
Amortization	5, 6	**1,767**	6,962
Bank charges and interest		**799**	1,130
OPERATING LOSS		**(263,022)**	(319,002)
OTHER INCOME (LOSS)			
Interest income		**-**	357
Foreign exchange gain (loss)		**(53,102)**	(24,169)
Recovery from change in fair value of cryptocurrency	3	**2,377**	(2,824)
Gain/(loss) on disposal of cryptocurrency	3	**1,373**	(55,995)
LOSS FOR THE PERIOD		**$ (312,374)**	$ (401,633)
OTHER COMPREHENSIVE INCOME (LOSS)			
Items that will be reclassified to net income / loss:			
Foreign currency translation adjustments from foreign subsidiary		**46,772**	36,718
Increase in fair value of cryptocurrency	3	**150,030**	-
COMPREHENSIVE GAIN / (LOSS) FOR THE PERIOD		**$ (115,572)**	$ (364,915)
NET INCOME (LOSS) ATTRIBUTABLE TO:			
Common shares		**(307,274)**	(401,633)
Non-controlling interest		**(5,100)**	-
		$ (312,374)	$ (401,633)
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:			
Common shares		**(112,700)**	(364,915)
Non-controlling interest		**(2,873)**	-
		$ (115,572)	$ (364,915)
EARNING (LOSS) PER SHARE FOR THE PERIOD			
Basic and Diluted		**$ (0.00)**	$ (0.01)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING			
Basic and Diluted		**72,590,594**	71,977,438

(The accompanying notes are an integral part of these condensed interim consolidated financial statements.)

CASCADIA BLOCKCHAIN GROUP CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	Notes		Three Months Ended April 30, 2021		2020
EXPENSE					
Consulting and professional fees		**$**	**131,189**	$	161,603
Salaries and benefits	9		**90,718**		142,287
Marketing and promotion	9		**14,208**		-
Rent			**11,918**		-
Office and miscellaneous			**7,995**		3,922
Listing and transfer agent expenses			**4,428**		3,098
Amortization	5, 6		**1,767**		6,962
Bank charges and interest			**799**		1,130
OPERATING LOSS			**(263,022)**		(319,002)
OTHER INCOME (LOSS)					
Interest income			**-**		357
Foreign exchange gain (loss)			**(53,102)**		(24,169)
Recovery from change in fair value of cryptocurrency	3		**2,377**		(2,824)
Gain/(loss) on disposal of cryptocurrency	3		**1,373**		(55,995)
LOSS FOR THE PERIOD		**$**	**(312,374)**	$	(401,633)
OTHER COMPREHENSIVE INCOME (LOSS)					
Items that will be reclassified to net income / loss:					
Foreign currency translation adjustments from foreign subsidiary			**46,772**		36,718
Increase in fair value of cryptocurrency	3		**150,030**		-
COMPREHENSIVE GAIN / (LOSS) FOR THE PERIOD		**$**	**(115,572)**	$	(364,915)
NET INCOME (LOSS) ATTRIBUTABLE TO:					
Common shares			**(307,274)**		(401,633)
Non-controlling interest			**(5,100)**		-
		$	**(312,374)**	$	(401,633)
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:					
Common shares			**(112,700)**		(364,915)
Non-controlling interest			**(2,873)**		-
		$	**(115,572)**	$	(364,915)
EARNING (LOSS) PER SHARE FOR THE PERIOD					
Basic and Diluted		**$**	**(0.00)**	$	(0.01)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING					
Basic and Diluted			**72,590,594**		71,977,438

(The accompanying notes are an integral part of these condensed interim consolidated financial statements.)

CASCADIA BLOCKCHAIN GROUP CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)
(Expressed in Canadian dollars)

	Number of Common Shares	Share Capital	Contributed Surplus	Accumulated other comprehensive income (loss)	Retained Earnings (Deficit)	Non-Controlling Interest	Total Equity
		$	$	$	$	$	$
Balance, January 31, 2020	**71,977,438**	**13,364,643**	**58,248**	**2,453**	**(12,320,932)**	**-**	**1,104,412**
Net loss for the period	-	-	-	-	(401,633)	-	(401,633)
Other comprehensive income for the period	-	-	-	36,718	-	-	36,718
Balance, April 30, 2020	**71,977,438**	**13,364,643**	**58,248**	**39,171**	**(12,722,565)**	**-**	**739,497**
Net loss for the period	-	-	-	-	(510,822)	(11,391)	(522,213)
Other comprehensive income for the period	-	-	-	184,132	-	2,035	186,167
Balance, January 31, 2021	**71,977,438**	**13,364,643**	**58,248**	**223,303**	**(13,233,387)**	**(9,356)**	**403,451**
Net loss for the period	-	-	-	-	(307,274)	(5,100)	(312,374)
Other comprehensive income for the period	-	-	-	194,575	-	2,227	196,802
Warrant exercised to share capital	1,399,254	167,910	-	-	-	-	167,910
Balance, April 30, 2021	**73,376,692**	**13,532,553**	**58,248**	**417,878**	**(13,540,661)**	**(12,229)**	**455,789**

(The accompanying notes are an integral part of these condensed interim consolidated financial statements.)

CASCADIA BLOCKCHAIN GROUP CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(Expressed in Canadian dollars)

	Notes	Three Months Ended April 30, 2021	2020
Cash flows from (used in) operating activities			
Net income / (loss) from continuing opreations		**$ (312,374)**	$ (401,633)
Adjustments to reconcile net income to net cash flows:			
Amortization	5, 6	**1,834**	6,962
Change in fair value of cryptocurrency	3	**(2,377)**	2,824
(Gain) / loss on sale of cryptocurrency and transaction fee	3	**(1,373)**	55,995
Fees and salaries paid in cryptocurrency	3	**6,000**	105,542
Net foreign exchange differences		**48,036**	-
		(260,254)	(230,310)
Changes in working capital items:			
Accounts receivable and other receivables		**(216)**	2,276
Prepaid expenses		**-**	3,618
Accounts payable and accued liabilities		**84,241**	70,550
Cash flows used in operating activities		**(176,229)**	(153,866)
Cash flows from investing activities			
Proceed from sale of cryptocurrency	3	**-**	179,317
Cash flows from (used in) investing activities		**-**	179,317
Cash flows from financing activities			
Lease payments		**-**	(3,246)
Proceeds from exercise of warrants	8	**78,106**	-
Cash flows from financing activities		**78,106**	(3,246)
Decrease in cash and cash equivalents		**(98,123)**	22,205
Foreign exchange effect on cash and cash equivalents		**(603)**	36,718
Cash and cash equivalents, beginning of the period	10	**337,268**	393,126
Cash and cash equivalents, end of the period		**$ 238,542**	$ 452,049

Supplemental cash flow information (Note 10)

(The accompanying notes are an integral part of these condensed interim consolidated financial statements.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

THESE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS CONTAIN THE FOLLOWING NOTES:

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1. NATURE OF BUSINESS

Blockchain Group Corp. (the "Company" or "Cascadia") was incorporated on November 10, 2011 under the laws of British Columbia, Canada. Cascadia is a blockchain technology company operating in Vancouver, B.C., Canada. Its registered office is located at #530, 355 Burrard Street, Vancouver, British Columbia V6C 2G8. In September 2013, the Company was approved for listing on the Canadian Securities Exchange ("CSE"). The Company's common shares commenced trading on the CSE at the opening of markets on September 12, 2013 under the symbol "CK".

On December 20, 2017, the Company proposed a fundamental change of business to a blockchain company and a change of its name from Cascadia Consumer Electronics Corp. to Cascadia Blockchain Group Corp. The proposed change of business and change of name were approved by the CSE on September 7, 2018. The corresponding listing statement was filed on both the CSE and SEDAR websites.

In March 2021, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak and any related adverse public health developments has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. The impact on the Company is not currently determinable but management continues to monitor the situation.

These consolidated financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for a reasonable period of time. The Company has incurred losses since its inception. For the three months ended April 30, 2021, the Company incurred a net loss of $312,374 and has an accumulated deficit of $13,540,661 as at April 30, 2021. The Company's ability to continue as a going concern and to realize assets and discharge its liabilities in the normal course of business is dependent upon its generating profitable operations, obtaining additional financing or maintaining continued support from its shareholders and creditors, and identifying and acquiring other businesses or assets in the future. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

The interim consolidated financial statements were approved by the Board of Directors and authorized for issuance on June 29, 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These unaudited condensed interim consolidated financial statements ("interim financial statements") have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), have been omitted or condensed. These interim financial statements should be read in conjunction with the Company's consolidated financial statements for the year ended January 31, 2021.

Basis of consolidation

These condensed interim consolidated financial statements incorporate the financial statements of the Company and its subsidiaries in the table below. All inter-company transactions, balances, income and expenses have been eliminated in full on consolidation.

Entity	Operations	Country of Incorporation	% of Interest	Basis of Accounting
Tianjin Bocui Technology Ltd. ("Bocui")	Continuing	China	100%(1)	Consolidated
CK Fintech Corp. ("CK Fintech")	Continuing	Canada	100%(1)	Consolidated
Eurasia Blockchain Fintech Group Limited ("EBFG")	Continuing	Kazakhstan	95.24%(2)	Consolidated
CK Blockchain Lab Corp. ("CK Lab")	Continuing	Canada	100%(1)	Consolidated
Cascadia Blockchain Lab (U.K.) Limited ("CK Lab UK")	Continuing	U.K	100%(1), (3)	Consolidated

(1) Owned through Cascadia
(2) Owned through CK Fintech
In May 2020, the Company's wholly owned subsidiary EBFG granted five unrestricted common shares to a director of EBFG
(3) CK Lab UK was newly incorporated on September 24, 2020

Basis of measurement

These interim consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

The presentation and functional currency of the Company is the Canadian dollar. The functional currency of its subsidiaries is also the Canadian dollar except for Eurasia Blockchain Fintech Group Limited ("EBFG") which is the Kazakhstani Tenge ("KZT"), Cascadia Blockchain Lab (U.K.) Limited ("CK Lab UK") which is the British Pound Sterling ("GBP"), and Tianjin Bocui Technology Ltd. ("Bocui") which is the Chinese RenMinBi ("RMB").

Significant judgements and estimates

The preparation of these condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and revenues and expenses for the periods reported. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Judgements are choices in accounting policies and disclosures which management believes are supported by facts and circumstances existing at the date of the consolidated financial statements.

Significant areas requiring the use of management estimates include:

- The amount of expected credit loss of receivables.

Critical accounting judgements are accounting policies that have been identified as being complex or involve subjective judgments or assessments with a significant risk of material adjustment in the next fiscal year.

Significant judgement areas include:

- The classification of cryptocurrency as intangible assets;
- The ability of the Company to continue as a going concern; and
- The determination of whether the revenue recognition criteria are satisfied when transacting with new customers, particularly whether the receipt of the economic benefits associated with a transaction is probable.

Revenue recognition

During the year ended January 31, 2019, the Company signed a three-year licence agreement with its customer to allow the customer to use its proprietary trading platform. As there is no significant financial penalty for early termination, the license agreement is treated as a month-to-month contract under IFRS 15 Revenue from Contracts with Customers. The Company accounts for the promise to provide the right to use the Company's trading platform as a performance obligation satisfied at a point in time because the Company does not have obligations to provide future support or development of the trading platform to the customer. The Company recognizes the licensing fee as revenue on the basis that the receipt of the fee is probable.

Cash equivalents

Cash equivalents include short-term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

Cryptocurrency

Cryptocurrency meets the definition of intangible assets in IAS 38 Intangible Assets as it is an identifiable non-monetary asset without physical substance. It is initially recorded at cost and the revaluation method is used to measure the cryptocurrency subsequently. Under the revaluation method, increases in fair value of the cryptocurrency are recorded in other comprehensive income, while decreases are recorded in profit or loss. There is no recycling of gains from other comprehensive income to profit or loss. However, to the extent that an increase in fair value reverses a previous decrease in fair value that has been recorded in profit or loss, that increase is recorded in profit or loss.

The Company's only cryptocurrency is Bitcoin ("BTC"). The fair value of the bitcoins is determined according to Bitcoin Reference Rate published by CME Group ("CME") on the reporting date, and the closing exchange rate between Canadian dollars and United States dollars published by the Bank of Canada ("BOC") on the same day.

Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the consolidated statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

Share capital

The Company records proceeds from the issuance of its common shares as equity. Incremental costs directly attributable to the issue of new common shares are shown in equity as a deduction, net of tax, from the proceeds. Common shares issued for consideration other than cash are valued based on their market value at the date that the shares are issued.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the most easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

Foreign currency translation

Transactions denominated in foreign currencies are converted to the functional currency at exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate prevailing at the reporting date. Non-monetary assets and liabilities are translated at historical exchange rates prevailing at each transaction date. Revenues and expenses are translated at exchange rates prevailing on the date of transactions. All exchange gains and losses are included in determination of profit or loss.

Financial statements of subsidiary companies prepared under their functional currencies are translated into Canadian dollars for consolidation purposes. Amounts are translated using the current rates of exchange for assets and liabilities and using the average rates of exchange for the period for revenues and expenses. Gains and losses resulting from translation adjustments are recorded as other comprehensive income (loss) and accumulated in a separate component of shareholders' equity, described as foreign currency translation adjustment. In the event of a reduction of the Company's net investment in its foreign operations, the portion of accumulated other comprehensive income related to the reduction is realized and recognized in profit or loss.

Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Government grants and subsidies

Government grants and subsidies are recognized when the Company has complied with the conditions attached to the agreement and obtained reasonable assurance that revenue will be received. The grant is recognized as other income in income statement on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the assistance are intended to compensate.

3. CRYPTOCURRENCY

The Company received 425 bitcoins ("BTCs") worth $7,705,051 from a private placement closed on December 29, 2017 (see Note 7). Cryptocurrency assets are classified as intangible assets initially recorded at cost and subsequently measured at fair value. The fair value of BTC is determined according to Bitcoin Reference Rate published by CME Group ("CME") on the reporting date, and the closing exchange rate between Canadian dollar and US dollar published by the Bank of Canada ("BOC") on the same day. The price of cryptocurrency is volatile, and it exposes the Company to market risk due to the fluctuation of cryptocurrency price.

During the three months ended April 30, 2021, the Company sold nil BTCs (2020: 15.56 BTCs) for working capital purposes and paid consulting and director fees of 0.11 BTCs (2020: 12.03 BTCs). The Company received 1.25 BTCs in March 2021 due to the warranty exercised to share capital. After the deduction of transaction fees and network fees paid in BTCs, the remaining the balance of the cryptocurrency asset is 7.09 BTCs as at April 30, 2021 (2020: 33.39 BTCs). The corresponding fair value is shown as follows:

Price in US dollars per CME on April 30, 2021	$	56,147
Foreign exchange rate per BOC		1.2285
Price in Canadian dollars per CME on April 30, 2021		68,977
Number of BTC as at April 30, 2021		7.0885
Fair value of BTC in Canadian dollars on April 30, 2021	$	488,943

Opening balance on February 1, 2021	$	251,358
Consulting fees paid in BTC		(6,000)
Proceeds from warrant exercise in BTC		89,804
Gain on disposal of BTC and transaction fees		1,373
Loss from change in fair value of cryptocurrency		(141,067)
Increase in fair value of cryptocurrency		293,473
Ending balance on April 30, 2021	**$**	**488,943**

4. ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

On February 19, 2018, the Company entered into a three-year non-exclusive licensing agreement of its intellectual properties related to the Company's self-developed trading platform for blockchain based digital assets, utility tokens and cryptocurrencies, with an unrelated third party in exchange for $60,000 monthly licensing fee to be payable in cash or Bitcoin. The licensing fee is waived for the first three months and then payable every three months started on May 19, 2020 until February 18, 2021.

According to the licensing agreement, the first licensing fee payment of $203,226 which includes the period from May 19 to August 31, 2018 was due within five business days after August 31, 2018. The licensee has not been able to make the first payment due to unexpected market conditions causing financial difficulties to the licensee. Subsequent to three months ended April 30, 2021, the balance was still outstanding. The Company considers the licensing fee receivable to be in default and estimates that the life-time expected credit loss ("ECL") for the receivable is $203,226. No licensing fee is recognized as revenue after August 31, 2018 until the licensee is able to demonstrate its ability to pay.

During the year ended January 31, 2020, the Company also recorded ECL amounting to $257,921 for other receivable from the licensee for the trading platform hosting charges paid on behalf of the licensee as the recovery of the amounts is uncertain.

	April 30, 2021	January 31, 2021
	$	$
Accounts receivable and other receivables	**461,653**	461,658
Allowance for expected credit losses	**(461,147)**	(461,147)
Net accounts receivable	**506**	511
GST recoverable	**3,663**	3,442
Accounts receivable and other receivables	**4,169**	3,953

There is no movements in allowance for expected credit losses/ doubtful account of accounts receivable and other receivables computed based on lifetime ECL during the three months ended April 30, 2021.

(Expressed in Canadian dollars)

5. NON-CURRENT ASSETS

	Computer Equipment	Furniture	Total
	$	$	$
Cost:			
At January 31, 2020	16,155	21,923	38,078
Addition	-	-	-
Foreign Exchange adjustment	(985)	(2,698)	(3,683)
At January 31, 2021	15,170	19,225	34,395
Addition	-	-	-
Foreign Exchange adjustment	(367)	(1,004)	(1,371)
At April 30, 2021	14,803	18,221	33,024
Depreciation:			
At January 31, 2020	(8,516)	(973)	(9,489)
Change for the period	(4,232)	(4,063)	(973)
Foreign exchange adjustment	65	71	136
At January 31, 2021	(12,683)	(4,965)	(17,648)
Change for the period	(843)	(991)	(1,834)
Foreign exchange adjustment	307	403	710
At April 30, 2021	(13,219)	(5,553)	(18,772)
Net book value:			
At January 31, 2020	7,639	20,950	28,589
Change for the period	(4,232)	(4,063)	(8,295)
Foreign exchange adjustment	(920)	(2,627)	(3,547)
At January 31, 2021	2,487	14,260	16,747
Change for the period	(843)	(991)	(1,834)
Foreign exchange adjustment	(60)	(601)	(661)
At April 30, 2021	1,584	12,668	14,252

6. RIGHT-OF-USE ASSET AND LEASE LIABILITY

On September 9, 2020, the Company entered into a 17-month lease agreement for office space and recognized a right-of-use asset and lease liability. The lease liability is measured at the present value of the lease payments and discounted using the Company's incremental borrowing rate of 10%. The lease liability is subsequently measured at amortized cost using the effective interest method. The associated right-of-use asset for the lease was measured at an amount equal to the lease liability and is amortized over the shorter of the asset's useful life and the lease term on a straight-line basis.

Due to COVID-19, the lessor provided lease concessions to the Company and the rental payments were postponed from April to May 2020 and paid with discounted amounts for April to June 2020 rental. These changes to lease payments were not included in the original lease contract, which is therefore not accounted for as lease modifications but as a variable lease payment only and accounted for as other income.

(Expressed in Canadian dollars)

Value of right-of-use asset at February 1, 2019	-
Recognition of right-of-use asset	24,802
Amortization	(7,295)
Balance at January 31, 2020	**17,507**
Amortization	(4,377)
Balance at April 30, 2020	**13,130**
Amortization	(13,130)
Balance at January 31, 2021 and April 30, 2021	**-**

Lease liability at February 1, 2019	-
Recognition of lease liability	24,802
Lease payments	(8,643)
Lease interest	854
Balance at January 31, 2020	**17,013**
Lease payments	(3,618)
Lease interest	372
Balance at April 30, 2020	**13,767**
Lease payments	(10,062)
Covid-19 discount	(4,160)
Lease interest	455
Balance at January 31, 2021 and April 30, 2021	**-**

7. LOAN PAYABLE

On May 13, 2020, the Company received a loan from the Canadian government's Canada Emergency Business Account ("CEBA") Program in the amount of $40,000. The CEBA is a government guaranteed loan of up to $40,000 that is interest-free until December 31, 2022. The loan is available to help businesses with operating costs during COVID-19. Twenty-five percent of the loan amount ($10,000) is eligible for forgiveness as long as the business pays back $30,000 on or before December 31, 2022. If the business cannot pay back the loan by December 31, 2022, it can be converted into a three-year term loan at an interest rate of 5%.

8. SHARE CAPITAL

Authorized:

The Company has authorized an unlimited number of common and preferred shares with no par value.

Issued and outstanding:

On March 22, 2021, 1,399,254 warrants were exercised with an exercise price at $0.12 per share for total proceeds of $167,910.

On December 29, 2017, the Company completed a non-brokered private placement and issued 15,410,101 common shares at a price of $0.50 per share, for gross proceeds of 425 BTC, which is equivalent to $7,705,054 based on CME and BOC on December 28, 2017. The Company incurred share issuance expenses of $10,000 relating to the private placement.

Stock options

The Company adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in their discretion, and in accordance with the requirements of the CSE (the "Exchange"), grant to directors, officers, and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Options will be exercisable for a period of up to five years from the date of grant.

(Expressed in Canadian dollars)

The following table summarizes the continuity of options as at April 30, 2021.

	Number of Options	Weighted Average Exercise Price
Balance, January 31, and April 30, 2020	**240,000**	**$0.14**
Expired in 2020 fiscal year	(100,000)	$0.16
Balance, January 31, 2021	**140,000**	**$0.12**
Expired on March 15, 2021	(140,000)	$0.12
Balance, January 31, 2021 and 2020	**-**	**-**

There is no stock options outstanding and exercisable as at April 30, 2021.

Warrants

On March 24, 2016, with the private placement of unit subscription, the Company issued 28,500,000 non-transferrable common share purchase warrants. Each warrant entitles the holder to acquire one common share of the Company at a price of $0.12 per share, expiring on March 24, 2021.

On March 23, 2021, 1,399,254 warrants were exercised to be common shares, and others were expired without being exercised.

	Number of Warrants	Weighted Average Exercise Price
Balance, January 31, and April 30, 2020	**39,451,400**	**$0.11**
Warrants expired on November 27, 2020	(10,951,400)	$0.10
Balance, January 31, 2021	**28,500,000**	**$0.12**
Warrants exercised on March 23, 2021	(1,399,254)	$0.12
Warrants expired on March 24, 2021	(27,100,746)	$0.12
Balance, January 31, 2021	**-**	**-**

As at April 30, 2021, there is no issued and outstanding warrants to acquire common shares of the Company.

9. RELATED PARTY TRANSACTIONS AND BALANCES

The salaries, consulting fee and benefits compensation of key management personnel of the Company was $70,500 for the three months ended April 30, 2021 (2020: $78,833).

Key management includes directors, the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") of the Company.

Included in accounts payable and accrued liabilities was $164,510 (April 30, 2020 - $104,800) due to directors and officers of the Company.

These transactions are in the normal course of operations and are measured at the exchange amount established and agreed to by the related parties.

10. SUPPLEMENTAL CASH FLOW INFORMATION

	April 30, 2021	April 30, 2020
	$	$
Income taxes paid during the period	**-**	-
Interest paid during the period	**-**	-
Interest received during the period	**-**	292

The interest received in the three months ended April 30, 2020 US$2020 (C$292) was due to the GIC in US dollars that was matured in March 2021, while there is no GIC for the Company since July 2020.

11. FINANCIAL INSTRUMENTS

The Company classifies its cash and cash equivalents as financial asset measured at FVTPL, accounts receivable and other receivables (excluding GST recoverable) as financial assets measured at amortized cost, its accounts payable and loans payable as financial liabilities measured at amortized cost. The carrying amount of financial assets and liabilities carried at amortized cost is a reasonable approximation of their fair value due to the relatively short period to maturity of these financial instruments.

Fair value

The following table summarizes the carrying values of the Company's financial instruments:

	April 30, 2021	January 31, 2021
	$	$
Financial assets at fair value through profit or loss (i)	**238,542**	337,268
Financial assets measured at amortized cost (ii)	**506**	511
Financial liabilities measured at amortized cost (iii)	**290,117**	205,875

(i) Cash and cash equivalents
(ii) Accounts receivable and other receivables - excluding GST recoverable
(iii) Accounts payable, lease liability, and loan payable

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

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

Cash and cash equivalents are classified as Level 1. There were no transfers into or out of Level 2 or Level 3 during the three months ended April 30, 2021.

Financial risk management

The Company's financial risks arising from its financial instruments are market risk, credit risk, liquidity risk and interest rate risk. The Company's exposure to these risks and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk consists of currency risk, which is the risk that exposes the Company to financial risk related to the fluctuation in exchange rates.

The Company's expenses are mainly denominated in Canadian dollars for operations. As the Company has significant amount of GIC in US dollars, it also faces exchange rate fluctuation relative to the US dollar. Significant change in the currency exchange rates between the Canadian dollars relative to the US dollar could both have effect on the Company's results of operations, financial position and / or cash flow. If the US dollar appreciates / depreciates 5%, the Company's net income would increase / decrease and deficit would decrease / increase by approximately $507, which arises primarily from the Company's GIC in US dollars.

Credit risk

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents. The Company's credit risk with respect to its cash is minimal as it is held with a large financial institution. The Company's maximum exposure to credit risk for the components of the condensed interim consolidated statement of financial position at April 30, 2021 and 2020 is the carrying value of each class of financial assets disclosed in the condensed interim consolidated financial statements.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its obligations associated with its financial liabilities as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage, as outlined in Note 11. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. As at April 30, 2021, the Company had a working capital surplus of $481,537 (January 31, 2021: $700,363). All of the Company's financial liabilities are classified as current.

Interest rate risk

The Company has no interest-bearing debt. The Company has not entered into any derivative instruments to manage interest rate fluctuations. The Company is not exposed to significant interest rate risk.

12. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard its ability to continue as a going concern while exploring to develop and provide proprietary, secured and legally compliant trading platforms around globe for selected digital assets and cryptocurrencies, so that it can continue to provide returns to shareholders and benefits for other stakeholders. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In management of capital, the Company's capital includes shareholders' equity.

The Company's objective is met by retaining adequate equity to provide for the possibility that cash flows from assets will not be sufficient to meet future cash flow requirements. The Board of Directors does not establish quantitative return on capital criteria for management. Currently, the Company is relying on private placements and advances from the directors and officers to continue its operations. The Company is not subject to any externally imposed capital requirements.

13. SEGMENTED INFORMATION

IFRS 8 - Operating Segments requires operating segments to be determined based on internal reports that are regularly reviewed by the chief operating decision maker for the purpose of allocating resources to the segment and to assessing its performance. For the three months ended April 30, 2021 and 2020, the

Company operated in one segment in the development of blockchain technology platform in the digital asset and cryptocurrency sectors.

The Company's non-current assets include furniture and computer equipment where $nil is located in Canada (January 31, 2021: $523) and $14,252 is located in Kazakhstan (January 31, 2021: $16,747) as at April 30, 2021.