CRYPTOBLOC TECHNOLOGIES CORP.

(formerly Global Remote Technologies Ltd.)

Interim Consolidated Financial Statements

October 31, 2018

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the condensed interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

CRYPTOBLOC TECHNOLOGIES CORP.
(formerly Global Remote Technologies Ltd.)
Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

	October 31, 2018 $	January 31, 2018 $
Assets		
Current assets		
Cash	34,866	344,567
Accounts receivable	8,921	81,146
Other receivable (Note 10)	-	54,000
Short-term investment	1	1
Total current assets	43,788	479,714
Non-current assets		
Equipment	2,688	5,800
Goodwill (Note 3)	-	3,688,957
Total non-current assets	2,688	3,694,757
Total assets	46,476	4,174,471
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued liabilities (Note 5)	336,711	378,314
Due to related parties (Note 5)	9,603	38,829
Notes payable (Note 6)	40,970	40,566
Total liabilities	387,284	457,709
Shareholders' equity		
Share capital (Note 7)	13,758,978	9,464,948
Equity reserves	1,754,030	1,664,665
Accumulated other comprehensive income (loss)	6,422	(1,486)
Deficit	(15,860,238)	(7,411,365)
Total shareholders' equity	(340,808)	3,716,762
Total liabilities and shareholders' equity	46,476	4,174,471

Nature of operations and going concern (Note 1)

Approved and authorized for issuance by the Board of Directors on December 31, 2018:

/s/ "Robert Abenante " — Robert Abenante, Director

/s/ "Kent McParland " — Kent McParland, Director

CRYPTOBLOC TECHNOLOGIES CORP.
(formerly Global Remote Technologies Ltd.)
Interim Consolidated Statements of Comprehensive Loss
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

	Three months ended October 31, 2018	Three months ended October 31, 2017	Nine months ended October 31, 2018	Nine months ended October 31, 2017
Revenue	$ 8,028	$ –	$ 69,351	$ –
Expenses				
Advertising	262,283	–	418,025	–
Amortization	1,764	59	5,352	179
Consulting fees (Note 5)	2,563,322	–	3,851,897	–
Foreign exchange loss (gain)	(27,366)	49,521	(23,464)	(15,476)
Interest expense (Note 6)	50	4,202	404	7,340
Management fees	–	–	5,250	–
Office and general	11,486	14,975	48,088	37,464
Professional fees (Note 5)	49,091	8,658	211,288	61,404
Salaries and wages (Note 5)	90,000	103,409	120,000	317,378
Share-based compensation (Note 9)	–	443,282	140,994	443,282
Total expenses	2,950,630	624,106	4,777,834	851,571
Loss before other income	(2,942,602)	(624,106)	(4,708,483)	(851,571)
Other income	–	–	2,567	–
Write off of receivables (Note 10)	(54,000)	–	(54,000)	–
Write off of goodwill (Note 3)	(3,688,957)	–	(3,688,957)	–
Net loss for the period	(6,685,559)	(624,106)	(8,448,873)	(851,571)
Other comprehensive income	4,856	–	7,908	–
Net loss and comprehensive loss for the period	$ (6,680,703)	$ (624,106)	$ (8,440,965)	$ (851,571)
Basic and diluted loss per share	$ (0.07)	$ (0.01)	$ (0.11)	$ (0.02)
Weighted average number of shares outstanding	91,220,901	42,071,338	77,294,747	42,071,338

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

CRYPTOBLOC TECHNOLOGIES CORP.
(formerly Global Remote Technologies Ltd.)
Interim Consolidated Statements of Changes in Shareholders' Equity (Deficit)
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

	Share capital					
	Number of shares	Amount $	Equity reserves $	Deficit $	Accumulated other comprehensive income (loss) $	Total shareholders' equity (deficit) $
Balance, January 31, 2017	42,071,338	2,477,942	39,386	(3,893,760)	–	(1,376,432)
Discount recognized upon issuance of notes payable	–	–	10,826	–	–	10,826
Share-based compensation	–	–	443,282	–	–	443,282
Net loss for the period	–	–	–	(851,571)	–	(851,571)
Balance, October 31, 2017	42,071,338	2,477,942	493,494	(4,745,331)	–	(1,773,895)
Balance, January 31, 2018	60,960,901	9,464,948	1,664,665	(7,411,365)	(1,486)	3,716,762
Shares issued pursuant to exercise of stock options	260,000	114,029	(51,629)	–	–	62,400
Shares issued pursuant to private placement	30,000,000	4,180,001	–	–	–	4,180,001
Share-based compensation	–	–	140,994	–	–	140,994
Net loss for the period	–	–	–	(8,448,873)	7,908	(8,440,965)
Balance, October 31, 2018	91,220,901	13,758,978	1,754,030	(15,860,238)	6,422	(340,808)

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

CRYPTOBLOC TECHNOLOGIES CORP.
(formerly Global Remote Technologies Ltd.)
Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

	Nine months ended October 31, 2018 $	Nine months ended October 31, 2017 $
Operating activities		
Net loss from continuing operations	(8,448,873)	(851,571)
Items not involving cash:		
Amortization	5,352	179
Non-cash interest expense	404	7,340
Share-based compensation	140,994	443,282
Write off of goodwill	3,688,957	-
Write off of receivables	54,000	-
Changes in non-cash working capital items:		
Accounts payable and accrued liabilities	(41,603)	(23,152)
Accounts receivable	72,225	–
Due to related parties	(29,226)	326,236
Net cash used in operating activities	(4,557,770)	(97,686)
Investing activities		
Purchase of equipment	(2,240)	–
Proceeds from note receivable	–	27,486
Net cash provided by (used in) investing activities	(2,240)	27,486
Financing activities		
Proceeds from issuance of shares	4,242,401	–
Proceeds from notes payable	–	88,473
Net cash provided by financing activities	4,242,401	88,473
Effect of foreign currency translation	7,908	(14,587)
Increase (decrease) in cash	(309,701)	3,686
Cash, beginning	344,567	789
Cash, ending	34,866	4,475

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

1. Nature of Operations and Going Concern

Cryptobloc Technologies Corp. (formerly Global Remote Technologies Ltd.) (the "Company") was incorporated under the laws of British Columbia on January 16, 2015. The Company's principal business focuses on providing services for application programming interface ("API") in regards to operator look-up, customer look-up, IP information and customer friendly user experience, and developing and implementing blockchain, distributed ledger, closed loop and cryptocurrency services for Government and commercial partners. The Company's shares are listed on the Canadian Securities Exchange (the "Exchange") under the symbol "CRYP". The Company's registered office is Pacific Centre, 400 – 725 Granville Street, Vancouver, British Columbia, V7Y 1G5.

These interim consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Furthermore, the Company does not have sufficient cash to sustain operations for the next twelve months without additional financing. The continued operations of the Company are dependent on its ability to generate future cash flows and/or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due; however, they may not be at terms that are favourable to the Company. These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. These interim consolidated financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

2. Significant Accounting Policies

a) Statement of Compliance and Principles of Consolidation

These interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and interpretations of the IFRS Interpretations Committee as issued by the International Accounting Standards Board ("IASB") on a going concern basis. These interim consolidated financial statements comply with International Accounting Standards ("IAS") 34 ("Interim Financial Reporting").

These interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, GRT and 1Linx Ltd. All intercompany transactions have been eliminated on consolidation.

b) Basis of Presentation and Functional Currency

The interim consolidated financial statements have been prepared on a historical cost basis and are presented in Canadian dollars. The functional currency of the parent company and GRT is the Canadian dollar. The functional currency of 1Linx Ltd. is the United States dollar.

c) Use of Estimates, Assumptions and Judgements

The preparation of the interim consolidated financial statements in conformity with IFRS requires the Company's management to make estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates. 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 and in any future periods affected.

Significant areas requiring the use of estimates include the useful life and amortization of equipment and intangible assets, measurement of share-based payments, and deferred income tax asset valuation allowances.

The preparation of interim consolidated financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. Judgments made by management in the application of IFRS that have a significant effect on the financial statements include the factors supporting the capitalization and recoverability of property and equipment and intangible assets, and inputs into the calculation of the fair value of notes payable and share-based payments.

2. Significant Accounting Policies (continued)

d) Recent Accounting Pronouncements

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for annual periods beginning on or after January 1, 2019, or later periods.

The following new standards, and amendments to standards and interpretations, that have not been early adopted in these interim consolidated financial statements will not have a material effect on the Company's future results and financial position:

(i) IFRS 16, *Leases* (New; to replace IAS 17, IFRIC 4, SIC-15 and SIC)

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

The Company has adopted new accounting standard IFRS 9 - *Financial Instruments*, effective for annual periods beginning on or after February 1, 2018. The adoption of IFRS 9 did not result in any changes to the classification, measurement or carrying amounts of the Company's existing financial instruments on transition date. The new standard brings together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 - *Financial instruments: recognition and measurement*. The standard retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The Company continues to classify and measure its financial instruments at fair value through profit or loss with changes in fair value recognized in profit or loss as they arise ("FVTPL"), unless restrictive criteria regarding the objective and contractual cash flows of the instrument are met for classifying and measuring at either amortized cost or fair value through other comprehensive income. Cash, short-term investments, and accounts receivable continue to be recorded at FVTPL. Accounts payable, amounts due to related parties, and notes payable are classified and measured as financial liabilities, initially at FVTPL, and subsequently at amortized cost using the effective interest rate method.

The Company has adopted new accounting standard IFRS 15 - *Revenue from Contracts with Customers*, effective for annual periods beginning on or after February 1, 2018 using the retrospective method of adoption. IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers. The Company generates revenue from providing application programming interface ("API") services to its customers. The Company has reviewed its sources of revenue from proving API services using the guidance found in IFRS 15 and determined that there are no material changes to the timing and measurement of the Company's revenue from these sources as compared to the previous standards.

3. Acquisition of 1Linx Ltd.

On December 12, 2017, the Company entered into a Share Purchase Agreement (the "Agreement") to acquire 1Linx Ltd. ("1Linx"), a private company incorporated in Ontario, Canada (the "Transaction"). 1Linx has a proprietary blockchain authentication platform and provides services for application programming interface (API) in regards to operator look-up, customer look-up, IP information and customer friendly user experience. Under the terms of the Agreement, the Company acquired all of the issued and outstanding common shares of 1Linx, such that 1Linx became a wholly-owned subsidiary of the Company, in exchange for the issuance by the Company of 6,000,000 common shares with a fair value of $3,660,000. In connection with the transaction, the Company issued 300,000 common shares with a fair value of $183,000 as a finder's fee, which has been expensed in the consolidated statement of comprehensive loss. The transaction closed on January 5, 2018. **[**

In accordance with IFRS 3, *Business Combinations*, the purchase agreement was deemed a business combination for accounting purposes. Assets acquired and liabilities assumed are reported at their fair values as at the closing date.

During the period ended October 31, 2018, Management determined the carrying value of Goodwill with respect to this acquisition was impaired and has written this amount to nil.

(Expressed in Canadian dollars)

3. Acquisition of 1Linx Ltd. (continued)

The assets acquired and liabilities assumed are as follows:

	$
Cash	28,728
Accounts receivable	168,651
Goodwill	3,688,957
Accounts payable and accrued expenses	(68,922)
Due to related parties of 1Linx Ltd.	(153,082)
Income tax liability	(4,332)
Total purchase price	3,660,000

4. Deposits and Prepaid Expenses

During the period ended October 31, 2018, the Company has expensed all remaining prepaid rent as it is no longer in possession of the property and expensed remaining prepaid legal and accounting fees as a result of increased use of these professionals during the quarter.

5. Related Party Transactions

a) During the nine months ended October 31, 2018, the Company incurred consulting fees of $42,000 (2017 - $nil) to the former President of the Company. As at October 31, 2018, the Company owed $1,775 (January 31, 2018 - $38,829) to the former President of the Company, which is unsecured, non-interest bearing, and due on demand.

b) During the nine months ended October 31, 2018, the Company incurred consulting fees of $90,500 (2017 - $nil) to the former Chief Executive Officer ("CEO") of the Company.

c) During the nine months ended October 31, 2018, the Company incurred salaries and wages of $100,000 (2017 - $nil) to the CEO and Director of the Company. As at October 31, 2018, the Company owed $7,828 (January 31, 2018 - $nil) to the CEO and Director of the Company, which is unsecured, non-interest bearing, and due on demand.

d) During the nine months ended October 31, 2018, the Company incurred salaries and wages of $20,000 (2017 - $nil) to the CFO and Director of the Company.

e) During the nine months ended October 31, 2018, the Company incurred salaries and wages of $nil (2017 - $155,239) to the former President and Director of the Company.

f) During the nine months ended October 31, 2018, the Company incurred salaries and wages of $nil (2017 - $162,139) to the former CEO and Director of the Company.

g) During the nine months ended October 31, 2018, the Company incurred professional fees of $3,150 (2017 - $1,200) to the former CFO of the Company. As at October 31, 2018, $nil (January 31, 2018 - $4,710) remained outstanding and was included in accounts payable and accrued liabilities. The balance is unsecured, non-interest bearing, and due on demand.

(Expressed in Canadian dollars)

5. Related Party Transactions (continued)

The Company has identified the directors and senior officers as key management personnel. The following table lists the compensation costs paid directly or to companies controlled by key management personnel for the nine months ended October 31, 2018, and 2017:

	October 31, 2018 $	October 31, 2017 $
Consulting fees paid to former President	42,000	–
Consulting fees paid to former CEO	90,500	–
Salaries accrued to CEO and Director	100,000	–
Salaries accrued to CFO and Director	20,000	–
Salaries paid or accrued to former President and Director	–	155,239
Salaries paid or accrued to former CEO and Director	–	162,139
Professional fees paid to former CFO	3,150	1,200
	255,650	318,578

6. Notes Payable

a) On March 18, 2016, the Company entered into two promissory notes for a total principal amount of $89,985. The notes are non-interest bearing, unsecured and due on or before March 18, 2017. At March 18, 2016, the promissory notes had a fair value of $77,248, resulting in the recognition of a discount of $11,737 upon issuance, which will be amortized over the term of the loan. During the year ended January 31, 2018, the Company recognized accretion of the discount of $1,479, which has been recorded as interest expense. On November 2, 2017, the Company settled $59,985 of the promissory notes for shares. At October 31, 2018, the carrying value of the promissory notes was $30,000 (January 31, 2018 - $30,000).

b) On August 21, 2017, the Company entered into a promissory note for a principal amount of $5,985. The note bears an interest rate of 8%, and is unsecured and due on or before August 21, 2018. At August 21, 2017, the promissory note had a fair value of $5,593, resulting in the recognition of a discount of $391 upon issuance, which will be amortized over the term of the loan. During the nine months ended October 31, 2018, the Company recognized accretion of the discount of $217, which has been recorded as interest expense. At October 31, 2018, the carrying value of the promissory note was $5,986 (January 31, 2018 - $5,768).

c) On August 29, 2017, the Company entered into a promissory note for a principal amount of $4,985. The note bears an interest rate of 8%, and is unsecured and due on or before August 29, 2018. At August 29, 2017, the promissory note had a fair value of $4,659, resulting in the recognition of a discount of $326 upon issuance, which will be amortized over the term of the loan. During the nine months ended October 31, 2018, the Company recognized accretion of the discount of $187, which has been recorded as interest expense. At October 31, 2018, the carrying value of the promissory note was $4,984 (January 31, 2018 - $4,798).

7. Share Capital

Authorized: Unlimited common shares without par value

a) On April 25, 2018, the Company issued 260,000 common shares upon the exercise of stock options at $0.24 per shares for proceeds of $62,400. Upon exercise, the fair value of the stock options of $51,629 was reclassified from equity reserves to share capital.

b) On June 6, 2018, the Company completed a private placement of 30,000,000 units at $0.15 per unit for gross proceeds of $4,500,000. Each unit consists of one common share and one common share purchase warrant with each warrant entitling the holder to purchase one common share at a price of $0.25 for a period of two years. The Company paid a total of $319,999 share issue costs, resulting to net proceeds of $4,180,001.

(Expressed in Canadian dollars)

8. Share Purchase Warrants

The following table summarizes information about the warrants at October 31, 2018 and January 31, 2018:

	Number of Warrants	Weighted average exercise price
Outstanding, January 31, 2018	–	–
Issued	30,000,000	0.25
Outstanding, October 31, 2018	30,000,000	0.25

On June 6, 2018, the Company issued 30,000,000 share purchase warrants with each warrant entitling the holder to purchase one common share at a price of $0.25 for a period of two years.

9. Stock Options

The Company has a stock option plan that provides for the issuance of options to its directors, officers and employees. The maximum number of outstanding options must be no more than 10% of the issued and outstanding shares of the Company at any point in time. The term of the options must be no longer than 10 years and the directors determine the vesting period.

On May 19, 2018, the Company granted 750,000 stock options to certain officers, directors and consultants, which are exercisable at $0.19 per share for a period of five years.

The following table summarizes information about the options at October 31, 2018 and January 31, 2018, and the changes for the periods then ended:

	October 31, 2018	
	Number of options	**Weighted average exercise price $**
Options outstanding – Beginning of period	5,100,000	0.28
Granted	750,000	0.19
Exercised	(260,000)	0.24
Expired	–	–
Cancelled	5,590,000	0.27
Options outstanding – End of period	-	-
Options exercisable – End of period	-	-

The fair value of the options granted was $140,994. The fair value of the options at the date of grant was estimated using the Black-Scholes Option Pricing Model, assuming a risk-free interest rate of 2.23%, an expected life of options of five years, an expected volatility of 227%, and no expected dividends.

The Company's stock options are exercisable only for common shares.

(Expressed in Canadian dollars)

10. Commitments and Contingencies

a) Effective December 12, 2017, the Company entered into two Independent Contractor Agreements whereby the Company agreed to pay each contractor a fee of $5,000 per month, provided that such fee shall decrease to $2,500 for any month in which the revenues of the Company attributable to 1Linx Ltd.'s operations fall below $100,000, and the contractor shall be entitled to an additional hourly fee of $200 per hour for any work in excess of 40 hours per month. The term of the agreements will continue indefinitely until terminated. The contractors have waived all fees up to October 31, 2018.

b) On December 15, 2017, the Company paid a deposit, in trust, of $54,000 pursuant to a potential lease agreement for a facility. The real estate agency that held the funds in trust on behalf of the Company released the funds to the landlord of the related property based on false representations. As a result, the Company is currently considering its legal options to recover the funds. There is a possibility that the Company will not recover the funds. Due to the uncertainty of collection the Company has chosen to write this amount off.

c) On January 31, 2018, the Company was named as a defendant in a Supreme Court of British Columbia action commenced by DMG Blockchain Solutions Inc., which alleged that the Company had infringed a DMG copyright when it used materials in a slide deck presentation designed by DMG in its own presentation to potential investors. On March 29, 2018, a default judgment was entered in the action, with damages and costs to be assessed. Since such date, DMG and the Company have been working toward a settlement respecting the action and the Company announced May 25, 2018, that the terms of a settlement have been agreed upon. The terms of the settlement are confidential and provide that the Company will make a $35,000 cash payment to DMG. On May 25, 2018, the Company agreed to a settlement of $35,000 pursuant to a legal action commenced by DMG Blockchain Solutions Inc. As at October 31, 2018, the settlement amount was not yet paid.

d) As a result of a cease trade order issued on November 26, 2018 ("CTO") issued by the B.C. Securities Commission against certain consultants, the Company is reviewing a private placement that closed in June 2018. The CTO cites improper use of the "consultant's exemption" contained in section 2.24 of National Instrument 45-106 and the payment of consulting fees to the persons named in the CTO. The June 2018 private placement involved multiple consultants named in the CTO. Following completion of the private placement, the Company paid consulting fees to these consultants. Upon a review of the services provided by those consultants, as described by senior management, the Company is satisfied with the consulting services performed, that the persons were properly designated as consultants for the purposes of the "consultant's exemption" and that the exemption was properly used. However, there is a risk that the Commission in its review, may view the private placement to the consultants and the use of proceeds, as an improper use of s.2.24 and an illegal distribution of shares. If such is adjudicated to be the case, the Company may be required to take remedial action. Such action, if required, cannot at this time be determined.

11. Financial Instruments

a) Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's consolidated statement of financial position as at October 31, 2018, as follows:

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Balance, October 31, 2018 $
Cash	34,866	–	–	34,866

The fair values of other financial instruments, which include accounts receivable, short-term investment, accounts payable, notes payable, and amounts due to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments.

11. Financial Instruments (continued)

b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and accounts receivable. The Company limits exposure to credit loss by placing its cash with high credit quality financial institutions. The Company performs ongoing credit evaluations, does not require collateral and establishes an allowance for doubtful accounts based on the age of the receivable and the specific identification of receivables the Company considers at risk. The carrying amount of financial assets represents the maximum credit exposure.

c) Foreign Exchange Rate Risk

Foreign exchange rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has exposure to currency risk from assets and liabilities denominated in US dollars. The Company does not use derivative instruments to hedge exposure to foreign exchange rate risk. However, management believes that the risk from fluctuations in foreign exchange rates is not significant.

d) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations with cash. The ability to do this relies on the Company raising debt or equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. Liquidity risk is assessed as high.

e) Classification of financial instruments

Financial assets and liabilities included in the consolidated statement of financial position are as follows:

	October 31, 2018 $	January 31, 2018 $
Financial assets classified as fair value through profit or loss:		
Cash	34,866	344,567
Loans and receivables:		
Accounts receivable	8,921	81,146
Non-derivative financial liabilities:		
Trade payables	336,711	378,314
Due to related parties	9,603	38,829
Notes payable	40,970	40,566
	387,284	457,709

(Expressed in Canadian dollars)

12. Concentrations

The Company's revenues were concentrated among one customer for the nine months ended October 31, 2018:

Customer	Revenue for the nine months ended October 31, 2018	Revenue for the nine months ended October 31, 2017
1	68%	–
2	32%	–

The Company's receivables were concentrated among two customers as at October 31, 2018 and January 31, 2018:

Customer	Receivables as at October 31, 2018	Receivables as at January 31, 2018
1	–	90%
2	100%	10%

13. Subsequent Event

On November 26, 2018, the British Columbia Securities Commission issued a temporary order which centers around share issuances by 11 CSE issuers to a large group of consultants between February 2018 and August 2018. The Company has been named as one of the eleven issuers as they have ongoing relationships with certain members listed in the group of respondents and certain of the respondents participated in a private placement for the Company earlier this year.

On December 11, 2018, the Canadian Securities Exchange removed the trading halt imposed on the Company on June 28, 2018.

On December 12, 2018 the Company announced that it intended to proceed with a ten (10) old for one (1) new consolidation of its issued and outstanding common shares. In conjunction with the proposed share consolidation, the Company announced on December 27, 2018 that it has arranged a non-brokered private placement (the "**Private Placement**") for total gross proceeds of up to $750,000. The Private Placement will consist of up to 10,000,000 post-consolidation units at a price of $0.075 per unit (each a "**Unit**"). Each Unit will be comprised of one post-consolidation common share and one common share purchase warrant (each a "**Warrant**"). Each Warrant will entitle the holder to acquire one post-Consolidation common share for a period of three years at a price of $0.10. Proceeds of the Private Placement will be used to pay outstanding debt and for general working capital