NEPTUNE DASH TECHNOLOGIES CORP.
(formerly Crossroad Ventures Inc.)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Period From Incorporation on October 30, 2017 to May 31, 2018

(Expressed in Canadian Dollars)
(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF

CONDENSED CONSOLIDATED 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 consolidated interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed consolidated interim 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 financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Neptune Dash Technologies Corp. (formerly Crossroad Ventures Inc.)
Condensed Consolidated Interim Statement of Financial Position
(Expressed in Canadian Dollars)
(Unaudited

		May 31, 2018
ASSETS		
Current		
Cash	$	1,475,523
Accounts receivable and prepaid expenses		60,153
Digital Currencies (note 4)		7,746,725
		9,282,401
Office equipment (note 5)		28,832
	$	9,311,233
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable	$	147,890
Shareholder loan (note 6)		100,000
		247,890
Equity		
Share capital (note 7)		24,818,910
Reserves (note 7)		2,880,756
Commitment to issue shares (note 7)		174,336
Deficit		(18,810,659)
		9,063,343
Total Liabilities and equity	$	9,311,233

Nature and continuance of operations (Note 1)

On behalf of the Board on July 30, 2018:

"Cale Moodie" Director *"Troy Wong"* Director

Neptune Dash Technologies Corp. (formerly Crossroad Ventures Inc.)
Condensed Consolidated Interim Statements of Loss and Other Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Three month period ended May 31, 2018	Period from Incorporation on October 30, 2017 to May 31, 2018
Revenue (note 4)	$ 165,445	$ 326,318
Cost of Sales		
Operating and maintenance costs	(354)	(11,767)
	165,091	314,551
Expenses		
Consulting fees (note 6)	127,100	346,058
Depreciation (note 5)	1,527	2,296
Directors fees	13,500	22,500
Listing fees (note 3)	18,696	3,531,033
Marketing	182,685	551,186
Office and miscellaneous	39,177	58,319
Professional fees	12,558	128,587
Share-based compensation (note 7)	120,694	2,981,722
Travel, road shows and conferences	32,592	96,959
	548,529	7,718,660
Net loss before other expenditures	(383,438)	(7,404,109)
Other expenditures		
Revaluation of Dash digital tokens (note 4)	(6,407,443)	(11,406,550)
Net loss and comprehensive loss	$ (6,790,881)	$ (18,810,659)
Loss per common share – Basic and diluted	$ (0.10)	$ (0.31)
Weighted average number of shares outstanding – Basic and diluted	67,137,433	60,991,648

Neptune Dash Technologies Corp. (formerly Crossroad Ventures Inc.)
Condensed Consolidated Interim Statement of Changes in Equity
(Expressed in Canadian Dollars)
(Unaudited)

				Reserves			
	Shares	Share Capital	Commitment to issue shares	Share-based payments	Warrant reserve	Deficit	**Total equity**
Balance on incorporation, October 30, 2017	-	$ -	$ -	$ -	$ -	$ -	**$ -**
Seed shares	12,000,000	600,000	-	-	-	-	**600,000**
Private placements	18,000,000	2,400,000	-	-	-	-	**2,400,000**
Convertible Debenture Financing	41,400,000	20,700,000	-	-	-	-	**20,700,000**
Finders fees	1,200,000	180,000	-	-	-	-	**180,000**
Share issuance costs	-	(2,707,755)	-	-	667,370	-	**(2,040,385)**
Shares issued for services	500,000	100,000	-	-	-	-	**100,000**
Acquisition of Crossroads	7,093,329	3,546,665	-	-	-	-	**3,546,665**
Share-based payments	-	-	174,336	2,213,386	-	-	**2,387,722**
Comprehensive loss for the period	-	-	-	-	-	(18,810,659)	**$ (18,810,659)**
Balance, May 31, 2018	80,193,329	$ 24,818,910	$ 174,336	$ 2,213,386	$ 667,370	$(18,810,659)	**$ 9,063,343**

Neptune Dash Technologies Corp. (formerly Crossroad Ventures Inc.)
Condensed Consolidated Interim Statement of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

		Period from Incorporation on October 30, 2017 to May 31, 2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$	(18,810,659)
Items not affecting cash:		
Depreciation (note 5)		2,296
Listing fee (note 3)		3,336,984
Revaluation of digital currencies (note 4)		11,406,550
Revenue from Dash digital tokens (note 4)		(326,318)
Share-based compensation (note 7)		3,081,722
Changes in non-cash working capital items:		
Accounts receivable and prepaids		(60,153)
Dash digital tokens		(18,826,957)
Accounts payable		139,432
		(20,057,103)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Crossroad (note 3)		218,139
Purchase of equipment		(31,128)
		187,011
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issuance (note 7)		23,106,000
Share issuance costs		(1,860,385)
Shareholder loan (note 6)		100,000
		21,345,615
Net change in cash		1,475,523
Cash, beginning of period		-
Cash, end of period	$	1,457,523

NON-CASH FINANCING TRANSACTIONS		
Common shares and warrants issued for share issue costs	$	667,370
Common shares issued for services	$	100,000

1. NATURE AND CONTINUANCE OF OPERATIONS

Neptune Dash Technologies Corp. (formerly Crossroad Ventures Inc.) (the "Company" or "Neptune") was incorporated on October 30, 2017 under the under the BC Business Corporations Act. The Company's shares are listed on the TSX Venture Exchange (TSX-V) under the symbol DASH. The head office, registered and records office of the Company is located at 620 – 1155 West Pender Street, Vancouver, BC, V6E 2P4.

Neptune is engaged in the business that builds, owns and operates digital currency infrastructure assets. Its core assets and primary business model is to build, operate and own masternodes on the Dash blockchain network.

During the period the Board of Directors authorized a 20-for-1 share split. The number of issued and outstanding shares has been retrospectively restated for all periods unless otherwise stated.

These 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. The Company is subject to risks and uncertainties common to digital currency companies, including technological change, potential infringement on intellectual property of and by third parties, new product development, regulatory approval and market acceptance of its products, activities of competitors and its limited operating history. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

REVERSE TAKEOVER

On December 1, 2017, the Company and Neptune Dash Nodes Corp. ("Dash"), entered in to an Amalgamation Agreement whereby the Company acquired all of the outstanding shares of Dash, being 31,700,000 shares, in consideration for securities of the Company on a 1 for 1 basis. After completion of the Amalgamation Agreement, the shareholders of Dash held approximately 81.72% of the Company. Accordingly, Dash is considered to have acquired the Company with the transaction being accounted as a reverse takeover of the Company by Dash shareholders (the "RTO").

As Dash is deemed to be the accounting acquirer for accounting purposes, its assets and liabilities and operations since incorporation on October 30, 2017 are included in the consolidated financial statements at their historical carrying value. The Company's results of operations are included from incorporation on October 30, 2017 onwards, the closing date. Concurrent with the RTO, the Company converted the $20,700,000 financing and issued an additional 41,400,000 common shares (note 7). On completion of the RTO the company changed its name to Neptune Dash Technologies Corp.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These Condensed Consolidated Interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting* (IAS 34), using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of presentation

These annual financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These financial statements are prepared on historical costs, except for financial instruments classified as fair value through profit or loss. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. The functional currency of the Company is Canadian dollars.

Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Neptune Stake Technologies Corp. All inter-company balances and transactions are eliminated on consolidation.

Significant accounting judgments and estimates

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which affect the application of accounting policies and the reported amounts of assets, liabilities 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 estimates include the valuation and impairment of Dash digital tokens, recognition of revenue, determination of deferred income tax assets and share-based payment calculations.

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.

Significant judgements

Critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include the evaluation of the Company's ability to continue as a going concern

(i) Going concern

The assessment of the Company's ability to execute its strategy by effectively operating the Company involves judgement. Management closely monitors the operations and cash flows in the Company. Further information regarding going concern is outlined in Note 1.

(ii) Income taxes

Management exercises judgment to determine the extent to which deferred tax assets are recoverable, and can therefore be recognized in the statements of financial position and comprehensive income or loss.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting judgments and estimates (continued)

Significant judgements (continued)

(iii) Functional currency

The functional currency of the Company has been assessed by management based on consideration of the currency and economic factors that mainly influence the Company's digital currencies, production and operating costs, financing and related transactions. Specifically, the Company considers the currencies in which digital currencies are most commonly denominated and expenses are settled by each entity as well as the currency in which each entity receives or raises financing. Changes to these factors may have an impact on the judgment applied in the determination of the Company's functional currency.

Significant estimates

(i) Digital currency valuation

Digital currencies consist of cryptocurrency denominated assets (note 4) and are included in current assets. Digital currencies are carried at their fair value determined by the spot rate based on the hourly volume weighted average from www.cryptocompare.com. The digital currency market is still a new market and is highly volatile; historical prices are not necessarily indicative of future value; a significant change in the market prices for digital currencies would have a significant impact on the Company's earnings and financial position.

(ii) Share based compensation

The Company utilizes the Black-Scholes Option Pricing Model ("Black-Scholes") to estimate the fair value of stock options granted to directors, employees, and consultants. The use of Black-Scholes requires management to make various estimates and assumptions that impact the value assigned to the stock options including the forecast future volatility of the stock price, the risk-free interest rate, dividend yield and the expected life of the stock options. Any changes in these assumptions could have a material impact on the share-based compensation calculation value, however the most significant estimate is the volatility. Expected future volatility can be difficult to estimate as the Company has had limited history and is in a unique industry, and historical volatility is not necessarily indicative of future volatility.

Significant accounting policies

Revenue recognition

The Company recognizes revenue from the provision of masternode server operations within digital currency networks, commonly termed "masternode hosting". As consideration for these services, the Company receives digital currency from each specific network in which it participates ("Dash"). Revenue is measured based on the fair value of the Dash received. The fair value is determined using the spot price of Dash on the date of receipt. A Dash is considered earned on the completion and addition of a block to the blockchain, at which time the economic benefit is received and can be reliably measured. `

Digital Currencies

The Dash are recorded on the statement of financial position as digital currencies at their fair value and re-measured at each reporting date. Revaluation gains or losses, as well as gains or losses on the sale of digital currencies for traditional currencies are included in profit and loss.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting judgments and estimates (continued)

Shared-based payments

Share-based payments include option and stock grants granted to directors, employees and consultants. The Company accounts for share-based compensation using a fair value-based method with respect to all share-based payments measured and recognized, to directors, employees and consultants. For directors and employees, the fair value of the options and stock grants is measured at the date of grant. For consultants, the fair value of the options and stock are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. For directors, employees and consultants, the fair value of the options and stock grants is accrued and charged to operations, with the offsetting credit to share based payment reserve for options, and commitment to issue shares for stock grants over the vesting period. If and when the stock options are exercised, the applicable amounts are transferred from share-based payment reserve to share capital. When the stock grants are issued, the applicable fair value is transferred from commitment to issue shares to share capital. Option based compensation awards are calculated using the Black-Scholes option pricing model while stock grants are valued at the fair value on the date of grant.

The Company has granted certain directors and consultants restricted share units (“RSUs”) to be settled in shares of the Corporation. The fair value of the estimated number of RSUs that will eventually vest, determined at the date of grant, is recognized as share-based compensation expense over the vesting period, with a corresponding amount recorded as equity. The fair value of the RSUs is estimated using the market value of the underlying shares as well as assumptions related to the market and non-market conditions at the grant date.

Income taxes

Deferred income tax assets and liabilities are recognized for deferred income tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred income tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. To the extent that the Company does not consider it probable that a deferred income tax asset will be recovered, the deferred income tax asset is not recognized. Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to offset current tax assets against liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

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 can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing the net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average share outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

Financial instruments

i) Financial assets

The Company classifies its financial assets in the following categories: held-to-maturity, fair value through profit or loss (“FVTPL”), loans and receivables, held-to-maturity and available-for-sale (“AFS”). The classification depends on the purpose for which the financial assets were acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or assets acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized through profit or loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortized cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized through profit or loss.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized through other comprehensive income (loss).

ii) Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized through profit or loss.

Other financial liabilities - This category consists of liabilities carried at amortized cost using the effective interest method.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment

i) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred income tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the "cash-generating unit").

An impairment loss is recognized if the carrying amount of a cash-generating unit exceeds its estimated recoverable amount. The recoverable amount of an asset or a cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cost flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the assets. Impairment losses are recognized in net income (loss).

Impairment losses recognized in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss has been recognized.

ii) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in net income (loss) and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through net income (loss).

Equipment

Equipment is recorded at historical cost less accumulated depreciation. The Company provides for depreciation using the straight-line method at rates designed to depreciate the cost of equipment over the estimated useful life. The estimated useful lives of office furniture and equipment is 5 years.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Comprehensive income (loss)

Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in net profit. Other comprehensive income consists of changes to unrealized gain and losses on available for sale financial assets, changes to unrealized gains and losses on the effective portion of cash flow hedges and changes to foreign currency translation adjustments of self-sustaining foreign operations during the period. Comprehensive income measures net earnings for the period plus other comprehensive income. Amounts reported as other comprehensive income are accumulated in a separate component of shareholders' equity as Accumulated Other Comprehensive Income. The Company has not had other comprehensive income since inception.

Future changes in accounting policies

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC (International Financial Reporting Interpretations Committee) that are mandatory for accounting periods noted below. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

The following standards will be effective for annual periods beginning on or after January 1, 2018:

IFRS 15 Revenue from Contracts with Customers - In May 2014, the IASB issued IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programs, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition. The Company's preliminary assessment is that the standard is not expected to have a significant impact on the recognition or measurement of revenue. As facts and circumstances may change during the period leading up to the initial date of recognition, the Company's assessment of the potential impact is subject to change.

IFRS 9 Financial Instruments – In November 2009, as part of the IASB project the ASB intends to replace IAS 39 - Financial Instruments: Recognition and Measurement in its entirety with IFRS 9 – Financial Instruments ("IFRS 9") which is intended to reduce the complexity in the classification and measurement of financial instruments. In July 2014, the final version of IFRS 9 was issued and adds a new expected loss impairment model and amends the classification and measurement model for financial assets by adding a new fair value through other comprehensive income category for certain debt instruments and additional guidance on how to apply the business model and contractual cash flows characteristics. The Company's preliminary assessment is that the standard is not expected to have a significant impact on the financial statements. As facts and circumstances may change during the period leading up to the initial date of recognition, the Company's assessment of the potential impact is subject to change.

The following standard will be effective for annual periods beginning on or after January 1, 2019:

IFRS 16 Leases - In June 2016, the IASB issued IFRS 16 - Leases. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. The Company is currently evaluating the impact of the new standard on the Company's financial statements.

(Expressed in Canadian Dollars)

3. ACQUISITION OF CROSSROAD VENTURES INC

On December 1, 2017, the Company and Neptune Dash Nodes Corp. ("Dash"), entered in to an Amalgamation Agreement whereby the Company acquired all of the outstanding shares of Dash, being 31,700,000 shares, in consideration for securities of the Company on a 1 for 1 basis. After completion of the Amalgamation Agreement, the shareholders of Dash held approximately 81.72% of the Company. Accordingly, Dash is considered to have acquired the Company with the transaction being accounted as a reverse takeover of the Company by Dash shareholders.

The acquisition constitutes an asset acquisition as the Company does not meet the definition of a business, as defined in IFRS 3, Business Combination. Additionally, as a result of the RTO, the statement of financial position has been adjusted for the elimination of the Company's share capital, contributed surplus and accumulated deficit within shareholders' equity.

As a result of this asset acquisition, a listing expense of $3,531,033 has been recorded. This reflects the difference between the estimated fair value of the Dash's shares deemed to have been issued to the Company's shareholders less the net fair value of the assets of the Company acquired.

In accordance with reverse acquisition accounting:

i) The assets and liabilities of Dash are included in the statement of financial position at their carrying values.

ii) The net assets of the Company are included at their fair value of $209,681.

Net assets acquired:		
Cash	$	218,139
Accounts payable		(8,458)
Fair value of net assets	$	209,681

iii) The listing expense of $3,531,033 was determined as follows:

a. The number of Company common shares held by former Dash shareholders outstanding was 31,700,000 or 81.72% of the combined entity.
b. The fair value of Dash is $15,850,000, which is based on the concurrent financing price of $0.50 per common share.
c. Number of outstanding shares of the Company prior to the Financing was 4,459,775 or 8.32% of the combined entity.
d. The fair value of the shares issued to acquire the Company under the reverse acquisition accounting was $3,546,664 calculated as 7,093,329 common shares at approximately $0.50 per share.
e. The difference between the fair value of $3,546,664 being the consideration paid, and the fair value of the net assets of the Company of $209,681, plus transaction costs of $194,050 amounted to a net listing expense of $3,531,033.

(Expressed in Canadian Dollars)

4. DIGITAL CURRENCIES

Dash digital tokens are recorded at their fair value on the date they are received as revenues and are revalued at their current market value at each reporting date. Fair value is determined from digital currency exchanges which list Dash.

Dash

As at May 31, 2018, the Company has 18,493 units of Dash digital tokens with a fair value of $7,567,452.

During the period ended May 31, 2018, the Company purchased 18,000 Dash digital currency tokens at a total cost of $18,626,957. The Company has setup and operates 18 masternodes which require 1,000 Dash digital tokens each in order to operate on the Dash blockchain network. The remaining 493 Dash digital tokens will be used towards the construction of future Dash masternodes. All 18 of the Company's Dash masternodes are operational and processing transactions on the Dash blockchain network.

During the period ended May 31, 2018, the Company received 493 Dash digital tokens with a fair value of $326,319. The amounts have been recorded as revenue in the current period.

As at May 31, 2018, the fair value of the 18,493 Dash digital tokens is as follows:

	Number		Amount
Balance on incorporation	-	$	-
Purchases	18,000		18,626,957
Dash earned	493		326,319
Balance at book value, May 31, 2018	18,493		18,953,276
Revaluation of Dash digital tokens	-		(11,385,824)
Balance, May 31, 2018	18,493	$	7,567,452

The fair value of the Dash digital tokens held as at May 31, 2018 is based on the quoted value of Dash digital tokens on May 31, 2018.

Other

During the period ended May 31, 2018 the Company acquired 8.8 Bitcoin and 123.5 Ethereum at a cost of $200,000. As at May 31, 2018 the total fair value of the holdings was $179,273, resulting in the Company recording a loss of $20,727 during the period ended May 31, 2018.

(Expressed in Canadian Dollars)

5. OFFICE EQUIPMENT

		Office Equipment
Cost		
Balance, October 30, 2017	$	-
Acquisitions for the period		31,128
Balance, May 31, 2018	$	31,128
Accumulated depreciation		
Balance, October 30, 2017	$	-
Depreciation for the period		2,296
Balance, May 31, 2018	$	2,296
Carrying amounts		
As at October 30, 2017	$	-
As at May 31, 2018	$	28,832

6. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

During the period ended May 31, 2018 the Company incurred the following related party transactions:

		May 31, 2018
Consulting fees	$	227,501
Directors fees		22,500
Share-based compensation		2,170,125

Key management includes directors and key officers of the Company, including the President, Chief Executive Officer and Chief Financial Officer. The Company has the right to terminate the agreements with the officers of the Company by providing 12 months' notice or paying the equivalent of 12 months in fees to each officer.

In addition to the transactions above:

- The Company agreed to pay $50,000 as bonuses to two officers if the Company is able to raise $2.0 million in equity prior to the public listing. The Company issued 500,000 common shares to the officers as bonus payments in accordance to their consulting agreements. The common shares were valued at $0.20 per share based on the concurrent private placement. As a result, $100,000 in share-based compensation was recorded and included in consulting fees.

- On October 30, 2017 the Company entered into a shareholders' rights agreement where a shareholder of the Company provided a non-interest-bearing demand promissory note of $100,000. The note is due on demand or in any event within 10 years from the date the funds were advanced.

6. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

- The Company purchased 50 units of Dash digital tokens from a director of the Company in the amount of $51,595.

As at May 31, 2018 there was $13,718 due to directors of the Company. The balances to related parties are unsecured, non-interest bearing and without fixed repayment terms.

7. SHARE CAPITAL

Authorized Capital

Unlimited common shares without par value

Shares issued

During the period ended May 31, 2018 the Company:

a) Issued 12,000,000 common shares at $0.01 per share for a total of $6,000, which was received subsequent to period end. Share-based compensation of $594,000, being the difference between the share subscription price and the market price of 12,000,000 common shares issued to the shareholder of the Company, was charged to the statement of comprehensive income.

b) Completed a non-brokered private placement and issued 8,000,000 common shares for gross proceeds of $400,000. In connection with the private placement, the Company issued 400,000 common shares of Finder’s fees at fair value of $20,000.

c) Completed a non-brokered private placement and issued 10,000,000 common shares for gross proceeds of $2,000,000. In connection with the private placement, the Company issued 800,000 common shares and 800,000 warrants as Finder’s fees, with a fair value of $160,000 and $76,313 respectively. Each agent warrant entitles the holder to purchase a share at a price of CAD$0.20 per share expiring November 10, 2019. The fair value of the warrants was estimated using the Black-Scholes option-pricing model with the following weighted average assumptions: Risk-free interest rate – 1.27%; Expected volatility – 89%; Expected dividend yield – nil; Expected life – 2 years; forfeiture rate – 0%.

d) Issued 500,000 common shares as bonus payment with a fair value of $100,000, pursuant to the consulting agreements described in note 6.

e) Issued 41,400,000 common shares at $0.50 per share for gross proceeds of $21,700,000. The financing was raised via a convertible debenture, which as per the terms of the convertible debenture did not incur any interest and was automatically converted upon completion of the RTO (note 3). In connection with the private placement, the Company issued 3,239,360 warrants as Finder’s fees, with a fair value of $591,057. Each agent warrant entitles the holder to purchase a share at a price of CAD$0.50 per share expiring January 20, 2020. The fair value of the warrants was estimated using the Black-Scholes option-pricing model with the following weighted average assumptions: Risk-free interest rate – 1.66%; Expected volatility – 65%; Expected dividend yield – nil; Expected life – 2 years; forfeiture rate – 0%.

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (continued)

Escrowed Shares

In accordance with the policies of the TSXV, an aggregate of:

a) 21,274,663 common shares of the Company remain in escrow. The Escrowed Shares are being released from escrow as follows: 25% (5,318,666) upon issuance of the Final Bulletin (released); 25% (5,318,666) on the date that is six months after the date of the Final Bulletin; 25% (5,318,666) on the date that is 12 months after the date of the Final Bulletin; and 25% (5,318,666) on the date that is 18 months after the date of the Final Bulletin.

b) 8,560,000 common shares of the Company are subject to seed share resale restrictions and remain in escrow. The remaining shares will be released over the course of one year, such that 20% (2,140,000) are released upon the Final Bulletin (released) and 20% (2,140,000) released every three months thereafter.

Share Purchase Warrants and Stock Options

Stock option and share purchase warrant transactions are summarized as follows:

	Warrants		Stock Options	
	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Outstanding, October 30, 2017	-	$ -	-	$ -
Granted	4,039,360	0.44	6,075,000	0.50
Outstanding, May 31, 2018	4,039,360	$ 0.44	6,075,000	$ 0.44
Number currently exercisable	3,439,360	$ 0.48	6,075,000	$ 0.44

As at May 31, 2018 the following incentive stock options and share purchase warrants were outstanding:

	Number of Shares	Exercise Price	Remaining life (years)	Expiry Date
Stock options	6,075,000	$ 0.50	9.9	January 20, 2028
Agents warrants	800,000	0.20	1.70	November 10, 2019
	3,239,360	0.50	1.89	January 20, 2020

Share-based payments

The Company has a stock option plan under which it is authorized to grant options to directors, employees and consultants to acquire up to 10% of the issued and outstanding common stock. The exercise price of each option is based on the market price of the Company's stock for a period preceding the date of grant. The options can be granted for a maximum term of 10 years and vest as determined by the board of directors.

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (continued)

Share-based payments (continued)

During the period ended May 31, 2018, the Company granted 6,075,000 options with a weighted-average fair value of CAD $0.36 per option to directors, officers and consultants. Total share-based payments recognized in the statement of operations for the period ended May 31, 2018 was $2,213,386 for incentive options granted and vested. This amount was also recorded as reserves on the statement of financial position.

The following weighted average assumptions were used for the Black-Scholes option-pricing model valuation of stock options granted during the period:

	May 31, 2018
Risk-free interest rate	2.23%
Expected life of options	10 years
Expected annualized volatility	65%
Dividend yield	0.0%
Forfeiture rate	0.0%

Restricted share units

The Company has a long-term restricted share unit plan (“RSU’s”). The RSU’s entitle directors, officers or employees to common shares of the Company upon vesting, based on vesting terms determined by the Company’s Board of Directors at the time of grant.

During the period the Company granted 1,580,000 RSU’s which vest over the course of three years, such that 33.33% vest every 12 months. The total RSU share-based expense recognized in the consolidated statements of comprehensive loss was $174,336 for the period ended May 31, 2018. The RSU’s had a fair value of $0.50 per unit on grant date.

8. CAPITAL DISCLOSURES

The Company’s objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders’ equity as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company’s primary objective with respect to its capital management is to ensure that it has sufficient cash resources to acquire more Dash and fund the operation of the Company. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through the equity or debt financing. The Company is not subject to any capital requirements imposed by a regulator.

9. FINANCIAL INSTRUMENTS

Classification

The Company's financial instruments consist of cash, Dash digital tokens and accounts payable. The Company classifies its cash and Dash digital tokens as fair value through profit and loss, and accounts payable as other financial liabilities. The carrying amount of cash and accounts payable approximate their carrying values because of the short-term nature of these instruments. The carrying amount of Dash digital tokens is a reasonable approximation of their fair value based on current market rates for similar financial instruments as of the period end date.

Fair values

The Company classifies its fair value measurements in accordance with an established hierarchy that prioritizes the inputs in valuation techniques used to measure fair value as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 – Inputs that are not based on observable market date.

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy as at May 31, 2018

	Level 1	Level 2	Level 3
	$	$	$
Financial assets			
Cash	1,475,523	-	-
Digital Currency Holdings	7,746,725	-	-
Total financial assets	9,222,248	-	-

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. Financial instruments which are potentially subject to credit risk for the Company consist of cash and digital currencies.

The carrying amount of financial assets represents the maximum credit exposure. The Company has gross credit exposure at May 31, 2018 relating to cash of $1,475,523 and digital currencies of $7,746,725. All cash is held at a Canadian chartered bank, which minimizes credit risk, and all digital currencies are held off-site in secured cold storage facilities.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company manages Company-wide cash projections centrally and regularly updates projections for changes in business and fluctuations caused in digital currency prices and exchange rates.

9. FINANCIAL INSTRUMENTS (continued)

Interest risk

Interest risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's exposure to interest rate risk is limited and only relates to its ability to earn interest income on cash balances at variable rates. Changes in short term interest rates will not have a significant effect on the fair value of the Company's cash account.

Foreign currency risk

Currency risk relates to the risk that the fair values or future cash flows of the Company's financial instruments will fluctuate because of changes in foreign exchange rates. Exchange rate fluctuations may affect the costs that the Company incurs in the future in its operations as well as the currency in which the Company has historically raised capital. The Company is not currently exposed to significant currency risk as the Company's presentation currency is the Canadian dollar and major purchases and financings to date have been transacted in Canadian dollars.

Digital currencies

Digital currencies are measured using level one fair values, determined by taking the rate from www.cryptocompare.com. Digital currency prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and the global political and economic conditions.

The profitability of the Company is directly related to the current and future market price of coins; in addition, the Company may not be able liquidate its inventory of digital currency at its desired price if required. A decline in the market prices for coins could negatively impact the Company's future operations. The Company has not hedged the conversion of any of its coin sales. Digital currencies have a limited history and the fair value historically has been very volatile. Historical performance of digital currencies are not indicative of their future price performance.

A 25% variance in the price of digital currency holdings on the Company's earnings before tax, based on its closing price at May 31, 2018 is $1,936,681.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at May 31, 2018 the Company had minimal balance of cash which was denominated in foreign currency. The fluctuation of foreign exchange rates would not have a significant impact to the financial statements.

10. SEGMENTED INFORMATION

The Company's sole operation is Canada. Accordingly, the chief decision makers consider the Company to currently have one segment and, therefore, segmented information is not presented.