The following discussion is management's assessment and analysis of the results and financial condition of HIVE Blockchain Technologies Ltd. (formerly Leeta Gold Corp.) (the "Company" or "HIVE"), and should be read in conjunction with the accompanying unaudited condensed interim consolidated financial statements and related notes. The preparation of financial data is in accordance with International Accounting Standard 34 - *Interim Financial Reporting* ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") and all figures are reported in United States dollars unless otherwise indicated.

As discussed in detail below, the Company completed the Genesis Transaction and executed its change of business ("Change of Business") with the TSX Venture Exchange ("TSXV") effective September 14, 2017. The accounting impact of the Change of Business is reflected as of that date and by extension, these accompanying unaudited condensed interim consolidated financial statements include only 15 days of operations and 12 full days of digital currency mining of the new business, from September 15 to September 30, 2017 and readers are therefore cautioned about extrapolating the results of the September 30 quarterly period into annual expectations.

In conjunction with the Company's Change of Business, the Company changed its presentation currency to the United States dollar ("USD" or "$"). Accordingly, all comparative amounts have been presented in USD using the foreign exchange rate in effect at the date of the transactions. See Note 2 to the financial statements for further detail.

This MD&A contains information up to and including November 29, 2017.

Contents of the MD&A

1. DESCRIPTION OF BUSINESS

HIVE Blockchain Technologies Ltd. is a growth oriented, TSX.V-listed company building a bridge from the blockchain sector to traditional capital markets. HIVE is strategically partnered with Genesis Mining Ltd. to build the next generation of blockchain infrastructure. HIVE owns state-of-the-art GPU-based digital currency mining facilities in Iceland, which produce mined digital currency like Ethereum around the clock, and is in the midst of a major expansion of operations into Sweden.

The Company completed its Change of Business and closed its first acquisition with Genesis on September 14, 2017 and returned to trade on the TSXV on September 18, 2017. See *"Genesis Transaction"* for further details. Subsequent to September 30, 2017, the Company has expanded its Iceland operations and entered into binding letter agreements to expand into Sweden. The Company has also raised over C$70 million in financings after September 30, 2017.

The Company is a reporting issuer in the provinces of British Columbia and Alberta and is listed for trading on the TSX Venture Exchange, under the symbol "HIVE.V", as well on the OTC BB, Berlin and Frankfurt OTC under "PRELF", "HVB.B" and "HVB.F" respectively. The Company completed a Change of Business in September 2017, and concurrently changed its name from Leeta Gold Corp. to HIVE Blockchain Technologies Ltd. The Company's registered address is 25th floor, 700 West Georgia Street, Vancouver, BC, V7Y 1B3.

2. GENESIS TRANSACTION

In September 2017, the Company completed its transaction with Genesis whereby the Company acquired a digital currency mining data centre in Reykjanes, Iceland from Genesis, as well as entered into certain other agreements with Genesis (the "Genesis Transaction"). The Genesis Transaction consisted of four agreements, with the Transaction Agreement encompassing the remaining three: the Investor Rights Agreement, the Master Data Centre Equipment Purchase Agreement and the Master Services Agreement, as well as supplementary purchase and service orders.

The Transaction Agreement describes the general terms under which the Company acquired and maintain the equipment for the digital currency mining centre, as well as the future acquisition framework ("Future Acquisition Rights") whereby Genesis would provide, on a best efforts basis, up to four additional data centre opportunities in Iceland or Sweden over a period of one year. In consideration, the Company issued to Genesis 67,975,428 common shares, being 30% ownership of the Company and paid $9 million. In connection with the Genesis Transaction, the Company also paid transaction costs of $583,765 and issued a finder's fee of 3,398,771 common shares. In conjunction with the Genesis Transaction, the Company also completed a concurrent equity financing for gross proceeds of C$16.5 million.

Pursuant to the terms of the Investor Rights Agreement, Genesis is entitled to participate in future equity financings to allow Genesis to maintain its percentage ownership in the Company as well as certain other rights such as representation on the board of directors for a minimum period of two years. As of September 30, 2017, Genesis owned 30% of the Company on a non-diluted basis.

Pursuant to the terms of the Master Data Centre Equipment Purchase Agreement and supplemental purchase order, the Company acquired the computing equipment at a cost of $9,000,000. This agreement also governs the construction, delivery, installation, acceptance, warranty and other terms of the acquisition of computing equipment for current and future transactions.

Pursuant to the terms of the Master Services Agreement and supplemental service order, the Company will pay Genesis for the maintenance and operation of the computing equipment for a monthly fee of $144,700 for a minimum term of one year, which includes underlying supply costs such as electricity, facility rental and internet. Each service order automatically renews and Genesis may only terminate the agreement by providing notice six months prior to the expiration of the most recently renewed term. The monthly cost may be subject to adjustment where there is a change in the underlying costs.

The Genesis Transaction has been accounted for as a purchase of assets and the costs have been allocated to the fair value of the assets acquired on the date of acquisition. The common shares issued as consideration were valued at C$0.30 per share, being the price of the concurrent equity financing, along with cash consideration of $9,000,000.

The Company expensed $16,340,247 as transaction costs related to the Future Acquisition Rights as management determined that these rights did not meet the accounting definition of an asset due to a lack of control. Accordingly, the relative fair value of these rights has been expensed through profit and loss. The Company also incurred $583,765 in cash transaction costs, which, combined with the finders fee of 3,398,771 shares at a value of $817,012, have been recorded in equity as a cost of the shares issued at a total cost of $1,400,777.

The initial Iceland Data Centre acquired has a capacity of 2.05MW and consists of approximately 2,300 GPU based mining rigs.

3. Outlook

HIVE has a pathway to significant growth to maintain its position as a market leader in the blockchain infrastructure industry. Since the Company's initial acquisition in September 2017 with a capacity of 2.05 MW, the Company has agreements in place to increase its capacity to approximately 17.4 MW by March 2018.

The Company is currently focusing the acquisition and operation of data centres located in the Nordic countries, such as Iceland, because of their reliable, clean and inexpensive power, flexibility on space and design of facilities, access to skilled workforce and stable, welcoming jurisdictions. In Iceland, Landsvirkjun, the National Power Company (www.landsvirkjun.com), offers up to 12 year fixed price power contracts at $0.043 per kWh[1], providing long term visibility for operations and enabling better management of financial risk.

The Company has entered into two binding letter agreements for the construction of 13.6 MW of additional capacity in Sweden at a total cost of $44 million and expected completion by March 2018. This will result in total capacity of an expected 17.4 MW by the end of Q1 2018. The Company also has two further opportunities to be identified by Genesis under the Transaction Agreement which are expected to be identified in 2018 to continue the growth of both revenues and computing equipment.

4. Overall Performance and Results of Operations

Quarterly Highlights:

- Generated revenues of $170,819 from mining of digital currencies over 12 full days of mining operations at the first Iceland facility
- Rapid growth subsequent to September 30, 2017 through expansion in Iceland and Sweden for projected total capacity of approximately 17.4 MW by March 2018
- Holds $180,112 worth of newly minted Ethereum coins as at September 30, 2017
- Mining margin(1) of $112,959, based on the last half of September 2017 operations
- Raised over C$88 million in financing since Change of Business in September 2017

(1) Mining Margin is a non-IFRS; see Non-IFRS Measures for reconciliation

Total assets increased to $14,763,852 as at September 30, 2017 from $478,915 at March 31, 2017, due primarily to the completion of the Genesis Transaction; the most significant asset consisting of the Company's the computing equipment in Iceland of $8,919,863.

Subsequent to September 30, 2017, the Company:

- Completed a bought deal financing for gross proceeds of C$30,000,000 through the issuance of 20,000,000 common shares at a price of C$1.50 per share. In connection with this offering, the Company paid a commission to the underwriters of 6% of the proceeds. Genesis also exercised its rights under the Investor Rights Agreement and acquired 4,666,667 shares at a price of C$1.50 for proceeds of C$7,000,000;

[1] See https://www.landsvirkjun.com/productsservices/energyproducts/data-centers/competitive-energy/

- Acquired an additional digital currency mining facility in Iceland with a capacity of 1.75 MW from Genesis for consideration of C$5,000,000 and the issuance of 2,000,000 common shares. The Company also issued 40,000 shares in transaction costs related to this acquisition. Genesis will also provide hosting, maintenance and related services for this facility pursuant to the Master Services Agreement;
- Entered into two binding letter agreements with Genesis for the construction of the first and second phases of the digital currency mining rigs at a data centre in Sweden with a cost of $22 million per phase, for total consideration of $44 million. The delivery date, payment terms and other conditions are subject to the finalization of the purchase orders, TSXV approval and other customary closing conditions. These acquisitions in total are expected to add approximately 13.6 MW of additional capacity; and
- Completed a bought deal financing for gross proceeds of C$34,502,300 through the issuance of 12,322,250 units at a price of C$2.80 per Unit. Each Unit consists of one common share and warrant, with each warrant entitling the holder to purchase one common share at a price of C$3.90 until November 14, 2019. In connection with this offering, the Company paid a commission to the underwriters of 6% of the proceeds. Genesis subscribed for 1,818,180 units at a price of C$2.80 for proceeds of C$5,090,904 as part of this financing.

5. Three and Six Months ended September 30, 2017 and 2016

During the three and six months ended September 30, 2017, the Company recorded net loss from continuing operations of $19,811,159 and $19,839,762 respectively (2016 - $177,210 and $352,532 respectively). The results for the three and six months ended September 30, 2017 are not comparable to the same periods in the prior year given the Company's Change of Business in September 2017.

- Revenues for both the three and six months ended September 30, 2017 were $170,819 (2016 - $nil), from the mining of digital currencies.
- Operating and maintenance costs for both the three and six months ended September 30, 2017 were $57,860 (2016 - $nil) consisting primarily of fees paid to Genesis under the Master Services agreement, which includes electricity;
- Depreciation for both the three and six months ended September 30, 2017 of $80,137 (2016 - $nil) being straight line depreciation of the computing equipment in connection with the Change of Business in September 2017;
- Transaction costs related to the future acquisition rights in the Genesis Transaction of $16,340,247, which have been expensed as they do not meet the accounting definition of an asset. This is a one time charge and is not expected to reoccur;
- Share based compensation for both the three and six months ended September 30, 2017 of $2,706,639 (2016 - $nil) in relation to the options granted concurrently with the Change of Business in September 2017; and
- Marketing fees for both the three and six months ended September 30, 2017 of $503,348 (2016 - $nil) in relation to marketing programs with the launch of the Company's change of name and business.

Operating and maintenance costs paid to Genesis include electricity, facility rental, internet supply, on site labour, security, remote monitoring and other services, with a guaranteed uptime of 93%. Pursuant to the agreements with Genesis, the Company is also entitled to a one year warranty on all of its rigs, which includes periodic replacement of GPU cards.

Electricity is one of the most significant cost elements in running a digital mining operation; in addition to access to inexpensive power costs, optimal performance is achieved through stable, consistent supply of electricity. The Company is careful to ensure its underlying power supply is not subject to fluctuations in a specific grid, as this erratic supply does not lend itself to efficient computing, even if cheap rates can be obtained for temporary consumption of oversupply. The agreement with Genesis for guaranteed consistent uptime also helps mitigate the Company's operational risk.

In October 2017, the Ethereum network had a significant technological upgrade that resulted in block time decreasing from an average of 30 seconds to an average of 15 seconds, while the corresponding Ethereum reward per block also decreased from 5 Ethereum coins ("ETH") per block mined to 3 ETH per block mined. This results in an increase in the Company's ability to earn coin rewards, as the time to complete a block decreased by a greater percentage than the reward per coin.

The Ethereum network has historically been the second largest digital currency by market capitalization, after Bitcoin. The Ethereum network is the biggest GPU based network in the cryptocurrency industry and as of November 2017, processes more transactions than all other digital currencies combined, including Bitcoin. The Company was focused primarily on Ethereum for the period ended September 30, 2017, although has the ability to mine various digital currencies, primarily those that are performed with GPU rigs.

Timing considerations with respect to the period ended September 30, 2017

As noted above, the Genesis Transaction and Change of Business closed on September 14, 2017, after which the Company commenced its digital currency mining operations. As a result, the three and six month periods ending September 30, 2017 include only 15 days of operations, with 12 full days of digital currency mining from September 15, 2017 – September 30, 2017.

This gives rise to certain abnormalities including the following:

- HIVE was an inactive company in the business of exploration and evaluation of mineral properties prior to the completion of its Change of Business with minimal operations and no revenues;
- One time charge for the transaction costs related to the future acquisition rights, which have been expensed as they are not considered to meet the accounting definition of an asset due to a lack of control;
- Expected level of revenues relatively immaterial being only for 12 full days of the period

Readers of these unaudited condensed interim consolidated financial statements and this MD&A are therefore cautioned about extrapolating the results for the September 30 quarterly period into annual expectations, both in terms of the abnormal levels of expenses related to the period leading up to the Change of Business and the fact that there are only 15 days of operations and 12 full days of revenues for this period.

6. Summary of Quarterly Results

The following tables summarize the Company's financial information for the last eight quarters in accordance with IFRS:

	2018 Q2 $	2018 Q1 $	2017 Q4 $	2017 Q3 $	2017 Q2 $	2017 Q1 $	2016 Q4 $	2016 Q3 $
Revenue	170,819	-	-	-	-	-	-	-
Net loss	(20,257,911)	(28,603)	(116,228)	(166,374)	(177,210)	(175,322)	(116,828)	(173,818)
Basic and diluted income (loss) per share	(0.20)	(0.00)	(0.00)	(0.00)	(0.01)	(0.01)	(0.00)	(0.01)

The above table has been restated in US dollars as a result of the Company's change in its presentation currency. There is an increase in expenses in the Q2 2018 as a result of the Company's Change of Business, the expensing of the transaction costs related to future acquisition rights under the Genesis Transaction and resulting increase in operations.

7. Liquidity and Capital Resources

The Company commenced earning revenues in mid-September 2017, however it has limited history and no assurances that historical performance will be indicative of future performance. The Company is reliant on external financing to take advantage of growth opportunities and its ability to continue as a going concern is dependent on the Company's ability to efficiently mine and liquidate digital currencies.

Expressed in US Dollars unless otherwise indicated

As at September 30, 2017, the Company had a working capital balance of $2,472,042 as compared to a working capital deficit of ($2,644,216) as at March 31, 2017. Subsequent to September 30, 2017, the Company raised an additional C$72 million in equity financing and currently has sufficient cash and cash equivalents to fund its current operating and administrative costs.

The net change in the Company's cash position as at September 30, 2017 as compared to March 31, 2017 was an increase of $3,422,986 as a result of the following cash flows:

- Cash used in operations of $590,917, primarily due to clean up of the Company since its Change of Business and start up costs
- Cash used in investing activities of $9,000,000, consisting of the cash consideration issued in the Genesis Transaction, including $9 million paid to Genesis
- Cash provided by financing activities of $13,394,043, largely due to the completion of the Company's subscription receipt financing of C$16.5 million that closed on completion of the Company's Change of Business.

8. Outstanding Share Data

As at the date of this report, 265,663,677 common shares were issued and outstanding, with 25,249,666 stock options and 13,022,249 warrants issued and outstanding. There are TSXV and securities laws restrictions on resale, as well as voluntary restrictions on certain shares, as detailed in the Company's Filing Statement dated September 13, 2017 filed on SEDAR and subsequent continuous disclosure filings of the Company.

9. Non IFRS Financial Performance Measures

The Company has presented certain non-IFRS measures in this document. The Company believes that these measures, while not a substitute for measures of performance prepared in accordance with IFRS, provide investors an improved ability to evaluate the underlying performance of the Company. These measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers.

As the Genesis Transaction closed in September 2017, these measures are not available or meaningful for periods prior to this date.

Mining Margin:

The Company believes that, in addition to conventional measures prepared in accordance with IFRS, it is helpful to investors to use the mining margin to evaluate the Company's performance and ability to generate cash flows and service debt. Accordingly, this measure does not have a standard meaning and is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The following table provides illustration of the calculation of the mining margin for the three months ended September 30, 2017, including the period from September 15, 2017 to September 30, 2017 (inclusive), in which the Company was operating its Iceland digital currency mining activities:

Revenues(1)	$170,819
Less:	
Operating and maintenance costs (1)	(57,860)
Mining Margin	$ 112,959

(1) As presented on the unaudited condensed interim consolidated statements of loss and comprehensive loss.

10. Related Party Transactions

(a) As at September, 2017, an amount of $nil (March 31, 2017 - C$44,010) was owed to a company controlled by the former President of the Company.
(b) As at September 30, 2017, included in accounts payable and accrued liabilities is an amount of $nil (March 31, 2017 - C$3,341,269) owing to a shareholder of the Company and companies controlled by this shareholder.
(c) As at September 30, 2017, loans payable of $168,269 owed to various related and unrelated parties and accrued interest of $1,565 were owed to a company owned by the Chief Executive Officer of the Company. As at March 31, 2017, $117,180 of loans payable, including accrued interest of $3,849 were due to former related parties of the Company.
(d) In June 2017, a company controlled by a shareholder of the Company agreed to extinguish a total of $1,365,798 of accounts payable. As at September 30, 2017, included in accounts payable and accrued liabilities is an amount of $nil (March 31, 2017 - C$1,836,589) owing to this Company.

11. Critical Accounting Policies and Estimates

The Company has prepared the accompanying unaudited condensed interim consolidated financial statements in accordance with IAS 34, using accounting policies consistent with IFRS. Significant accounting policies are described in Note 2 of the Company's annual financial statements as at and for the year ended March 31, 2017, as well as those adopted per Note 5 of the Company's interim financial statements as at and for the three and six months ended September 30, 2017.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

The Company's significant estimates and judgements for the period ended September 30, 2017 included:

Significant judgements

(a) 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.

(b) Asset acquisition

Management determines whether assets acquired and liabilities assumed constitute a business. A business consists of inputs and processes applied to those inputs that have the ability to create outputs. The Company completed the Genesis Transaction in September 2017 (Note 6) at which time, concluded that the transactions did not qualify as a business combination under IFRS 3, "Business Combinations", as management concluded that significant processes were not acquired. Accordingly, the Genesis Transaction has been accounted for as an asset acquisition.

(c) Revenue recognition

The Company recognizes revenue from the provision of transaction verification services within digital currency networks, commonly termed "cryptocurrency mining". As consideration for these services, the Company receives digital currency from each specific network in which it participates ("coins"). Revenue is measured based on the fair value of the coins received. The fair value is determined using the spot price of the coin on the date of receipt. The coins 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 coins for traditional (fiat) currencies are included in profit and loss.

There is currently no specific definitive guidance in IFRS or alternative accounting frameworks for the accounting for the production and mining of digital currencies and management has exercised significant judgement in determining appropriate accounting treatment for the recognition of revenue for mining of digital currencies. Management has examined various factors surrounding the substance of the Company's operations and the guidance in IAS 18, Revenues, including the stage of completion being the completion and addition of a block to a blockchain and the reliability of the measurement of the digital currency received. In the event authoritative guidance is enacted by the IASB, the Company may be required to change its policies which could result in a change in the Company's financial position and earnings.

<u>Significant estimates</u>

(a) Determination of asset fair values and allocation of purchase consideration

Significant asset acquisitions require judgements and estimates to be made at the date of acquisition in relation to determining the relative fair value of computing equipment and Future Acquisition Rights and the allocation of the purchase consideration over the fair value of the assets. The information necessary to measure the fair values as at the acquisition date of assets acquired requires management to make certain judgements and estimates about future events, including but not limited to availability of hardware and expertise, future production opportunities, future digital currency prices and future operating costs.

(b) Carrying value of computing equipment

The Company evaluates each asset or cash generating unit every reporting period to determine whether there are any indications of impairment. If any such indication exists, which is often judgmental, a formal estimate of recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset or cash generating group of assets is measured at the higher of fair value less costs to sell and value in use. The evaluation of asset carrying values for indications of impairment includes consideration of both external and internal sources of information, including such factors as the relationship between mining rewards and the required computing power, digital currency prices, the periodic contribution margin of digital currency mining activities, changes in underlying costs, such as electricity, and technological changes.

When required, the determination of fair value and value in use requires management to make estimates and assumptions about digital currency prices, required computing power, technological changes and operating costs, such as electricity. The estimates and assumptions are subject to risk and uncertainty; hence, there is the possibility that changes in circumstances will alter these projections, which may impact the recoverable amount of the assets. In such circumstances some or all of the carrying value of the assets may be further impaired or the impairment charge reduced with the impact recorded in the statement of comprehensive income.

(c) Depreciation

Depreciation of computing equipment is an estimate of its expected life. In order to determine the useful life of computing equipment, assumptions are required about a range of computing industry market and economic factors, including required hashrates, technological changes, availability of hardware and other inputs, and production costs.

(d) Deferred taxes

The determination of the Company's tax expense for the period and deferred tax assets and liabilities involves significant estimation and judgement by management. In determining these amounts, management interprets tax legislation in a variety of jurisdictions and makes estimates of the expected timing of the reversal of deferred tax assets and liabilities, the deferral and deductibility of certain items and interpretation of the treatment for tax purposes of digital currencies by taxation authorities. Management also makes estimates of future earnings, which affect the extent to which potential future tax benefits may be used. The Company is subject to assessments by various taxation authorities, which may interpret legislation differently. These differences may affect the final amount or the timing of the payment of taxes. The Company provides for such differences where known based on management's best estimate of the probable outcome of these matters.

(e) Digital currency valuation

Digital currencies consist of cryptocurrency denominated assets such as Ethereum and are included in current assets. Digital currencies are carried at their fair market value determined by an average spot rate of the most liquid digital currency exchanges. 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.

(f) 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, officers, employees consultants and charities. 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.

New Standards and Interpretations Not Yet Adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC. The following has not yet been adopted by the Company and is being evaluated to determine its impact.

- IFRS 9: New standard that replaced IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018.
- IFRS 15: New standard that replaced IAS 18, Revenue, IAS 11, Construction Contracts and related interpretations on revenue, effective for annual periods beginning on or after January 1, 2018.
- IFRS 16, which replaces previous lease accounting guidance, effective for annual periods beginning on or after January 1, 2019.

12. Financial Instruments and Financial Risk Management

The Company is exposed, in varying degrees, to a variety of financial related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts as well as its sales taxes receivable which have a balance of $2,209,979 as at September 30, 2017. The majority of cash is deposited in bank accounts held with one major bank in Canada so there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The Company's secondary exposure to risk on its taxes receivable is minimal since they are refundable from stable governments.

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 manages liquidity risk by maintaining cash and cash equivalent balances to ensure that it is able to meet its short term and long term obligations as and when they fall 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.

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 affect the costs that the Company incurs in its operations as well as the currency in which the Company has historically raised capital.

The Company's presentation currency is the US dollar and major purchases are transacted in US dollars, while all financing to date has been completed in Canadian dollars. As the Company operates in an international environment, some of the Company's financial instruments and transactions are denominated in currencies other than an entity's functional currency. A portion of the Company's general and administrative costs are incurred mainly in currencies separate from each entity's functional currency, such as Swiss Francs, the Euro, and Icelandic Kronor. The fluctuation of these currencies in relation to the US dollar will consequently impact the profitability of the Company and may also affect the value of the Company's assets and liabilities and the amount of shareholders' equity.

The Company's most significant foreign currency is the Swiss Franc, and the net liability held in Swiss Francs (in US dollar equivalents) is ($105,467). The effect on earnings before tax as at September 30, 2017, of a 10% fluctuation in the Swiss Franc against the US dollar is estimated to be $10,500.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. 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.

13. Digital Currency and Risk Management

Digital currencies are measured using level one fair values, determined by taking the rate from the largest digital currency exchanges.

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. The Company's digital currencies currently consist of Ethereum, and a 25% variance in the price of Ethereum could have a $45,000 impact on the Company's earnings before tax.

14. Risks and Uncertainties

There have been no changes in the risk factors pertaining to the Company since the Company's filing statement dated September 13, 2017 (the "Filing Statement") and available on SEDAR at www.sedar.com, other than noted below. The disclosure in this MD&A is subject to, and should be read in conjunction with, the risk factors outlined in the Filing Statement.

An additional risk to the Company arises as a result of the potential shift from the use of a proof of work validation method by the Ether algorithm to a proof of stake method, which we believe would result in the mining of Ether requiring less energy and may render the Company less competitive as other miners would be able to mine Ethereum with lower energy requirements. The Company's facilities, located in a cool climate and low energy cost environment, may see its competitive advantages decrease.

15. Caution Regarding Forward Looking Information

This Management Discussion and Analysis may contain certain "forward-looking information" within the meaning of Canadian securities legislation. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made and they involve a number of risks and uncertainties. Consequently, there can be no assurances that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

Forward-looking information in this Management Discussion and Analysis includes information about the Company's expansion into Sweden; the expected electrical consumption in Sweden; additional opportunities to be identified in 2018 to continue growth of revenue and computing equipment; expected revenue increases in the third quarter and in 2018; the value of the Company's digital currency inventory; the business goals and objectives of the Company, and other forward-looking information including but not limited to information concerning the intentions, plans and future actions of the Company. The forward-looking information in this Management Discussion and Analysis reflects the current expectations, assumptions and/or beliefs of the Company based on information currently available to the Company. In connection with the forward-looking information contained in this Management Discussion and Analysis, the Company has made assumptions about the Company's ability to complete the expansion into Sweden; the Company will be able to profitably liquidate its digital currency inventory as required; the Company's ongoing partnership with Genesis; historical prices of digital currencies and the ability of the Company to mine digital currencies will be consistent with historical prices; and there will be no regulation or law that will prevent the Company from operating its business. The Company has also assumed that no significant events occur outside of the Company's normal course of business. Although the Company believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.

Risk factors that could cause future results to differ materially from those anticipated in these forward-looking statements are described in the Risk Factors contained in the Company's Filing Statement, and the other risk factors discussed in greater detail in the Company's various filings on SEDAR (www.sedar.com). Readers are cautioned not to place undue reliance on forward-looking information, which speak only as of the date hereof. We undertake no obligation to publicly release the results of any revisions to forward-looking information that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events except as required by law.

16. Management's Report on Internal Control over Financial Reporting

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited condensed interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

Additional information relating to the Company is available on SEDAR at www.sedar.com.