

**IMINING BLOCKCHAIN AND CRYPTOCURRENCY INC.**

(Formerly Parlane Resource Corp.)

**CONDENSED INTERIM FINANCIAL STATEMENTS**

**For the six months ended November 30, 2018**

(Stated in Canadian Dollars)

(Unaudited)

**NOTICE TO READER OF THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

The unaudited condensed interim financial statements for the period ended November 30, 2018 have been prepared by and are the responsibility of the Company's management. These financial statements have not been reviewed or audited by the Company's auditors.

The accompanying notes form an integral part of these financial statements

**IMINING BLOCKCHAIN AND CRYPTOCURRENCY INC.**  
(Formerly Parlane Resource Corp.)  
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION  
(Stated in Canadian Dollars)  
(Unaudited)

As at	November 30, 2018	May 31, 2018
<b><u>ASSETS</u></b>		
Current assets		
Cash	\$ 45,754	\$ 124,774
Digital currencies – Note 4	115,102	29,115
Amounts receivable – Note 5	41,951	116,485
Prepaid expenses – Note 6	101,658	300,862
	304,465	571,236
Non-current assets		
Data centre equipment – Note 9	1,729,121	3,533,421
Equipment	5,551	3,377
Intangible assets – Note 3	610,000	610,000
	2,344,672	4,146,798
<b>Total Assets</b>	<b>\$ 2,649,137</b>	<b>\$ 4,718,034</b>
<b><u>LIABILITIES</u></b>		
Current liabilities		
Trade and other payables – Note 11	\$ 163,663	\$ 123,343
<b><u>EQUITY</u></b>		
Share capital – Note 10	8,199,713	8,199,713
Equity reserve – Note 10	796,366	796,366
Accumulated deficit	(6,510,605)	(4,401,388)
	2,485,474	4,594,691
<b>Total Liabilities and Equity</b>	<b>\$ 2,649,137</b>	<b>\$ 4,718,034</b>

Commitment – Note 15

APPROVED ON BEHALF OF THE BOARD:

<u>“Robert Eadie”</u> Robert Eadie	Director	<u>“Gary Arca”</u> Gary Arca	Director
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The accompanying notes form an integral part of these financial statements

**IMINING BLOCKCHAIN AND CRYPTOCURRENCY INC.**

(Formerly Parlane Resource Corp.)

**CONDENSED INTERIM STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)**

(Stated in Canadian Dollars)

(Unaudited)

	For the three months ended November 30,		For the six months ended November 30,	
	2018	2017	2018	2017
<b>Revenue</b>	\$ 56,043	\$ -	\$ 304,420	\$ -
<b>Cost of revenue</b>				
Operating and maintenance cost	(443)	-	(289,973)	-
Depreciation	(902,150)	-	(1,804,300)	-
<b>Gross loss</b>	<b>(846,550)</b>	-	<b>(1,789,853)</b>	-
<b>Revaluation of digital currencies – loss</b>	<b>(72,117)</b>	-	<b>(82,057)</b>	-
<b>Expenses:</b>				
Accounting and audit fees – Note 11	\$ 1,800	\$ 3,700	\$ 3,300	\$ 12,456
Foreign exchange gain	(5,945)	(639)	(7,610)	-
Legal and corporate services – Note 11	8,724	22,086	18,763	49,084
Management services – Note 11	20,291	15,000	38,181	63,853
Consulting expense	15,000	-	26,500	-
Office, rent and administration – Note 11	36,282	17,036	93,426	25,737
Shareholder communications – Note 11	11,630	1,615	66,326	10,364
Transfer agent and filing fees	325	4,391	981	6,494
<b>Total expenses</b>	<b>(88,107)</b>	<b>(63,189)</b>	<b>(239,867)</b>	<b>(167,988)</b>
<b>Other gains:</b>				
Finance revenue	228	2,073	17	7,732
Gain on sale of Big Bear and Nechako – Note 8	-	17	-	726,128
Gain on sale of marketable securities – Note 7	-	-	-	10,990
Income tax credit	2,543	-	2,543	-
<b>Total other gains</b>	<b>2,771</b>	<b>2,090</b>	<b>2,560</b>	<b>744,850</b>
<b>Income (loss) for the period</b>	<b>(1,004,003)</b>	<b>(61,099)</b>	<b>(2,109,217)</b>	<b>576,862</b>
<b>Other comprehensive loss:</b>				
Unrealized loss on marketable securities – Note 7	-	-	-	(11,302)
<b>Total comprehensive income (loss) for the period</b>	<b>\$ (1,004,003)</b>	<b>\$ (61,099)</b>	<b>\$ (2,109,217)</b>	<b>\$ 565,560</b>
Basic and diluted income (loss) per share – Note 12	\$ (0.03)	\$ (0.00)	\$ (0.07)	\$ 0.04

**IMINING BLOCKCHAIN AND CRYPTOCURRENCY INC.**

The accompanying notes form an integral part of these financial statements

(Formerly Parlane Resource Corp.)  
CONDENSED INTERIM STATEMENTS OF CASH FLOWS  
(Stated in Canadian Dollars)  
(Unaudited)

<b>For the six months ended November 30,</b>	<b>2018</b>	<b>2017</b>
<b>Operating Activities:</b>		
Net income (loss) for the period	\$ (2,109,217)	\$ 576,862
Adjustments to reconcile loss to net cash used in operating activities:		
Impairment on marketable securities	-	(10,990)
Gain on sale of Big Bear and Nechako – Note 8	-	(726,128)
Write-off mineral properties – Note 8	-	1,057
Depreciation – Note 9	1,805,448	488
Changes in non-cash working capital items:		
Prepaid expenses	199,204	-
Amounts receivable	74,534	-
Value added taxes recoverable	-	21,033
Digital currencies	(85,987)	-
Trade and other payables	40,320	(266,184)
<b>Cash outflows from operating activities</b>	<b>(75,698)</b>	<b>(403,862)</b>
<b>Investing Activities:</b>		
Interest received	-	1,485
Sale of marketable securities – Note 7	-	23,393
Cash acquired regarding sale of Big Bear and Nechako- Note 8	-	2,500,000
Recovery of reclamation deposit – Note 8	-	25,000
Equipment additions	(3,322)	-
Investment in exploration and evaluation assets	-	(89,988)
<b>Cash inflows (outflows) from investing activities</b>	<b>(3,322)</b>	<b>2,459,890</b>
Total increase (decrease) in cash during the period	(79,020)	2,056,028
Cash, beginning of the period	124,774	426,274
<b>Cash, end of the period</b>	<b>\$ 45,754</b>	<b>\$ 2,482,302</b>

The accompanying notes form an integral part of these financial statements

**IMINING BLOCKCHAIN AND CRYPTOCURRENCY INC.**  
(Formerly Parlane Resource Corp.)  
**STATEMENT OF CHANGES IN EQUITY**  
For the periods ended November 30, 2018, and November 30, 2017  
(Stated in Canadian Dollars)  
(Unaudited)

	Number of shares outstanding	Share capital	Equity reserve	Accumulated other comprehensive income (loss)		Accumulated deficit	Total equity
				Foreign currency translation reserve	Unrealized gain (loss) on marketable securities		
Balance – May 31, 2017	14,936,265	\$5,686,592	\$ 836,337	\$ (9,913)	\$ 11,302	\$ (4,594,347)	\$ 1,929,971
Realized loss on marketable securities	-	-	-	-	(11,302)	-	(11,302)
Net income for the year	-	-	-	-	-	576,862	576,862
Balance – November 30, 2017	14,936,265	\$5,686,592	\$ 836,337	\$ (9,913)	\$ -	\$ (4,017,485)	\$ 2,495,531
Common shares issued pursuant to:							
- Private placement - at \$0.15	5,100,000	765,000	-	-	-	-	765,000
- Exercise of warrants - at \$0.30	1,000,000	360,000	(60,000)	-	-	-	300,000
- Exercise of warrants - at \$0.20	50,000	10,000	-	-	-	-	10,000
- Asset acquisition - at \$0.18	6,000,000	1,080,000	-	-	-	-	1,080,000
- Trade name acquisition - at \$0.18	2,000,000	360,000	-	-	-	-	360,000
Share issuance cost	-	(61,879)	20,029	-	-	-	(41,850)
Translation reserve	-	-	-	9,913	-	-	9,913
Net loss for the year	-	-	-	-	-	(383,903)	(383,903)
Balance – May 31, 2018	29,086,265	\$8,199,713	\$ 796,366	\$ -	\$ -	\$ (4,401,388)	\$ 4,594,691
Net loss for the period	-	-	-	-	-	(2,109,217)	(2,109,217)
<b>Balance – November 30, 2018</b>	<b>29,086,265</b>	<b>\$8,199,713</b>	<b>\$ 796,366</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (6,510,605)</b>	<b>\$ 2,485,474</b>

**IMINING BLOCKCHAIN AND CRYPTOCURRENCY INC.**  
(Formerly Parlane Resource Corp.)  
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
November 30, 2018 and 2017  
(Stated in Canadian Dollars)  
(Unaudited)

**Note 1**     **Corporate Information**

iMining Blockchain and Cryptocurrency Inc. (the “Company” or “iMining”) was incorporated in the Province of British Columbia on June 1, 2007 under the Business Corporations Act of British Columbia. The Company completed a change of business transaction on the TSX Venture Exchange (the “Exchange”) (see Note 3) on April 17, 2018 and changed its name from Parlane Resource Corp. to iMining Blockchain and Cryptocurrency Inc. The Company is listed on the Exchange, having the symbol IMIN-V as a Tier 2 issuer and is a blockchain and cryptocurrency company.

The address of the Company’s corporate office and principal place of business is 750 – 580 Hornby Street, Vancouver, British Columbia, Canada.

**Note 2**     **Basis of Preparation**

a) **Statement of Compliance**

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board. These unaudited condensed interim financial statements, for the six month period ended November 30, 2018, have been prepared in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting, however, they do not include all of the information required for full annual financial statements.

These unaudited condensed interim financial statements should be read in conjunction with the Company’s 2018 annual financial statements.

The financial statements were authorized for issue by the Board of Directors on January 17, 2019.

b) **Basis of Measurement**

The financial statements have been prepared on a historical cost basis. The financial statements are presented in Canadian dollars.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgement in applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Notes 3 and 4 of the Company’s 2018 annual financial statements.

**Note 2**     **Basis of Preparation – (cont'd)**

c) Going Concern of Operations

The Company has generated revenue of \$304,420 from operations. The Company incurred a net loss of \$2,109,217 during the period ended November 30, 2018. As of November 30, 2018, the Company's accumulated deficit was \$6,510,605 and the Company had \$45,754 in cash, working capital of \$140,802 and no long-term debt.

As the Company has recently commenced operations (see Note 3 for change of business event), the recoverability of the costs incurred to date is dependent on the ability of the Company to obtain the necessary financing to complete the development of its business as required and upon future profitable operations. While the Company has been successful in obtaining the necessary financing through the issuance of common shares in the past, there is no assurance it will be able to raise funds in this manner in the future

These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

These financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of operations, and at amounts different from those recorded in the financial statements.

**Note 3**     **Change of business to mining of Cryptocurrency**

On January 9, 2018, the Company entered into a binding letter agreement to purchase cryptocurrency mining rigs and engaged a third party to host cryptocurrency mining activities on behalf of the Company.

Pursuant to the agreement, the Company acquired 500 S9 Antminer rigs at a cost of US\$2,000,000 and engaged a company (the "Provider") to set-up, host and operate the cryptocurrency mining activities. The Provider received (i) 6,000,000 shares of the Company (the "Payment Shares"), and (ii) 10% of net profits generated by the mining activities. The Company will be responsible for all operating costs, to be at an all-in cost of US\$0.10 per kilowatt hour per mining rig. The Company may add additional mining rigs from time to time. The shares of the Company received by the Provider are subject to resale restrictions such that 50% of the Payment Shares have been released during the period, 25% are restricted for 12 months, and 25% are restricted for 18 months.



**iMining Blockchain and Cryptocurrency Inc.** (Formerly Parlane Resource Corp.)

Notes to the Condensed Interim Financial Statements

November 30, 2018

(Stated in Canadian Dollars)(Unaudited)**Note 3**      **Change of business to mining of Cryptocurrency- (cont'd)**

The above transactions constituted a Change of Business (“COB”) for the Company, as such term is defined in Exchange policies, in that the Company is now involved in mining for cryptocurrencies rather than exploring for minerals.

In conjunction with the COB, the Company also acquired the intellectual property rights to the “iMining” brand, including worldwide tradename, trademarks, and URL site. The cost to acquire these rights was \$610,000, \$250,000 in cash and 2,000,000 shares of the Company at a fair value of \$0.18 per share.

During the period ended November 30, 2018, the Company suspended operation of its 500 S9 Antminer mining rigs due to the market downturn in cryptocurrency values. Management will assess whether reactivation of the mining rigs is warranted based on market conditions in the future, with the cooperation of the Provider.

**Note 4**      **Digital currencies**

At November 30, 2018, the Company’s digital currencies consisted of 20.4 bitcoin (“BTC”) (May 31, 2018 - 3.0 BTC), with a fair value of \$115,102 (May 31, 2018 - \$29,115). Digital currencies are recorded at their fair value on the date they are received as revenues, and are revalued to their current market value at each reporting date.

**Note 5**      **Amounts Receivable**

	<b>November 30, 2018</b>	May 31, 2018
Taxes receivable	\$ 6,068	\$ 38,560
Minera Mexicana sale	35,883	76,995
Other	-	930
	<b>\$ 41,951</b>	<b>\$ 116,485</b>

During the year ended May 31, 2018 the Company sold its subsidiary, Minera Mexicana for \$76,995 (US\$59,400) and will be paid over 3 quarters (US\$16,200 was received subsequent to November 30, 2018).

**Note 6**      **Prepaid expenses**

	<b>November 30, 2018</b>	May 31, 2018
Rent	\$ 28,104	\$ 57,643
Data centre equipment	72,828	189,883
Other	726	53,336
	<b>\$ 101,658</b>	<b>\$ 300,862</b>

**iMining Blockchain and Cryptocurrency Inc.** (Formerly Parlane Resource Corp.)

Notes to the Condensed Interim Financial Statements

November 30, 2018

(Stated in Canadian Dollars)

(Unaudited)

**Note 7** **Marketable Securities**

Marketable securities consisted of an available-for-sale investment in Global Resource Investment Trust PLC (“GRIT”). During the year ended May 31, 2018, the Company sold the entire investment for net proceeds of \$23,393 and a realized gain on sale of marketable securities of \$10,990 recorded in the consolidated statement of income (loss).

**Note 8** **Assets Held for Sale and Exploration and Evaluation Assets**

<i>Exploration and evaluation assets</i>	<b>Big Bear Property</b>	<b>Bearcat Property</b>	<b>Nechako Property</b>	<b>Total</b>
<b>Acquisition costs:</b>				
Balance, May 31, 2017	\$ -	\$ 682	\$ -	\$ 682
Write- off Bearcat Property	-	(682)	-	(682)
<b>Balance, May 31, 2018 and November 30, 2018</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Exploration costs:</b>				
Balance, May 31, 2017	\$ -	\$ 2,375	\$ -	\$ 2,375
Write- off Bearcat Property	-	(2,375)	-	(2,375)
<b>Balance, May 31, 2018 and November 30, 2018</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Exploration and evaluation assets</b>				
Balance, May 31, 2017	\$ -	\$ 3,057	\$ -	\$ 3,057
Write- off Bearcat Property	-	(3,057)	-	(3,057)
<b>Balance, May 31, 2018 and November 30, 2018</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

	<b>Big Bear Property</b>	<b>Nechako Property</b>	<b>Total</b>
<i>Assets held for sale</i>			
Balance, May 31, 2017	1,633,884	50,000	1,683,884
Additions	89,988	-	89,988
Disposal of Big Bear and Nechako	(1,723,872)	(50,000)	(1,773,872)
<b>Balance, May 31, 2018 and November 30, 2018</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Assets held for sale</b>			
Balance, May 31, 2017	\$1,633,884	\$ 50,000	\$ 1,683,884

**Note 8     Assets Held for Sale and Exploration and Evaluation Assets – (cont'd)**

***Big Bear and Nechako Project***

On June 16, 2017, the Company received approval, at a special shareholder meeting, for the sale of all of the Company's interest in the Big Bear and Nechako properties to New Gold Inc. ("New Gold") for a total cash consideration of \$2.5 million. The sale proceeds were subsequently collected and the properties transferred to New Gold. The disposition of Big Bear was recorded during the period ended May 31, 2018 and a gain of \$723,015 is reported in profit or loss. In addition, the Company had been required to provide financial assurance in the form of a reclamation bond to the Ministry of Energy and Mines for \$25,000 which was refunded during the quarter ended May 31, 2018 in the amount of \$26,182, including finance income of \$1,182.

***Bearcat Claim***

During the year ended May 31, 2015, the Company staked the 389-hectare Bearcat 1 claim situated 76 kilometres west of Quesnel and six kilometres northwest of Nazko. The claims expired on September 6, 2018 and, as a result, the Company wrote off the costs of \$3,057 to the consolidated statements of income (loss).

***Environmental Protection Practices and Rehabilitation Provision***

The Company is subject to laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in a material liability to the Company.

**Note 9     Data centre equipment**

During the year ended May 31, 2018, the Company acquired 500 S9 Antminer rigs (Note 3) at a cost of \$2,528,600 (US\$2,000,000) and the issue of 6,000,000 shares of the Company, valued at \$0.18 per share for a total of \$1,080,000, and engaged a Provider to set-up, host and operate the cryptocurrency mining activities. In exchange for such services, the Provider receives 10% of net profits generated by the mining activities digital currencies.

**iMining Blockchain and Cryptocurrency Inc.** (Formerly Parlane Resource Corp.)  
Notes to the Condensed Interim Financial Statements  
November 30, 2018  
(Stated in Canadian Dollars)  
(Unaudited)

**Note 9**     **Data centre equipment – (cont’d)**

	<b>Total</b>
<b>Cost</b>	
Balance, May 31, 2017	\$ -
Additions	3,608,600
<b>Balance, May 31, 2018 &amp; November 30, 2018</b>	<b>\$3,608,600</b>
<b>Depreciation</b>	
Balance, May 31, 2017	\$ -
Depreciation for the year	75,179
Balance, May 31, 2018	\$ 75,179
Depreciation for the period	1,804,300
<b>Balance, November 30, 2018</b>	<b>\$1,879,479</b>
<b>Carrying amounts</b>	
Balance, May 31, 2018	\$3,533,421
<b>Balance, November, 2018</b>	<b>\$1,729,121</b>

**Note 10**     **Share Capital**

a) Common Shares

The Company is authorized to issue an unlimited number of common shares, without par value, issuable in series. The holders of common shares are entitled to one vote per share at meetings of the Company and to receive dividends, which are declared from time-to-time. No dividends have been declared by the Company since its inception. All shares are ranked equally with regard to the Company's residual assets.

*Issuances for Cash*

During the year ended May 31, 2018 the company completed its COB (see Note 3) and issued 5,100,000 Units at \$0.15 for gross proceeds of \$765,000, pursuant to the non-brokered financing. Each Unit is comprised of one common share and one-half warrant ("Warrant"). Each whole Warrant will entitle the holder thereof to acquire one additional common share of the Company at a price of \$0.25 for a period of 12 months from the date of issuance of the Warrant.

**iMining Blockchain and Cryptocurrency Inc.** (Formerly Parlane Resource Corp.)  
Notes to the Condensed Interim Financial Statements  
November 30, 2018  
(Stated in Canadian Dollars)  
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**Note 10**    **Share Capital** – (cont'd)

a) Common Shares – (cont'd)

*Issuances for Cash – (cont'd)*

The fair value of the shares was equal to the proceeds raised in the private placement and as a result, no amount was allocated as the fair value of the warrants. Finder's fees were paid in the form of a cash payment of \$41,850 and 278,699 agents' warrants with the same terms and conditions as the warrants comprising part of the units were issued. Share issue costs include \$20,029 calculated as the fair value of the agents' warrants.

The fair value of agents' warrants was determined using the Black-Scholes model with the following assumptions:

Stock price	\$0.18
Exercise price	\$0.25
Dividend rate	0%
Expected life	1 Year
Expected annual volatility	128.56%
Risk-free rate	1.88%

*Issuances for Assets*

On April 17, 2018, the Company issued 6,000,000 shares to acquire the data centre equipment (Note 9) at a price of \$0.18, being the Company's closing market price on the date of issuance. Total fair value of shares issued was \$1,080,000. On April 17, 2018, the Company issued 2,000,000 shares to acquire the intellectual property rights to the "iMining" brand at a price of \$0.18, being the Company's closing market price on the date of issuance. Total value of shares issued was \$360,000.

*Warrants Exercised*

During the year ended May 31, 2018 the Company issued 1,000,000 common shares for proceeds of \$300,000 pursuant to the exercise of 1,000,000 warrants at \$0.30 per warrant. The fair value of the warrants was calculated to be \$0.06 per one warrant, or \$60,000 at the time of the issuance. As such, share capital was increased and equity reserve decreased by \$60,000.

In addition during the year ended May 31, 2018 the Company issued 50,000 common shares for proceeds of \$10,000 pursuant to the exercise of 50,000 warrants at \$0.20 per warrant. No value was allocated to the warrants at the time of the issuance.

**iMining Blockchain and Cryptocurrency Inc.** (Formerly Parlane Resource Corp.)  
Notes to the Condensed Interim Financial Statements  
November 30, 2018  
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**Note 10** Share Capital – (cont’d)

b) Share Purchase Warrants

A summary of the Company’s outstanding share purchase warrants is presented below:

	Number of Warrants	Weighted Average Exercise Price
Outstanding at May 31, 2017	3,020,167	\$ 0.25
Warrants Issued	2,828,699	0.25
Warrants Exercised	(1,050,000)	0.30
Outstanding at May 31, 2018	4,798,866	\$ 0.24
Warrants Expired	(707,467)	0.20
<b>Outstanding at November 30, 2018</b>	<b>4,091,399</b>	<b>\$ 0.25</b>

At November 30, 2018, there were 4,091,399 warrants outstanding and exercisable to purchase one common share for each option held as follows.

Number of Shares	Exercise Price	Expiry Date
382,700	\$0.20	October 4, 2019
360,000	\$0.20	April 20, 2019
2,550,000	\$0.25	April 17, 2019
278,699	\$0.25	April 17, 2019
520,000	\$0.30	December 7, 2021
<b>4,091,399</b>	<b>\$0.25</b>	

On September 13, 2018 the Company extended the expiry of 382,700 warrants due to expire October 4, 2018, to October 4, 2019. On August 2, 2018, and October 4, 2018, 653,889 warrants and 53,578 warrants expired unexercised respectively.

c) Share-Based Payments

The Company, in accordance with the policies of the Exchange, is authorized to grant share purchase options to directors, officers, employees and service providers to acquire up to 10% of common shares then outstanding (the “Plan”). Under the Plan, options may be granted at no less than the closing market price of the Company’s shares on the day preceding the grant for a maximum term of 5 years.

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Notes to the Condensed Interim Financial Statements  
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**Note 10** Share Capital – (cont’d)

c) Share-Based Payments – (cont’d)

No amounts are paid or payable by the recipient on receipt and the options are not dependent on any performance-based criteria. Share purchase options will vest when granted except where granted for investor relations activities which vest and may be exercised in accordance with the vesting provisions as to ¼ of the options each 3 months. No share purchase options were granted during the period ended November 30, 2018 and the year ended May 31, 2018. During the year ended May 31, 2018, 2,000 options at an exercise price of \$1.00 expired. There are no further options outstanding as at November 30, 2018.

**Note 11** Related Party Transactions

The following is a summary of charges incurred by the Company with related parties:

<b>For the six months ended November 30,</b>	<b>2018</b>	<b>2017</b>
Accounting fees	\$ 3,000	\$ 3,000
Legal fees	2,000	500
Management services	30,000	50,000
Office, rent and administration	8,000	6,500
Shareholder communication	2,000	500
<b>Total</b>	<b>\$ 45,000</b>	<b>\$ 60,500</b>

Included in accounts payable at November 30, 2018 is \$87,125 (May 31, 2018: \$56,375) due to directors of the Company and to a company controlled by a director. These balances are in respect of management activities and reimbursable expenses.

**Note 12** Loss Per Share

The denominator for the calculation of loss per share, being the weighted average number of common shares, is calculated as follows:

	<b>Three months ended</b>		<b>Six months ended</b>	
	<b>November 30,</b>		<b>November 30,</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
Issued and outstanding, beginning of the period	29,086,265	14,936,265	29,086,265	14,936,265
Weighted average shares issued during the period	-	-	-	-
Basic and diluted weighted average number of shares	29,086,265	14,936,265	29,086,265	14,936,265

**iMining Blockchain and Cryptocurrency Inc.** (Formerly Parlane Resource Corp.)

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November 30, 2018

(Stated in Canadian Dollars)

(Unaudited)

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**Note 13**    **Capital Management**

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to 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 light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements, sell assets to reduce debt or return capital to shareholders. The Company is not subject to externally imposed capital requirements.

There have been no changes in the Company's approach to capital management during the period ended November 30, 2018.

**Note 14**    **Financial Instruments**

a)    **Interest Rate Risk**

The Company's cash earns interest at a variable interest rate. Because of the nature of this financial instrument, fluctuations in market rates do not have a significant impact on estimated fair values as of November 30, 2018. Future cash flows from interest income on cash will be affected by interest rate fluctuations. Interest rate risk consists of two components:

- (i)    To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.
- (ii)    To the extent that changes in prevailing market interest rates differ from the interest rates in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk. The Company's exposure to interest rate fluctuations is minimal.

b)    **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 is exposed to credit risk with respect to its cash, the balance of which at November 30, 2018 is \$45,754 (May 31, 2018 - \$124,774) and amounts receivable balance of \$41,951 (May 31, 2018 - \$116,485) with \$35,883 relating to the remaining balance regarding sale of Minera Mexicana. Cash is held at a chartered Canadian financial institution and there is a sale agreement in relation to the sale of Minera Mexicana signed by both parties, therefore accordingly management believes credit risk is minimal.



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**Note 14**    **Financial Instruments** – (cont'd)

c)    Liquidity Risk

Liquidity risk arises from the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. As at November 30, 2018, the Company was holding cash of \$45,754 (May 31, 2018 - \$124,774). The Company's trade and other payables are due in the short term.

**Note 15**    **Commitment**

Effective June 15, 2018, the Company entered into a commercial sublease agreement. The sublease agreement is for an initial term expiring on June 1, 2020. The Company's commitment for basic rent amounts payable for years 2019 and 2020 are \$108,648 and \$54,324 respectively. The Company has sublet rental space to the end of the term of their lease to fully offset the commercial office space. The sublet period commences December 15, 2018 to June 30, 2020, the end of the lease commitment period.