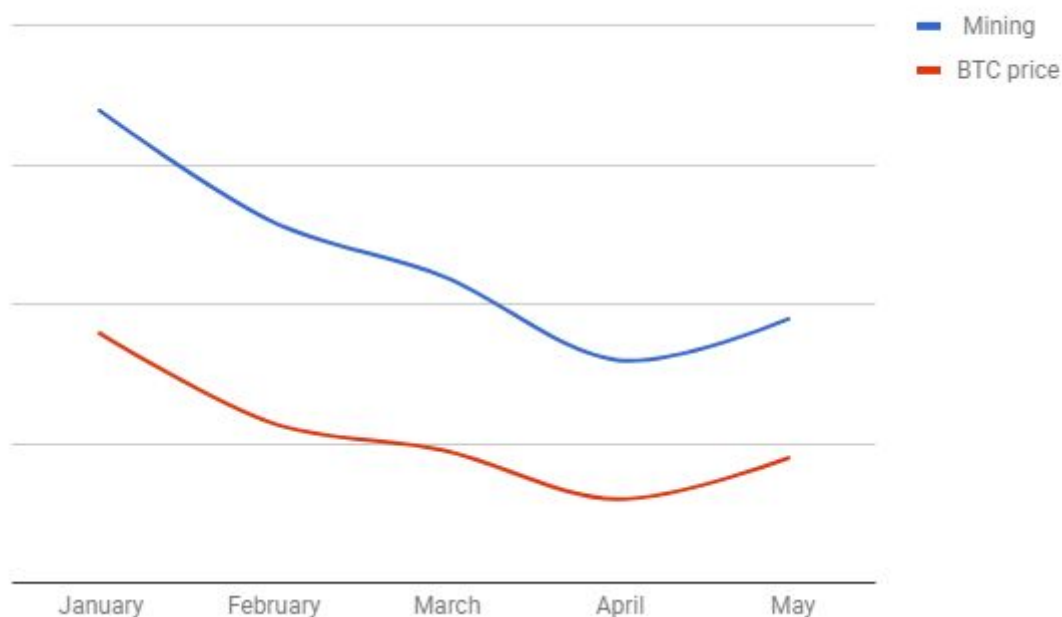


Economy & budget

We report our cryptocurrency holdings to our accountant every month and the tax authorities are notified once a year. Corporate tax, which currently is at 23%, is paid on profits.

Our main source of income is through mining. We sell cryptocurrency, mostly BTC and ETH, at Bitstamp where we have a business account connected to our bank account. The graph below shows our historical data (2018) of earnings through mining, here we can see a clear correlation between monthly mining income and the price of BTC.

Monthly mining income vs. BTC price

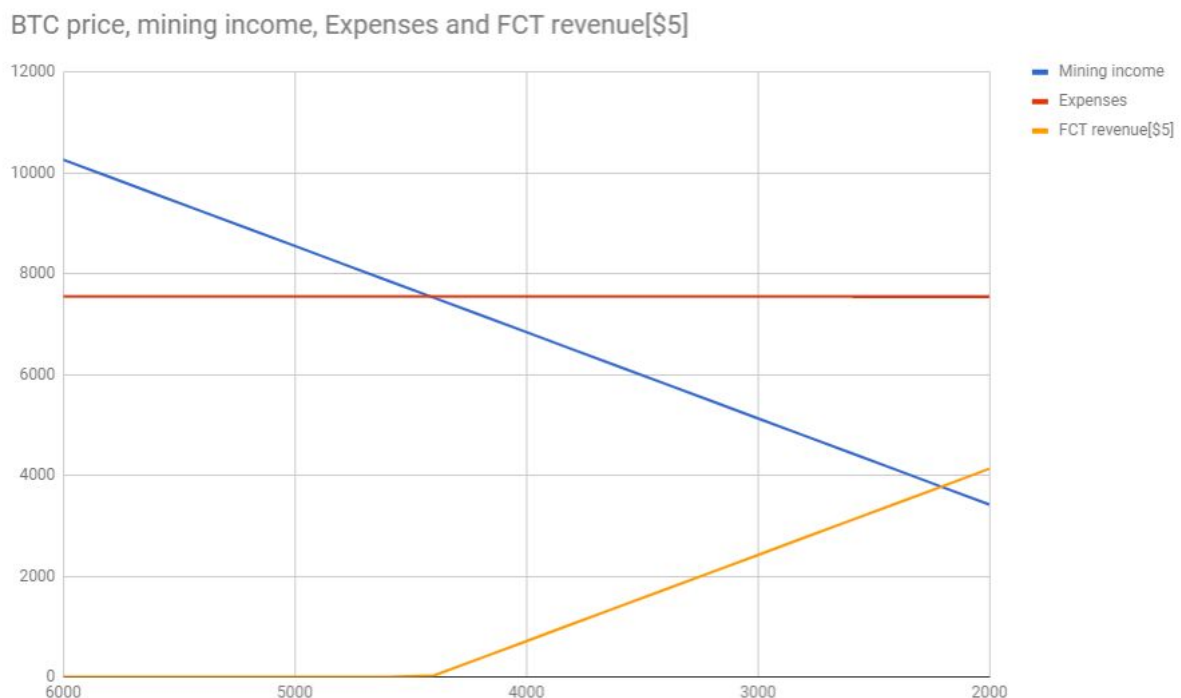


And below is a table of our projected monthly expenses.

| Cost type | Description of expenses | Monthly expenses [USD] |
|------------------------|--------------------------------------|----------------------------|
| Fixed | Company expenses | \$6 590 |
| | Servers (Auth servers + guard nodes) | \$960 |
| Variable | Business expansion & projects | \$0 - \$15 000 |
| | Salaries | \$0 - \$6 000 (pr. member) |
| | Other | \$1 500 |
| TOTAL MONTHLY EXPENSES | | \$9 770 - \$35 570 |

We've estimated a total of four servers (two auth servers + two guard nodes), each costing around \$240 pr. month. With the servers our fixed monthly expenses will be roughly \$7 550. Comparing the fixed expenses to our monthly earnings we can see that our current income through mining is more than enough to cover all of our fixed expenses. This means that the servers are not dependent in any way on the revenue gained from selling FCT to be operational.

Based on our calculations, the price of BTC would have to drop to around \$4 400 before we break-even with our fixed expenses from our mining income alone, as shown in the graph below.



We have summarized the necessary amount of FCT liquidation when mining income and FCT node income become equal, at a BTC price of ~\$2,200, in the table below:

| FCT price | FCT sold | FCT sold [%] |
|-----------|----------|--------------|
| \$5,00 | 757,60 | 67% |
| \$10,00 | 378,80 | 34% |
| \$15,00 | 252,53 | 22% |
| \$20,00 | 189,40 | 17% |
| \$25,00 | 151,52 | 13% |
| \$50,00 | 75,76 | 7% |
| \$70,00 | 54,11 | 5% |

In the hopes of the market not crashing, the revenue gained from FCT will be spent on the optional costs of the entity. Currently no salary is being paid as most of the team

members are independently financially secure by having other full-time jobs. Our long term goal financially is to :

1. Accelerate business expansion
2. Continue development and exploration of combining HVAC engineering and mining
3. Hire developer to factomize our business
4. Transition the team into full-time positions in Blockrock Mining Inc.
5. Fund the youth grant fund for the local community.

In short; As we're a well established mining company the revenue gained from FCT would accelerate our goals drastically and mostly cover our variable expenses as our fixed expenses (server costs included) are NOT reliant on FCT in any way.