MANAGEMENT'S DISCUSSION AND ANALYSIS

AS AT AND FOR THE YEARS ENDED MARCH 31, 2019 AND 2018

DATED: JULY 25, 2019

This Management's Discussion and Analysis ("MD&A") for the years ended March 31, 2019 and 2018 provides detailed information on the operating activities, performance and financial position of Baordwalktech, Inc. ("Boardwalk" or the "Company"). This discussion should be read in conjunction with the Company's audited annual consolidated financial statements and accompanying notes. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are reported in U.S. dollars, unless otherwise stated. The information contained herein is current to July 25, 2019, unless otherwise stated.

The Company's fiscal year commences April 1st of each year and ends on March 31st of the following year. The Company's fiscal year, which ended on March 31, 2019 is referred to as "current fiscal year", "fiscal 2019", "FY19" or using similar words. The previous fiscal year, which ended on March 31, 2018, is referred to as "previous fiscal year", "fiscal 2018", "FY18" or using similar words.

In this document unless otherwise specified, "we", "us", "our", "Company" and "Boardwalk" all refer to Boardwalktech, Inc. collectively with its subsidiaries. The content of this MD&A has been approved by the Board of Directors, on the recommendation of its Audit Committee.

CAUTION REGARDING FORWARD LOOKING INFORMATION

Certain statements in this MD&A which are not historical facts constitute forward-looking statements or information within the meaning of applicable securities laws ("forward-looking statements"). Such statements include, but are not limited to, statements regarding Boardwalk's projected revenues, gross margins, earnings, growth rates, the impact of new product design wins, market penetration and product plans. The use of terms such as "may", "anticipated", "expected", "projected", "targeting", "estimate", "intend" and similar terms are intended to assist in identification of these forward-looking statements. Readers are cautioned not to place undue reliance upon any such forward-looking statements. Such forward-looking statements are not promises or guarantees of future performance and involve both known and unknown risks and uncertainties that may cause Boardwalk's actual results to be materially different from historical results or from any results expressed or implied by such forward-looking statements. Accordingly, there can be no assurance that forward-looking statements will prove to be accurate and readers are therefore cautioned not to place undue reliance upon any such forward-looking statements.

Factors that could cause results or events to differ materially from current expectations expressed or implied by forward looking statements contained herein include, but are not limited to: our history of losses and the risks associated with not achieving or sustaining profitability; the Company's dependence on a limited number of customers for a substantial portion of revenues; fluctuating revenue and expense levels arising from changes in customer demand, sales cycles, product mix, average selling prices, manufacturing costs and timing of product introductions; risks associated with competing against larger and more established companies; competitive risks and pressures from further consolidation amongst competitors, customers, and suppliers; market share risks and timing of revenue recognition associated with product transitions; risks related to intellectual property, including third party licensing or patent infringement claims; the loss of any of the Company's key personnel could seriously harm its business; risks associated with adverse economic conditions; delays in the launch of customer products; price re-negotiations by existing customers; legal proceedings arising from the ordinary course of business; ability to raise needed capital; ongoing liquidity requirements; and other factors discussed in the "Risk Factors" section. All forward-looking statements are qualified in their entirety by this cautionary statement. Boardwalk is providing this information as of the current date and does not undertake any obligation to update any forward-looking statements contained herein as a result of new information, future events or otherwise except as may be required by applicable securities laws.

Risks relating to the Company include, but are not limited to, the following:

- the Company has a history of losses and may not achieve profitability in the future;
- the Company has historically received a substantial portion of its revenue from a limited number of customers;
- the Company expects its operating results to continue to fluctuate;
- the Company faces intense competition and expects continued market competition in the future;
- assertions by third parties of infringement by Boardwalk of, or of Boardwalk's failure to protect, their intellectual property rights could result in significant costs and cause Boardwalk's operating results to suffer;
- the company may have difficulty accurately predicting revenue for the purpose of appropriately budgeting and adjusting its expenses.
- the loss of customers could affect the Company's financial returns and future plans;
- the Company's customers may cancel future subscriptions that can adversely impact future recurring revenue;
- the Company may be unable to generate funds required to meet its funding requirements, and may need to raise additional funds;
- changes in industry standards or technology could impede the sale of Boardwalk's products;
- the loss of any of the Company's key personnel could seriously harm its business;
- the pattern of customer product ramps as they shift from legacy products to new products based on our more advanced designs could affect both the amount and timing of revenue recognized by the Company;
- the Company's failure to maintain compliance with applicable regulations in certain geographies or other jurisdictions may force it to cease distribution in those areas;
- the majority of the Company's operating expenses are denominated in U.S. dollars and Indian Rupee, therefore, the Company's earnings are impacted by fluctuations in exchange rates between the U.S. dollar and other currencies; and
- the Company may be involved in legal proceedings from time to time; arising in the ordinary course of its business and such proceedings may affect the Company's financial position, results of operations or cash flows.

FINANCIAL HIGHLIGHTS

Revenues for fiscal 2019 totaled $4.9 million, a 13% increase from $4.4 million recognized in fiscal 2018, while revenue in the fourth quarter of fiscal 2019 increased 22% over the same period, but declined 4% from the prior quarter. These year-over-year increases were primarily due to incremental sales from new customers and higher revenue from existing ones. Approximately 56% of revenue in FY19 came from new and recurring software subscription licenses and service, with the remainder of revenue derived from professional services. The slight sequential decline in revenue was mainly due to an expected seasonal drop in professional services, as license revenue still increased 6% quarter-to-quarter. As the company grows, it is expected that the contribution from professional service will decrease as a percentage of total revenue.

Gross margin for fiscal 2019 was 88.6%, a 0.4%-point decrease from the previous year's level of 89.0% primarily due to better operations offset by timing and re-allocation of certain consulting expenses last year. While the Company did experience better pricing from our new platform in fiscal 2019, and positive economies of scale impact of allocated costs from higher revenue levels, the Company does usually pass on lower data storage costs to its customers.

IFRS comprehensive loss for fiscal 2019 was $(20.8) million, or a loss of $(2.11) per basic and diluted share, compared to a loss of $(4.8) million in fiscal 2018, or $(0.51) per basic and diluted share. Most of this loss was from one-time expense and non-cash based valuation adjustments triggered by the Company's reverse takeover and public trading event in June 2018, including $10.0 million in fair value adjustments of derivative liabilities, $1.0 million of listing expenses, an additional $1.2 million of transaction costs, and $2.8 million of non-cash costs associated with the restructuring of the Company's term loan. Total operating expenses, excluding share-based compensation, for fiscal 2019 were $7.6 million, a $2.2 million increase from $5.3 million in fiscal 2018, as the Company due to key new hires and began to build out its direct sales and infrastructure, along with higher professional and G&A expenses when the Company went public on the TSXV; although operating expenses have continued to decline on a sequential basis during fiscal 2019.

Non-IFRS net loss for fiscal 2019 (as defined in the Adjusted EBITDA and Non-IFRS Financial Measures section) totaled $(4.0) million, versus a $(2.2) million non-IFRS loss in fiscal 2018. Adjusted EBITDA for fiscal 2019 was $(3.2) million, compared to Adjusted EBITDA of $(1.5) million in fiscal 2018. However, both non-IFRS and adjusted EBITDA losses improved in the fourth quarter of 2019 versus the comparable period in fiscal 2018, reflecting higher revenue levels that have offset the incremental costs associated with the Company going public process, new hires and investments in sales and marketing channels in early fiscal 2019. Non-IFRS net loss for fourth quarter of fiscal 2019 totaled $(0.7) million, or a loss of $(0.07) per basic and diluted share, was a 27% improvement over the $(1.0) million non-IFRS loss, or loss of $(0.09) per share, last year; while adjusted EBITDA for fourth quarter of fiscal 2019was a loss of $(0.5) million, a 33% improvement from the $(0.8) loss in the comparable quarter last year.

Subsequent Events: Close of Financing and Restructuring of Term Loan

In April and May 2019, the Company closed two tranches of the Unit private placement (Note 15(g)) for the aggregate issuance of 1,001,016 Units at CAD 0.65 per Unit, for gross proceeds of $487,865 (CAD 650,660). Each Unit is comprised of one common share and one-half of one common share purchase warrant of the Company. Each whole warrant is exercisable at a price of CAD 1.10 per share for a period of 24 months following the closing and will be subject to early redemption by the Company if the trading price of the Company's common shares is greater than CAD 1.75 for 10 consecutive trading days. The Company paid aggregate finder's fees of approximately $15,150 (CAD 20,200) to compensate finders who introduced purchasers under the Offering. An officer of the Company subscribed for 30,612 Units.

In June 2019, the Company and SQN executed an Amended and Restated Loan and Security Agreement (the "June 2019 Agreement"). Key terms of the June 2019 Agreement are as follows:

- An extension of the loan's maturity to June 2022;
- A reduction of the interest rate from 14.5% to 12.5%;
- An initial six-month interest-only period, that can be extended another six-months should the Company achieve certain performance milestones; and
- A new $1,000,000 working capital loan on terms similar to the new extension.

In connection with the $1,000,000 working capital loan, subject to the approval of the TSXV: (i) the Company will issue 1,200,000 warrants to SQN exercisable at CAD 0.60 per share for a period not to exceed the term of the loan; and (ii) SQN will convert $1,249,404 of the existing term loan into common shares of the Company at a conversion price of $0.36 per share, subject to receipt of shareholder approval to the extent that conversion of the debt would result in SQN becoming a "control person" under the policies of the TSXV. Failure by the Company to obtain the required approvals from the TSXV or the Company's shareholders will constitute an event of default under the June 2019 Agreement.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following table sets forth selected financial information derived from the Company's audited annual consolidated financial statements for the three fiscal years ended March 31, 2019, March 31, 2018. The selected financial information was prepared in accordance with IAS 34 in a manner consistent with the Company's annual financial statements. The following information should be read in conjunction with these statements and accompanying notes.

	for Three-month period ended			Fiscal Year, period ended	
in thousands of U.S. dollars	Mar 31, **2019**	Dec 31, **2018**	Mar 31, **2018**	Mar 31, **2019**	Mar 31, **2018**
Revenue	$1,309	$1,363	$1,074	$4,917	$4,356
Cost of Sales	136	135	131	561	472
Gross Profit	$1,174	$1,228	$963	$4,356	$3,884
Operating Expenses	2,140	2,493	1,230	9,371	7,725
Operating Income/(Loss)	($966)	($1,265)	($268)	($5,015)	($3,841)
Other Expenses (recoveries)	398	441	526	15,819	997
Net Income/(Loss)	**($1,364)**	**($1,706)**	**($793)**	**($20,834)**	**($4,838)**
Income (Loss) per share					
Basic	($0.14)	($0.17)	($0.08)	($2.11)	($0.51)
Diluted	($0.14)	($0.17)	($0.08)	($2.11)	($0.51)

in thousands of U.S. dollars	as at March 31, **2019**	as at March 31, **2018**
Current assets		
Cash	**$** 195	$ 92
Account and other receivables	812	551
Prepaid expenses and deposits	165	102
Deferred financing costs	-	805
Total current assets	**$** 1,172	$ 1,551
Total non-current assets	15	5
Total assets	**$** 1,187	$ 1,555
Current liabilities		
Account payables and accrued liabilities	**$** 875	$ 1,260
Deferred revenue	1,179	1,543
Deferred mangment compensation	225	270
Current portion of Term loan	**1,016**	3,286
Total current liabilities	**$ 3,295**	$ 6,360
Non-current liabilities	**$ 2,518**	$ 3,267
Shareholder Equity	**$** (4,626)	**$** (8,071)
Total Liabilities and Shareholders' Equity	**$ 1,187**	$ 1,555

ADJUSTED-EBITDA AND NON-IFRS FINANCIAL MEASURES

In addition to disclosing results in accordance with IFRS as issued by the International Accounting Standards Board ("IASB"), the Company also provides supplementary Adjusted-EBITDA and non-IFRS financial measures, disclosed as a supplement to financial results in order to provide a further understanding of Boardwalk' results of operational performance from management's perspective. In particular, Boardwalk uses Adjusted-EBITDA and non-IFRS measures to highlight trends in its core business that may not otherwise be readily apparent solely from IFRS measures. Boardwalk management uses Adjusted-EBITDA and non-IFRS measures in order to facilitate operating performance comparisons from period to period, prepare annual operating budgets and assess Boardwalk's ability to meet its future capital expenditure and working capital requirements. Boardwalk believes that securities analysts, investors and other interested parties frequently use Adjusted-EBITDA and non-IFRS measures in the evaluation of issuers.

Non-IFRS net income (loss) is defined as total comprehensive income (loss) before share-based transaction expense, exchange difference related to translating foreign operations, unrealized currency gains/losses and non-recurring or one-time items such as: share offering costs, listing fees, one-time non-cash adjustments on preferred stock valuations, loan origination fees, and fair value non-cash adjustments on warrant liability. Non-IFRS net income (loss) does not have any standardized meaning prescribed by IFRS and is not necessarily comparable to similar measures presented by other companies. Non-IFRS net loss from operations should not be considered in isolation or as a substitute for comprehensive loss prepared in accordance with IFRS.

Adjusted EBITDA is defined as net income or loss for the period less interest, taxes, depreciation and amortization, and non-cash stock-based compensation. Adjusted EBITDA for the period was calculated as follows:

Boardwalk has provided a comparison of comprehensive income (loss) to non-IFRS and Adjusted EBITDA measures in the following table:

Non-IFRS Net Income (Loss)	for Three-month period ended			Fiscal Year, period ended	
in thousands of U.S. dollars	Mar 31, 2019	Dec 31, 2018	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018
Comprehensive Income (Loss) for the Period	**($1,389)**	**($1,706)**	**($3,971)**	**($20,858)**	**($4,838)**
Adjustments:					
Stock based compensation expense	431	544	2,367	1,784	2,386
Transaction costs (Note 5)	0	0	0	1,230	0
Accretion	217	193	857	707	1,281
De-recognition	0	0	0	(1,581)	(181)
Extinguishment of Debt (Note 7)	0	0	0	3,658	0
Valuation impact of Derivatives	0	0	(271)	10,009	(854)
Listing expenses on reverse takeover	0	59	0	1,033	0
Total Adjustments	648	796	2,953	16,840	2,632
Non-IFRS Net Income (Loss)	**($741)**	**($910)**	**($1,018)**	**($4,018)**	**($2,205)**
Non-IFRS Income (Loss) per share:					
Basic	($0.07)	($0.09)	($0.11)	($0.41)	($0.23)
Diluted	($0.07)	($0.09)	($0.11)	($0.41)	($0.23)

Adjusted-EBITDA	for Three-month period ended			Fiscal Year, period endec	
figures in U.S. dollars, thousands	Mar 31, 2019	Dec 31, 2018	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018
Operating Income (Loss) for the Period	**($966)**	**($1,265)**	**($3,157)**	**($5,015)**	**($3,841)**
Add back (deduct)					
Depreciation & Amortization	4	1	1	7	4
Stock-based Compensation expenses (in opex)	431	544	2,367	1,784	2,386
Adjusted EBITDA	**($530)**	**($721)**	**($789)**	**($3,224)**	**($1,451)**

OVERVIEW

Our Company

Boardwalk designs and licenses industry leading enterprise software solutions, based upon its unique patented digital ledger technology. Founded in 2004, the Company has over 70 employees and full-time contractors primarily at its Cupertino, California headquarters and its wholly owned-subsidiary operation in Mumbai, India. Through its extensive data management/database technology expertise, Boardwalk was first to market in 2005 with a proprietary and patented positional, cell data management technology (aka "digital ledger') - what is now commonly called a 'blockchain'-- which addresses the digital transformation issues companies face when working with multiple parties and (as an example) exchanging information. The Company's solutions resolve two enterprise business problems – connecting multiple users in the enterprise value chain to improve planning and results and the alignment of data from various/multiple enterprise systems of record used in planning and information exchange processes. Boardwalk's unique technology allows multiple users secure simultaneous access to the same data in a relational database environment which supports concurrent access to record objects while being edited. Another key enterprise problem that is solved with Boardwalk's technology is the chaining of transactions in a database to support provenance and immutable versioning and change management/change history. Concurrent with the Company's initial go-to-market activities, a patent was filed to protect the IP associated with versioned sharing, consolidating, and reporting enterprise information. Also, in 2014 the Company applied for a patent to protect the IP associated with cell-based data management and this patent was issued in September 2018 which coincides with an existing patent issued July 2005 for managing time-based data at the cell or atomic unit level. Boardwalk's revenue comes primarily from the sale of new and recurring license subscription agreements, maintenance, and service contracts. Boardwalk's customers include 26 companies in the Fortune 500.

On June 11, 2018, Boardwalk began trading on the TSX Venture Exchange under the symbol 'BWLK'.

Products and Solutions

The Boardwalk Enterprise Digital Ledger Platform is a complete enterprise platform that resolves trust and collaboration issues companies face when working with multiple parties, which enables customers to automate manual business processes and turn them into enterprise "digital" applications using our patented digital ledger blockchain data management technology. Previously, we referred to our product just as the Boardwalk Enterprise Blockchain (BEB) but have shifted references more to "Boardwalk Enterprise Digital Ledger Platform" to emphasize our underlining differential technology, better position our product offering and to minimize the negative connotation and confusion in the market around cryptocurrency blockchain. The Boardwalk Digital Ledger Platform can be used to build and maintain applications with multiple internal or external users working in Excel, a web form, or mobile environment as the user interface. The Company's software supports a dynamic, cell-based smart contract and machine learning-enabled information exchange that combines Boardwalk's temporal data management and enterprise integration environment with blockchain's digital ledger-based trust and validation capabilities. The result is a private permissioned enterprise data management environment that supports time-based multi-party transactions and consensus models for automating previously established manual-based processes and turning them into connected digital applications.

Growth Strategy

Boardwalk's objective is to be the leading provider of private permissioned blockchain solutions for global enterprise customers of any size. Elements key to this strategy include:

- expand our network of direct sales people;
- expand our network of reseller sales channels;
- broader adoption of Boardwalk's solutions by new markets and new customers;
- greater penetration of our existing customer base;
- expand internationally;
- introduction of new features & capabilities specifically focused on digital AI and Machine Learning
- extending our blockchain technology into an end-to-end operating system solution;

Sales and Distribution

Boardwalk uses primarily a direct sales model where the Boardwalk Enterprise Digital Ledger Platform creates a unique go-to-market opportunity for the Boardwalk solution. For direct sales, the Company uses regional sales representatives paired with a Sales Development Representative (SDR) who will guide lead development, with sales reps on a standard back-end weighted commission plan while the SDR will have a base salary plus variable compensation. Boardwalk is also starting to grow its reseller partner sales program by recruiting new partners that can build and manage solutions for their clients leveraging Boardwalk and the Boardwalk Enterprise Digital Ledger Platform. Deployment and professional services for direct sales Boardwalk customers will be handled by Boardwalk professional services group while deployment and professional services for reseller partner sales will be mainly handled by the partner.

Boardwalk offers the Boardwalk Enterprise Digital Ledger Platform based on annual subscriptions, with pricing built around multiple digital applications and scale/size of data. Boardwalk engages enterprise clients with an annual subscription for the platform and associated applications and all platform capabilities are included such as:

- Boardwalk Digital Ledger Server;
- Boardwalk Application Design Studio;
- Boardwalk Integration Framework;
- Boardwalk Smart Contract engine;
- Boardwalk APIs; and
- Boardwalk Virtual Machines (Nodes).

Corporate Developments

- On April 30, 2018 the Company executed a Third Amendment to its February 2016 Loan Agreement, with SQN Venture Income Fund LP ("SQN"), extending the maturity term until after the expected completion of the going public process;
- On June 4, 2018, the Company completed its reverse takeover process with Wood Composite Technologies Inc. as part of the going public process for the Company;
- On June 11, 2018, the Company began trading on the TSX Venture exchange as "Boardwalktech Software Corp.", under the ticker BWLK;
- On June 15, 2018, the Company executed a new three-year $5.8 million Loan Agreement with its existing lender, SQN, replacing the prior February 2016 Loan Agreement;
- On July 18, 2018, the Company announced a significant contract with a new Fortune 50 financial services customer including large license and professional service components;
- On September 12, 2018, the Company announced that Mike Braun was retiring and had resigned from the Board of Directors, after fourteen years of service to the Company;
- On September 27, 2018, the Company announced it had received a Cell-Based Database Management System patent for a unique method that forms the fundamental data organization to create blockchains and structure payloads of transactions, and is an essential component for multiple parties to exchange time sensitive transactional information;
- On October 1, 2018, the Company execute a First Amendment to its June 2018 Loan Agreement with SQN, to remove the minimum cash covenant;
- On October 30, 2018, the Company announced it had signed new licensing extensions with an existing Fortune 100 communication services customer to increase the number of applications being used;
- On January 11, 2019, the Company launched its new Machine Learning module at NRF 2019;
- On February 13, 2019, the Company announced a new recurring license for deployment by existing customer, HCL Technology, of a new price/quote management application;

- On February 22, 2019 the Company closed the first tranche of a non-brokered private placement of units (each, a "Unit") for 1,005,302 Units at CAD 0.65 per Unit, for gross proceeds of $495,000 (CAD 653,446);
- On April 2, 2019, the Company announced it had signed a new engagement with another US-based Fortune 250 food & beverage company;
- On April 10, 2019, the Company closed the second tranche of its non-brokered private placement for gross proceeds of CAD 411,209;
- On May 14, 2019, the Company closed the third and final tranche of its non-brokered private placement for gross proceeds of CAD 239,451;
- On May 28, 2019, the Company announced the appointment of industry veteran Steve Bennet to the Board of Directors and as chairman of the Company's Audit Committee;
- On June 11, 2019, the Company announced the completion of a Debt Restructuring with its existing investor, SQN Venture Income Fund LP, to extend the existing loan for three years, lower the interest rate from 14.5% to 12.5%, a six-month interest-only period, add a new $1million working capital facility, and the intent to convert $1.2 million of debt principal into equity (upon approval at the next shareholder meeting).
- On July 5, 2019, announced that Steve Parry had resigned from the Board of Directors;
- On July 16, 2019, the Company announced the closing of a $1 million license contract with an existing Fortune 50 financial services customer.

COMPOSITION OF REVENUE, EXPENSES AND OTHER INCOME/ (EXPENSE)

Boardwalk derives its revenues from two sources: (1) recurring software subscription revenues (SaaS), which are derived from customers accessing the Company's cloud services, certain hosting services for dedicated servers, and from customers paying for additional services beyond the standard support that is included in the basic subscription fees; and (2) related professional services such as consulting, application development, quality assurance (QA), application delivery, and training. New revenue is defined as newly signed contracts during the reporting period for license subscriptions, while recurring or renewal revenue are revenue streams that have been extended from previous periods.

The Company recognizes revenue when all of the following conditions are met:

- there is persuasive evidence of an arrangement;
- the service has been or is being provided to the customer;
- the amount of fees to be paid by the customer is fixed or determinable; and,
- the collection of the fees is reasonably assured.

Software Subscription and Services Revenue

Subscription and support revenues are generally set on an annual renewal basis and recognized ratably over the 12-month term beginning on the commencement date of each contract, which is the date the Company service is made available to and/or acceptance by customers. Amounts that have been invoiced are recorded in accounts receivable and in deferred revenue or revenue, depending on whether the revenue recognition criteria have been met. The Company's subscription service arrangements are non-cancelable and do not contain refund-type provisions.

Professional Services

The Company's professional services consist primarily of customer direct consulting/delivery services and ad hoc engagements where the Company's experts consult and write/configure specific applications that run on the Boardwalk Enterprise Digital Ledger Platform enabling and automating digital business collaboration and multi-party information exchange.

These revenues are recognized as the services are rendered, using either a milestone method or ratable method. The milestone method for revenue recognition is used for fixed price contracts when there is possible uncertainty on timing at the date the contract is entered into, whether the milestone(s) will be achieved. Revenue under the milestone method is recognized only when the milestones are distinct, achieved and accepted by the customer. Revenue for other non-milestone based professional service contracts is recognized on a ratable basis over the contract term for services rendered.

Cost of sales

Cost of subscription and support revenues primarily consists of expenses related to delivering our service and providing support and the costs of data center capacity fees and hosting, including direct expenses from our India subsidiary. Employee benefit costs and taxes are allocated based upon a percentage of total compensation expense. As such, general overhead expenses are reflected in each cost of revenue and operating expense category. Cost of professional services and other revenues consists primarily of employee-related costs associated with these services, including stock-based expenses, the cost of subcontractors, certain third-party fees and allocated overhead.

Operating expenses

Research and development

Research and development expenses primarily consist of personnel costs, non-recoverable engineering costs related to research, development, design and testing of a new software products or services – including periodic upgrades to our platform(s), product updates, and new feature innovations.

Selling, general and administrative

Selling, general and administrative expenses primarily consist of costs of personnel, accounting and legal fees, patent costs, information systems costs, sales commissions, costs for trade shows and marketing development programs, as well as depreciation, allocated facilities expenses, and stock-based compensation expense. Our costs related to personnel, facilities, sales commissions, trade shows and marketing development programs are predominately denominated in U.S. dollars. Given our TSXV listing, we do incur financing, accounting, and legal cost that are denominated in Canadian dollars. Accordingly, the reported costs in U.S. dollars vary based on the exchange rate between the U.S. dollar and the Canadian dollar.

Other income (expense)

Other income (expense) consists of finance costs and finance income. Given the Company’s reverse takeover transaction, other expenses included a large number of fees and expenses incurred during that process and non-cash valuation adjustments on certain financial instruments and capital account conversions. Finance costs also include loan origination fees and interest expense on our outstanding debt.

Finance income includes investment income on cash and cash equivalents and available-for-sale financial investments. Increases and decreases in market value of available-for-sale financial investments are included in other comprehensive income until realized.

Current and Deferred Tax for the Period

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income (loss) profit or directly in equity, in which case the current and deferred tax are also recognized in other comprehensive income (loss) profit or directly in equity respectively.

CURRENT PERIOD OPERATING RESULTS

Revenue

in thousands of U.S. dollars	for Three-month period ended			Fiscal Year, period ended	
	Mar 31, 2019	Dec 31, 2018	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018
Software Subscriptions and Service	$689	$650	$687	$2,743	$2,571
Professional Services	621	713	387	2,175	1,784
Total Revenue	**$1,310**	**$1,363**	**$1,074**	**$4,918**	**$4,356**

Q4 Fiscal 2019 compared to Q4 Fiscal 2018

Revenue of $1.3 million for the fourth quarter of FY19 increased 22% from revenue of $1.1 million in the fourth quarter of FY18. The year-over-year growth reflects both higher revenue from adding new customers and higher revenue per customer – both more applications and higher professional services from deeper penetration with existing customers. This increase reflects growing adoption and deployment of Boardwalk's platform by customers.

Q4 Fiscal 2019 compared to Q3 Fiscal 2019

Revenue of $1.3 million for the fourth quarter of FY19 represented an 4% seasonal decrease from $1.4 million of revenue in the third quarter of this year. However, this sequential decrease in revenue was primarily due to timing and an expected seasonal decrease in revenue from professional service, which dropped 13% quarter-over-quarter; while revenue recognized from new and recurring license increased 6% from the prior quarter. The sequential increase in revenue was primarily due to a 30% increase in bookings in the prior quarter (third quarter versus second quarter) – as revenue from new license bookings is amortized over the 12 months following those bookings and professional services are rendered or recognized in subsequent periods.

Fiscal 2019 compared to Fiscal 2018

Revenue for the fiscal year 2019 was $4.9 million compared to $4.4 million for fiscal 2018. This 13% annual increase reflects the early stages of our new growth strategy, even when factoring in lower revenue during the first quarter of FY19 due, in part, to impacts from our reverse takeover transaction process.

The Company expects this level of revenue growth to increase in future quarters and years, as bookings continue to rise from the Company's recently implemented sales force expansion and new go-to-market campaign. Further, the Company expected these new sales and marketing investments to take two to three quarters for new software subscription sales (SaaS) to occur and impact financials. As evidence, bookings in the current quarter (fourth quarter of FY19) have doubled from levels six months ago, in second quarter of FY19.

As the Company and its new sales staff continue to engage with new customers and increases its pipeline, we expect Professional Services revenue to increase in absolute terms, but decline as a percentage of overall revenue. Further, the Company believes that a large portion of its Professional Services revenue will be ongoing, and even recurring, as customers partner with Boardwalk's expertise to find new methods and new applications for utilizing Boardwalk's unique digital ledger platform.

Revenue Derived from Major Customers

Based on information from our direct and reseller sales, our customers representing greater than 10% of our revenue for the periods are:

	for Three-month period ended			Fiscal Year, period ended	
	Mar 31, **2019**	Dec 31, **2018**	Mar 31, **2018**	Mar 31, **2019**	Mar 31, **2018**
Customer A	30.0%	22.4%	8.5%	19.5%	2.0%
Customer B	13.0%	12.2%	1.8%	8.8%	1.7%
Customer C	8.5%	7.9%	10.1%	7.6%	9.1%
Customer D	3.9%	5.2%	11.5%	3.1%	13.4%
Top 5	64.3%	59.3%	49.5%	55.3%	49.5%
Top 10	84.2%	80.8%	76.8%	72.8%	69.1%

Currently, the Company's quarterly revenues can be impacted by and fluctuate due to the timing and frequency of new and existing customers. While we currently receive a substantial portion of our revenue from a limited number of customers, we expect our customer concentration to continue to decline in the future. To this point, the Company has seen both the number of customers in excess of 10% decline from four in fiscal 2016 to one in fiscal 2018 and 2019.

Gross Margin

Our revenue, cost of sales, and gross margin for the fiscal periods indicated are as follows:

	for Three-month period ended			Fiscal Year, period ended	
in thousands of U.S. dollars	Mar 31, 2019	Dec 31, 2018	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018
Revenue	$1,309	$1,363	$1,074	$4,917	$4,356
Cost of Sales	136	135	115	561	479
Gross Profit $	$1,174	$1,228	$959	$4,356	$3,877
Gross Margin %	*89.6%*	*90.1%*	*89.3%*	*88.6%*	*89.0%*

Q4 Fiscal 2019 compared to Q4 Fiscal 2018

Gross margin during the fourth quarter of FY19 was 89.6%, a 0.3%-point improvement versus the previous year's level of 89.3%. due to higher sales, partially offset by timing and re-allocation of certain consulting expenses between the fourth quarter of fiscal 2018 and the first quarter of fiscal 2019 (as previously disclosed since our September 2019 quarterly results), which benefited the gross margin of fourth quarter of FY18 by approximately $6,250, or 0.6%.

Q4 Fiscal 2019 compared to Q3 Fiscal 2019

Gross margin of 89.6% for fourth quarter of FY19 was a 0.5%-point sequential decrease from the 90.1% level in the third quarter of FY19. This slight sequential decline is primarily due to the sequential drop in business volumes.

Fiscal 2019 compared to Fiscal 2018

Gross margin for fiscal 2019 was 88.6% compared to 89.0% for fiscal 2018. As previously mentioned, beginning in fiscal 2019, the Company began reclassifying a portion of consulting expenses from operating expenses to cost of sales, which offset the benefits of growing volumes, better pricing, and better data center hosting efficiencies. Approximately $47,800 of consulting expenses were reclassified as cost of sales, or a 1.0% adverse impact to gross margin for fiscal 2019.

We expect our gross margins in future quarters to hold relative constant to levels recognized in fiscal 2019, but may fluctuate period-to-period due to a variety of factors, including the average prices of our products and services, our product mix, the timing and pass-through of cost reductions to our customers, as well as the timing of signing and entering into development agreements.

Operating Expenses

The following table provides an analysis of the Company's total operating expenses plus adjusted operating expenses which exclude non-cash share-based compensation expenses, as a percentage of total revenue. The analysis following the table will primarily focus on the adjusted operating expenses for the respective periods.

	for Three-month period ended			Fiscal Year, period ended	
figures in U.S. dollars, thousands	Mar 31, 2019	Dec 31, 2018	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018
Operating Expenses	$2,140	$2,493	$4,116	$9,371	$7,725
Operating Expenses (adjusted)*	$1,708	$1,949	$1,749	$7,587	$5,339

** adjsuted Operating Expenses exclude non-cash share-based compensation*

Q4 Fiscal 2019 compared to Q4 Fiscal 2018

Total adjusted operating expenses in fourth quarter of FY19 of $1.7 million was unchanged versus adjusted operating expenses for the same quarter last year, even with the addition of new hires and higher expenses for our new sales and go-to-market infrastructure and incurred

Q4 Fiscal 2019 compared to Q3 Fiscal 2019

Total adjusted operating expenses in fourth quarter of FY19 were $0.2 million lower than the $1.9 million in the third quarter of FY19, even with $0.1 million higher professional services expenses in the fourth quarter, which partially offset lower sequential expenses from improved use of third-party contractors and better cost controls.

Fiscal 2019 compared to Fiscal 2018

Total operating expenses for fiscal year 2019 was $9.4 million compared to $7.7 million for fiscal year 2018. Total adjusted operating expenses were $2.2million higher in fiscal 2019 than in fiscal 2018. This year-over-year increase was mostly due to $1.3 million of higher payroll and related expenses from new sales hires and support staff, $0.6 million of higher overhead, $0.2 million of additional consulting, and $0.2 million in outside professional services. These expenses were viewed as needed investments by the Company to enable future growth, such as spending on our go-to-market strategy and the hiring of 5 experienced enterprise software sales people in June 2018, as those efforts are starting to contribute to new bookings during the new calendar year. The higher professional and G&A expenses were associated with the Company's reverse takeover transaction which close in June 2018 and incremental expenses as a public company Despite the impact of these investments, the Company has actually reduced expenses since a peak of $2.0 million in second quarter of fiscal 2019, even while revenue and bookings have increased during that same time period.

We plan to expand the size of our sales and marketing organizations through additional expenditures and new hires, allowing us to support additional customers, as we continue to expand into existing and new markets. We also plan to continue to expand our domestic and international sales and marketing activities, while we build brand awareness. Overall, we expect our selling, general and administrative expenses to increase in absolute dollars, but longer term to generally decrease as a percentage of revenue, as our investments in SG&A translate into higher sales.

We note that there is a lag between the investment in new SG&A costs (such as the hiring of new sales personnel) and the revenue generated from those expenses (via new customer wins), though the timing of that lag may vary by markets. However, even with a 6-9 month lag before new sales hires start to close licensing agreements, the company estimates that there is still a 2-3x return on those investments in the first year, with potential for increasing to 5-6x in subsequent periods from recurring revenue generated by these new sales investments.

As a percentage of revenue, research and development costs is expected to fluctuate from one quarter or period to another, but we do not expect any significant changes in R&D spending, nor a requirement to do so in order to meet our revenue and strategic plans in the next 12 months. The company continues to invest in and develop both new upgrades to our platform and new updates, and thus expects overall R&D spending to increase in absolute dollars but decrease as of percentage of total revenue.

Other Income (Expense)

The breakdown of other income and expense is as follows:

	for Three-month period ended			Fiscal Year, period ended	
figures in U.S. dollars, thousands	Mar 31, 2019	Dec 31, 2018	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018
Other Expenses (income), net	$441	$402	$534	$15,819	$997
Currency gain (Losses)	1	-	-	-	-
Other Expenses (income), net	$442	$402	$534	$15,819	$997

Other expenses include the non-cash impact from the accretion of financing fees, warrant derivative liability and de-recognition charges related to our term loan.

Q4 Fiscal 2019 compared to Q4 Fiscal 2018

Other expenses (income) for the fourth quarter of FY19, was modestly higher than expenses incurred in the fourth quarter of FY18, all due to higher interest expenses related to the SQN term loan, from a higher outstanding principal balance after the June 2018 amendment and related success fee to SQN.

Q4 Fiscal 2019 compared to Q3 Fiscal 2019

Other expenses for the fourth quarter of FY19 was flat with the $0.4 million level in third quarter of fiscal 2019. All of the expense in third quarter was from interest paid on the Company's term loan.

Fiscal 2019 compared to Fiscal 2018

Other expenses (income) for fiscal year 2019 was $15.8 million compared to $1.0 million for fiscal year 2018. Most of this loss was from one-time expense and non-cash based valuation adjustments triggered by the Company's reverse takeover and public trading event in June 2018, including $10.0 million in fair value adjustments of derivative liabilities, $1.0 million of listing expenses, an additional $1.2 million of transaction costs, and $2.7 million of non-cash costs associated with the restructuring of the Company's term loan.

With the exception of future monthly interest payments on the Company's long-term debt, the remaining Other Expenses are considered to be one-time impacts to comprehensive income.

LIQUIDITY AND CAPITAL RESOURCES

Historically, the Company has financed its operations primarily through the sale of equity securities, debt, and cash from operating activities.

Cash and cash equivalents

As at March 31, 2019, the Company's cash and cash equivalents were up slightly to $0.2 million, compared to $0.1 million as at March 31, 2018. The fiscal year 2019 ending balance does not reflect all proceeds from the Company's private placement financing, as the second and third tranches occurred as subsequent event after March 31, 2019.

Working capital

Working capital represents the Company's current assets less its current liabilities. The Company's working capital balance increased in fiscal 2019 by $2.7 million to $(2.1) million as at March 31, 2019 from $(4.8) million at March 31, 2018. This change was primarily due to the Company's reverse takeover (RTO) transaction in June 2018 which generated $7.8 million of gross proceeds, offset by roughly $2.3 million of associated costs, plus the re-classification of the Company's term loan after a $3.6 million non-cash success fee and required $1.5 million paydown in principal upon completion of that RTO. In addition, the company saw a $0.3 increase in trade receivables, a $0.4 million decrease in trade payables, a $0.8 million elimination in deferred financing costs, and a $0.4 million decrease in deferred revenue.

in thousands of U.S. dollars	as at March31, **2019**	as at Dec 31, **2018**	as at March31, **2018**
Current Assets	$ 1,172	$ 985	$ 1,551
Current Liabilities	3,295	3,285	6,360
Working Capital	$ (2,123)	$ (2,300)	$ (4,809)

The Company expects working capital to increase as revenue growth occurs. While the Company plans to keep its targeted collection days in-line with its payment terms, aggregate trade receivables level should increase in absolute dollars as revenue levels grow.

The following table shows our cash flows from operating activities, investing activities and financing activities for the periods indicated.

Cash inflows (outflows) by activity:	for Three-month period ended			Fiscal Year, period ended	
in thousands of U.S. dollars	Mar 31, **2019**	Dec 31, **2018**	Mar 31, **2018**	Mar 31, **2019**	Mar 31, **2018**
Operating Activities	($307)	($1,036)	$0	($4,439)	$113
Investing Activities	(12)	2	(2)	(28)	(4)
Financing Activities	282	(408)	(228)	4,570	(172)
Net Inflows (outflows)	**($37)**	**($1,442)**	**($230)**	**$104**	**($63)**

Cash Flows Used in Operating Activities

Cash flows applied to operating activities primarily consist of our net loss adjusted for non-cash expenses and for changes in working capital items. Non-cash adjustments generally include depreciation, share-based compensation expense, and fair value adjustments on warrant liabilities. Working capital adjustments generally include changes in accounts receivable, which will increase as revenue increases, deferred revenue, and changes to accounts payable as we purchase more goods and services from suppliers to support such growth.

Q4 Fiscal 2019 compared to Q4 Fiscal 2018

During the fourth quarter of fiscal 2019, net cash usage from operating activities was $(0.3) million, which a $0.4 million increase versus cash usage during the same quarter in fiscal 2018. Cash usage for the current quarter was primarily due to operating loss of $(0.5) million, not including $0.4 million of non-cash stock-based compensation expenses, with $0.5 million of cash inflow from accrued payables and deferred compensation, partially offset by $0.2 million increase in trade receivables.

Q4 Fiscal 2019 compared to Q3 Fiscal 2019

Operating Cash usage for the current quarter which a $0.7 million improvement versus operating cash usage during the previous quarter. Operating loss improved by $0.2 million between the quarters with the cash usage improvements coming primarily from $0.4 million of deferred compensation and payable usage in the current quarter.

Fiscal 2019 compared to Fiscal 2018

During fiscal year 2019, the cash usage from operating activities was $4.4 million compared to $0.1 million of inflow during fiscal 2018. Non-cash adjustments to net loss included $1.8 million of stock-based compensation expenses, $0.3 increase in trade receivables, a $0.4 million decrease in trade payables, a $0.8 million elimination in deferred financing costs, and a $0.4 million decrease in deferred revenue.

Cash Flows from Investing Activities

Net cash out flows from investing activities resulted from purchases and disposals of property, plant and equipment, and intangible assets such as third party licensed intellectual property, to support product development, facilities expansion and general growth.

Q4 Fiscal 2019 compared to Q3 Fiscal 2019

During the fourth quarter of fiscal 2019, there was a very small increase from investing activities due to the purchase of new laptops, but these small changes were similar to prior quarters, from the purchase of new computer equipment.

Q4 Fiscal 2019 compared to Q4 Fiscal 2018

During the fourth quarter of fiscal 2019, there was a very small increase from investing activities due to the purchase of new laptops, but these small changes were similar to prior quarters, from the purchase of new computer equipment.

Fiscal 2019 compared to Fiscal 2018

During fiscal 2019, net cash change from investing activities was $27,500, slightly higher than cash usage for the comparable period last year. For both periods, the small changes came from the purchase of new computer equipment.

Cash Flows from Financing Activities

Q4 Fiscal 2019 compared to Q4 Fiscal 2018

During the fourth quarter of fiscal 2019, net cash inflows from financing activities was $0.3 million, of which most came from the closing of the first tranche of its private placement offset by $0.2 million of interest payments on our SQN loan, compared to $0.3 of cash usage in the fourth quarter in fiscal 2018 with the usage last year from interest on our term loan and expenses associated with incurred expenses during the reverse takeover process.

Q4 Fiscal 2019 compared to Q3 Fiscal 2019

During the fourth quarter of fiscal 2019, net cash inflows from financing activities was $0.3 million due to interest payments on our SQN loan, compared to cash usage in the prior quarter which included $0.3 million of principal repayments in the prior quarter, as the Company benefited from interest-only payment in the fourth quarter. The company had no other financings in the current quarter but will continue to evaluate opportunities that can help the Company accelerate its strategic plans.

Fiscal 2019 compared to Fiscal 2018

During fiscal 2019, net cash inflows from financing activities was $4.6 million compared to $0.2 million of cash usage in fiscal 2018. The inflows this year were primarily due to net proceeds from the financing associated with the Company's reverse takeover transaction while the outflows in fiscal 2018 were due to interest on the SQN term loan.

During the nine months since the Company's reverse takeover transaction in the first quarter of FY19, the Company has reduced its SQN debt levels from $7.3 million to $4.9 million as of March 31, 2019.

Liquidity and Cash Resource Requirements

These annual audited consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

As at March 31, 2019, the Company has not yet achieved profitable operations, and has an accumulated deficit of $32.4 million. Whether, and when, the Company can attain profitability and positive cash flows from operations have uncertainty, which casts significant doubt upon the Company's ability to continue as a going concern. The application of the going concern assumption is dependent upon the Company's ability to generate future profitable operations and obtain necessary financing to do so. While the Company has been successful in obtaining financing to date, there can be no assurance that it will be able to do so in future on terms favourable for the Company. The Company will need to raise capital in order to fund its operations, and is in the process of closing a financing, via subscription agreements, with gross proceeds of Cdn$10.1 million (US$7.9 million) held in escrow since February 28, 2018, pending close of its going public process. This financing need may be adversely impacted by: uncertain market conditions, approval by regulatory bodies, and adverse results from operations. The Company believes it will be able to acquire sufficient funds to cover planned operations through the next twelve-month period from anticipated revenue growth during fiscal 2019, continued credit access from its primary lender and other sources, plus the release of the financing proceeds held in escrow as of this report. The outcome of these matters cannot be predicted at this time.

Off-Balance Sheet Arrangements

During the periods presented, the Company did not have, nor do we currently have, any relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities, which would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

Financial Instruments and Risk Management

Boardwalk's activities expose it to a variety of financial risks. Boardwalk is exposed to credit risk and liquidity risk because of holding certain financial instruments. Boardwalk is not exposed to market risk (currency, interest rate, or other) as it does not hold financial instruments that expose Boardwalk to market risk. Boardwalk's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on Boardwalk's financial performance.

Risk management is carried out by senior management, in particular, the board of directors of Boardwalk.

Fair Value

Boardwalk's financial instruments consist of cash, trade and other receivables, due from trade payables and accrued liabilities, contingent consideration, and convertible notes. Aside from convertible notes and contingent consideration, the carrying amounts of these items approximate their fair value due to their short period to maturity. The carrying amounts of convertible notes do not approximate their fair value as the convertible notes are a derivative contract, which will be settled with a variable number of equity instruments. Contingent consideration is carried at fair value

The carrying value of the revolving bank loan payable is based on amortized cost.

Market Risk and Foreign Currency risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise these types of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity risk. Financial instruments affected by market risk include loans and borrowings and deposits.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. However, the Company's exposure to the risk of changes in market interest rates is minimal given that the Company has no bank debt obligations with floating interest rates.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade receivables) and to a lesser degree from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade accounts receivable

Customer credit risk is managed through the Company's established policy, procedures and control relating to customer credit risk management. In order to further reduce charges for doubtful accounts, the Company has recently adopted new policies to insure customer acceptance is explicitly confirmed in writing before an invoice is generated against recognized or deferred revenue.

Financial instruments and cash deposits

Credit risk from balances on deposit with banks and financial institutions is managed in accordance with the Company's policies. Investments of surplus funds are made only with approved counterparties and within credit limits approved for each of those counterparties. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through potential counterparty failure.

Liquidity risk

The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and cash equivalents, managing cash from operations, and if required through financing activities.

Changes in Internal Control over Financial Reporting

There were no changes in the Company's internal control over financial reporting that occurred in the twelve months ended March 31, 2019 that have materially affected, or are likely to materially affect, the Company's internal control over financial reporting.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements in accordance with IFRS requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses in the reporting period. We regularly evaluate our estimates and assumptions related to revenue recognition, accounts receivable, share-based transaction expense, and warrant liability. We base our estimates and assumption on current facts, historical experience and various other factors that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the recording of revenues, costs and expenses that are not readily apparent from other sources. The actual results experienced by us may differ materially and adversely from our estimates. To the extent there are material differences between our estimates and actual results, our future results of operations will be affected. For a description of our critical accounting estimates, please refer to Note 3, *Accounting policies,* in our audited consolidated financial statements for the fiscal year ended March 31, 2019.

New standards, interpretations and amendments adopted by the Company

The accounting policies followed in these unaudited interim condensed consolidated financial statements are consistent with those used to prepare the annual consolidated financial statements for the year ended March 31, 2019, except as described below.

The nature and the impact of each new standard/amendment are described below:

New standards, interpretations and amendments adopted by the Company

The Company has adopted the following new and revised standards, along with any consequential amendments, effective April 1, 2018. These changes were made in accordance with the applicable transitional provisions. Certain pronouncements were issued by the IASB that are mandatory for accounting periods beginning on or after January 1, 2018 or later periods. IFRS 15, *Revenue from Contracts with Customers* ("IFRS 15")

IFRS 15 provides guidance on revenue recognition and relevant disclosures. The standard provides a single, principles-based five-step model to be applied to all contracts with customers. IFRS 15 was issued in May 2014 and applies to annual reporting periods beginning on or after January 1, 2018. The effective date of this standard is for the Company's fiscal year commencing April 1, 2018.

i) IFRS 9, *Financial Instruments* ("IFRS 9")

IFRS 9 was issued in July 2014 and replaces IAS 39 Financial Instruments. The standard includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting. The IASB completed its project to replace IAS 39 in phases, adding to the standard as it completed each phase. The version of IFRS 9 issued in 2014 supersedes all previous versions and is mandatorily effective for annual periods beginning on or after January 1, 2018, with early adoption permitted.

ii) IFRS 16, *Leases* ("IFRS 16")

IFRS 16 was issued in January 2016 and applies to annual reporting periods beginning on or after January 1, 2019. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. The Company has not yet assessed the impact this standard will have on the consolidated financial statements.