The following discussion is management's assessment and analysis of the results and financial condition of HIVE Blockchain Technologies Ltd. (formerly Leeta Gold Corp.) (the "Company" or "HIVE"), and should be read in conjunction with the accompanying consolidated financial statements and related notes for the year ended March 31, 2018. The preparation of financial data is in accordance with International Financial Reporting Standards ("IFRS") and all figures are reported in United States dollars unless otherwise indicated.

During the period ended September 30, 2017, the Company changed its presentation currency to the United States dollar ("USD" or "$"). Accordingly, all comparative amounts have been presented in USD using the foreign exchange rate in effect at the date of the transactions. See Note 2 to the financial statements for further detail. This MD&A contains information up to and including July 17, 2018.

BUSINESS OVERVIEW

HIVE Blockchain Technologies Ltd. is a growth oriented, TSX.V-listed company building a bridge from the blockchain sector to traditional capital markets. HIVE is strategically partnered with Genesis Mining Ltd. ("Genesis") to build the next generation of blockchain infrastructure by utilizing high efficiency computing power assets. HIVE owns state-of-the-art GPU-based digital currency mining facilities in Iceland and Sweden, which produce newly minted digital currencies like Ethereum continuously. This also provides shareholders with exposure to the operating margins of digital currency mining which is currently the most profitable application of the Company's computing power. The Company is actively investigating other high efficiency computing applications, such as artificial intelligence and graphic rendering as well as private blockchain computing, which are becoming more widespread as the blockchain technology grows and develops.

HIVE's corporate strategy is to rapidly acquire, develop and operate data centres in cool climates such as Iceland and Sweden, with access to reliable, clean and inexpensive power in politically safe and stable jurisdictions for the current purpose of digital currency mining. The Company recognizes revenue from the provision of transaction verification services, known as 'crypto-currency mining', for which the Company receives digital currencies and records them at their fair value on the date received. In May 2018, the Company completed the acquisition of land in Norway which provides the Company with access to competitive power supply as a platform for future growth of its computing capacity.

FY 2018 Highlights

- Generated revenues of $13,081,395, with a gross mining margin[1] of $10,139,931, from mining of digital currencies;
- Mined over 17,000 newly minted Ethereum and 54,000 Ethereum Classic coins during the year ended March 31, 2018, including fourth quarter production of 9,800 Ethereum and 34,000 Ethereum Classic coins representing an increase of 136% and 170%, respectively over third quarter production;
- Raised gross proceeds of $160 million (C$203 million) of capital during the year to finance rapid expansion and future growth opportunities and investments;
- Expanded operations with Genesis dedicated to GPU-based digital currencies such as Ethereum and Ethereum Classic in Sweden and Iceland, with a total of 17.4 megawatts ("MW") in production at March 31, 2018 and a further 6.8 MW commencing production after March 31, 2018. The Company currently has 20.4 MW in Sweden (the "Sweden GPU Data Centre") and 3.8 MW in Iceland, bringing the Company's digital currency mining footprint to a total of 24.2 MW since its Change of Business in September 2017;
- Executed further strategic partnership agreement with Genesis to expand capacity with SHA-256 ASIC miners capable of mining Bitcoin, including 20 MW to be dedicated to the operation of 200 petahashes ("PHs") with estimated delivery in September 2018;
- Return on investment of 20% by March 2018 through investment of $38,284,690 in data centre equipment since September 2017 which has generated digital currencies with a value of $7,754,307 (excluding $22,000,000 investment for Sweden phase 2 which came online March 2018);
- Net loss of $26,159,978 for the year, including a one-time charge of $17,741,024 for the formation of the strategic relationship with Genesis representing 68% of the loss; and

[1] Gross mining margin is a non-IFRS measure; see Non-IFRS Measures for reconciliation

- Announced in March 2018 and closed subsequent to year end, the acquisition of Kolos Norway AS ("Kolos") provides a critical path for growth for the Company and the potential to access a substantial amount competitive green power in a safe jurisdiction.

Subsequent Highlights

- Further 6.8 MW for Phase 3 of the Sweden GPU Data Centre came online in April 2018; increasing the Company's production capacity.
- In May 2018 the Company closed the acquisition of Kolos Norway AS ("Kolos") through a series of agreements pursuant to which HIVE acquired all of the issued and outstanding shares of Kolos for cash consideration in the amount of $7.22 million (NOK 55,580,410), the issuance of 4,750,000 common shares of the Company and 1,250,000 warrants to purchase common shares of the Company, and the assumption of approximately $2.72 million (NOK 20,915,000) of liabilities.

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

DEFINED TERMS

Blockchain: A Blockchain is an immutable public transaction ledger which records the financial transactions in cryptocurrency in chronological order.

Mining: Mining refers to the provision of computing capacity to secure a distributed network by creating, verifying, publishing and propagating blocks in the blockchain.

GPU: A GPU or Graphics Processing Unit, is a programmable logic chip (processor) specialized for display functions. GPUs have proven to be efficient at solving digital currency hashing algorithms.

ASIC: An ASIC (application-specific integrated circuit) is a microchip designed for a special application, such as a particular kind of transmission protocol or a hand-held computer. In the context of digital currency mining ASICs have been designed to solve specific hashing algorithms efficiently.

Ether: Ether refers the native token of the Ethereum Network.

Hashrate: Hashrate is a measure of mining power whereby the expected revenue from mining is directly proportional to a miners hashrate normalized by the total hashrate of the network.

Network Difficulty: Network difficulty is a measure of how difficult it is to find a hash below a given target.

Revaluation of Digital Currencies: Refers to the recognition of fair value adjustments to digital currency holdings based on available market prices at a point in time.

Proof of Work: Under proof of work consensus miners performing computational work on the network update the ledger; miners are incentivized to protect the network and put forth valid transactions because they must invest in hardware and electricity for the opportunity to mine coins on the network. The success of a miner's business relies on the value of the currency remaining above the cost to create a coin

Proof of Stake: Under proof of stake consensus stakers who have sufficiently large coin balances 'staked' on the network update the ledger; stakers are incentivized to protect the network and put forth valid transactions because they are heavily invested in the network's currency.

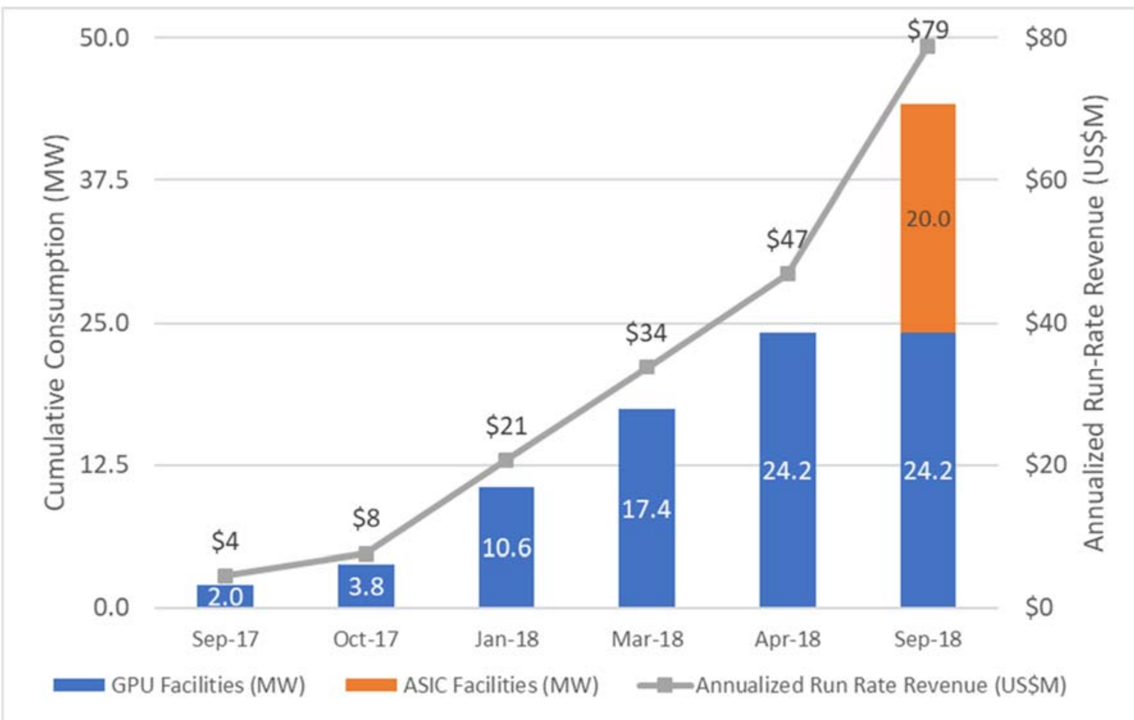
SHA -256: SHA-256 is a cryptographic Hash Algorithm. A cryptographic hash is a kind of 'signature' for a text or a data file. SHA-256 generates an almost-unique 256-bit (32-byte) signature for a text. The most well-known cryptocurrencies that utilize the SHA-256 algorithm are Bitcoin and Bitcoin cash.

OUTLOOK

HIVE continues to execute on its aggressive growth strategy to maintain its position as a market leader in the blockchain infrastructure industry and plans to increase operations from 17.4 MW of data centre equipment for the year ended March 31, 2018 to 44.2 MW by September 2018. A further 6.8 MW commenced production subsequent to March 31, 2018, on April 30, 2018. The expansion costs are funded and include a cash deposit of $56,000,000 at March 31, 2018.

HIVE's annualized run rate revenue[2] could be estimated as $79 million once its announced Sweden expansion is fully online. The annualized run rate revenue is calculated strictly on the basis of value of the digital currency earned at the time of mining, and does not include any adjustment for revaluation gains or losses for digital currencies held after that date. The following chart shows the growth in HIVE's annualized run rate revenue for each phase of its announced 2018 expansion based on crypto prices and network assumptions as noted below:

Annualized Run-Rate Revenue at Full Capacity (US$M)



The above illustrative annualized run rate revenue is calculated using the below assumptions:

- *Ethereum Price: US$500*
- *Ethereum Network Hash Rate: 280,000GH/s*
- *Total Daily Ethereum Rewards: 20,330 Ethereum*
- *Bitcoin Price: US$7,350*
- *Bitcoin Network Hash Rate: 32,000PH/s*
- *Total Daily Bitcoin Rewards: 2,050 Bitcoin*

The Company's annualized run rate revenue of $79 million above is based on the assumption that all of the Company's calendar 2018 expansion is completed, resulting in total capacity of 44.2 MW, being 24.2 MW of GPU mining and 20.0 MW of SHA-256 ASIC mining. Based on the price and network hashrate assumptions, the annualized run rate revenue of the 24.2 MW of GPU mining is $47 million, and the annualized run rate revenue of 20.0 MW of SHA-256 ASIC mining is $32 million

[2] Annualized run rate revenue is a non-IFRS measure; see Non-IFRS Measures for reconciliation

At full capacity of 24.2 MW for GPU mining, the following table shows the sensitivity of the annualized run rate revenue, assuming fixed daily Ethereum rewards of 20,330 Ethereum, and having variances in the price per Ethereum and network hashrate. For simplicity's sake, the below analysis assumes the Company's GPU miners are allocated 100% to Ethereum, although, the Company may mine other GPU-based digital currencies if they are considered to be more profitable over time. The Company is currently mining Ethereum and Ethereum Classic.

Annualized Run-Rate Ethereum Revenue at Full Capacity (US$M):

		Ethereum Blockchain Network Hashrate (GH/s)								
		200,000	225,000	250,000	275,000	300,000	325,000	350,000	375,000	400,000
Ethereum Price (US$)	$300	$40	$35	$32	$29	$26	$24	$23	$21	$20
	$400	$53	$47	$42	$38	$35	$32	$30	$28	$26
	$500	$66	$58	$52	$48	$44	$40	$37	$35	$33
	$600	$79	$70	$63	$57	$52	$48	$45	$42	$39
	$700	$92	$81	$73	$67	$61	$56	$52	$49	$46
	$800	$105	$93	$84	$76	$70	$64	$60	$56	$52
	$900	$117	$104	$94	$85	$78	$72	$67	$63	$59
	$1,000	$130	$116	$104	$95	$87	$80	$75	$70	$65
	$1,100	$143	$127	$115	$104	$96	$88	$82	$76	$72
	$1,200	$156	$139	$125	$114	$104	$96	$89	$83	$78

Assuming completion and full capacity of 20.0 MW for SHA-256 ASIC mining, the following table shows the sensitivity of the annualized run rate revenue, assuming fixed daily Bitcoin rewards of 2,050 Bitcoin (approximately $15 million), and having variances in the price per Bitcoin and network hashrate. For simplicity's sake, the below analysis assumes the Company's SHA-256 ASIC miners would be allocated 100% to Bitcoin, although, the Company could mine other SHA-256 ASIC-based digital currencies if they are considered to be more profitable over time.

Annualized Run-Rate Bitcoin Revenue at Full Capacity (US$M):

		Bitcoin Blockchain Network Hashrate (PH/s)								
		25,000	27,500	30,000	32,500	35,000	37,500	40,000	42,500	45,000
Bitcoin Price (US$)	$5,000	$28	$25	$23	$21	$20	$19	$17	$16	$15
	$6,000	$33	$30	$28	$26	$24	$22	$21	$20	$19
	$7,000	$39	$35	$32	$30	$28	$26	$24	$23	$22
	$8,000	$45	$40	$37	$34	$32	$30	$28	$26	$25
	$9,000	$50	$46	$42	$39	$36	$33	$31	$29	$28
	$10,000	$56	$51	$46	$43	$40	$37	$35	$33	$31
	$11,000	$61	$56	$51	$47	$44	$41	$38	$36	$34
	$12,000	$67	$61	$56	$51	$48	$45	$42	$39	$37
	$13,000	$72	$66	$60	$56	$52	$48	$45	$43	$40
	$14,000	$78	$71	$65	$60	$56	$52	$49	$46	$43

Beyond HIVE's announced expansion plans, the Company is actively exploring additional opportunities and is focused on the acquisition and operation of data centres located in countries with reliable, clean and inexpensive power, flexibility on space and design of facilities, access to skilled workforce and stable, welcoming jurisdictions.

GENESIS PARTNERSHIP

The Company entered into an exclusive partnership with Genesis in September 2017 (see 'Genesis Transaction' below) and Genesis is a significant shareholder of HIVE, holding 25.16% on a non-diluted basis as at March 31, 2018, (24.70% as of the date of this MD&A) with 77,412,655 shares and 2,770,560 warrants at an exercise price of C$3.90 expiring November 14, 2019. Genesis is a world leader in cryptocurrency mining hashpower services, and through this partnership the Company is able to leverage Genesis' operating and technical experience as well as procurement power to develop new facilities and identify other Blockchain related business opportunities.

- *Genesis Transaction*

In September 2017, the Company completed its transaction with Genesis whereby the Company acquired a digital currency mining data centre in Reykjanes, Iceland from Genesis, as well as entered into certain other agreements with Genesis (the "Genesis Transaction"). The Genesis Transaction consisted of four agreements, with the Transaction Agreement encompassing the remaining three: the Investor Rights Agreement, the Master Data Centre Equipment Purchase Agreement and the Master Services Agreement, as well as supplementary purchase and service orders, described in further detail in Note 6 of the consolidated financial statements for the year ended March 31, 2018.

Pursuant to the terms of the Transaction Agreement, the Company issued to Genesis 67,975,428 common shares, representing 30% ownership in the Company at the time, valued at $16,340,247. In conjunction with the Genesis Transaction, the Company also paid transaction costs of $583,765 and issued a finders' fee of 3,398,771 common shares with a value of $817,012, for total transaction costs of $1,400,777.

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

Pursuant to the terms of the Master Data Centre Equipment Purchase Agreement and supplemental purchase order, the Company acquired the computing equipment at a cost of $9,000,000; and pursuant to the terms of the Master Services Agreement and supplemental service order the Company initially agreed to pay Genesis for the maintenance and operation of the computing equipment, for a monthly fee of $144,700 (prior to the 'Iceland Phase 2' below).

The Company recorded a one-time charge of $17,741,024 as consideration for strategic relationship with Genesis as management determined that these costs did not meet the accounting definition of an asset due to a lack of control. See Note 6 to the accompanying financial statements which discuss the significant estimates and assumptions surrounding the accounting treatment. Accordingly, these costs have been expensed through profit and loss.

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

- *Iceland Phase 2*

In October 2017, the Company acquired the second phase of digital currency mining rigs at the Iceland Data Centre from Genesis for total consideration (including transaction costs) of $7,284,690, consisting of the issuance of 2,040,000 common shares valued at $3,166,587 and $4,118,103 of cash costs. As this expansion is in the same compound as the initial facility, the original service order was amended such that all the mining rigs currently in Iceland are monitored and maintained by Genesis at a cost of $315,675, which includes power costs. This expansion added an additional 1.75 MW and 2,100 GPU mining rigs, for a total capacity of 3.8 MW as of December 31, 2017.

Expressed in US Dollars unless otherwise indicated

- *Sweden Expansion*

In November and December 2017, the Company entered into agreements with Genesis to expand into Sweden, for a total of 20.4 MW of GPU mining rigs and 20 MW of SHA-256 ASIC mining rigs in two separate facilities.

The GPU expansion of 20.4 MW was delivered in three phases of 6.8 MW each, with delivery on January 15, 2018, March 28, 2018 and April 30, 2018. The cost of each phase was $22,000,000, for a total cost of $66,000,000, which was advanced in Q4 2018. As at March 31, 2018, $44,000,000 of the advances were reclassified to data centre equipment as these phases were put into production. The remaining $22,000,000 was reclassified into data centre equipment subsequently when it commenced operations on April 30, 2018.

The SHA-256 ASIC expansion of 20 MW cost $34,000,000 and is expected to be delivered in September 2018. This equipment will have a computing capacity of 200 PHs. As of March 31, 2018, the Company has advanced $34,000,000 towards the cost of this equipment. In the event that certain delivery conditions of the SHA-256 ASIC expansion are not met by September 30, 2018, the Company will be entitled to substitute PHs computing capacity from Genesis, and ultimately the return of the $34,000,000 advanced funds from Genesis.

A continuity of the payments, start date, phases, and capacity is detailed below:

Facility	Commencement date	Purchase price		Capacity (MW)
Iceland GPU - phase I	September 18, 2017	$	9,000,000	2
Iceland GPU - phase II	October 13, 2017		7,284,690	1.8
Sweden GPU - phase I	January 15, 2018		22,000,000	6.8
Sweden GPU - phase II	March 28, 2018		22,000,000	6.8
Total		**$**	**60,284,690**	**17.4**

Facility	Commencement date	Deposit amount		Capacity (MW)
Sweden GPU - phase III	April 30, 2018	$	22,000,000	6.8
ASIC - SHA 256	*Estimated September 2018*		34,000,000	20
Total		**$**	**56,000,000**	**26.8**

Expressed in US Dollars unless otherwise indicated

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

For the year ended March 31, 2018, HIVE's gross mining margin was 78%, with revenues per average megawatt of over $2 million. Fourth quarter revenues were produced from an average of 9.84 MW of production capacity, with Sweden Phase 2 coming online at the very end of the quarter, increasing total capacity to 17.4 MW in operation as at March 31, 2018. Below is an analysis of the Company's revenues and gross mining margin per MW:

	FY 2018	Q4 2018	Q3 2018
Revenues	$ 13,081,395	$ 9,636,390	$ 3,274,186
Operating and maintainance	(2,941,464)	(1,992,105)	(891,499)
Depreciation	(3,197,911)	(2,163,625)	(954,149)
	6,942,020	5,480,660	1,428,538
Gross mining margin	10,139,931	7,644,285	2,382,687
Gross mining margin % (1)	78%	79%	73%
Gross margin %	53%	57%	44%
Revaluation gain (loss) of digital currencies (3)	(5,256,034)	(7,638,835)	2,373,508
Total expenses & other items	(27,928,422)	(2,546,694)	(3,652,322)
Net income (loss)	$(26,242,436)	$ (4,704,869)	$ 149,724
Average MW for the period (2)	6.38	9.84	3.61
Revenue per average MW	$ 2,050,375	$ 979,308	$ 906,977
Gross mining margin per average MW	$ 1,589,331	$ 776,858	$ 660,024

(1) Gross mining margin equates to revenue less operating and maintenance costs and is a non-IFRS measure; see Non-IFRS Measures for reconciliation
(2) Average MW for a period is calculated based on the computing capacity in production on a daily basis for each period
(3) Revaluation is calculated as the change in value (gain or loss) on the coin inventory. When coins are sold, the net difference between the proceeds and the carrying value of the digital currency (including the revaluation), is recorded as a gain (loss) on the sale of digital currencies.

The Company's revenue is dependent on the market price of the digital currencies at the time of mining. The average monthly Ethereum market data from the commencement of digital currency mining in September 2017 to March 31, 2018 was as follows:

Ethereum	September 2017	October 2017	November 2017	December 2017	January 2018	February 2018	March 2018	FY 2018
Average price	$ 284.41	$ 306.25	$ 357.94	$ 640.21	$ 1,103.65	$ 873.12	$ 625.76	$ 623.06
Average daily block rewards	16,619	17,769	20,349	20,525	20,349	20,435	20,410	19,776
Average daily hashrate	104,675	111,140	117,724	139,006	185,625	237,646	261,264	169,691

Sources: Coinmarketcap.com, Etherscan.io

Total assets increased to $161,367,859 as at March 31, 2018 from $478,915 at March 31, 2017, due primarily to the completion of the Genesis Transaction, concurrent financings, expansion of data centres and production of digital currencies. The significant assets consist of cash of $14,729,290, amounts receivables and prepaids of $25,601,843, digital currencies of $7,754,307, a deposit of $56,000,000, and the data centre equipment in Iceland and Sweden of $57,086,779. The increase in total assets during the year ended March 31, 2018 results primarily from a net $150,263,237 raised from private placements along with the mining and revaluation of digital currencies of $7,754,307. The increase in amounts receivable is primarily related to refundable value-added taxes ("VAT") of 25% on the Company's acquisition of $66,000,000 of GPUs and $34,000,000 of SHA-256 ASICs.

Total liabilities increased to $10,261,134 as at March 31, 2018 from $2,676,379 as of March 31, 2017 due primarily to VAT payable of $8,500,000 related to the acquisition of the Sweden GPU Data Centre.

Consideration for the strategic relationship with Genesis of $17,741,024 has been expensed as the costs do not meet the accounting definition of an asset. This is a one time charge.

In April 2018 the Company expanded digital currency mining in Sweden upon completion of the construction by Genesis of the third phase of the Sweden facility providing digital mining capacity of 6.8 MW for consideration of $22,000,000 increasing the Company's total capacity to 24.2 MW.

FISCAL YEAR 2018 RESULTS OF OPERATIONS

During the year ended March 31, 2018, the Company recorded a net loss from continuing operations before tax of $25,568,684 (2017 – $535,134). The results for the year ended March 31, 2018 are not comparable to the prior year given the Company's Change of Business in September 2017. Upon completion of the above noted data centre acquisitions the Company commenced mining of Ethereum, Ethereum Classic, and ZCash.

Income:

- Revenues of $13,081,395 from the mining of digital currencies;
- Revaluation losses were $5,256,034 for the digital currencies held at year end; as a result of marking to market the Company's digital currencies held in inventory to the March 31, 2018 prices, being $403.82 for Ethereum and $14.54 for Ethereum Classic; and
- The Company began selling digital currencies during March 2018 and recognized a gain on sale of $18,973 in relation to the sale of digital currencies with a cost base of $71,054.

Operating Expenses:

- Operating and maintenance costs were $2,941,464 consisting of fees paid to Genesis under the Master Services agreement, which includes electricity, daily monitoring and maintenance, facility costs and all other costs directly related to the maintenance and operation of the data centre equipment (see below);
- Depreciation of $3,197,911 being straight line depreciation of the data centre equipment over an expected life of four years.

General and Administrative Expenses:

- Management fees, salaries, and wages of $954,827 relating to head office and overseas management, and director fees;
- Marketing fees of $1,306,065 in relation to marketing programs carried out concurrent with the launch and branding of the Company's change of name and business, which includes investor relations compensation of $1,075,421;
- Office and administration expenses of $352,493 related to general corporate expenditures for the Company's offices in Vancouver and Zug, as well as $112,409 for regulatory and transfer agent services;
- Professional fees, advisory and consulting of $1,311,538 consisting of $1,030,452 legal, auditing and tax fees indirectly related to the Company's current and future growth plans and advisory and consulting fees of $281,086 in relation to corporate development and strategy services; and
- Travel expenses of $616,359 incurred for visits to current and future sites and corporate development, to support the Company's growth plans as well as oversee current operations.

Other Expenses:

- Deferred tax expense of $227,000 being deferred taxes on the Company's profit-generating operations in Switzerland;
- Share based compensation of $4,817,019 in relation to the 25,649,666 options granted and vested during the year as follows: 14,000,000 options to directors and officers, 2,000,000 options to individuals associated with Genesis, 6,075,000 options to various consultants, 1,999,666 options granted for investor relations services and 1,225,000 options to charities associated with directors or advisors of the Company.
- Consideration for strategic relationship with Genesis of $17,741,024, which has been expensed as these costs do not meet the accounting definition of an asset. This is a one time charge.

Marketing for HIVE's first year of operations has been centered around sector awareness and blockchain and cryptocurrency education. As one of the first publicly-listed blockchain miners, the Company has created and maintained awareness in the space as well as created content which is educational and provides insight into a new high-growth industry. The capital markets require patient tutelage and resources to help the understanding and acceptance of a new industry with an emerging revenue model. Much of the Company's media relations, branding and investor relation activities are oriented to provide this education.

Operating and maintenance costs paid to Genesis include electricity, facility rental, internet supply, on site labour, security, remote monitoring and other services, with a guaranteed uptime of 93%, at a fixed cost of $315,675 per month for the Iceland operations, and at a rate of $0.1045 per kilowatt hour ("kWh") for Sweden operations, renewable annually with six months notice. Pursuant to the agreements with Genesis, the Company is also entitled to a one year warranty on all of its rigs, which includes periodic replacement of GPU cards, and accordingly, the Company has spent $nil to date on replacement and upkeep of its mining rigs.

During the year ended March 31, 2018, the Company entered into a strategic advisory agreement dated June 2017 with Fiore Management & Advisory Corp. ("Fiore") for services including monthly administration and on-going advisory support. As consideration, Fiore receives a monthly fee of C$10,000 (increased to C$25,000 February 2018) and a success fee of 0.50% - 2% on certain transactions including asset acquisitions, divestitures, business combinations, as well as debt and equity financings. The Board of Directors of the Company may also grant Fiore stock options from time to time at their discretion. The contract can be terminated after the first year with thirty days' notice. Other than disclosed elsewhere in the annual audited financial statements (Note 6, 9 and 15), the Company paid $133,215 for monthly work fees recorded in professional fees, advisory and consulting and $49,314 for the reimbursement of office rent recorded in office, administration and regulatory for the year ended March 31, 2018. Fiore was granted 1,000,000 stock options at an exercise price of $0.30 and term of 10 years, with a share-based compensation expense for the year ended March 31, 2018 of $146,647.

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

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

The Ethereum network has historically been the second largest digital currency by market capitalization, after Bitcoin. The Ethereum network is the biggest GPU based network in the cryptocurrency industry and the Company was focused primarily on Ethereum for the year ended March 31, 2018, although has the ability to mine various digital currencies, primarily those that are performed with GPU rigs.

Timing considerations with respect to the year ended March 31, 2018

As noted above, the Genesis Transaction and Change of Business closed on September 14, 2017, after which the Company commenced its digital currency mining operations.

This gives rise to certain abnormalities including the following:

- HIVE was an inactive company in the business of exploration and evaluation of mineral properties prior to the completion of its Change of Business with minimal operations and no revenues;
- One time charge for the transaction costs related to the consideration for the strategic relationship with Genesis, which has been expensed as they are not considered to meet the accounting definition of an asset due to a lack of control;
- Intense growth in capacity over seven months from 2.05 MW at inception to 17.4 MW effective March 31, 2018, resulting in greater general and administrative ("G&A") start up costs;
- Set up corporate presence in multiple jurisdictions, including Iceland, Sweden, Switzerland, and Norway, as well as Canada, ensuring tax efficient structure and one-time costs that are not expected to continue in the future; and
- G&A is not expected to increase significantly relative to the Company's capacity growth in its funded development plans – the additional 6.8 MW of GPUs that went into production subsequent to March 31, 2018, plus the additional 20 MW of SHA-256 ASICs currently expected in late September 2018 are not expected to have a material impact on G&A expenses.

Readers of the consolidated financial statements and this MD&A are therefore cautioned about extrapolating the results for the March 31 period into annual expectations, in terms of the abnormal levels of expenses related to the period leading up and immediately following the Change of Business.

FOURTH QUARTER RESULTS OF OPERATIONS

During the fourth quarter ended March 31, 2018, the Company recorded a loss from continuing operations of $4,622,411(2017 – Income of $453,803). The results for the fourth quarter ended March 31, 2018 are not comparable to the same periods in the prior year given the Company's Change of Business in September 2017.

Income:

- Revenues for the fourth quarter were $9,636,390 from the mining of digital currencies;
- Revaluation loss for the fourth quarter was $7,638,835 for the digital currencies held at period end, as a result of marking to market the Company's digital currencies held in inventory to the March 31, 2018 prices, being $403.82 for Ethereum and $14.54 for Ethereum Classic; and
- The Company began selling digital currencies during March 2018 and recognized a gain on sale of $18,973 in relation to the sale of digital currencies with a cost base of $72,461.

Operating Expenses:

- Operating and maintenance costs for the fourth quarter were $1,992,105 consisting of fees paid to Genesis under the Master Services agreement; and
- Depreciation for the fourth quarter of $2,163,625 being straight line depreciation of the data centre equipment over an expected life of four years.

General and Administrative Expenses:

- Management fees, salaries, and wages of $871,516 relating to head office and overseas management and director fees, including one-time bonuses of $585,119;
- Marketing fees of $500,071 in relation to marketing programs with the launch of the Company's change of name and business, which includes investor relations compensation of $398,628;

- Professional fees, advisory and consulting of $592,616 consisting of $475,513 in relation to legal, auditing and tax fees indirectly related to the Company's current and future growth plans, and advisory and consulting fees of $117,103 in relation to corporate development and strategic consulting services; and
- Travel expenses of $197,414 incurred for visits to current and future sites and corporate development, to support the Company's growth plans as well as oversee current operations.

Other expenses:

- Share based compensation of $283,356 in relation to the options vested and granted in the period;
- Deferred tax recovery of $258,000 related to deferred taxes on the Company's profit-generating operations in Switzerland, primarily related to the decrease in the value of the coins mined for the period and an increase in operating costs.

SUMMARY OF ANNUAL & QUARTERLY RESULTS

The following is a summary of the Company's annual results for the years ended March 31:

	2018 $	**2017** $	**2016** $
Revenue	13,081,395	-	-
Net loss from continuing operations	(25,795,684)	(535,134)	(624,386)
Net loss for the year	(26,242,436)	(535,134)	(624,386)
Basic and diluted loss per share	(0.14)	(0.01)	(0.02)
Total assets	161,367,859	478,915	149,222
Total long term liabilities (deferred tax liability)	(227,000)	-	-

The results for the years ended March 31, 2017 and 2016 are not comparable to the year ended March 31, 2018 as the Company executed its Change of Business effective September 2017.

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

	2018 **Q4** $	2018 **Q3** $	2018 **Q2**** $	2018 **Q1*** $
Revenue	9,636,390	3,274,186	170,819	-
Net income (loss)	(4,704,869)	149,724	(21,658,688)	(28,603)
Basic and diluted income (loss) per share	(0.02)	-	(0.20)	-

	2017 **Q4** $	2017 **Q3** $	2017 **Q2** $	2017 **Q1** $
Revenue	-	-	-	-
Net income (loss)	(16,228)	(166,374)	(177,210)	(175,322)
Basic and diluted income (loss) per share	-	-	(0.01)	(0.01)

The above table has been restated in US dollars as a result of the Company's change in its presentation currency. There is an increase in expenses in the Q2 2018 as a result of the Company's Change of Business, the expensing of consideration for the strategic relationship with Genesis and resulting increase in operations.

Expressed in US Dollars unless otherwise indicated

The above quarterly figures include reclassifications for the following:
(*) The Company originally recorded the write-off of accounts payable through profit or loss for the three months ended June 30, 2017, and has restated its results for this period by increasing the net loss for the period by $1,365,798.
(**) The reclassification of $1,400,777 of transaction costs for the Genesis Transaction from share capital to profit and loss in connection with consideration for strategic relationship with Genesis for the quarter ended September 30, 2017.

LIQUIDITY AND CAPITAL RESOURCES

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

As at March 31, 2018, the Company had a working capital balance of $37,824,306 (2017 – working capital deficit of $2,644,216) and currently has sufficient cash to fund its current operating and administrative costs.

The net change in the Company's cash position as at March 31, 2018 as compared to March 31, 2017 was an increase of $14,698,378 as a result of the following cash flows:

- Cash used in operations of $25,252,057, primarily due to $25,326,833 in sales taxes receivable in relation to the purchase of data centre equipment. Additionally cash used in operations related to costs associated with the Company's Change of Business and start up costs;
- Cash used in investing activities of $113,118,103, consisting of the cash consideration paid to acquire data centres, and a deposit of $56,000,000 for third phase of the Sweden GPU Data Centre ($22,000,000) and the Bitcoin Data Centre ($34,000,000); and
- Cash provided by financing activities of $152,852,498, largely due to the completion of the Company's equity financings during the year.

OUTSTANDING SHARE DATA

As March 31, 2018 and at the date of this report, the following equity were outstanding:

Total Outstanding as of	March 31, 2018	Date of this report	Exercise price range:
Common shares	307,724,825	313,391,491	
Stock options	20,000,264	19,250,264	C$0.30 - C$2.00
Warrants	49,530,149	50,613,483	C$0.30 - C$3.90

There are TSXV restrictions on resale on certain shares, as detailed in the Company's Filing Statement dated September 13, 2017 filed on SEDAR.

NON-IFRS FINANCIAL PERFORMANCE MEASURES

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

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

Expressed in US Dollars unless otherwise indicated

Gross Mining Margin:

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

The following table provides illustration of the calculation of the gross mining margin for the three months and the year ended March 31, 2018, in which the Company was operating its digital currency mining facilities:

Calculation of Gross Mining Margin	**FY 2018**	**Q4 2018**
Revenues (1)	$ 13,081,395	$ 9,636,390
Less:		
Operating and maintainance	(2,941,464)	(1,992,105)
Gross Mining Margin	**$ 10,139,931**	**$ 7,644,285**
Gross Mining Margin %*	**78%**	**79%**

(1) As presented on the statements of loss and comprehensive loss.

Annualized Run Rate Revenue:

The Company uses the annualized run rate revenue to provide a measure of the financial performance of the Company using current financial information at a point in time. The annualized run rate revenue is a snapshot of the Company's potential revenue extrapolated over a period of one year, based on current assumptions as stated. The Company is not making projections on the future digital currency prices, network hashrates and network mining rewards and the annualized run rate revenue is not necessarily indicative of the Company's future earnings. The network hashrate is the measuring unit of the processing power of the entire network for a specific algorithm (for example, Bitcoin or Ethereum). The daily network mining rewards are the total daily rewards issued for the blocks solved that day; daily network rewards are fixed based on the specific algorithm.

Actual results will vary based on change in these assumptions. Below is an analysis of the previously disclosed annualized run rate as of February 26, 2018 in our Management's Discussion & Analysis for the nine months ended December 31, 2017 as compared to the figures presented under "*Outlook*" as of July 17, 2018:

	As of February 26, 2018	**As of July 17, 2018**
Annualized Run-Rate Revenue Total	$153 million	$79 million
Ethereum Price	$868	$500
Ethereum Daily Network Hash Rate	247,529 GH/s	280,000 GH/s
Total Daily Ethereum Rewards	20,335 Ethereum	20,330 Ethereum
Bitcoin Price	$10,349	$7,350
Bitcoin Daily Network Hash Rate	21,079 PH/s	32,000 PH/s
Total Daily Bitcoin Rewards	1,765 Bitcoin	2,050 Bitcoin

The above assumptions are based on the actual market data at the time – the above variances from the calculation of the annualized run-rate revenue at February 26, 2018 to July 16, 2018 is based on the changes in the Ethereum and Bitcoin markets. See "*Overall Performance & Results of Operations*" for the actual average monthly Ethereum market data for the period from September 2017 to March 2018.

ADDITIONS TO MANAGEMENT AND BOARD OF DIRECTORS

Stephan Metz

HIVE is pleased to announce Stephan Metz as Country Manager in Zug, Switzerland. Mr. Metz is an accomplished cross-border legal and tax expert, with experience in securities law. Prior to joining HIVE, Mr. Metz worked as a Senior Manager at PWC and as a digital currency advisor assisting individuals relocate their businesses to Zug. He has invaluable experience in a rapidly evolving digital currency ecosystem, including tax structuring for mining companies, digital currency funds, trading platforms and ICOs. Mr. Metz's experience and leadership will add additional expertise to the management team of HIVE and help increase operational efficiency in both Europe and internationally.

Marcus New

Mr. Marcus New joined the board of directors in March 2018. Mr. New is the CEO of InvestX Capital Ltd, an online private equity and venture capital platform. Prior to InvestX Marcus built a number of disruptive technology businesses in the capital markets including: CEO of Stockhouse Publishing, a leading financial community for affluent investors and data platform business that was licensed to dozens of brokerage firms, global institutional sales desks, and over 200 hedge funds

RELATED PARTY TRANSACTIONS

The Company had the following related party transactions not otherwise disclosed in this Management's Discussion and Analysis:

(a) As at March 31, 2018, an amount of $nil (March 31, 2017 - C$44,010) was owed to a company controlled by the former President of the Company.

(b) As at March 31, 2018, included in accounts payable and accrued liabilities is an amount of $nil (March 31, 2017 - C$3,341,269) owing to a shareholder of the Company and companies controlled by this shareholder.

(c) As at March 31, 2018 loans payable of $nil owed to various related and unrelated parties and accrued interest of $nil were owed to a company owned by the Chief Executive Officer of the Company. As at March 31, 2017, $117,180 of loans payable, including accrued interest of $3,849 were due to former related parties of the Company.

(d) In June 2017, a company controlled by a shareholder of the Company agreed to extinguish a total of $1,365,798 of accounts payable. As at March 31, 2018, included in accounts payable and accrued liabilities is an amount of $nil (March 31, 2017 - C$1,836,589) owing to this company.

(e) As at March 31, 2018, the Company had $8,500,000 due to Genesis for the VAT portion of the deposits paid, as well as $125,396 due to directors for the reimbursement of expenses included in accounts payable and accrued liabilities.

(f) For the year ended March 31, 2018 operating and maintenance costs of $2,941,464 (2017 - $Nil) were paid to Genesis pursuant to the Master Services Agreement.

(g) On October 11, 2017, the Company issued 2,000,000 options to individuals associated (as employees, consultants or otherwise) with Genesis. These options were granted under the Company's Stock Option Plan, carry an exercise price of $2.00, a ten year expiry and were immediately exercisable upon grant. The options were issued as compensation for contributions outside of any formal employment, consultant or service agreements. Neither these individuals nor Genesis have otherwise been compensated for such contributions, nor do either have any obligation for continuing services of this nature. As such, the Company has expensed the fair value of the options at grant date of $1,735,099 which is presented as share based compensation expense.

Key Management Compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers.

For the year ended March 31, 2018, key management compensation includes salaries and wages (included in management fees) paid to key management and directors of $813,136 and share based payments of $1,892,447 to directors and management.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Company has prepared the consolidated financial statements in accordance with IFRS. Significant accounting policies are described in Note 2 of the Company's financial statements as at and for the year ended March 31, 2018.

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

The Company's significant estimates and judgements for the year ended March 31, 2018 included:

Significant judgements

(a) Functional currency

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

(b) Classification of digital currencies as current assets

The Company's determination to classify its holding of digital currencies as current assets is based on management's assessment that its digital currencies held can be considered to be commodities, the availability of liquid markets to which the Company may sell a portion of its holdings and that the Company is actively selling its digital currencies in the near future to generate a profit from price fluctuations.

(c) Asset acquisition

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

(d) Revenue recognition

The Company recognizes revenue from the provision of transaction verification services within digital currency networks, commonly termed "cryptocurrency mining". As consideration for these services, the Company receives digital currency from each specific network in which it participates ("coins"). Revenue is measured based on the fair value of the coins received. The fair value is determined using the spot price of the coin on the date of receipt, based on the hourly volume weighted average from www.cryptocompare.com. The coins are recorded on the statement of financial position, as digital currencies, at their fair value and re-measured at each reporting date. Revaluation gains or losses, as well as gains or losses on the sale of coins for traditional (fiat) currencies are included in profit and loss in accordance with the Company's treatment of its digital currencies as a traded commodity.

There is currently no specific definitive guidance in IFRS or alternative accounting frameworks for the accounting for the mining and strategic selling of digital currencies and management has exercised significant judgement in determining appropriate accounting treatment for the recognition of revenue for mining of digital currencies. Management has examined various factors surrounding the substance of the Company's operations, including the stage of completion being the completion and addition of a block to a blockchain and the reliability of the measurement of the digital currency received.

Significant estimates

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

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

(b) Carrying value of data centre equipment

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

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

(c) Depreciation

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

(d) Deferred taxes

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

(e) Digital currency valuation

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

(f) Share based compensation

The Company utilizes the Black-Scholes Option Pricing Model ("Black-Scholes") to estimate the fair value of stock options granted to directors, officers, employees, consultants and charities. The use of Black-Scholes requires management to make various estimates and assumptions that impact the value assigned to the stock options including the forecast future volatility of the stock price, the risk-free interest rate, dividend yield and the expected life of the stock options. Any changes in these assumptions could have a material impact on the Share-based compensation calculation value, however the most significant estimate is the volatility. Expected future volatility can be difficult to estimate as the Company has a limited operating history and is in an emerging industry with no comparable publicly traded competitors at the time of grant. Due to the emerging nature of the industry, volatility estimates require significant estimates. The Company estimated volatility based on historic share prices of companies operating in emerging innovative industries. Historical volatility is not necessarily indicative of future volatility. The expected life of stock options was determined based on the estimate that they would be exercised evenly over their term. There was no recent history of stock option exercises available to consider in the estimate of expected life at the time of grant.

<u>New Standards and Interpretations Not Yet Adopted</u>

A number of new standards, amendments to standards and interpretations applicable to the Company are not yet effective for the year ended March 31, 2018 and have not been applied in preparing these consolidated financial statements. The new and revised standards are as follows:

- IFRS 15 – "Revenue from Contracts with Customers": The IASB issued this new standard in May 2014 which specifies how and when revenue should be recognized based on a five-step model, which is applied to all contracts with customers. The Company is examining the impact and scope of this standard, including whether the Company's mining operations meet the definition of a 'contract with a customer'. As a result, the Company expects the adoption of this standard to impact the presentation and classification of income from digital currency mining.

- IFRS 2 – Share-based Payments: The amendments eliminate the diversity in practice in the classification and measurement of particular share-based payment transactions which are narrow in scope and address specific areas of classification and measurement. It is effective for annual periods beginning on or after January 1, 2018. The Company does not expect that the adoption of this standard will have a material effect on the Company's consolidated financial statements.

- IFRS 9 – Financial Instruments: Applies to classification and measurement of financial assets and liabilities as defined in IAS 39. It is effective for annual periods beginning on or after January 1, 2018. The Company does not expect that the adoption of this standard will have a significant effect on the Company's financial reporting or disclosure.

- IFRS 16 - Leases: On January 13, 2016, the IASB issued the final version of IFRS 16 Leases. The new standard will replace IAS 17 Leases and is effective for annual periods beginning on or after January 1, 2019. IFRS 16 eliminates the classification of leases as either operating leases or finance leases for a lessee. Instead, all leases are treated in a similar way to finance leases applying IAS 17. IFRS 16 does not require a lessee to recognize assets and liabilities for short-term leases (i.e. leases of 12 months or less) and leases of low-value assets. The Company is evaluating the effect of this standard on the Company's consolidated financial statements.

- IFRIC 23 - Uncertainty Over Income Tax Treatments: Clarifies how to apply the recognition and measurement requirements in IAS 12 when there is uncertainty over income tax treatments. It is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted. The Company is evaluating the effect of this standard on the Company's consolidated financial statements.

FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Company is exposed, in varying degrees, to a variety of financial related risks. The fair value of the Company's financial instruments, including cash, amounts receivable and accounts payable and accrued liabilities approximates their carrying value due to their short term nature. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts as at March 31, 2018. The majority of cash is deposited in bank accounts held with one major bank in Canada so there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by maintaining cash balances to ensure that it is able to meet its short term and long term obligations as and when they fall due. The Company manages company-wide cash projections centrally and regularly updates projections for changes in business and fluctuations cause in digital currency prices and exchange rates.

Foreign currency risk

Currency risk relates to the risk that the fair values or future cash flows of the Company's financial instruments will fluctuate because of changes in foreign exchange rates. Exchange rate fluctuations affect the costs that the Company incurs in its operations as well as the currency in which the Company has historically raised capital.

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

The Company's net monetary position in the significant foreign currencies as of March 31, 2018 is summarized below with the effect on earnings before tax of a 10% fluctuation of each currency to the USD dollar:

	Net Monetary Position March 31, 2018 (USD$ equivalent)	Impact of 10% variance in foreign exchange rate
US Dollars	9,731,708	973,171
Euros	(55,475)	(5,548)
Swiss Francs	55,501	5,550
Icelandic Kronor	281,969	28,197

Expressed in US Dollars unless otherwise indicated

Interest rate risk

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

DIGITAL CURRENCY AND RISK MANAGEMENT

Digital currencies are measured using level two fair values, determined by taking the rate from www.cryptocompare.com.

Digital currency prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and the global political and economic conditions. The profitability of the Company is directly related to the current and future market price of coins; in addition, the Company may not be able liquidate its inventory of digital currency at its desired price if required. A decline in the market prices for coins could negatively impact the Company's future operations. The Company has not hedged the conversion of any of its coin sales.

Digital currencies have a limited history and the fair value historically has been very volatile. See *"Overall Performance & Results of Operations"* which shows the monthly average market data for Ethereum from the commencement of HIVE's operations in September 2017 to March 2018. Historical performance of digital currencies are not indicative of their future price performance. The Company's digital currencies currently consist of Ethereum, Ethereum Classic and ZCash. The table below shows the impact of the 25% variance in the price of each of these digital currencies on the Company's earnings before tax, based on their closing prices at March 31, 2018.

		Impact of 25% variance in price
Ethereum	$	1,734,708
Ethereum Classic		194,391
ZCash		9,478

RISKS AND UNCERTAINTIES

The Company faces a number of risks that are related to both the general cryptocurrency business as well as the Company's business model. The risk factors described below summarize and supplement the risk factors contained in the Company's filing statement dated September 13, 2017 (the "Filing Statement") and available on SEDAR at www.sedar.com, and should be read in conjunction with the more detailed risk factors outlined in the Filing Statement.

General risks of the Company relate to the risks of loss, theft or cybercrime. Additionally, the Company is at risk due to the volatility/momentum pricing of any underlying digital currency mined by the Company and held in inventory – wide fluctuations in price, speculation and downward pricing may adversely affect investor confidence, and ultimately, the value of the Company's digital currency inventory which may have a material adverse affect on the Company. The Company may not be able to liquidate its digital currency inventory at economic values, or at all. Due to the newness of the industry, the Company may have restricted access to services available to more mainstream businesses (for example, banking services), and the general acceptance and use of digital currencies may never gain widespread or significant acceptance, which may materially adversely affect the value of the Company's digital currency inventory and long term prospects of current operations.

An additional risk to the Company arises as a result of the potential shift from the use of a proof of work validation model by the Ethereum network to a proof of stake model. The current proposal for Ethereum's shift to proof of stake has a number of unknown variables, including uncertainty over timing, execution and ultimate adoption; and there is not yet a definitive plan that is established and approved. As a result of these uncertainties, the Company cannot estimate the impact of a potential change to proof of stake on operations, but may see its competitive advantages decrease over time; this may have a material adverse effect on the Company.

Specific to the Company, the Company may not be able to complete its planned expansion of SHA-256 ASIC miners with Genesis on the terms and timeline currently anticipated, or at all, and as such the Company may not realize on any additional electrical consumption or digital currency from the SHA-256 ASIC miners. Additionally, the Company may be required to sell its digital currency inventory in order to pay for its ongoing expenses (and in particular, expenses to maintain the Company's facilities), and such sales may not be available at economic values. While the Company continues to seek insurance to cover its mined digital currency, to date the Company has only able to insure its mined digital currency for an amount of $1 million. Given the novelty of digital currency mining and associated businesses, insurance of this nature is generally not available, or uneconomical for the Company to obtain which leads to the risk of inadequate insurance cover. The occurrence of an event that is not covered or fully covered by the Company's existing insurance of have a material adverse affect on the Company. Additionally, while the Company takes measure to mitigate against losses of this nature, the Company's mined digital currency may be subject to loss, theft or restriction on access, including loss due to cybercrime (hacking). Finally, the Company may not be able to develop or complete any growth of the Company's computing capacity on its property in Norway.

In terms of regulatory risks, governments may take action in the future that prohibit or restrict the right to acquire, own, hold, sell, use or trade digital currencies or exchange digital currencies for fiat currency. Such restrictions, while impossible to predict, could result in the Company liquidating its digital currencies inventory at unfavorable prices which may have a material adverse affect on the Company. The Company has liquidated a portion of coins, partially in order to mitigate against the aforementioned risk.

CAUTION REGARDING FORWARD LOOKING INFORMATION

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

Forward-looking information in this Management Discussion and Analysis includes information about the Company's plans to pursue other high efficiency computing applications (such as artificial intelligence, graphic rendering and private blockchain computing); the Company's strategy to rapidly acquire, develop and operate data centres and potential growth of the Company's computing capacity; the Company's planned expansion of SHA-256 ASIC miners, including timing of delivery in September 2018, expected electrical consumption and digital currencies (Bitcoin and Bitcoin Cash) expected to be mined with the SHA-256 ASIC miners; the Company's plans to develop computing capacity on its property in Norway; expected electrical and mining capacity; the value of the Company's digital currency inventory; the business goals and objectives of the Company, and other forward-looking information including but not limited to information concerning the intentions, plans and future actions of the Company.

The forward-looking information in this Management Discussion and Analysis reflects the current expectations, assumptions and/or beliefs of the Company based on information currently available to the Company. In connection with the forward-looking information contained in this Management Discussion and Analysis, the Company has made assumptions about the Company's ability to complete the acquisition and operation of SHA-256 ASIC miners; the Company's ability to develop computing capacity on its property in Norway; the Company's ongoing partnership with Genesis; historical prices of digital currencies and the ability of the Company to mine digital currencies will be consistent with historical prices; and there will be no regulation or law that will prevent the Company from operating its business. The Company has also assumed that no significant events occur outside of the Company's normal course of business. Although the Company believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.

This Management Discussion and Analysis also contains "financial outlook" in the form of annualized run rate revenues and gross mining margins, which are intended to provide additional information only and may not be an appropriate or accurate prediction of future performance, and should not be used as such. The annualized run rate revenues and gross mining margins disclosed in this Management Discussion and Analysis are based on the assumptions disclosed in this Management Discussion and Analysis, which assumptions are based upon management's best estimates but are inherently speculative and there is no guarantee that such assumptions and estimates will prove to be correct.

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

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

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

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