

Appendix to the Transaction Report dated January 14, 2018

Voting letter

**In accordance with the Companies Regulations (Voting Paper and Position Notices), 5766 - 2005
("The Regulations")**

Part One

1. Name of the Company

Blockchain Mining LTD

2. Type of General Assembly, date and place of convening

Extraordinary General Assembly of the shareholders.

The General Assembly will convene on Monday, February 19, 2018 at 11:30 a.m., at the law offices of the firm Zitvar, Galor & Co., Menachem Begin Street, Ramat Gan (Tel.: 03-6127778). A deferred meeting, if required, shall take place on Monday, February 26, 2018 at the same place and at the same time.

3. A list of topics on the agenda for which voting is possible via Proxy Statement

3.1 Approval of the exceptional private allocation

To approve the exceptional private allocation detailed in the Transaction Report to Offerees A - E.

Offeree A - Emiliano Joel Grodzki, 11,820,797 ordinary shares

Offeree B - Nicolas Bonta, 11,210,731 Ordinary shares

Offeree C - PROSUM MANAGEMENT INC., a Canadian Company controlled by Pierre-Luc Quimper, up to 8,967,895 ordinary shares by way of allotment of mutual options.

Offeree D - 9264-2644 QUEBEC INC., a Canadian Company controlled by Mathieu Vachon, 8,367,245 ordinary shares by way of allotment of mutual options.

Offeree E - Rodrigo Sebastian Menendez, 93,333 ordinary shares. It is hereby clarified that, in view of the fact that C & D will be allocated mutual options, i.e., at the closing date of the transaction they shall not be considered yet as shareholders in the Company (as stated in paragraph 9 of the transaction report, upon completion of the transaction and allocation of the shares, a shareholders' agreement will enter into force between the offerees in such a manner that the offerees will become the controlling shareholders of the Company), and for the sake of caution, this allocation will also be approved in accordance with the provisions of Section 328 (b) (1) of the Companies Law, in such manner that the mutual options shall not, in any case, require the execution of a special purchase offer. The exceptional private allocation is presented for approval as a single block.

3.2 Appointment of directors

Approval of the appointment of directors, the validity of whose appointments shall be conditional upon the completion of the transaction making the subject of the transaction report, from the date of its completion and thereafter, as follows:

Text of the proposed resolution: After each of the esteemed gentlemen detailed below declares that they have the required skills and ability to devote the appropriate amount time to fulfilling their role as Company director, and describes the skills as mentioned, and also declares that they are not subject to restrictions as determined in sections 226 and 227 of the Companies Law - to appoint the directors detailed in this resolution as follows:

- (1) To appoint Mr. Nicolas Bonta as Director and Chairman of the Board of Directors.
- (2) To appoint Mr. Emiliano Joel Grodzki as Director of the Company.
- (3) To appoint Mr. Pierre-Luc Quimper as Director of the Company.
- (4) To appoint Mr. Rodrigo Sebastian Menendez as Director of the Company.

A separate vote will take place regarding each one of the candidates to serve as a director.

The said declarations are attached as **Appendix "B"** to the Transaction Report.

Below are the details required by Regulation 26 of the Reporting regulations for Mr. Nicolas Bonta, whose appointment is proposed:

Director's name:	Nicolas Bonta
Passport number:	AAD779911
Date of birth:	February 16, 1975
Address for service of court documents:	The Company's offices, Menachem Begin, 7 Ramat Gan
Citizenship:	Argentinian
Membership in a committee or committees of the Board of Directors:	No
External Director:	No
Is he an employee of the Company, their subsidiaries, or their affiliates, or of a Company or a party with a vested interest in them:	He will serve as active Chairman of the Board of Directors of the Company and of Backbone
Start date of his service on the Board of Directors	From the closing date of the transaction
Education:	Graduate of Hospitality Management - Glion Institute of Higher Education Switzerland Businessman
Occupation in the last five years:	
Corporations in which he serves on the Board of Directors:	Backbone
To the best of the Company's knowledge and of that of their directors, is he a relative of another party with a vested interest in the Company:	No
Is he a director that the Company considers to have accounting and financial expertise for the purpose of meeting the minimum number determined by the Board of Directors under section 92 (a) (12) of the Companies Law:	Not yet tested
Is he an independent director:	No

Below are the details required by Regulation 26 of the Reporting regulations for Mr. Emiliano Joel Grodzki, whose appointment is proposed:

Director's name:	Emiliano Joel Grodzki
Passport number:	AAD618528
Date of birth:	November 15, 1976

Address for service of court documents:	The Company's offices, Menachem Begin, 7 Ramat Gan
Citizenship:	Argentinian
Membership in a committee or committees of the Board of Directors:	No
External Director:	No
Is he an employee of the Company, their subsidiaries, or their affiliates, or of a Company or a party with a vested interest in them:	He will serve as CEO of the Company and of Backbone
Start date of his service on the Board of Directors:	From the closing date of the transaction
Education:	High school
Occupation in the last five years:	Businessman
Corporations in which he serves on the Board of Directors:	Backbone
To the best of the company's knowledge and that of their directors, is he a relative of another party with a vested interest in them:	No
Is he a director that the Company considers to have accounting and financial expertise for the purpose of meeting the minimum number determined by the Board of Directors under section 92 (a) (12) of the Companies Law:	Not yet tested
Is he an independent director:	No

Below are the details required by Regulation 26 of the Reporting regulations for Mr. Pierre- Luc Quimper, whose appointment is proposed:

Director's name:	Pierre-Luc Quimper
Passport number:	GB959974
Date of birth:	September 12, 1983
Address for service of court documents:	The Company's offices, Menachem Begin 7, Ramat Gan
Citizenship:	Canadian
Membership in a committee or committees of the Board of Directors:	No
External Director:	No
Is he an employee of the Company, their subsidiaries, or their affiliates, or of a Company or a party with a vested interest in them:	He will serve as Director and will be in charge of the operations (Chief Operations Officer) in the Company and in Backbone
Start date of his service on the Board of Directors:	From the closing date of the transaction
Education:	High school
Occupation in the last five years:	Businessman
Corporations in which he serves on the Board of Directors:	Backbone, Nworks Management Corp, Hashrate-Biz Corp.
To the best of the company's knowledge and that of their directors, is he a relative of another party with a vested interest in them:	No
Is he a director that the Company considers to have accounting and financial expertise for the purpose of meeting the minimum number determined by the Board of Directors under section 92 (a) (12) of the Companies Law:	Not yet tested
Is he an independent director:	No

Below are the details required by Regulation 26 of the Reporting regulations for Mr. Sebastian Rodrigo Menendez, whose appointment is proposed:

Director's name:	Rodrigo Sebastian Menendez
Passport number:	AAD286441
Date of birth:	May 10, 1979
Address for service of court documents:	The Company's offices, Menachem Begin 7, Ramat Gan
Citizenship:	Argentinian

Membership in a committee or committees of the Board of Directors:

No

External Director:

No

Is he an employee of the Company, their subsidiaries, or their affiliates, or of a Company or a party with a vested interest in them:

He will serve as a Counsel General

Start date of his service on the Board of Directors:

From the closing date of the transaction

Education:

First degree in law from Universidad de Belgrano and a second degree in economic law and finance from Universidad Catolica Argentina.

Occupation in the last five years:

Attorney

Corporations in which he serves on the Board of Directors:

Mar Energia S.A.

To the best of the company's knowledge and that of their directors, is he a relative of another party with a vested interest in them:

No

Is he a director that the Company considers to have accounting and financial expertise for the purpose of meeting the minimum number determined by the Board of Directors under section 92 (a) (12) of the Companies Law:

Not yet tested

Is he an independent director:

No

3.3 Approval of tenure and employment terms

The approval of the employment and tenure terms of offerees A and B and of the individual shareholders of the offerees C and D who are directors and/ or holding positions at Backbone will be effective upon the completion of the transaction, in accordance with the following details:

Nicolas Bonta will serve as Chairman of the Company's Board of Directors and of Backbone.

Emiliano Joel Grodzki will serve as a Director and CEO of the Company and of Backbone.

Pierre-Luc Quimper will serve as Director and will be in charge of the operations (Chief Operations Officer) at the Company and at Backbone.

Mathieu Vachon will serve as Director in charge of software engineering (software engineering) at Backbone.

All of the directors and/ or officers listed above will be entitled to an annual salary of USD 200,000 for serving in a full-time position.

Below is a tabular disclosure of the terms of office and annual employment of each of the directors and/ or the aforementioned position holders, pursuant to the sixth supplement of the Securities Regulations (periodic and Ad hoc Reports) 5730 - 1970, as of the time of completing the transaction (in terms of cost to the Company in thousands of US dollars):

Details of compensation recipients				Compensation for services					Other compensations		
Name	Position	Scope of the job	Rate of holding in the corporate capital	Wages	Grant	Payment based on shares	Administrative Fees	Commission	Interest	Lease payments	Total
Nicolas Bonta	Chairman of the Board	100%	20.6%	200	-	-	-	-	-	-	200
Emiliano Joel Grodzki	CEO	100%	19.54%	200	-	-	-	-	-	-	200
Pierre-Luc Quimper	C.O.O	100%	15.63%	200	-	-	-	-	-	-	200
Mathieu Vachon	software engineering	100%	14.58%	200	-	-	-	-	-	-	200

4. **The time and place when it is possible to review the full text of the proposed resolutions**

The Ad hoc Report published by the Company regarding the convening of the meeting and the full text of the proposed resolutions may be reviewed, by appointment, at the Company's law offices located at Zitvar, Galor & Co., 7 Menachem Begin Street, Ramat Gan, Sunday - Thursday, during regular business hours. The said documents may also be reviewed on the website (distribution site) of the Securities Authority, whose electronic address is: www.magna.isa.gov.il.

5. **The majority required for making decisions at the General Assembly on matters on the agenda**

The majority required for approving the exceptional private proposal as well as to approve the appointment of the directors and their terms of tenure is a regular majority of those present who are entitled to participate in the meeting.

The majority required to approve the tenure terms of Mr. Emiliano Joel Grodzki, who is expected to serve as CEO of the Company, is the majority of votes of those participating in the voting, provided that one of these will occur:

- A. The majority of the votes in the General Assembly includes a majority of the votes of the shareholders that are participating in the vote and that are not controlling shareholders of the Company or having a vested interest in the approval of the terms of the salary; in counting the votes of the said shareholders, the person who has a vested interest shall be subjected to the provisions of Section 276 of the Companies Law, *mutatis mutandis*;
- B. The total number of opposing votes from among the shareholders mentioned in sub-paragraph (a) will not be higher than the rate of two percent of the overall rights to vote in the Company.

6. For the purpose of voting on matters on the agenda specified in paragraph 3 above, it shall be noted as follows:

In Part B of this Voting Letter, a space is reserved to mark the existence or absence of an affiliation, as required by the provisions of the Companies Law, 5759-1999 below: "**the Companies Law**") and to describe the nature of the relevant affiliation. It should be clarified that if a person did not mark the existence or absence of such an affiliation or did not describe the nature of the affiliation, their vote shall not be counted in the quorum.

7. The Voting Letter shall be valid only if the following documents have been attached thereto and if it has been communicated to the Company (including by registered mail) as follows:

Unregistered shareholder: (i.e., a person to whom shares are registered with a stock exchange member and those shares are included among the shares registered in the register of shareholders in the name of the nominee Company) - is required to provide the Company with a certificate of ownership, including through the electronic voting system, up to 4 hours before the date of the meeting.

A shareholder who is not registered may vote by way of an electronic voting system.

Registered Shareholder: (i.e. a shareholder registered in the Company's shareholders register) - is required to provide a photocopy of an identity card, passport or certificate of incorporation.

A Voting Letter not submitted in accordance with this section shall be invalid.

8. The date of closing the electronic voting system

The Voting Letter will be communicated to the Company before the time when the electronic voting system is closed (at 05:30 on February 19, 2018) or on an earlier date as determined by the Securities Authority in accordance with the provisions of the Regulations.

9. The address of the Company for delivering voting papers and position notices

Blockchain Mining Ltd., c/o Zitvar, Galor & Co. Advocates, 7 Menachem Begin Road, Ramat Gan.

10. The last date for delivery of position notices to the Company

The last date for the delivery of position notices (as they are defined in Section 88 of the Companies Law) is 10 days prior to the convening of the meeting, namely until February 9, 2018.

11. The address of the distribution site of the Israel Securities Authority and the website of the Tel Aviv Stock Exchange where the voting letters and position notices are located

11.1 Securities Authority distribution website www.magna.isa.co.il

11.2 The website of Tel Aviv Stock Exchange Ltd.

12. An unregistered shareholder is entitled to receive confirmation of ownership at the branch of a Stock Exchange member or by mail, if they so requested. A request in this matter shall be communicated in advance to a particular securities account. An unregistered shareholder may request that their certificate of ownership be transferred to the Company through the electronic voting system.

13. A stock exchange member shall send, free of charge, by e-mail, a link to the text of the voting letter and position notices on the distribution site of the Securities Authority to any shareholder that is not registered in the register of shareholders and whose shares are registered with that member of the stock exchange, unless the shareholder notifies them that they are not interested in it or that they are interested in receiving voting papers by mail against a fee; the shareholder's notice regarding the voting letters shall also apply to the receipt of position notices.

14. One or more shareholders holding, on the determining date, shares at a rate constituting five percent or more of the total voting rights in the Company, and whoever holds such percentage out of the total voting rights that is not held by the controlling shareholder of the Company as defined in Section 268 of the Companies Law, is entitled to review the voting letters as specified in Regulation 268 of the Regulations.

The number of shares constituting 5% of the total voting rights in the Company: 746,023 ordinary shares.

The number of shares constituting 5% of the total voting rights in the Company that are not held by the controlling shareholder: 378,949 ordinary shares.

15. Request to include a topic on the agenda of the meeting

An application by a shareholder under section 66 (b) of the Companies Law to include a topic on the agenda of a General Assembly shall be communicated to the Company up to seven days after the call to convene the assembly.

16. Changes to the voting letter

16.1 After the voting letter is published, there may be changes to the agenda, including the addition of a topic on the agenda, the position statements may be published, and the updated agenda and position notices published in the Company's reports on the distribution website may be reviewed.

16.2 The last date on which the Company will issue an amended voting letter, to the extent required and as mentioned above, is in accordance with the provisions of Section 4 (b) of the Regulations.

17. A shareholder shall indicate the manner in which they vote on the topics on the agenda in the second part of this voting letter.

Voting letter - part two

Name of the Company: Blockchain Mining LTD

The address of the Company (for service and for delivery of voting letters): C/O the offices of Zitvar, Galor & Co.
Law Offices, 7 Menachem Begin Road, Ramat Gan.

Company no.: 520041526

Date of the Assembly: February 19, 2018

Type of assembly: Extraordinary General Assembly

The determined date: January 22, 2018

(To this point, to be completed by the Company).

Details of the shareholder

Name of shareholder: _____

ID No.: _____

If the shareholder does not have an Israeli identity card -

Passport number: _____

Country where issued: _____

Valid until: _____

If the shareholder is a corporation -

Corporation number: _____

Country of incorporation: _____

The manner of voting

The topic number on the agenda	The manner of voting ¹			Regarding the approval of a transaction under sections 272(C) of the Companies Law - are you a controlling shareholder or do you have a vested interest in the resolution? ²		
	For	Against	Abstains	Yes*	No	
3.1 Approval of the exceptional private allocation				Not Relevant		
3.2 <u>Appointment of directors</u>						
3.2.1 Nicolas Bonta						
3.2.2 Emiliano J. Grodzki						
3.2.3 Pierre-Luc Quimper						
3.2.4 Rodrigo S. Menendez						
3.3 Approval of employment terms						
3.3.1 Nicolas Bonta, Pierre-Luc Quimper, Mathieu Vachon						
3.3.2 Emiliano J. Grodzki						

Date: _____

Signature: _____

*Details

A shareholder that has indicated they were a controlling shareholder or someone acting on their behalf shall describe the nature of the affiliation:

Shareholders holding shares through a stock exchange member (pursuant to Section 177 (1) of the Companies Law) - this voting letter is valid only with the confirmation of ownership, except when the vote is casted via the Internet.

For shareholders registered in the Company's register of shareholders - the voting letter is valid together with a photocopy of the identity card / passport / certificate of incorporation.

¹ Non-marking shall be considered as abstaining from voting on that topic.

² A shareholder that does not fill this line or that marks "yes" and does not give details will not have their vote counted