

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

FORM 20-F

Registration Statement Pursuant to Section 12(b) or (g) of the Securities Exchange Act of 1934.

or

Annual Report Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

for the Fiscal Year Ended **December 31, 2019**

or

Transition Report Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934.

For the transition period from _____ to _____.

Commission file number 000-52145

Digatrade Financial Corp

(Exact name of Registrant as specified in its charter)

(Translation of Registrant's name into English)

Business Corporations Act (British Columbia)

(Jurisdiction of incorporation or organization)

1500 West Georgia Street, Suite 1300, Vancouver, British Columbia, Canada, V6C 2Z6

(Address of principal executive offices)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class _____

Name of each exchange on which registered _____

Securities registered or to be registered pursuant to Section 12(g) of the Act.

Common Stock, without par value

(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report:

582,564,926 shares of common stock as at December 31, 2019.
1,100,000 shares of Class B common stock as at December 31, 2019

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) Yes No; and (2) has been subject to such filing requirements for the past 90 days. Yes No.

Indicate which financial statement item the registrant elects to follow: Item 17 Item 18.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer

If this is an annual report, indicated by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Digatrade Financial Corp

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PART I

Introduction. Digatrade Financial Corp (referred to as “Digatrade” or “the Company”), is a British Columbia corporation, incorporated on December 28, 2000.

The Company was incorporated under the name Black Diamond Holdings Corporation. On June 26, 2007, the Company changed its name from Black Diamond Holdings Corporation to Black Diamond Brands Corporation. On November 21, 2008 the Company changed its name to Rainchief Energy Inc. and on February 19, 2015 to Bit-X Financial Corporation. On October 27, 2015 the Company changed its name to Digatrade Financial Corporation.

The Company is listed as a fully reporting issuer on the FINRA OTC.PK and trades under the symbol “DIGAF”.

Digatrade Financial Corp., a British Columbia corporation, is a financial technology (FinTech) services company. The Company has been focused on the financial technology industry since 2015. During that time, the Company has pursued several different areas of business including blockchain development services, transaction services for crypto-currencies (e.g. Bitcoin) and other related financial services technologies.

In March 2015, the Company entered into an agreement with Mega Ideas Holdings Limited, dba ANX (“ANXPRO and ANX International”), a company incorporated and existing under the laws of Hong Kong. ANX owns a proprietary trading platform and provides operational support specializing in blockchain development services and exchange and transaction services for crypto-currencies e.g. Bitcoin and other digital assets. Effective October 17, 2018 the Company closed its online retail trading platform but will continue to evaluate opportunities and continue with research in digital-asset trading for prospective institutional customers while continuing to seek new opportunities within the blockchain and the financial technology services (non-trading) sector.

On February 28, 2019 the Company executed a Definitive Agreement with Securter Inc., a private Canadian Corporation that is developing a proprietary, patent-pending credit card payment platform to significantly increase the security of online credit card payment processing. Securter technology reduces immense losses by financial institutions and merchants that arise from fraudulent credit card use and protects cardholder privacy by eliminating the distribution of personal information to third parties. With the current worldwide surge in online commerce expected to continue for years to come, the problem of credit card security is large and growing. The Definitive Agreement with Securter sets out that Securter’s technology will be launched and commercialized as a Digatrade subsidiary.

Item 1. Identity of Directors, Senior Management and Advisors

The President of the Company is Brad Moynes, and the directors of the Company are Brad Moynes, Tyrone Docherty and Timothy Delaney of 1500 West Georgia Street, Suite 1300, Vancouver, British Columbia, Canada, V6C 2Z6. Mr. Moynes also serves as our Chairman, Chief Executive Officer and Interim Chief Financial Officer. See Item 6 for further information.

The Company's registered independent auditors are WDM Chartered Professional Accountants, Suite 420 – 1501 West Broadway, Vancouver, British Columbia, Canada, V6J 4Z6. For further information, see Item 16C and the consolidated financial statements under Item 8.

Item 2. Offer Statistics and Expected Timetable

Not applicable.

Item 3. Key Information

A. Selected Financial Data

The following selected information should be read in conjunction with the Company's consolidated financial statements and notes for the year ended December 31, 2018, filed with this Form 20-F. This information, and all other financial information in this Form 20-F, is stated in Canadian dollars unless otherwise noted.

The financial information is presented on the basis of International Financial Reporting Standards. With respect to the Company's consolidated financial statements, there are no material differences from applying these principles compared to applying United States generally accepted accounting principles.

Selected Consolidated Financial and Operating Data

Operating Data	Year Ended December 31,	
	2019	2018
	\$	\$
Sales	-	-
Gross Profit, Net of Cost of Sales	-	-
Net Loss	\$(2,094,253)	\$(522,963)
Loss per Common Share – Basic & Diluted*	\$(0.01)	\$(0.01)
Number of Shares Outstanding*	582,564,926	226,411,904
Balance Sheet Data	2019	2018
	\$	\$
Current Assets	\$227,662	\$1,478,985
Current Liabilities	\$735,326	\$1,097,913
Total Assets		
Share Capital	\$7,460,158	\$6,080,151
Reserve	60,000	
Accumulated Deficit	\$(7,793,332)	\$(5,699,079)
Dividends per Common Share		
Net Loss	\$(2,094,253)	\$(522,963)
Loss per Common Share – Basic & Diluted*	\$(0.01)	\$(0.01)

* Adjusted to reflect the consolidation of the Company's stock on (i) March 22, 2010 in the ratio of 1 new common share for 10 old common shares, (ii) April 3, 2013 in the ratio of 1 new common share for 50 old common shares and (iii) June 8, 2016 in the ratio of 1 new common share for 50 old common shares

Exchange Rates

In this FORM 20-F, references to "dollars", "\$" or "CAD\$" are to Canadian dollars, unless otherwise specified. Reference to "US\$" refers to United States dollars. Since June 1, 1970, the Government of Canada has permitted a floating exchange rate to determine the value of the Canadian dollar as compared to the United States dollar.

The Company's consolidated financial statements are stated in Canadian dollars.

The Company realized a gain on foreign exchange of \$48,045 for the year ended December 31, 2019 and a gain of \$37,682 for the year ended December 31, 2018, respectively. These foreign exchange gains were due to currency exchange rate fluctuations between the Canadian and United States dollar.

The Bank of Canada closing exchange rate on December 31, 2019 was Cdn\$1.2988 per US\$1.00. For the past five fiscal years ended December 31, 2019 and for the period between January 1, 2019 and December 31, 2019, the following average exchange rates were in effect for Canadian dollars exchanged for United States dollars, expressed in terms of United States dollars (based on the nominal exchange rates provided by the Bank of Canada):

Year Ended	Average per US\$1	
December 31, 2015	\$	1.28
December 31, 2016	\$	1.33
December 31, 2017	\$	1.30
December 31, 2018	\$	1.30
December 31, 2019	\$	1.30

Month Ended	Per US\$1	
	High	Low
January 31, 2019	\$ 1.23	\$ 1.33
February 28, 2019	\$ 1.23	\$ 1.32
March 31, 2019	\$ 1.28	\$ 1.34
April 30, 2019	\$ 1.26	\$ 1.34
May 31, 2019	\$ 1.28	\$ 1.35
June 30, 2019	\$ 1.29	\$ 1.33
July 31, 2019	\$ 1.30	\$ 1.31
August 31, 2019	\$ 1.29	\$ 1.33
September 30, 2019	\$ 1.29	\$ 1.32
October 31, 2019	\$ 1.28	\$ 1.32
November 30, 2019	\$ 1.31	\$ 1.32

December 31, 2019

\$ 1.32

\$ 1.32

B. Capitalization and Indebtedness

The following table sets forth our capitalization as of December 31, 2019, using:

- 582,564,926 common shares outstanding on an actual basis;
- 1,100,000 Class B common shares outstanding on an actual basis

	December 31, 2019	As Adjusted March 31, 2020
	(audited)	(unaudited)
	\$	\$
Cash	113,156	5,367
Long-term obligations, less current portion	-	-
Shareholders' (deficiency) equity		
Share capital	7,460,158	8,000,383
Contributed Surplus	60,000	60,000
Accumulated deficit	(7,793,332)	(8,048,674)
Shareholders' (deficiency) equity	<u>(273,174)</u>	<u>11,709</u>

Effective June 8, 2016 the common shares of the Company were consolidated at the ratio of one new common share for every 50 old common shares. The Company issued 12,306 shares to round up fractional entitlements resulting from the consolidation.

On June 12, 2017, the Company settled convertible promissory notes totalling \$32,700 by the issuance of 2,000,000 common shares with a fair value equal to the value of the underlying debt settled.

On September 21, 2017, the Company settled a convertible promissory note owed to a company controlled by a former Officer and Director of the Company in the amount of \$61,694 (US\$50,000) by the issuance of 1,000,000 common shares with a fair value equal to the value of the underlying debt settled.

On October 10, 2018, the Company passed a resolution authorizing the creation of a new 100,000 Class "B" common shares with the following characteristics: non-participating, no par value, and with the voting right of 1,000 votes per share. On the same day, the Company issued 100,000 Class "B" common shares at \$0.001 per share for total proceeds of \$100 to a shareholder who is also a Director and Officer of the Company. On January 2, 2019, the Company passed a resolution to increase the authorized number of Class "B" common shares from 100,000 to 1,100,000 and issued 1,000,000 Class "B" common shares at \$0.0001 per share for total proceeds of \$100 to a shareholder who is also a Director and Officer of the Company.

On January 2, 2019, the Company passed a resolution to increase the authorized number of Class "B" common shares from 100,000 to 1,100,000. On the same day, the Company issued 1,000,000 Class "B" common shares at \$0.0001 per share for total proceeds of \$100 to a shareholder who is also a Director and Officer of the Company.

During the year ended December 31, 2019, the Company issued 356,153,022 shares of Common Stock with a fair value of \$1,379,907, pursuant to the conversion of certain Convertible Promissory Notes.

None of the capitalization referred to above is secured or guaranteed. All amounts in respect of capitalization including long term debt are unsecured and not guaranteed.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Forward Looking-Statements and Risk Factors

Forward-looking Statements. In this document, we are showing you a picture which is part historical (events which have happened) and part predictive (events which we believe will happen). Except for the historical information, all of the information in this document comprises "forward looking" statements. Specifically, all statements (other than statements of historical fact) regarding our financial position, business strategy and plans and objectives are forward-looking statements. These forward-looking statements are based on the beliefs of management, as well as assumptions made by, and information currently available to management. These statements involve known and unknown risks, including the risks resulting from economic and market conditions, accurately forecasting operating and capital expenditures and capital needs, successful anticipation of competition which may not yet be fully developed, and other business conditions. Our use of the words "anticipate", "believe", "estimate", "expect", "may", "will", "continue" and "intend", and similar words or phrases, are intended to identify forward-looking statements (also known as "cautionary statements"). These statements reflect our current views with respect to future events. They are subject to the realization in fact of assumptions, but what we now believe will occur may turn out to be inaccurate or incomplete. We cannot assure you that our expectations will prove to be correct. Actual operating results and financial performance may prove to be very different from what we now predict or anticipate. The "risk factors" below specifically address all of the factors now identifiable by us that may influence future operating results and financial performance.

Risk Factors

Risks Related to the Business

We have a history of operating losses and need additional capital to implement our business plan.

For the year ended December 31, 2019, we recorded a net loss of from operations of \$2,094,253 (US\$1,610,963) as compared to a net loss of \$522,963 (US\$403,832) for the year

ended December 31, 2018. The financial statements have been prepared using IFRS principles applicable to a going concern. However, as shown in note 1 to the consolidated financial statements for the year ended December 31, 2019, our ability to continue operations is uncertain.

We continue to incur operating losses and have a consolidated deficit of \$7,793,332 (US\$5,994,870) as at December 31, 2019. Operations for the year ended December 31, 2019 have been funded primarily from the issuance of share capital, debt financing and the continued support of creditors. Historically, we have met working capital needs primarily by selling equity to Canadian residents, raising debt finance and from loans (including loans from relatives of principal shareholders).

We estimate that we will require at least US\$3,000,000 to further fund the development of a proprietary, patent-pending credit card payment platform to significantly increase the security of online credit card payment processing, reducing financial losses being experienced by financial institutions and merchants from fraudulent credit card use, while also better protecting cardholder privacy. A full implementation of our business plan will be delayed until the necessary capital is raised.

We cannot predict when or if we will produce revenues.

We have not generated any revenue to date from operations. In order for us to continue with our plans and open our business, we must raise capital. The timing of the completion of the milestones needed to commence operations and generate revenues is contingent on the success of this raise. There can be no assurance that we will generate revenues or that revenues will be sufficient to maintain our business.

Our entry into the development of a secure mobile application for card not present “CNP” transaction business may not be successful and there are risks attendant on these activities.

The Financial Technology “FinTech” business is extremely competitive. There are many companies, large and small entering the market with the capital to develop and create new innovative applications resulting in a highly competitive and fast-moving environment. Even with capital and technical expertise, industry, political and compliance risks are significant. Regulatory compliance and the overall ecosystem for secure online payments is extremely complex and not yet fully defined by governments and financial institutions worldwide. We may not be able to finance our business plan and marketing plan, there is no assurance that our entry into this business will be successful.

Cybersecurity risks associated with the FinTech industry are becoming increasingly challenging and we may be unable to meet future regulatory requirements related to data protection and privacy.

Cybersecurity is becoming increasingly challenging with the growth in the number of hackers and financial stalkers seeking opportunities to disrupt operations and/or extort funds from persons or companies whose cybersecurity measures were unable to prevent malicious data harvesting and misuse. We cannot guarantee that all such attempts shall be defeated, nor that our intellectual property shall remain beyond the reach of parties seeking proprietary insights. Data protection and privacy is never absolute, regardless of method(s) used. Independent of any 3rd party malicious intent referred to above, there is a risk that despite best efforts our data

protection and privacy shall not meet a future regulatory definition of a reasonable standard, if it is imposed or “expected” retroactively. Information at risk may or may not be financial in nature and may or may not be our own information. We do not have sufficient resources to evaluate all possible outcomes, or all possible measures that we could take now, or could have taken in the past, to attain an even higher level of diligence and care than we are taking presently.

Regulatory compliance in the FinTech sector is evolving.

We are unable to guarantee that we will be able to proceed with all desired plans if the regulatory environment changes in a manner that undermines existing business plans. Such regulations have an impact in every country in which we will be deriving revenue from licensing or by any other commercial mechanism.

We may be unable to meet growth Open Source technology trends which could have a detrimental impact on our business.

Open source software compliance and vulnerability management has become an area of risk due to the expanding scope of this realm of software. We cannot ensure that we will at all times fully understand the state-of-the-art standing of every aspect of our own development goals until such time that a sufficient expenditure of time, money and effort has been made to understand all open source material and trends, and their relevance to our own interests.

Customers may not adapt to our new technology which may affect our ability to generate revenues in the future.

Culture risk emerges when our organization interfaces with financial institutions as our customers. We do not know in advance whether all our customers will be willing to make changes, if necessary, to accommodate protocols that arise from the adoption of our technology, or incompatibility that may arise from the nature of our software development methods, including our approach to FinTech problem solving.

Reliance on systems governance on third party transactions may risk compliance issues.

Governance for intelligent automation is of increasing importance in business activity that is characterized by a large number of small-dollar-value transactions. Our revenue model requires sharing of transaction fees for commerce that, in aggregate, may represent millions or even hundreds of millions of consumer transactions. We may therefore need to rely upon systems-governance more than individual situational oversight where third party transactions are concerned. This may mean that non-compliance of some type may come to light too late to remedy in the immediate tense and may therefore only be correctable with systemic adjustment for the future.

FinTech is an emerging industry that may be subject to changes in accounting standards in the future the adoption of which may require time for our business to adjust.

New accounting standards in the category of FinTech sector businesses may be introduced over time and have a bearing on our planning, execution and reporting in respect of issues that have hitherto been satisfactory and understood, but may require a period of transition to grasp implications at the strategic level and communicate same to shareholders effectively.

Use of data and analytics in our internal audit may become more complex as metadata becomes increasingly important to our analyses. It is not known whether the effect upon our internal practices of new analytics will remain permissible from the perspective of third-party audits occurring after-the-fact.

Our use of Cloud computing, data storage and/or cloud collaboration may not conform to future operational “best practices.”

Transitioning to and operating “in the cloud” is a matter whose risks and rewards are subject to conflicting strategies even amongst companies who otherwise are considered to have best practices, operationally. It is not knowable in advance whether our own policies regarding the use of cloud computing, cloud data storage or cloud collaboration in our use of information, our sharing of information and our design of proprietary information assets will conform to a future interpretation of “best practices”, after cloud eco-system techniques and their implications are better understood.

We rely on third party service providers which we may not be able to control. This subjects us to risks for failure of performance in development of our business plan.

We will at all times in the pursuit of our goals rely on at least some expertise that is external to our company. Despite best efforts to vet the competency of service providers, it will not be possible to fully appreciate the quality of their contribution until after-the-fact, which may in some instances require second attempts, corrections or new directions. We shall always seek to mitigate our risk and liability arising from any failures of performance that may arise; however, it is not possible to quantify this in financial terms or predict it in operational terms. The risk in our development work is inherently high and does not diminish over time as we will continually focus on customer problems that require new solutions yet to be created.

The loss of key personnel or the inability of replacements to quickly and successfully perform in their new roles could adversely affect our business.

We depend on the leadership and experience of our key executive and chairman, Brad Moynes. Mr. Moynes functions as our chairman and executive officer, and as such, we are heavily dependent upon him to conduct our operations. In 2018, the Company added two additional directors which now brings the board to four directors. We do not have key man insurance. If Mr. Moynes resigns or dies, there could be a substantial negative impact upon our operations. If that should occur, until we find other qualified candidates to become officers and/or directors to conduct our operations, we may have to suspend our operations or cease operating entirely. In that event, it is possible you could lose your entire investment.

Our business may suffer from the severity or longevity of the COVID-19 Global Outbreak.

The COVID-19 is currently impacting countries, communities, supply chains and markets, as well as the global financial markets. To date, COVID-19 has not had a material impact on the Company, other than as set forth elsewhere in this document. However, the Company cannot predict whether COVID-19 will have a material impact on our financial condition and results of operations due to understaffing, disruptions in government spending, among other factors. In addition, at this time we cannot predict the impact of COVID-19 on our ability to obtain financing necessary for the Company to fund its working capital requirements. In most respects, it is too early in the COVID-19 pandemic to be able to quantify or qualify the longer-term ramifications on our business, our customers and/or our potential investors.

Risks Relating to Intellectual Property

If we are unable to protect our intellectual property rights, including those related to Securter technology, our competitive position could be harmed or we could be required to incur significant expenses to enforce our rights.

Our ability to compete effectively is dependent in part upon our ability to protect our proprietary technology. We rely on patents, trademarks, trade secret laws, confidentiality procedures and licensing arrangements to protect our intellectual property rights. There can be no assurance these protections will be available in all cases or will be adequate to prevent our competitors from copying, reverse engineering or otherwise obtaining and using our technology, proprietary rights or products. For example, the laws of certain countries in which our products may be licensed may not protect our proprietary rights to the same extent as the laws of Canada or the United States. In addition, third parties may seek to challenge, invalidate or circumvent our intellectual property, or applications for same. There can be no assurance that our competitors will not independently develop technologies that are substantially equivalent or superior to our technology or design around our proprietary rights. In each case, our ability to compete could be significantly impaired. To prevent substantial unauthorized use of our intellectual property rights, it may be necessary to prosecute actions for infringement and/or misappropriation of our proprietary rights against third parties. Any such action could result in significant costs and diversion of our resources and management's attention, and there can be no assurance we will be successful in such action. Furthermore, many of our current and potential competitors have the ability to dedicate substantially greater resources to enforce their intellectual property rights

than we do. Accordingly, despite our efforts, we may not be able to prevent third parties from infringing upon or misappropriating our intellectual property.

Claims by others that we infringe their intellectual property rights could harm our business.

Our industry is characterized by vigorous protection and pursuit of intellectual property rights, which has resulted in protracted and expensive litigation for many companies. Third parties may in the future assert claims of infringement of intellectual property rights against us or against our customers for which we may be liable. As the number of service providers and competitors in our market increases and overlaps occur, infringement claims may increase.

Intellectual property claims against us, and any resulting lawsuits, may result in our incurring significant expenses and could subject us to significant liability for damages and invalidate what we currently believe are our proprietary rights. Our involvement in any patent dispute or other intellectual property dispute or action to protect trade secrets and know-how could have a material adverse effect on our business. Adverse determinations in any litigation could subject us to significant liabilities to third parties, require us to seek licenses from third parties and prevent us from developing and selling our products. Any of these situations could have a material adverse effect on our business.

These claims, regardless of their merits or outcome, would likely be time consuming and expensive to resolve and could divert management's time and attention.

We are generally obligated to indemnify our end-customers for certain expenses and liabilities resulting from intellectual property infringement claims regarding our software products, which could force us to incur substantial costs.

We have agreed, and expect to continue to agree, to indemnify our end-customers for certain intellectual property infringement claims regarding our software products. As a result, in the case of infringement claims against these end-customers, we could be required to indemnify them for losses resulting from such claims or to refund amounts they have paid to us. Our end-customers in the future may seek indemnification from us in connection with infringement claims brought against them. We will evaluate each such request on a case-by-case basis and we may not succeed in refuting all such claims. If an end-customer elects to invest resources in enforcing a claim for indemnification against us, we could incur significant costs disputing it. If we do not succeed in disputing it, we could face substantial liability.

Risks Related to this Offering and Our Stock

The market price of our shares may fluctuate significantly.

The market price and liquidity of the market for shares may be significantly affected by numerous factors, some of which are beyond our control and may not be directly related to our operating performance. Some of the factors that could negatively affect the market price of our shares include:

- our actual or projected operating results, financial condition, cash flows and liquidity, or changes in business strategy or prospects;
- equity issuances by us, or share resales by our stockholders, or the perception that such issuances or resales may occur;

- loss of a major funding source;
- actual or anticipated accounting problems;
- changes in market valuations of similar companies;
- adverse market reaction to any indebtedness we incur in the future;
- speculation in the press or investment community;
- price and volume fluctuations in the overall stock market from time to time;
- general market and economic conditions, and trends including inflationary concerns, the current state of the credit and capital markets;
- significant volatility in the market price and trading volume of securities of companies in our sector, which are not necessarily related to the operating performance of these companies;
- changes in law, regulatory policies or tax guidelines, or interpretations thereof;
- operating performance of companies comparable to us; and
- short-selling pressure with respect to shares of our shares generally.

As noted above, market factors unrelated to our performance could also negatively impact the market price of our shares. One of the factors that investors may consider in deciding whether to buy or sell our shares is our distribution rate as a percentage of our share price relative to market interest rates. If market interest rates increase, prospective investors may demand a higher distribution rate or seek alternative investments paying higher dividends or interest. As a result, interest rate fluctuations and conditions in the capital markets can affect the market value of our shares. For instance, if interest rates rise, it is likely that the market price of our shares will decrease as market rates on interest-bearing securities increase.

We have broad discretion in the use of the net proceeds from this offering and may not use them effectively.

Our management will have broad discretion in the application of the net proceeds from this offering and could spend the proceeds in ways that do not improve our results of operations or enhance the value of our common stock. The failure by our management to apply these funds effectively could result in financial losses that could have a material adverse effect on our business, cause the price of our common stock to decline and delay the development of our products and services.

If we have to raise capital by selling securities in the future, your rights and the value of your investment in the Company could be reduced.

If we issue debt securities, the lenders would have a claim to our assets that would be superior to the stockholder rights. Interest on the debt would increase costs and negatively impact operating results. If we issue more common stock or any preferred stock, your percentage ownership will decrease and your stock may experience additional dilution, and the holders of preferred stock (called preference securities in Canada) may have rights, preferences and privileges which are superior to (more favorable) the rights of holders of the common stock. It is likely the Company will sell securities in the future. The terms of such future transactions presently are not determinable.

If the market for our common stock is illiquid in the future, you could encounter difficulty if you try to sell your stock.

Our stock trades on the OTC "Pink" Marketplace but it is not actively traded. If there is no active trading market, you may not be able to resell your shares at any price, if at all. It is possible that the trading market in the future will continue to be "thin" or "illiquid," which could result in increased price volatility. Prices may be influenced by investors' perceptions of us and general economic conditions, as well as the market for energy generally. Until our financial performance indicates substantial success in executing our business plan, it is unlikely that there will be coverage by stock market analysts will be extended. Without such coverage, institutional investors are not likely to buy the stock. Until such time, if ever, as such coverage by analysts and wider market interest develops, the market may have a limited capacity to absorb significant amounts of trading. As the stock is a "penny stock," there are additional constraints on the development of an active trading market – see the next risk factor.

The penny stock rule operates to limit the range of customers to whom broker-dealers may sell our stock in the market.

In general, "penny stock" (as defined in the SEC's rule 3a51-1 under the Securities Exchange Act of 1934) includes securities of companies which are not listed on the principal stock exchanges, or the Nasdaq National Market or the Nasdaq Capital Market, and which have a bid price in the market of less than US\$5.00; and companies with net tangible assets of less than \$2 million (\$5 million if the issuer has been in continuous operation for less than three years), or which has recorded revenues of less than \$6 million in the last three years.

As a "penny stock" our stock therefore is subject to the SEC's rule 15g-9, which imposes additional sales practice requirements on broker-dealers which sell such securities to persons other than established customers and "accredited investors" (generally, individuals with net worth in excess of US\$1 million or annual incomes exceeding US\$200,000, or US\$300,000 together with their spouses, or individuals who are the officers or directors of the issuer of the securities). For transactions covered by rule 15g-9, a broker-dealer must make a special suitability determination for the purchaser and have received the purchaser's written consent to the transaction prior to sale. This rule may adversely affect the ability of broker-dealers to sell our stock, and therefore may adversely affect our stockholders' ability to sell the stock in the public market.

Your legal recourse as a United States investor could be limited.

The Company is incorporated under the laws of British Columbia. Most of the assets now are located in Canada. Our directors and officers and the audit firm are residents of Canada. As a result, if any of our shareholders were to bring a lawsuit in the United States against the officers, directors or experts in the United States, it may be difficult to effect service of legal process on those people who reside in Canada, based on civil liability under the Securities Act of 1933 or the Securities Exchange Act of 1934. In addition, we have been advised that a judgment of a United States court based solely upon civil liability under these laws would probably be enforceable in Canada, but only if the U.S. court in which the judgment were obtained had a basis for jurisdiction in the matter. We also have been advised that there is substantial doubt whether an action could be brought successfully in Canada in the first instance on the basis of liability predicated solely upon the United States' securities laws.

Item 4. Information on the Company

A. History and Development of the Company

The Company is a British Columbia corporation (organized on December 28, 2000, incorporation number BC 0619991, which is the incorporation number reflecting the transition to the new corporate statute (the British Columbia Business Corporations Act)). The registered office is at 1500 West Georgia Street, Suite 1300, Vancouver, British Columbia, Canada, V6C 2Z6. We do not have an agent in the United States.

The Company's legal name is Digatrade Financial Corp and business is carried on in this name at this time. On October 27, 2015 the Company changed its name from Bit-X Financial Corporation to Digatrade Financial Corporation. On February 9, 2015 the Company changed its name from Rainchief Energy Inc to Bit-X Financial Corporation and on November 21, 2008 the Company changed its name from Black Diamond Brands Corporation to Rainchief Energy Inc.

B. Overview

The Company is listed as a fully reporting issuer on the FINRA OTC bulletin board and trades under the symbol "DIGAF".

On March 31, 2015, the Company entered into an agreement with Mega Ideas Holdings Limited, dba ANX ("ANXPRO and ANX International"), a company incorporated and existing under the laws of Hong Kong. ANX owns a proprietary trading platform and provides operational support specializing in blockchain development services and exchange and transaction services for crypto-currencies e.g. Bitcoin and other digital assets. Effective October 17, 2018 the Company closed the online retail trading platform and shared liquidity order book with ANX International owing to low transaction volumes. The Company will continue to evaluate opportunities and continue with research and development related services in the digital-asset industry for prospective institutional customers while continuing to seek new opportunities within the blockchain and the financial technology sector unrelated to facilitating trading activities.

On February 5, 2019 the company entered into a Letter of Intent ("LOI") with Securter Inc., a private Canadian Corporation that is developing a proprietary, patent-pending credit card

payment platform to significantly increase the security of online credit card payment processing. The purpose is to reduce financial losses being experienced by financial institutions and merchants from fraudulent credit card use, while also better protecting cardholder privacy. The LOI sets out that the new technology will be launched and commercialized through a Digatrade subsidiary.

On February 26, 2019, the Company executed a definitive agreement (the “Securter Agreement”) with Securter Inc., a private Canadian Corporation (“Securter”) that is developing a proprietary, patent-pending credit card payment platform to significantly increase the security of online credit card payment processing. Securter technology reduces immense losses by financial institutions and merchants that arise from fraudulent credit card use and protects cardholder privacy by eliminating the distribution of personal information to third parties. With the current worldwide surge in online commerce expected to continue for years to come, the problem of credit card security is large and growing.

Pursuant to the terms of the Securter Agreement, the parties agreed to form a subsidiary of Digatrade, Securter Systems, Inc. (“Securter Systems”), and assign all of the assets and intellectual property of Securter into Securter Systems. Securter Systems has been created to launch and commercialize the Securter technology under Digatrade.

The Securter Agreement provides for the launch and commercialization of Securter’s technology under Securter Systems as a Digatrade subsidiary. The consummation of the Securter Agreement is subject to certain milestone events, including the contribution of capital by Digatrade to Securter Systems.

The Company’s Organization Structure

During the year ended December 31, 2015 the Company incorporated three subsidiaries: Digatrade Limited (a British Columbia, Canada corporation), Digatrade (UK) Limited (a United Kingdom corporation) and Digatrade Limited (a Nevada corporation).

On September 30, 2009, we disposed of two subsidiaries, Black Diamond Importers Inc., a British Columbia, Canada, corporation and Liberty Valley Wines, LLC., a Delaware, U.S.A., limited liability company. On December 30, 2009, we disposed of our remaining subsidiary, Point Grey Energy Inc., an Alberta, Canada, corporation.

Effective December 22, 2010, we acquired all of the issued and outstanding common shares of Jaydoc Capital Corp (“Jaydoc”), a company incorporated under the Business Corporations Act of the Province of British Columbia, Canada. Jaydoc was acquired to facilitate our business venture in solar energy development. The assets of Jaydoc were its business plan and strategic business relationship with operational partners that offered experience and knowledge in the development, engineering and construction of solar energy projects in Italy and the European Union.

On December 18, 2010 we incorporated a wholly-owned subsidiary, Rainchief Renewable-1 S.R.L under the laws of Italy.

During the year ended December 31, 2015, we incorporated the following subsidiaries: Digatrade Limited (a British Columbia, Canada Corporation), Digatrade (UK) Limited (a United

Kingdom corporation), and Digatrade Limited (a Nevada, USA corporation); and de-registered Jaydoc Capital Corp. and Rainchief Renewable-1 S.R.L.

During January 2019 we incorporated Securter Systems Inc. (a Canadian corporation).

Commitments.

On March 31, 2015, the Company entered into an agreement with Mega Idea Holdings Limited, dba ANX (“ANX”), to provide Crypto-currency deposit and exchange services. Pursuant to the terms of the agreement, the Company was required to pay monthly maintenance fees of US\$10,000 for maintenance and support of the exchange platform. The agreement with ANX was for a term of three years.

On April 7, 2017 (the “effective date”), the Company entered into a revised agreement with ANX. Pursuant to the terms of the agreement, the Company was required to pay monthly maintenance fees of US\$1,500 for the first six months commencing the first month after the effective date, and US\$5,000 thereafter. The revised agreement with ANX was for a term of two years. Effective October 15, 2018, the revised agreement was terminated, and the Company closed the online retail trading platform and shared liquidity order book with ANX International owing to low transaction volumes. The Company paid ANX \$32,770 (US\$25,000) in full settlement of all outstanding liabilities and realized a gain of \$7,158 on the termination of the agreement.

On February 26, 2019 the Company entered into a Definitive Agreement with Securter Inc, a Canadian Company. Under the terms of the Definitive Agreement, Securter’s assets and liabilities would be transferred to a new Canadian Federal corporation, Securter Systems Inc (SSI). The Company agreed to subscribe for 100% of SSI’s Class B shares, giving it voting control of SSI. The Company also agreed to fund the development of SSI’s technology and acquire up to 30% of the Class A common shares of SSI.

Item 5. Operating and Financial Review

For the years ended December 31, 2019, 2018, and 2017, the Company had net losses of \$2,094,253, \$522,963 (restated) and \$674,520 respectively.

Accounting Audit and Legal Expenses amounted to \$124,980, \$82,485 and \$105,652 for the years ended December 31, 2019, 2018 and 2017, respectively. Accounting and Audit expenses for the year ended December 31, 2019 amounted to \$49,331, an increase of \$4,572 from \$44,760 for the year ended December 31, 2018. The expense incurred in 2018 represented an increase of \$2,559 over the expense of \$42,200 incurred for the year ended December 31, 2017. The increases in expenditure in this category resulted from additional review work in connection with corporate transactions. Legal expenses for the year ended December 31, 2019 amounted to \$75,649, an increase of \$37,934 over the \$37,715 expended in the year ended December 31, 2018. The increase resulted from additional legal services required in connection with corporate transactions including the acquisition of Securter. The decrease in Legal expenses for the year ended December 31, 2018 as compared with the amount of \$63,452 expended on legal services in the year ended December 31, 2017 resulted from the reduced corporate activity in 2018 as compared with 2017

Consulting expense for the year ended December 31, 2019 increased by \$99,798 to \$392,300 as compared with \$294,502 for the year ended December 31, 2018, and by \$156,310 as compared with \$138,192 for the year ended December 31, 2017, as a result of increased corporate activity during the respective periods.

During the year ended December 31, 2018 the Company incurred Filing and Transfer Agents Expenses in the amount of \$19,558 as compared with \$26,331 incurred during the year ended December 31, 2017, an increase of \$6,773, as a result of increased filing activity during the period. Filing and Transfer Agents Fees for the year ended December 31, 2018 increased by \$18,465 from \$7,866 for the year ended December 31, 2017, as a result of increased corporate activity during that year.

During the year ended December 31, 2019, the Company incurred Investor Relations expenses in the amount of \$20,096. The Company did not incur any Investor Relations expenses during the years ended December 31, 2018. During the year ended December 31, 2017, the Company entered into investor relations contracts for a total cost of \$107,103.

Management fees for the year ended December 31, 2019 amount to \$244,120 as compared with \$241,950 for the year ended December 31, 2018, an increase of \$2,170, primarily as a result of exchange rate changes. Management fees for the year ended December 31, 2018 increased by \$136,950 as compared with \$105,000 expended during 2017 as a result of increased corporate activities during that period.

The Company incurred Exchange Platform Development Costs in the amount of \$102,683 during the year ending December 31, 2018, as compared with \$104,591 incurred during the year ended December 31, 2017 and \$111,734 incurred during the year ended December 31, 2016. The reduction in these costs resulted from the renegotiation of the agreement with the platform provider during 2017 and costs related to certain development projects in 2015 which were not continued in 2016 and 2017. The Company did not incur further development expenditures during 2019 as a consequence of the termination of the exchange trading platform agreement with ANX during 2018.

The Company incurred \$12,409 in Office expenses during the year ended December 31, 2019, essentially unchanged from \$12,282 incurred during the year ended December 31, 2018. Administrative expenses increased by \$5,144 from \$7,137 for the year ended December 31, 2017 to \$12,281 for the year ended December 31, 2018.

The Company incurred Financing Finders Fees in the amounts of \$54,746, \$123,101 and \$109,033 in connection with the issuance of convertible promissory notes during the years ended December 31, 2019, 2018 and 2017, respectively.

During the year ended December 31, 2019, the Company granted stock options with a fair value of \$60,000 to directors and certain contractors to the Company. The options were valued using the Black-Scholes model with the assumptions of risk-free rate of 1.68%, volatility of 268% and option life of 7 years.

The Company incurred travel expenses in the amount of \$13,944 during the year ended December 31, 2019 in connection with the acquisition of Securter. The Company did not incur any travel expenses during 2018 and 2017.

The Company incurred marketing expenses in the amount of \$85,377 during the year ended December 31, 2019 in connection with the promotion of the Company's business. The Company did not incur any marketing expenses during 2018 and 2017.

The Company realized a foreign exchange gains of \$48,045, \$37,682 and \$40,723 during the years ended December 31, 2019, 2018 and 2017, respectively. The gains resulted from changes in the foreign currency exchange rates between the Canadian and US Dollars.

The Company incurred Interest expense during the years ended December 31, 2019, 2018 and 2017 in the amounts of \$58,470, \$198,658 and \$30,669. This expenditure was incurred in connection with the Convertible Promissory Notes.

The Company realized recoveries of Accretion Expenses in the amounts of \$146,624 and \$7,039 for the years ended December 31, 2019 and 2018, respectively. During the year ended December 31, 2019, the Company recognized a loss in the fair value of derivative instruments of \$1,067,076 as compared with a gain in the fair value of derivative instruments of \$534,118 during the year ended December 31, 2018.

During the year ended December 31, 2018, the Company realized a net gain on discontinuance of trading platform activities in the amount of \$7,158.

Financial position

As at December 31, 2019, the Company had a working capital deficiency of \$457,664 as compared with a working capital surplus of \$381,072 as at December 31, 2018, a decrease of \$838,736. The decrease in working capital deficiency during the year ended December 31, 2019 is due to decreases in Cash of \$380,654, Prepaid Expenses of \$22,211 and Deferred Loss on Derivative Liabilities of \$800,941, and increases in Shareholders' Loans of \$26,565 and \$25,052 in the Liability Component of Convertible Promissory Notes; offset by an increase in General Sales Tax Recoverable of \$2,483 and decreases in Trade and Other Payables of \$7,003 and Derivative Liability of \$363,145 and Promissory Notes of \$44,057

Liquidity and Capital Resources

As the Company has historically generated nominal revenues from our operations, the Company no internal sources of funds and are reliant upon investors and lenders to fund its operations to continue to further develop its products. The Company has funded its operations to date principally from the sale of convertible promissory notes and, to a lesser extent, sale of equity securities. Management believes that the Company will continue to be reliant upon debt and equity financing to fund continuing operations until the business plan is fully implemented. The Company has incurred losses since inception and have incurred negative cash flows from operations from inception through December 31, 2019.

During the year ended December 31, 2019 the Company raised \$572,389 by the issuance of Convertible Promissory Notes (year ended December 31, 2018 (restated) - \$795,047) and repaid a convertible Promissory Notes in the amount of \$33,596 (year ended December 31, 2018 - \$31,762).

Changes in working capital accounts during the year ended December 31, 2019 provided \$9,536 (year ended December 31, 2018 consumed \$104,828).

During the year ended December 31, 2019, the Company used cash in the amount of \$910,207 to fund the Company's continuing operations (year ended December 31, 2018 (restated) – \$868,745).

C. Research and Development, Patents and Licenses, etc.

Not applicable

D. Trend Information

Management is not aware of any trend, commitment, event or uncertainty that is expected to have a material effect on our business, financial condition or results of operations.

E. Off-Balance Sheet Arrangements

Not applicable.

F. Contractual Obligations

Not applicable.

Item 6. Directors, Senior Management and Employees

A. Directors, Senior Management, and Employees

The following table sets forth the name, positions held and principal occupation of each of our directors, senior management and employees upon whose work the Company is dependent. Information on such persons' share ownership is under Item 7.

<u>Name and Positions Held</u>	<u>Experience and Principal Business Activities</u>
Bradley J. Moynes (50) Chairman, President, Director and Interim Chief Financial Officer	President and Director of the Company since December 2000.
Tyrone Docherty (60)	Director of the Company since July 10, 2016
Timothy Delaney (65)	Director of the Company since November 20, 2018

B. Compensation

SUMMARY COMPENSATION TABLE

The following table sets forth the compensation paid to the executive officers of the Company in each of the years ended December 31, 2019, 2018 and 2017. The table includes compensation paid for service by such persons to subsidiaries. All amounts are stated in US dollars.

(a)	(b)	Annual Compensation			(f)	Long Term Compensation			(i)
		(c)	(d)	(e)		Awards	(g)	(h)	
Name and Current Principal Position	Year	Salary (US\$)	Bonus (US\$)	Other (US\$)	Restricted Stock Awards (US\$)	Options or SAR's (#)	LPIT Payouts (US\$)	All Other Compensation (US\$)	
Bradley J. Moynes, President	2019	\$ 187,784	\$ -	\$ -	\$ -	5,000,000	\$ -	\$ -	
	2018	\$ 186,781	\$ -	\$ -	\$ -	-	\$ -	\$ -	
	2017	\$ 80,994	\$ -	\$ -	\$ -	-	\$ -	\$ -	

Executive Compensation Plans and Employment Agreements

Management Agreements

No management agreements were entered into for the period commencing January 1, 2019 to December 31, 2019.

Equity Compensation Plans

Effective December 31, 2010, our Board of Directors adopted the 2010 Stock Option Incentive Plan (“the Stock Option Plan”). The purpose of the Stock Option Plan is to enhance the long-term stockholder value of the Company by offering opportunities to directors, officers, key employees and eligible consultants of the Company to acquire and maintain stock ownership in the Company, in order to give these persons the opportunity to participate in the Company's growth and success, and to encourage them to remain in the service of the Company. A maximum of 10% of the issued and outstanding shares of common stock are available for issuance under the Stock Option Plan.

C. Board Practices

Each director holds office until the next annual general meeting of the Company unless his office is earlier vacated in accordance with the Articles of the Company or the Canada Business Corporations Act.

During the most recently completed fiscal year, there are no arrangements (standard or otherwise) under which directors of the Company were compensated by the Company or its subsidiaries for services rendered in their capacity as directors, nor were any amounts paid to the directors for committee participation or special assignments, other than the granting of stock options. There were no arrangements under which the directors would receive compensation or benefits in the event of the termination of that office.

The Company does not have an audit committee at the present time. The Company is currently seeking a suitable individual to serve on an audit committee.

The audit committee is responsible for selecting, evaluating and recommending the Company's auditors to the Board of Directors for shareholder approval; evaluating the scope and general extent of the auditors' review; overseeing the work of the auditors; recommending the auditors' compensation to the Board of Directors; and assisting with the resolution of any disputes between management and the auditors regarding financial reporting. The audit committee is also responsible for reviewing the Company's annual and interim financial statements and recommending their approval to the Board of Directors; reviewing the Company's policies and procedures with respect to internal controls and financial reporting; and establishing procedures for dealing with complaints regarding accounting, internal controls or auditing matters.

The Company does not have a compensation or corporate governance committee at the present time. The Company is listed for trading on the OTCBB as a reporting issuer under registration statement Form 20-F (Foreign Private Issuer) and as such it believes that it is not required to have such committees.

D. Employees

The Company currently has one officer and no employees. Employees will be added as required.

E. Share Ownership

Our directors and officer own the indicated shares of common stock as at the date hereof; percentages are based on 1,120,190,080 shares of common stock and 2,100,000 shares of Class B common stock issued and outstanding as at April 30, 2020

Name	No. of shares of Common Stock	Percentage of Common Shares outstanding at April 30, 2020
Brad Moynes	21,723,715	1.9392%
Tyrone Docherty	250,000	0%

Name	No. of shares of Class B Common Stock	Percentage of Class B Common Stock outstanding at April 30, 2020
Brad Moynes	2,100,000	100%

Item 7. Major Shareholders and Related Party Transactions.

A. Major Shareholders

To our knowledge, only one person beneficially owns, directly or indirectly, or exercises control or direction over, common shares carrying more than 5% of the voting rights attached to the 812,551,132 common shares outstanding at April 30, 2020.

The Company has approximately 210 shareholders of record at April 30, 2020. The number of shareholders holding securities beneficially through street name nominees, as reflected in the record position of Cede & Co. and other intermediaries, is approximately 97.1%.

To the best of our knowledge, approximately 5% of the Company's common shares are owned by residents of Canada or residents of countries other than the United States. The number of shareholders holding securities beneficially through street name nominees, as reflected in the record position of Cede & Co. and other intermediaries, who may be residents of other countries, is approximately 2%. These assumptions are based on our shareholder registry issued by Action Stock Transfer as of April 30, 2020.

To our knowledge, we are not owned or controlled directly or indirectly by another corporation or by any foreign government, nor are there any arrangements which may result in a change of control of the Company. The directors of the Company own approximately 2% of the Class "A" common voting shares and all of 2,100,000 of the Class "B" common voting non-participating shares. As a result the percentage of shares controlled by the directors currently represents voting control of the Company.

B. Related Party Transactions

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed. Details of transactions between the Company and other related parties, in addition to those transactions disclosed elsewhere in these consolidated financial statements, are described below. All related party transactions were in the ordinary course of business and were measured at their exchange amounts.

Promissory Notes

During the year ended December 31, 2017, the Company repaid promissory notes in the amount of \$90,529, (including US\$31,200) to a company controlled by a Director (also an officer) of the Company. Included in convertible promissory notes as at December 31, 2018, was \$Nil (2017 – \$89,364 including US\$31,200) owed to this company.

During the year ended December 31, 2017, the Company settled a promissory note owed to a company controlled by a former officer of the Company in the amount \$69,205 (US\$50,000) by the issuance of 1,000,000 common shares. Included in convertible promissory notes as at December 31, 2018, was \$Nil (2017 – \$67,135 including US\$50,000) owed to this company

Compensation of Key Management Personnel

The Company incurred management fees for services provided by key management personnel for the years ended December 31, 2019, 2018 and 2017, as described below.

Management Fees

	2019	2018	2017
	\$	\$	\$
Management Fees	244,120	241,950	105,000
Share-Based Payments	30,000	-	-
	<u>274,120</u>	<u>241,950</u>	<u>105,000</u>

During the year ended December 31, 2019, the Company incurred consulting fees for services provided by a former director of the Company in the amount of \$19,125 up to the date of his resignation as a director on May 22, 2019 (2018 - \$12,900). The Company paid \$16,200 to this former director subsequent to his resignation.

C. Interest of Experts and Counsel

None.

Item 8. Financial Information

See the consolidated financial statements under Item 18.

Item 9. The Offer and Listing

A. Offer and Listing Details

The Company's common shares are traded on the "OTC.BB" under the symbol BITXF; the shares are not listed on any exchange or traded on any other medium. Trading commenced in the first quarter 2004 on the Pink Sheets and then became a reporting issuer and was listed for trading on the OTC.BB during the second quarter of 2007.

The following table sets forth the high and low closing prices on the OTC Markets and the OTC.BB for the periods indicated, adjusted for the consolidations of the Company's stock on March 22, 2010, April 3, 2013 and June 8, 2016. See Item 10A below.

By Quarters in 2019, 2018 & 2017	High Sales Price US\$	Low Sales Price US\$
Fourth Quarter 2019	\$0.004	\$0.001
Third Quarter 2019	\$0.009	\$0.003
Second Quarter 2019	\$0.023	\$0.007
First Quarter 2019	\$0.016	\$0.005
Fourth Quarter 2018	\$0.02	\$0.003
Third Quarter 2018	\$0.06	\$0.01
Second Quarter 2018	\$0.16	\$0.03
First Quarter 2018	\$0.52	\$0.10
Fourth Quarter 2017	\$0.75	\$0.10
Third Quarter 2017	\$0.31	\$0.06
Second Quarter 2017	\$0.16	\$0.06
First Quarter 2017	\$0.23	\$0.06

On December 31, 2019, the closing price was US\$0.001 per share.

B. Plan of Distribution

Not applicable.

C. Markets

See "Offer and Listing Details" above.

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

Item 10. Additional Information

A. Share Capital Authorized

Unlimited number of common shares without par value

Issued and Outstanding

	Number of Common Shares	Number of Class B Common Shares	Amount \$
Balance, December 31, 2015 (Post-Share Consolidation)	1,622,150		3,241,848
Shares issued for Services	5,000	-	32,000
Fair Value of Share Rights Expired	34,000	-	85,000
	1,661,150	-	3,358,848
Post-consolidation shares issued in settlement of debt	41,000,000	-	276,983
Shares issued for Services	250,000	-	15,000
Shares held in escrow	(1,500)	-	(5,374)
Balance, December 31, 2016 (Post-Share Consolidation)	42,909,650	-	3,645,457
Shares Issued	2,500,000	-	334,975
Shares Issued in Settlement of Debts	4,000,000	-	103,779
Shares Issued for Cash	-	100,000	100
Shares Issued for Services	250,000	-	21,896
Shares Held in Trust	1,500	-	-
Balance, December 31, 2017	49,661,150	100,000	4,106,207
Shares Issued for Services	600,000	-	7,373

Shares Issued on Conversion of Convertible Promissory Notes	176,150,754	-	1,966,571
Balance, December 31, 2018	226,411,904	100,000	6,080,151
Shares Issued	-	1,000,000	100
Shares Issued on Conversion of Convertible Promissory Notes	356,153,022	-	1,379,907
Balance, December 31, 2019	582,564,926	1,100,000	7,460,158

Share consolidation

Effective April 3, 2013, the common shares of the Company were consolidated at the ratio of one new common share for every 50 old common shares. The Company issued 835 shares to round up fractional entitlements resulting from the consolidation.

Effective June 8, 2016, the common shares of the Company were consolidated at the ratio of one new common share for every 50 old common shares. The Company issued 12,306 shares to round up fractional entitlements resulting from the consolidation. The number of common shares and basic loss per share calculations disclosed in the consolidated financial statements have been adjusted to reflect the retroactive application of this share consolidation.

On September 19, 2014, the Company entered into an escrow agreement with a creditor. The Company agreed to pay the creditor \$2,500 upon the signing of the agreement and to issue 75,000 shares (1,500 post consolidation shares) to be held in escrow. The Company is obligated to pay the creditor a further \$6,687 forty five days after the Company's stock becomes DWAC-eligible. Upon payment of the final amount owing the shares will be returned to the Company.

On June 12, 2017, the Company settled convertible promissory notes totalling \$32,700 by the issuance of 2,000,000 common shares with a fair value equal to the value of the underlying debt settled.

On September 21, 2018, the Company settled a convertible promissory note owed to a company controlled by a former Officer and Director of the Company in the amount of \$61,694 (US\$50,000) by the issuance of 1,000,000 common shares with a fair value equal to the value of the underlying debt settled.

During the year ended December 31, 2016, the Company issued 250,000 shares at a fair value of \$0.06 per share to a related party for consulting services rendered. Share-based compensation of \$15,000 was recorded.

During the year ended December 31, 2017, the Company entered into a consulting agreement for the provision of business strategy and compliance services. The Company issued 250,000 common shares valued at \$21,896.

During the year ended December 31, 2018, the Company entered into a consulting agreement for the provision of business strategy and compliance services. The Company issued 600,000 common shares valued at \$7,373.

On October 10, 2017, the Company passed a resolution authorizing the creation of a new 100,000 Class "B" common shares with the following characteristics: non-participating, no par value, and with the voting right of 1,000 votes per share. On the same day, the Company issued 100,000 Class "B" common shares at \$0.001 per share for total proceeds of \$100 to a shareholder who is also a Director and Office of the Company.

On January 2, 2019, the Company passed a resolution to increase the authorized number of Class "B" common shares from 100,000 to 1,100,000. On the same day, the Company issued 1,000,000 Class "B" common shares at \$0.0001 per share for total proceeds of \$100 to a shareholder who is also a Director and Officer of the Company.

During the year ended December 31, 2019, the Company issued 356,153,022 shares of Common Stock with a fair value of \$1,379,907, pursuant to the conversion of certain Convertible Promissory Notes.

Share Purchase Warrants

Not applicable

Share Options

On February 14, 2019, the Company granted 5,750,000 options to directors of the Company and 4,250,000 options to consultants. All grants of options were made under the Company's Stock Option Plan.

B. Memorandum and Articles of Association

The Company is registered under the Company Act of the Province of British Columbia, Canada (BC 0619991).

With respect to directors, under the by-laws, a director who is a party to a material contract or proposed material contract with us, or is a director or officer of or has a material interest in any person who is a party to a material contract or proposed material contract with us, must disclose to us in writing the nature and extent of such interest. An interested director can vote on only a limited number of such matters (securing a loan from the director to the Company, his remuneration, indemnity or insurance, or a contract with an affiliate) provided the interest is disclosed. Otherwise, even with disclosure of the interest, such a director cannot vote on a material contract or proposed material contract. A contract approved by the board of directors is not voidable because one or more directors has a conflict of interest, if the conflict is disclosed and the interested director(s) do not vote on the matter. Subject to the conflict of interest provisions summarized above, there is no restriction in the by-laws on the power of the board of directors to have the Company borrow money, issue debt obligations, or secure debt or other obligations of the Company. The by-laws contain no provision for the retirement or non-retirement of directors under an age limit requirement. A director is not required to hold any shares of the Company in order to be a director.

The Articles of the Company provide for the issuance of unlimited number of shares of common stock, without par value. All holders of common stock have equal voting rights, equal rights to dividends when and if declared, and equal rights to share in assets upon liquidation of the corporation. The common shares are not subject to any redemption or sinking fund provisions. Directors serve from year to year, there being no provision for a staggered board; cumulative voting for directors is not allowed. Between annual general meetings, the existing board can appoint one or more additional directors to serve until the next annual general meeting, but the number of additional directors shall not at any time exceed one-third of the number of directors who held office at the expiration of the last annual meeting. All issued and outstanding shares are fully paid and non-assessable securities.

In order to change the rights of the holders of common stock, the passing of a special resolution by such shareholders is required, being the affirmative vote of not less than 2/3 of the votes cast in person or by proxy at a duly called meeting of shareholders.

An annual meeting of shareholders must be called by the board of directors not later than 15 months after the last annual meeting. The board at any time may call a special meeting of shareholders. Notice of any meeting must be sent not less than 21 and not more than 50 days before the meeting, to every shareholder entitled to vote at the meeting. All shareholders entitled to vote are entitled to be present at a shareholders meeting. A quorum is the presence in person or by proxy of the holders of at least 5% of the issued and outstanding shares of common stock.

Except under the Investment Canada Act, there are no limitations specific to the rights of non-Canadians to hold or vote our shares under the laws of Canada or our charter documents. The Investment Canada Act ("ICA") requires a non-Canadian making an investment which would result in the acquisition of control of a Canadian business, the gross value of the assets of which exceed certain threshold levels or the business activity of which is related to Canada's cultural heritage or national identity, to either notify, or file an application for review with, Investment Canada, the federal agency created by the ICA. The notification procedure involves a brief statement of information about the investment on a prescribed form which is required to be filed with Investment Canada by the investor at any time up to 30 days after implementation of the investment. It is intended that investments requiring only notification will proceed without intervention by government unless the investment is in a specific type of business related to the scope of the ICA. If an investment is reviewable under the ICA, an application for review in the prescribed form normally is required to be filed with Investment Canada before the investment is made and it cannot be implemented until completion of review and Investment Canada has determined that the investment is likely to be of net benefit to Canada. If the agency is not so satisfied, the investment cannot be implemented if not made, or if made, it must be unwound.

C. Material Contracts

Except as otherwise disclosed in this Form 20-F, we have no material contracts.

D. Exchange Controls

There are no laws, decrees or regulations in Canada relating to restrictions on the export or import of capital, or affecting the remittance of interest, dividends or other payments to non-resident holders of our shares of common stock.

E. Taxation

Canada

Canadian Federal Income Tax Information for United States Residents

The following is a discussion of material Canadian federal income tax considerations generally applicable to holders of our common shares who acquire such shares in this offering and who, for purposes of the Income Tax Act (Canada) and the regulations thereunder, or the Canadian Tax Act:

- deal at arm's length and are not affiliated with us;
- hold such shares as capital property;
- do not use or hold (and will not use or hold) and are not deemed to use or hold our common shares, in or in the course of carrying on business in Canada;
- have not been at any time residents of Canada; and
- are, at all relevant times, residents of the United States, or U.S. Residents, under the Canada-United States Income Tax Convention (1980), (the Convention).

TAX MATTERS ARE VERY COMPLICATED AND THE CANADIAN FEDERAL INCOME TAX CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF OUR COMMON SHARES WILL DEPEND UPON THE STOCKHOLDER'S PARTICULAR SITUATION. THE SUMMARY OF MATERIAL CANADIAN FEDERAL INCOME TAX CONSEQUENCES SET FORTH BELOW IS INTENDED TO PROVIDE ONLY A GENERAL SUMMARY AND IS NOT INTENDED TO BE A COMPLETE ANALYSIS OR DESCRIPTION OF ALL POTENTIAL CANADIAN FEDERAL INCOME TAX CONSEQUENCES.

THIS DISCUSSION DOES NOT INCLUDE A DESCRIPTION OF THE TAX LAWS OF ANY PROVINCE OR TERRITORY WITHIN CANADA. ACCORDINGLY, HOLDERS AND PROSPECTIVE HOLDERS OF OUR COMMON SHARES ARE ENCOURAGED TO CONSULT WITH THEIR OWN TAX ADVISERS ABOUT THE TAX CONSEQUENCES TO THEM HAVING REGARD TO THEIR OWN PARTICULAR CIRCUMSTANCES, INCLUDING ANY CONSEQUENCES OF PURCHASING, OWNING OR DISPOSING OF OUR COMMON SHARES ARISING UNDER CANADIAN FEDERAL, CANADIAN PROVINCIAL OR TERRITORIAL, U.S. FEDERAL, U.S. STATE OR LOCAL TAX LAWS OR TAX LAWS OF JURISDICTIONS OUTSIDE THE UNITED STATES OR CANADA.

This summary is based on the current provisions of the Canadian Income Tax Act, proposed amendments to the Canadian Income Tax Act publicly announced by the Minister of Finance (Canada) prior to the date hereof (the "Proposed Amendments"), and the provisions of the Convention as in effect on the date hereof. No assurance can be given that the Proposed Amendments will be entered into law in the manner proposed, or at all. No advance income tax ruling has been requested or obtained from the Canada Revenue Agency to confirm the tax consequences of any of the transactions described herein.

This summary is not exhaustive of all possible Canadian federal income tax consequences for U.S. Residents, and other than the Proposed Amendments, does not take into account or anticipate any changes in law, whether by legislative, administrative, governmental or judicial

decision or action, nor does it take into account Canadian provincial, U.S. or foreign tax considerations which may differ significantly from those discussed herein. No assurances can be given that subsequent changes in law or administrative policy will not affect or modify the opinions expressed herein.

A U.S. Resident will not be subject to tax under the Canadian Tax Act in respect of any capital gain on a disposition of our common shares unless such shares constitute “taxable Canadian property”, as defined in the Canadian Tax Act, of the U.S. Resident and the U.S. Resident is not eligible for relief pursuant to the Convention. Our common shares will not constitute “taxable Canadian property” if, at any time during the 60-month period immediately preceding the disposition of the common shares, the U.S. Resident, persons with whom the U.S. Resident did not deal at arm’s length, or the U.S. Resident together with all such persons, did not own 25% or more of the issued shares of any class or series of shares of our capital stock. In addition, the Convention generally will exempt a U.S. Resident who would otherwise be liable to pay Canadian income tax in respect of any capital gain realized by the U.S. Resident on the disposition of our common shares, from such liability provided that the value of our common shares is not derived principally from real property situated in Canada. The Convention may not be available to a U.S. Resident that is a U.S. LLC which is not subject to tax in the U.S.

Amounts in respect of our common shares paid or credited or deemed to be paid or credited as, on account or in lieu of payment of, or in satisfaction of, dividends to a U.S. Resident will generally be subject to Canadian non-resident withholding tax at the rate of 25%. Currently, under the Convention the rate of Canadian non-resident withholding tax will generally be reduced to:

- 5% of the gross amount of dividends if the beneficial owner is a company that is resident in the U.S. and that owns at least 10% of our voting shares; or
- 15% of the gross amount of dividends if the beneficial owner is some other resident of the U.S.

United States Federal Income Tax Information for United States Holders.

The following is a general discussion of material U.S. federal income tax consequences of the ownership and disposition of our common shares by U.S. Holders (as defined below). This discussion is based on the United States Internal Revenue Code of 1986, as amended, Treasury regulations promulgated thereunder, and judicial and administrative interpretations thereof, all as in effect at the date hereof and all of which are subject to change, possibly with retroactive effect. This discussion only addresses the tax consequences for U.S. Holders that will hold their common shares as a “capital asset” and does not address U.S. federal income tax consequences that may be relevant to particular U.S. Holders in light of their individual circumstances or U.S. Holders that are subject to special treatment under certain U.S. federal income tax laws, such as:

- tax-exempt organizations and pension plans;
- persons subject to alternative minimum tax;
- banks and other financial institutions;
- insurance companies;

- partnerships and other pass-through entities (as determined for United States federal income tax purposes);
- broker-dealers;
- persons who hold their common shares as a hedge or as part of a straddle, constructive sale, conversion transaction, and other risk management transaction; and
- persons who acquired their common shares through the exercise of employee stock options or otherwise as compensation.

As used herein, the term “U.S. Holder” means a beneficial owner of our common shares that is:

- an individual citizen or resident of the United States;
- a corporation, a partnership or entity treated as a corporation or partnership for U.S. federal income tax purposes, that is created or organized in or under the laws of the United States or any political subdivision thereof;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; and
- a trust if both a United States Court is able to exercise primary supervision over the administration of the trust; and one or more United States persons have the authority to control all substantial decisions of the trust.

TAX MATTERS ARE VERY COMPLICATED AND THE UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF OUR COMMON SHARES WILL DEPEND UPON THE STOCKHOLDER’S PARTICULAR SITUATION. THE SUMMARY OF MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES SET FORTH BELOW IS INTENDED TO PROVIDE ONLY A GENERAL SUMMARY AND IS NOT INTENDED TO BE A COMPLETE ANALYSIS OR DESCRIPTION OF ALL POTENTIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES.

NOTE THAT THIS DISCUSSION DOES NOT INCLUDE A DESCRIPTION OF THE TAX LAWS OF ANY STATE OR LOCAL GOVERNMENT WITHIN THE UNITED STATES. ACCORDINGLY, HOLDERS AND PROSPECTIVE HOLDERS OF OUR COMMON SHARES ARE ENCOURAGED TO CONSULT THEIR TAX ADVISORS ABOUT THE U.S. FEDERAL, STATE, LOCAL, AND FOREIGN TAX CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF OUR COMMON SHARES.

Ownership of Shares.

The gross amount of any distribution received by a U.S. Holder with respect to our common shares generally will be included in the U.S. Holder’s gross income as a dividend to the extent attributable to our current and accumulated earnings and profits (as determined under U.S. federal income tax principles). To the extent a distribution received by a U.S. Holder is not a dividend because it exceeds the U.S. Holder’s pro rata share of our current and accumulated earnings and profits, it will be treated first as a tax-free return of capital and reduce (but not below zero) the adjusted tax basis of the U.S. Holder’s shares. To the extent the distribution exceeds the adjusted tax basis of the U.S. Holder’s shares, the remainder will be taxed as capital gain (the taxation of capital gain is discussed under the heading “Sale of Shares” below).

For taxable years beginning before January 1, 2009, dividends received by non-corporate U.S. Holders from a qualified foreign corporation are taxed at the same preferential rates that apply to long-term capital gains. A foreign corporation is a “qualified foreign corporation” if it is eligible for the benefits of a comprehensive income tax treaty with the United States (the income tax treaty between Canada and the United States is such a treaty) or the shares with respect to which such dividend is paid is readily tradable on an established securities market in the United States (such as the Nasdaq Capital Market). Notwithstanding satisfaction of one or both of these conditions, a foreign corporation is not a qualified foreign corporation if it is a passive foreign investment company (“PFIC”) for the taxable year of the corporation in which the dividend is paid or the preceding taxable year. (Whether a foreign corporation is a PFIC is discussed below under the heading “Passive Foreign Investment Companies”). A foreign corporation that is a PFIC for any taxable year within a U.S. person’s holding period generally is treated as a PFIC for all subsequent years in the U.S. person’s holding period. Although we have not been, are not now, and do not expect to be a PFIC, and we don’t expect to pay dividends, you should be aware of the following matters in the event that we do become a PFIC and do pay dividends.

If we were to become a PFIC, then U.S. Holders who acquire our common shares may be treated as holding shares of a PFIC throughout their holding period for the purpose of determining whether dividends received from us are dividends from a qualified foreign corporation. As a consequence, dividends received by U.S. Holders may not be eligible for taxation at the preferential rates applicable to long-term capital gains.

If a distribution is paid in Canadian dollars, the U.S. dollar value of such distribution on the date of receipt is used to determine the amount of the distribution received by a U.S. Holder. A U.S. Holder who continues to hold such Canadian dollars after the date on which they are received, may recognize gain or loss upon their disposition due to exchange rate fluctuations. Generally, such gains and losses will be ordinary income or loss from U.S. sources.

U.S. Holders may deduct Canadian tax withheld from distributions they receive for the purpose of computing their U.S. federal taxable income (or alternatively a credit may be claimed against the U.S. Holder’s U.S. federal income tax liability as discussed below under the heading “Foreign Tax Credit”). Corporate U.S. Holders generally will not be allowed a dividend received deduction with respect to dividends they receive from us.

Foreign Tax Credit

Generally, the dividend portion of a distribution received by a U.S. Holder will be treated as income in the passive income category for foreign tax credit purposes. Subject to a number of limitations, a U.S. Holder may elect to claim a credit against its U.S. federal income tax liability (in lieu of a deduction) for Canadian withholding tax deducted from its distributions. The credit may be claimed only against U.S. federal income tax attributable to a U.S. Holder’s passive income that is from foreign sources.

If we were to become a qualified foreign corporation with respect to a non-corporate U.S. Holder, dividends received by such U.S. Holder will qualify for taxation at the same preferential rates that apply to long-term capital gains. In such case, the dividend amount that would otherwise be from foreign sources is reduce by multiplying the dividend amount by a fraction, the numerator of which is the U.S. Holder’s preferential capital gains tax rate and the denominator of which is the U.S. Holder’s ordinary income tax rate. The effect is to reduce the

dividend amount from foreign sources, thereby reducing the U.S. federal income tax attributable to foreign source income against which the credit may be claimed. Canadian withholding taxes that cannot be claimed as a credit in the year paid may be carried back to the preceding year and then forward 10 years and claimed as a credit in those years, subject to the same limitations referred to above.

The rules relating to the determination of the foreign tax credit are very complex. U.S. Holders and prospective U.S. Holders should consult their own tax advisors to determine whether and to what extent they would be entitled to claim a foreign tax credit.

Sale of Shares

Subject to the discussion of the “passive foreign investment company” rules below, a U.S. Holder generally will recognize capital gain or loss upon the sale of our shares equal to the difference between: (a) the amount of cash plus the fair market value of any property received; and (b) the U.S. Holder’s adjusted tax basis in such shares. This gain or loss generally will be capital gain or loss from U.S. sources, and will be long-term capital gain or loss if the U.S. Holder held its shares for more than 12 months. Generally, the net long-term capital gain of a non-corporate U.S. Holder from the sale of shares is subject to taxation at a top marginal rate of 15%. A Capital gain that is not long-term capital gain is taxed at ordinary income rates. The deductibility of capital losses is subject to certain limitations.

Passive Foreign Investment Companies

We will be a PFIC if, in any taxable year either: (a) 75% or more of our gross income consists of passive income; or (b) 50% or more of the value of our assets is attributable to assets that produce, or are held for the production of, passive income. Subject to certain limited exceptions, if we meet the gross income test or the asset test for a particular taxable year, our shares held by a U.S. Holder in that year will be treated as shares of a PFIC for that year and all subsequent years in the U.S. Holder’s holding period, even if we fail to meet either test in a subsequent year.

If we were a PFIC in the future, gain realized by a U.S. Holder from the sale of PFIC Shares and certain dividends received on such shares would be subject to tax under the excess distribution regime, unless the U.S. Holder made one of the elections discussed below. Under the excess distribution regime, federal income tax on a U.S. Holder’s gain from the sale of PFIC Shares would be calculated by allocating the gain rateably to each day the U.S. Holder held its shares. Gain allocated to years preceding the first year in which we were a PFIC in the U.S. Holder’s holding period, if any, and gain allocated to the year of disposition would be treated as gain arising in the year of disposition and taxed as ordinary income. Gain allocated to all other years would be taxed at the highest tax rate in effect for each of those years. Interest for the late payment of tax would be calculated and added to the tax due for each of the PFIC Years, as if the tax was due and payable with the tax return filed for that year. A distribution that exceeds 125% of the average distributions received on PFIC Shares by a U.S. Holder during the 3 preceding taxable years (or, if shorter, the portion of the U.S. Holder’s holding period before the taxable year) would be taxed in a similar manner.

A U.S. Holder may avoid taxation under the excess distribution regime by making a qualified electing fund (“QEF”) election. For each year that we would meet the PFIC gross income test or asset test, an electing U.S. Holder would be required to include in gross income, its pro rata share of our net ordinary income and net capital gains, if any. The U.S. Holder’s adjusted tax

basis in our shares would be increased by the amount of such income inclusions. An actual distribution to the U.S. Holder out of such income generally would not be treated as a dividend and would decrease the U.S. Holder's adjusted tax basis in our shares. Gain realized from the sale of our shares covered by a QEF election would be taxed as a capital gain. U.S. Holders will be eligible to make QEF elections, only if we agree to provide to the U.S. Holders, which we do, the information they will need to comply with the QEF rules. Generally, a QEF election should be made by the due date of the U.S. Holder's tax return for the first taxable year in which the U.S. Holder held our shares that includes the close of our taxable year for which we met the PFIC gross income test or asset test. A QEF election is made on IRS Form 8621.

A U.S. Holder may also avoid taxation under the excess distribution regime by timely making a mark-to-market election. An electing U.S. Holder would include in gross income the increase in the value of its PFIC Shares during each of its taxable years and deduct from gross income the decrease in the value of its PFIC Shares during each of its taxable years. Amounts included in gross income or deducted from gross income by an electing U.S. Holder are treated as ordinary income and ordinary deductions from U.S. sources. Deductions for any year are limited to the amount by which the income inclusions of prior years' exceed the income deductions of prior years. Gain from the sale of PFIC Shares covered by an election is treated as ordinary income from U.S. sources while a loss is treated as an ordinary deduction from U.S. sources only to the extent of prior income inclusions. Losses in excess of such prior income inclusions are treated as capital losses from U.S. sources. A mark-to-market election is timely if it is made by the due date of the U.S. Holder's tax return for the first taxable year in which the U.S. Holder held our shares that includes the close of our taxable year for which we met the PFIC gross income test or asset test. A mark-to-market election is also made on IRS Form 8621.

As noted above, a PFIC is not a qualified foreign corporation and hence dividends received from a PFIC are not eligible for taxation at preferential long-term capital gain tax rates. Similarly, ordinary income included in the gross income of a U.S. Holder who has made a QEF election or a market-to-market election, and dividends received from corporations subject to such election, are not eligible for taxation at preferential long-term capital gain rates. The PFIC rules are extremely complex and could, if they apply, have significant, adverse effects on the taxation of dividends received and gains realized by a U.S. Holder. Accordingly, prospective U.S. Holders are strongly urged to consult their tax adviser concerning the potential application of these rules to their particular circumstances.

Controlled Foreign Corporation

Special rules apply to certain U.S. Holders that own stock in a foreign corporation that is classified as a "controlled foreign corporation" ("CFC"). We do not expect to be classified as a CFC. However, future ownership changes could cause us to become a CFC. Prospective U.S. Holders are urged to consult their tax advisor concerning the potential application of the CFC rules to their particular circumstances.

Information Reporting and Backup Withholding

United States information reporting and backup withholding requirements may apply with respect to distributions to U.S. Holders, or the payment of proceeds from the sale of shares, unless the U.S. Holder: (a) is an exempt recipient (including a corporation); (b) complies with certain requirements, including applicable certification requirements; or (c) is described in certain other categories of persons. The backup withholding tax rate is currently 28%. Any

amounts withheld from a payment to a U.S. Holder under the backup withholding rules may be credited against any U.S. federal income tax liability of the U.S. Holder and may entitle the U.S. Holder to a refund.

F. Dividends and Paying Agents

Not applicable.

G. Statements by Experts

Not applicable.

H. Documents on Display

Not applicable.

I. Subsidiary Information

See the notes to the financial statements.

Item 11. Quantitative and Qualitative Disclosures about Market Risk

Not applicable.

Item 12. Description of Securities Other Than Equity Securities

Not applicable

PART II

Item 13. Defaults, Dividend Arrearages and Delinquencies

Not applicable.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds

Not applicable.

Item 15T. Controls and Procedures

Item 15. Controls and Procedures

Disclosure Controls and Procedures

The Chief Executive and Interim Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) of the Exchange Act) as of the end of the period covered by this report. Based on that evaluation, the Chief Executive and Interim Chief Financial Officer has concluded that, as of December 31, 2019, these disclosure controls and procedures were not effective to ensure that all information required to be disclosed by us in the reports that we file or submit under the Exchange Act is: (i) recorded, processed, summarized and reported, within the time periods specified in the Commission's rule and forms; and (ii) accumulated and communicated to our management, including our Chief Executive and Interim Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure, primarily due to the Company's minimal financial staff which prevents us from segregating duties, which management believes is a material weakness in our internal controls and procedures. We intend to address such weakness and work with outside advisors to improve our controls and procedures as and when the circumstances of the Company permit this.

Management's Annual Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Internal control over financial reporting is a process designed by, or under the supervision of, our Chief Executive and Interim Chief Financial Officer, and effected by our Board, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of

unauthorized acquisition, use, or disposition of our assets that could have a material effect on our financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Forward looking statements regarding the effectiveness of internal controls during future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

Management completed an assessment of the effectiveness of the Company's internal control over financial reporting ("ICFR") as of December 31, 2019, using the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") framework as contemplated by Rule 13a-15(c). Based on this assessment, the Company concluded that it did not have effective internal controls over financial reporting as of December 31, 2019.

The Company's assessment of the effectiveness of the ICFR as at December 31, 2019 identified certain material weaknesses as of that date:

1. Weakness: It is not possible to adequately segregate incompatible duties among the officers of the Company, because the Company has only one officer and one accounting consultant. Remediation: Appoint a new Chief Financial Officer, in addition to the current officer, to formally segregate the duties of maintaining accounting records and preparing financial statements, from the executive duties of the current officer. Brad Moynes, who has served as Interim Chief Financial Officer from July 2009, will cease to serve in that position upon appointment of a new individual as Chief Financial Officer.
2. Weakness: The Company is small, with only one officer, thereby creating a risk of override of existing controls by management. Remediation: Require the new Chief Financial Officer's approval of all expenditures and other dispositions of assets.
3. Weakness: The Company maintains limited audit evidence in documentary form which is used to test the operating effectiveness of control activities. Remediation: Improve the documentation of expenditures and receipts, under the joint supervision of the new Chief Financial Officer and the Chief Executive Officer, to ensure received goods and third-party services conform to contract terms.

The Company intends to appoint additional levels of executive management and personnel to remediate the weaknesses, in the specific manners described in paragraphs 1 through 3 above, as and when the Company has sufficient financial resources to effect the remediations.

This Annual Report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission that permit the Company to provide only management's report in this Annual Report.

Changes in Internal Control over Financial Reporting

As disclosed above, the Company completed its assessment of its ICFR in place for the year ended December 31, 2019, using the COSO framework. There were no changes in ICFR during

the 2019 fiscal year that have materially affected, or are reasonably likely to materially affect, the Company's ICFR.

Item 16A. Audit Committee Financial Experts

Not applicable.

Item 16B. Code of Ethics

Not applicable.

Item 16C. Principal Accountant Fees and Services

Not applicable.

Item 16D. Exemptions from the Listing Standards for Audit Committees

Not applicable.

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

None.

Item 16F. Change in Registrant's Certifying Accountant

Not applicable.

Item 16G. Corporate Governance

Not applicable.

PART III

Item 17. Financial Statements

Not applicable.

Item 18. Financial Statements

See the consolidated financial statements of the Company, the notes thereto, and the auditors' reports thereon, which are filed as Exhibit 99.1 with this FORM 20-F. All of the financial information is presented in accordance with International Financial Reporting Standards.

Item 19. Exhibits

Exhibit No.	Description of Exhibit
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3.(i)	Articles of Incorporation (Notice of Articles and Transition Application)
3.(ii)	By-laws (Schedule "A")
4.(1)	Management Agreement of January 1, 2008 (Bradley James Moynes)
4.(2)	Management Agreement of January 1, 2008 (James Robert Moynes)
4.(3)	Certifications (Brad J. Moynes)*
4.(4)	Certification Pursuant 18 USC Section (Brad J. Moynes)*
4.(6)	Form of Warrant dated May 23, 2007
23.(1)	Consent of Independent Auditors*
99.(1)	Consolidated Financial Statements for the years ended December 31, 2018 and 2017.*

* Filed herewith

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on FORM 20-F and that it has duly caused and authorized the undersigned to sign this Annual Report.

Digatrade Financial Corp.

Date: June 10, 2020

/s/ Brad J. Moynes
Brad J. Moynes
Chairman, President and Chief Executive
Officer