

CATHEDRA BITCOIN INC.

**NOTICE OF ANNUAL GENERAL MEETING OF
SHAREHOLDERS & MANAGEMENT INFORMATION
CIRCULAR**

August 31, 2023, at 1:00 PM (Toronto time)

Dated July 14, 2023

Cathedra Bitcoin Inc.
320 – 638 Broughton Street
Vancouver, BC V6G 3K3

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares (“**Common Shares**”) of Cathedra Bitcoin Inc. (the “**Corporation**”) will be held at 320-638 Broughton Street, Vancouver, British Columbia, V6G 3K3 and via live webcast, on August 31, 2023, at 1:00 PM (Toronto time) for the following purposes, all as more particularly described in the enclosed management information circular (the “**Circular**”):

- (a) to receive the Corporation’s financial statements for the year ended December 31, 2022, and the report of the auditors thereon;
- (b) to elect the directors of the Corporation for the ensuing year;
- (c) to appoint the auditors and to authorize the directors to fix their remuneration;
- (d) to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution approving the Corporation’s rolling equity-based incentive plan for the ensuing year; and
- (e) to transact such further and other business as may be properly brought before the Meeting or any adjournment or postponement thereof.

The board of directors (the “**Board**”) has fixed July 14th, 2023, as the record date (the “**Record Date**”) for determining the Shareholders who are entitled to receive notice of and vote at the Meeting. Only Shareholders whose names have been entered in the registers of the Corporation as at the close of business on the Record Date will be entitled to receive notice of and vote at the Meeting.

Voting

All Shareholders may attend the Meeting in person or be represented by proxy. Shareholders who do not plan on attending the Meeting in person are requested to complete, date and sign the enclosed form of proxy and return it in the envelope provided. To be effective, the enclosed form of proxy or voting instruction form must be deposited with Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, (by mail or hand delivery); voted by telephone at 1-866-732-VOTE (8683); or voted online at www.investorvote.com. In order to be valid and acted upon at the Meeting, the duly-completed form of proxy must be received prior to 10:00 a.m. (Vancouver time) on August 29th, 2022 (the “**Proxy Deadline**”), or be deposited with the Secretary of the Corporation before the commencement of the Meeting or of any adjournment thereof. Notwithstanding the foregoing, the Chair of the Meeting has the discretion to accept proxies received after such deadline.

A “beneficial” or “non-registered” Shareholder will not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his/her/its broker; however, a beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. Only Shareholders as of the Record Date are entitled to receive notice of and vote at the Meeting.

If you are a non-registered holder of Common Shares and have received these materials through your broker, custodian, nominee or other intermediary, please complete and return the form of proxy or voting instruction form provided to you by your broker, custodian, nominee or other intermediary in accordance with the instructions provided therein.

The Corporation has chosen to hold a live webcast of the Meeting. Shareholders wishing to attend the Meeting via webcast are encouraged to do so by logging into the link below at the indicated time.

Topic: Cathedra Bitcoin Inc. Annual General Meeting

Time: Aug 31, 2023 01:00 PM Eastern Time (US and Canada)

Webcast Link: <https://us06web.zoom.us/j/86869623668?pwd=SINObWRnNF13ZzV5blRSU3lRRFZXUT09>

Meeting ID: 868 6962 3668
Passcode: 675190

Shareholders are reminded to review the Circular before voting.

DATED this 14th of July, 2023.

BY ORDER OF THE BOARD OF DIRECTORS

(Signed) "Thomas Armstrong"

Thomas Armstrong
Chairman of the Board of Directors

CATHEDRA BITCOIN INC.
MANAGEMENT INFORMATION CIRCULAR
SOLICITATION OF PROXIES BY MANAGEMENT

This management information circular (this “**Circular**”) is furnished in connection with the solicitation by the management of Cathedra Bitcoin Inc. (the “**Corporation**”) of proxies to be used at the annual general meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares of the Corporation (“**Common Shares**”) to be held at the time and place and for the purposes set out in the Notice of Meeting. It is expected that the solicitation will be made primarily by mail. However, officers and employees of the Corporation may also solicit proxies by telephone, e-mail or in person. These persons will receive no compensation for such solicitation, other than their ordinary salaries or fees. The total cost of solicitation of proxies will be borne by the Corporation. Pursuant to National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), arrangements have been made with clearing agencies, brokerage houses and other financial intermediaries to forward proxy-related materials to the beneficial owners of the Common Shares. See “*Appointment and Revocation of Proxies – Notice to Beneficial Holders of Shares*” below. The Corporation will provide, without cost to such person, upon request to the Secretary of the Corporation, additional copies of the foregoing documents for this purpose.

NOTICE AND ACCESS

The Corporation has elected to use the notice-and-access process (“**Notice-and-Access**”) that came into effect on February 11, 2013, under NI 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) and National Instrument 51-102 – *Continuous Disclosure Obligations*, for distribution of this Circular and other meeting materials to registered Shareholders of the Corporation and Non-Registered Holders (as defined herein).

Notice-and-Access allows issuers to post electronic versions of meeting materials, including circulars, annual financial statements and management discussion and analysis, online, via SEDAR and one other website, rather than mailing paper copies of such meeting materials to Shareholders. The Corporation anticipates that utilizing the Notice-and-Access process will substantially reduce both postage and printing costs.

Meeting materials including the Circular and the Corporation’s audited financial statements for the years ended December 31, 2022, and December 31, 2021, and the Corporation’s management discussion and analysis for the year ended December 31, 2022, are available on the Corporation’s website at <http://www.cathedra.com/investors/annual-meeting>, and on the Corporation’s SEDAR profile at www.sedar.com.

Although the Circular and related materials (collectively, the “**Meeting Materials**”) will be posted electronically online, as noted above, the registered Shareholders and Non-Registered Holders (subject to the provisions set out below under the heading “**Voting by Beneficial Holders of Shares of the Corporation**”) will receive a “notice package” (the “**Notice-and-Access Notification**”), by prepaid mail, which includes the information prescribed by NI 54-101, and a proxy form or voting instruction form from their respective intermediaries. Shareholders should follow the instructions for completion and delivery contained in the proxy or voting instruction form. Shareholders are reminded to review the Circular before voting. Management of the Corporation does not intend to pay for intermediaries to forward the Notice-and-Access Notification to OBOs (as defined herein) under NI 54-101.

Management of the Corporation intends to pay for intermediaries to forward the Notice-and-Access Notification to OBOs (as defined herein) under NI 54-101.

GENERAL INFORMATION RESPECTING THE MEETING

No person has been authorized to give any information or make any representations in connection with the matters being considered herein other than those contained in this Circular and, if given or made, any such information or representations should be considered not to have been authorized by the Corporation. This Circular does not constitute the solicitation of a proxy by any person in any jurisdiction in which such solicitation is not authorized or in which the person making such solicitation is not qualified to do so or to any person to whom it is unlawful to make such solicitation.

In order to allow all shareholders regardless of geographic location equal opportunity to engage in the Meeting, the Corporation has chosen to hold a live webcast. Shareholders may view the webcast by logging into the webcast below:

Topic: Cathedra Bitcoin Inc. Annual General Meeting

Time: Aug 31, 2023 01:00 PM Eastern Time (US and Canada)

Webcast Link: <https://us06web.zoom.us/j/86869623668?pwd=SINObWRnNF13ZzV5b1RSU3IRRFZXUT09>

Meeting ID: 868 6962 3668

Passcode: 675190

All callers will be prompted to enter the Passcode number listed above upon entering the webcast. We strongly encourage shareholders to not attend the Meeting in person due to risks related to COVID-19. We will also take additional precautionary measures in relation to the physical Meeting, limiting access to essential personnel, registered shareholders and proxyholders entitled to attend and vote at the Meeting. Shareholders cannot vote their common shares at the Meeting if they are attending via the webcast, and must either vote prior to the Meeting or attend the Meeting in person in order to have their vote cast.

References in this Circular to the Meeting include any adjournment(s) or postponement(s) thereof.

The Corporation's financial statements are reported in United States dollars, the functional currency. In this Circular, unless otherwise indicated, all dollar amounts (" \$" or "C\$") are expressed in Canadian dollars and references to "US\$" or "US" are to United States dollars.

Except where otherwise indicated, the information contained herein is stated as of July 14th, 2023.

Electronic copies of this Circular, financial statements of the Corporation for the year ended December 31, 2022, and (the "**Financial Statements**") and management discussion and analysis for 2022 (the "**MD&A**") may be found on the Corporation's SEDAR profile at www.sedar.com.

Shareholders are reminded to review this Circular before voting.

Copies of any documents referred to and incorporated herein by reference may be obtained by a Shareholder upon request without charge from the Corporate Secretary of the Corporation at Tel: +1 (604) 259-0607, or at the address of the Corporation at Suite 320-638 Broughton Street, Vancouver, British Columbia, V6G 3K3. The documents are also available through the internet under the Corporation's SEDAR profile, which can be accessed at www.sedar.com.

APPOINTMENT AND REVOCATION OF PROXIES

Appointment of Proxy

A Shareholder who does not plan on attending the Meeting in person is requested to complete and sign the enclosed form of proxy and to deliver it to Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 (the mailing address for Computershare), by mail or hand delivery; vote by telephone at 1-866-732-VOTE (8683); or vote online at www.investorvote.com. In order to be valid and acted upon at the Meeting, the form of proxy must be received no later than 10:00 a.m. (Toronto time) on August 29th, 2023, or be deposited with the Secretary of the Corporation before the commencement of the Meeting or any adjournment thereof. The deadline for the deposit of proxies may be waived or extended by the Chair of the Meeting at his discretion, without notice.

If you are a non-registered holder of Common Shares and have received these materials through your broker, custodian, nominee or other intermediary, please complete and return the form of proxy or voting instruction form provided to you by your broker, custodian, nominee or other intermediary in accordance with the instructions provided therein.

The document appointing a proxy must be in writing and executed by the Shareholder or his attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

A Shareholder submitting a form of proxy has the right to appoint a person (who need not be a Shareholder) to represent him or her at the Meeting other than the persons designated in the form of proxy furnished by the Corporation. To exercise that right, the name of the Shareholder’s appointee should be legibly printed in the blank space provided. In addition, the Shareholder should notify the appointee of the appointment, obtain his or her consent to act as appointee and instruct the appointee on how the Shareholder’s Common Shares are to be voted.

Shareholders who are not registered shareholders of the Corporation should refer to “*Notice to Beneficial Holders of Common Shares*” below.

Revocation of Proxy

A Shareholder who has submitted a form of proxy as directed hereunder may revoke it at any time prior to the exercise thereof. If a person who has given a proxy personally attends the Meeting at which that proxy is to be voted, that person may revoke the proxy and vote in person. In addition to the revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or his attorney or authorized agent and deposited with Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 (by hand or mail delivery) at any time up to and including the last business day preceding the day of the Meeting, or deposited with the Secretary of the Corporation before the commencement of the Meeting, or any adjournment thereof, and upon either of those deposits, the proxy will be revoked.

Notice to Beneficial Holders of Common Shares

Only registered Shareholders or proxyholders duly appointed by registered Shareholders are permitted to vote at the Meeting. Most Shareholders of the Corporation are “non-registered” shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of a brokerage firm, bank or other intermediary or in the name of a clearing agency. Shareholders who do not hold their Common Shares in their own name (referred to herein as “Beneficial Shareholders”) should note that only registered Shareholders are entitled to vote at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in such Shareholder’s name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder’s broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which company acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting Common Shares for the brokers’ clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

Regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of Shareholders’ meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided by the Corporation to the registered Shareholders. However, its purpose is limited to instructing the registered Shareholder (i.e. the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate the responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. (“**Broadridge**”). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of Common Shares must be communicated to Broadridge well in advance of the Meeting) in order to have the Common Shares voted.**

The notice-and-Access Notification is being sent to both registered Shareholders and indirectly to Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities

which they own (“**Objecting Beneficial Owners**”, or “**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities they own (“**Non-Objecting Beneficial Owners**”, or “**NOBOs**”).

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of their broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder should enter their own names in the blank space on the proxy or voting instruction card provided to them and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker.**

All references to Shareholders in this Circular, instrument of proxy and Notice of Meeting are to registered shareholders of the Corporation unless specifically stated otherwise.

Voting

Common Shares represented by any properly executed proxy in the accompanying form will be voted for or against, or withheld from voting, as the case may be, on any ballot that may be called for in accordance with the instructions given by the Shareholder. **In the absence of such direction, such Common Shares will be voted in favour of the matters set out herein.**

The accompanying form of proxy confers discretionary authority on the persons named in it with respect to amendments or variations to matters identified in the Notice of Meeting or other matters that may properly come before the Meeting. As of the date hereof, management of the Corporation is not aware of any such amendments, variations or other matters which may come before the Meeting. In the event that other matters come before the Meeting, then the management designees intend to vote in accordance with the judgment of management of the Corporation.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person who has been a director or an executive officer of the Corporation at any time since the beginning of its last completed financial year, no proposed nominee for election as a director of the Corporation nor any associate of any such director, director nominee or officer has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, except as disclosed in this Circular.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized share capital of the Corporation consists of an unlimited number of Common Shares without par value and as at the date hereof, there are 137,522,563 Common Shares issued and outstanding. Each Common Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting.

The Corporation has fixed the close of business on July 14, 2023 (the “**Record Date**”), as the record date. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

To the knowledge of the directors and executive officers of the Corporation there are no holders of Common Shares carrying more than 10% of the voting rights thereof as at the date of this Circular.

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein except for the election of the directors. The Board adopted a policy requiring that in an uncontested election of directors, any nominee who receives a greater number of votes “withheld” than votes “for” will tender a resignation to the Chair of the Board promptly following the Meeting. The Board will consider the offer of resignation and, except in special circumstances, the Board will accept the resignation. The Board will make its decision and announce it in a press release within 90 days following the Meeting, including the reasons for rejecting the resignation, if applicable. The nominee will not participate in any Board deliberations on the resignation offer. The policy does not apply in circumstances involving contested director elections.

ADVANCE NOTICE PROVISIONS

On October 15, 2019, the Board adopted and approved Advance Notice Provisions, which were subsequently approved by the Shareholders at the 2019 Shareholder Meeting. The Advance Notice Provisions include, among other things, a provision that requires advance notice be given to the Corporation in circumstances where nomination of persons for election to the Board are made by Shareholders. The Advance Notice Provisions set a deadline by which Shareholders must submit nominations (a “**Notice**”) for the election of directors to the Corporation prior to any annual or special meeting of Shareholders. The Advance Notice Provisions also set forth the information that a Shareholder must include in the Notice to the Corporation, and establish the form in which the Shareholder must submit the Notice for that notice to be in proper written form. In the case of an annual meeting of Shareholders, a Notice must be provided to the Corporation not less than 30 days and not more than 65 days prior to the date of the annual meeting. Shareholders can access the Corporation’s Articles by visiting the Corporation’s profile on SEDAR at www.sedar.com

As of the date of this Circular, the Corporation has not received notice of a nomination in compliance with the Advance Notice Provisions.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the board of directors of the Corporation (the “**Board**”), the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice of Meeting.

1. Receipt of Financial Statements

The financial statements of the Corporation for the fiscal year ended December 31, 2022, report of the auditors thereon, will be submitted to the Meeting. Receipt at the Meeting of the auditor’s report and the Corporation’s audited financial statements will not constitute approval or disapproval of any matters referred to therein.

2. Election of Directors

Pursuant to the Corporation’s Articles, the Board has determined that four directors are to be elected to the Board at the Meeting. At the Meeting, Shareholders will be asked to consider, and, if thought fit, approve with or without variation a resolution electing the four persons named below. Each of the four nominees are incumbent directors and will be proposed for re-election as directors of the Corporation.

It is intended that each of the directors will hold office until the next annual meeting of Shareholders or until his or her successor is elected or appointed, unless such office is earlier vacated in accordance with the provisions of the BCBCA.

Shareholders have the option to (i) vote for all of the directors of the Corporation listed in the table below; (ii) vote for some of the directors and withhold for others; or (iii) withhold for all of the directors. **Unless otherwise instructed, proxies and voting instructions given pursuant to this solicitation by the management of the Corporation will be voted FOR the election of each of the proposed nominees set forth in the table below.**

Management has no reason to believe that any of the nominees will be unable to serve as a director. However, if any proposed nominee is unable to serve as a director, the individuals named in the enclosed form of proxy will be voted in favour of the remaining nominees and may be voted in favour of a substitute nominee unless the Shareholder has specified in the proxy that the Common Shares represented thereby are to be withheld from voting in respect of the election of directors.

The following table states the name of each person nominated by management for election as directors, such person’s principal occupation or employment, period of service as a director of the Corporation, and the approximate number of voting securities of the Corporation that such person beneficially owns, or over which such person exercises direction or control:

Name, and Province and Country of Residence	Principal Occupation During the Last Five Years ⁽¹⁾	Director Since	Common Shares Owned or Controlled ⁽¹⁾
Thomas Armstrong ⁽²⁾ President, COO and Chairman <i>Virginia, USA</i>	Associate; Investment Banking, Principal Investments and Bitcoin Mining at Galaxy Digital (TSX: GLXY) (2019 to 2021); Investment Banking Analyst at Barclays (LON: BARC) (2017 to 2019).	September 24, 2021	1,950,308 (0.92%)
David Jaques ⁽³⁾⁽⁴⁾ Director <i>London, England, UK</i>	Director of Bluedot Innovation, Inc.(2014 to present); Chairman and Director of Wedo Ventures Limited (2020 to present); Director of Katapult Technology Corp. (TSXV: FUND) (2017 to 2019).	August 16, 2018	1,000,000 (0.73%)
Marcus Dent ⁽³⁾⁽⁵⁾ Director <i>Texas, USA</i>	Venture Partner at Ten31 (2021 to present); Director of Business Development at Great American Mining LLC (2019 to 2021)	September 2, 2021	Nil
Antonin Scalia ⁽⁶⁾ CEO and Director <i>Montana, USA</i>	Associate; Investment Banking, Principal Investments and Bitcoin Mining at Galaxy Digital (TSX: GLXY) (2018 to 2021); Investment Banking Analyst at J.P. Morgan (2017 to 2018) (NYSE: JPM).	September 24, 2021	2,268,119 (1.65%)

Notes:

- (1) Information about principal occupation, business or employment, not being within the knowledge of the Corporation, has been furnished by respective persons set forth above. The information with respect to the Common Shares beneficially owned, controlled or directed is not within the direct knowledge of the Corporation and has been obtained from SEDI or furnished by the respective individuals. This table does not include Common Shares underlying unexercised stock options and warrants.
- (2) Mr. Armstrong holds options to purchase 325,000 Common Shares and 1,989,134 restricted share units.
- (3) Member of the Audit Committee.
- (4) Mr. Jaques holds options to purchase 150,000 Common Shares.
- (5) Mr. Dent holds options to purchase 2,000,000 Common Shares.
- (6) 93,372 of Mr. Scalia's shares are held through a spousal individual retirement account. Mr. Scalia holds options to purchase 325,000 Common Shares and 1,989,134 restricted share units.

As a group, the proposed directors beneficially own, control or direct, directly or indirectly, 5,218,427 Common Shares, representing approximately 3.79% of the outstanding Common Shares as of the date hereof.

None of the proposed nominees for election as a director of the Corporation are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Corporation acting solely in such capacity.

Thomas Armstrong

Thomas Armstrong currently serves as the Chairman of the Board. Mr. Armstrong was one of the founding members of Galaxy Digital Holding Ltd.'s Mining business unit, which established the mining operation of the company and delivers financial services for North American Bitcoin miners. He had previously worked as an Associate in the investment banking and venture groups at Galaxy Digital, where he was involved in various capital-raising processes for companies operating in the cryptocurrency market. Prior to this experience, he was an Analyst in the Esoteric Securitized Products Origination Group, within Barclay's Investment Banking Division.

David Jaques

Mr. Jaques has held senior financial positions in banking, corporate and venture capital. In his early career, he held various positions with Barclays Bank in London and provided advisory services in currency and interest rate risk management to the bank's corporate clients. He held a similar role at Barclays Bank, New York from 1988 to 1993. He was Senior Vice President and Treasurer of Silicon Valley Bank between 1994 and 1999; founding CFO for PayPal Holdings, Inc. from 1999 to 2001 and CFO of BlueRun Ventures from 2001 to 2008. Since 2008 he has provided CFO consulting services through Greenough Consulting Group and has held board positions at Katapult Technology Corp. (TSXV: FUND), UBL Interactive, Inc., Mobivity Holdings, Inc., Bluedot Innovation, Inc., Digitz Solutions, Inc. and Wedo Ventures Limited.

Mr. Jaques holds a Higher National Diploma in Business Administration from Polytechnic of the South Bank, London, and is a UK Chartered Certified Accountant (inactive).

Marcus Dent

Mr. Dent is the founder of TFTC.io, a media company focused on Bitcoin and Freedom in the Digital Age. He is also a Venture Partner at Ten31, a bitcoin-focused venture capital firm. Previously, Mr. Dent served as Director of Business Development at Great American Mining from 2019 to 2021.

Antonin Scalia

Mr. Scalia joined the Company from Galaxy Digital, a diversified financial services firm dedicated to the digital assets sector. While at Galaxy, Mr. Scalia held various roles across the firm's investment banking and principal investments divisions. He was also a founding member of Galaxy's bitcoin mining division, which built the firm's proprietary mining and mining equipment finance businesses. Prior to joining Galaxy, Mr. Scalia began his career in J.P. Morgan's technology investment banking group in New York.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Corporation, no proposed director of the Corporation is, as at the date of this Circular, or within the 10 years prior to the date of this Circular has been, a director, chief executive officer or chief financial officer, of any company (including the Corporation) that:

- (a) while that person was acting in that capacity was subject to:
 - (i) a cease trade order (including any management cease trade order which applied to directors or executive officers of a company, whether or not the person is named in the order), or
 - (ii) an order similar to a cease trade order, or
 - (iii) an order that denied the relevant company access to any exemption under securities legislation,

that was in effect for a period of more than 30 consecutive days (an "**Order**"); or
- (b) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

To the knowledge of the Corporation, no proposed director of the Corporation (or any personal holding company of any such individual) is, or within the 10 years prior to the date of this Circular has:

- (a) been a director or executive officer of any corporation that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver manager or trustee appointed to hold its assets; or
- (b) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets such individual.

To the knowledge of the Corporation, no proposed director of the Corporation (or any personal holding company of any such individual) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

3. Appointment of Auditors

Kingston Ross Pasnak LLP (“**KRP LLP**”) is the independent registered certified auditor of the Corporation. Management of the Corporation intends to nominate KRP LLP for re-appointment as auditor of the Corporation. KRP LLP was appointed as the auditor of the Corporation on November 22, 2021.

Prior to KRP LLP’s engagement, Dale Matheson Carr-Hilton LaBonte LLP served as auditors for the Corporation for the 2021 fiscal year until November 22, 2021.

At the Meeting, Shareholders will be asked to consider and, if thought advisable, to pass an ordinary resolution to re-appoint KRP LLP to serve as auditors of the Corporation until the next annual meeting of Shareholders and to authorize the directors of the Corporation to fix their remuneration as such. To be adopted, this resolution is required to be passed by the affirmative vote of a majority of the votes cast at the Meeting.

Unless the Shareholder has specifically instructed that his or her Common Shares are to be withheld from voting in connection with the appointment of KRP LLP, the persons named in the accompanying proxy intend to vote FOR the re-appointment of KRP LLP as the auditors of the Corporation to hold office until the next annual meeting of Shareholders or until a successor is appointed, and to authorize the Board to fix their remuneration.

4. Approval of Amended Long-Term Incentive Plan

The TSX Venture Exchange (“**TSXV**”) requires all listed companies with a rolling equity-based incentive plan, to obtain annual shareholder approval of such plan. Accordingly, Shareholders will be asked at the Meeting to consider and, if deemed advisable, to pass an ordinary resolution ratifying and approving the Corporation’s long-term equity-based incentive plan for the ensuing year. (the “**LTIP**”), last approved by Shareholders at the annual meeting of the Corporation held on September 6, 2022.

A copy of the LTIP is attached as Schedule “B” hereto.

The following is a summary of the terms of the LTIP, which is qualified in its entirety by the provisions of the LTIP as attached to this Circular. All capitalized terms not otherwise defined have the meaning ascribed to them in the LTIP as attached hereto.

- a) The LTIP provides that the Board of Directors of the Corporation may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Corporation, or any subsidiary of the Corporation, options to purchase common shares of the Corporation (“**Options**”) and restricted share units in the Corporation (“**RSUs**”). The LTIP provides for a rolling maximum limit of 10% of the issued and outstanding common shares of the Corporation to be issued as options, and a fixed maximum of 11,500,000 common shares of the Corporation to be issued as RSUs. As of the date of this Circular, there are 8,001,562 Options and 955,512 RSUs currently reserved for issuance pursuant to the LTIP.
- b) Disinterested Shareholder Approval is required for any individual grant that would result in the grant to Insiders (as a group), within a twelve (12) month period, of an aggregate number of Options or RSUs exceeding ten percent (10%) of the issued Common Shares, calculated on the date an Option or RSU, as applicable, is granted to any Insider;
- c) Disinterested Shareholder Approval is required for any individual grant that would result in the number of Common Shares issued to any individual in any twelve (12) month period under the LTIP exceeding five percent (5%) of the issued Common Shares of the Corporation, less the aggregate number of shares reserved for issuance or issuable under any other Share Compensation Arrangement of the Corporation;

- d) Each RSU entitles the holder to receive one Common Share.
- e) The exercise price of an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option, but in any case shall be no less than the Discounted Market Price. If the Company does not issue a news release to announce the grant and exercise price of an Option, the Discounted Market Price is the last closing price of the Common Shares before the date of the grant of the Option, less the applicable discount.
- f) Directors, officers, consultants and employees of the Corporation or its subsidiaries, and employees of a person or company which provides management services to the Corporation or its subsidiaries are eligible to participate in the LTIP. Subject to compliance with requirements of the applicable regulators, Awards Holders may elect to hold Options or RSUs granted to them in an incorporated entity wholly owned by them and such entity is bound by the LTIP in the same manner as if the Awards were held by the Award Holder.
- g) Award and all rights thereunder shall expire on the date set out in the Award agreement, provided that in no circumstances shall the duration of an Award exceed the maximum term permitted by the applicable regulators.
- h) Options and RSUs may not be exercised during a Black-Out unless the Committee determines otherwise. If the expiry date of an Option or RSU falls within a Black-Out, the Committee shall have the option to extend the expiry date of the Option or RSU for no later than 10 business days after the expiry of the blackout period.
- i) The Board may determine when any Award will become exercisable and may determine that the Award will be exercisable immediately upon the date of grant, or in instalments or pursuant to a vesting schedule. However, unless the Board determines otherwise, Awards issued pursuant to the LTIP are generally subject to a vesting schedule as follows: (i) 1/3 upon the date of grant; (ii) 1/3 upon the first anniversary of the date of grant; and (iii) 1/3 upon the second anniversary of the date of grant.
- j) In the event of the death of an Award Holder, any Awards held by such Award Holder shall pass to the Personal Representative of the Award Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of one year following the date of death and the applicable Expiry Date.
- k) The LTIP has been adopted by the Board subject to the approval of the applicable regulators and, if so approved, subject to the discretion of the Board, the LTIP will become effective upon approval at the next general meeting of the shareholders of the Corporation.

The Board recommends that Shareholders vote FOR the approval of the LTIP for the ensuing year.

Unless the Shareholder has specifically instructed in the enclosed form of proxy that the Common Shares represented by such proxy are to be voted against the approval of the LTIP for the ensuing year, the persons named in the accompanying proxy will vote FOR the approval of the LTIP for the ensuing year. To be adopted, this resolution requires a simple majority (50% plus one) of votes of Shareholders at the Meeting.

5. Other Matters

Management of the Corporation knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the notice of meeting accompanying this Circular. However, if any other matter properly comes before the Meeting, valid forms of proxy will be voted on such matter in accordance with the best judgment of the persons voting the proxy.

STATEMENT OF EXECUTIVE COMPENSATION

Named Executive Officers

For the purposes of this Circular, a Named Executive Officer (“NEO”) of the Corporation means each of the following individuals:

- (a) a chief executive officer (“CEO”) of the Corporation;

- (b) a chief financial officer (“CFO”) of the Corporation;
- (c) in respect of the Corporation and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000; and
- (d) each individual who would be an NEO under paragraph (c) above but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year.

Oversight and description of Director and NEO Compensation

Elements of the Compensation Program

The responsibilities relating to executive and director compensation, including reviewing and recommending compensation of the Corporation’s officers and employees and overseeing the Corporation’s base compensation structure and equity-based compensation program is performed by the Board as a whole. The Board also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Corporation’s senior management. The Board generally reviews the compensation of senior management on an annual basis taking into account compensation paid by other issuers of similar size and activity and the performance of officers generally and in light of the Corporation’s goals and objectives.

The Corporation is a technology company with limited resources. The compensation for senior management of the Corporation is designed to ensure that the level and form of compensation achieves certain objectives, including: (a) attracting and retaining talented, qualified and effective executives; (b) motivating the short and long-term performance of executives; and (c) better aligning the interests of executive officers with those of the Corporation’s shareholders. In the Board’s view, paying salaries which are competitive in the markets in which the Corporation operates is a first step to attracting and retaining talented, qualified and effective executives.

The Board determines the compensation for the CEO, the CFO and the President and COO. The compensation of the Corporation’s executives is determined by the Board after the recommendation of the CEO and the President and COO. In each case, the Board takes into consideration the prior experience of the executive, industry standards, competitive salary information on comparable companies of similar size and stage of development, the degree of responsibility and participation of the executive in the day-to-day affairs of the Corporation, and the Corporation’s available cash resources.

In the Board’s view, to attract and retain qualified and effective executives, the Corporation must pay base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Corporation operates.

The Board has assessed the Corporation’s compensation plans and programs for its executive officers to ensure alignment with the Corporation’s business plan and to evaluate the potential risks associated with those plans and programs. The Board has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Corporation. The Board considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Corporation has not adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Corporation, none of the executive officers or directors have purchased such financial instruments.

Compensation Governance

The Board is responsible for ensuring that the Corporation has in place an appropriate plan for executive compensation and for making recommendations to the Board with respect to the compensation of the Corporation’s executive officers. The Board will ensure that total compensation paid to all NEOs is fair, reasonable, and consistent with the Corporation’s compensation philosophy.

From time to time the Board will make and may approve, recommendations regarding compensation to executive officers and directors. A combination of fixed and variable compensation is used to motivate executive officers to achieve overall corporate goals. The basic components of the Corporation's executive officer compensation program are:

- base salary;
- annual incentive (bonus) payments; and
- option-based compensation.

Base salaries are paid in cash, and constitute the fixed portion of the total compensation paid to executive officers. Annual incentives comprise the remainder, and represent compensation that is "at risk" and thus may or may not be paid to the respective executive officer depending on: (i) whether the executive officer is able to meet or exceed his or her applicable performance targets; and (ii) market performance of the Common Shares. To date, no specific formula has been developed to assign a specific weighting to each of these components. Instead, the Board will consider each performance target and the Corporation's performance and assigns compensation based on this assessment.

Base Salary

The Board will approve the salary ranges for the NEOs. The base salary review for each NEO is based on assessment of factors such as current competitive market conditions, compensation levels and practices of similarly situated companies and particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual. The Corporation may consider comparative data for the Corporation's peer group, which are accumulated from a number of external sources including independent consultants. The Corporation's policy for determining salary for executive officers will be consistent with the administration of salaries for all other employees.

Annual Incentive (Cash Bonus) Payments

Cash annual incentive awards are based on various personal and company-wide achievements. Performance goals for annual incentive payments are subjective and include achieving individual and corporate targets and objectives, as well as general performance in day-to-day corporate activities.

The Board determines target annual incentive amounts based on a number of factors, including comparable compensation of similar companies. Funding of the annual incentive awards is capped at the Corporation level and the distribution of funds to the executive officers will be at the discretion of the Board. Each NEO may receive partial or full payment of the target annual incentive amount set by the Board, depending on the number of the predetermined targets met, and the assessment of such NEO's overall performance by the Board.

Option-Based Compensation

Options may be granted to directors, management, employees and certain service providers as long-term incentives to align the individual's interests with those of the Corporation. Options are awarded to directors and employees, including NEOs, at the Board's discretion. Decisions with respect to options granted are based upon the individual's level of responsibility and their contribution towards the Corporation's goals and objectives, and additionally may be awarded in recognition of the achievement of a particular goal or extraordinary service. The Board considers outstanding options granted under the incentive stock option plan and held by management in determining whether to make any new grants of options, and the quantum or terms of any options grant.

Stock Option Plan

The Corporation currently maintains the LTIP to grant options ("**Options**") to purchase Common Shares of the Corporation and restricted share units ("**RSUs**"). The LTIP was last approved by the Shareholders on September 6, 2022, and is a rolling incentive plan, under which 10% of the outstanding Common Shares at any given time are available for issuance thereunder and a fixed number of 11,500,000 RSUs are reserved for issuance. As of the date of this Circular there were 137,522,563 Common Shares issued and outstanding. Accordingly, under the LTIP the Corporation has the authority to grant options to purchase up to a total of 13,752,256 Common Shares. As at the date of this Circular, options to purchase

an aggregate of 5,719,205 Common Shares are granted and outstanding under the LTIP and 10,544,488 RSUs are granted and outstanding under the LTIP.

The purpose of the LTIP is to advance the interests of the Corporation by (i) providing certain employees, officers, directors, or consultants of the Corporation (collectively, the “**Award Holders**”) with additional performance incentive; (ii) encouraging Common Share ownership by the Award Holders; (iii) increasing the proprietary interest of the Award Holders in the success of the Corporation; (iv) encouraging the Award Holders to remain with the Corporation; and (v) attracting new employees, officers, directors and consultants to the Corporation.

For a summary of the material features of the LTIP, see “*PARTICULARS OF MATTERS TO BE ACTED UPON - Approval of Amended Long-Term Incentive Plan*” in this Circular.

The TSXV policies relating to security-based compensation arrangements require that a majority of Shareholders must approve all unallocated Awards every year after the institution of any security-based compensation arrangement that does not have a fixed maximum aggregate of issuable securities.

The Options outstanding under the LTIP currently represent 5,719,205, or approximately 4.1616% of the issued and outstanding Common Shares, leaving a total of 8,033,051 Common Shares available for reservation pursuant to new grants of options and 955,512 available for reservation pursuant to new grants of RSUs under the LTIP.

Director and NEO Compensation, Excluding Compensation Securities

The following compensation table, excluding options and compensation securities, provide a summary of the compensation paid by the Corporation to NEOs and members of the Board for the most recently completed financial year and the year ended December 31, 2022. Options and compensation securities are disclosed under the heading “*Compensation Securities Table*”.

During the financial years ended December 31, 2022, and December 31, 2021, based on the definition above, the NEOs of the Corporation were: Antonin Scalia, CEO; Thomas Armstrong, President and COO; Sean Ty, CFO; and Aydin Kilic, former President and CEO.

The directors of the Corporation who were not NEOs during the financial years ended December 31, 2022, and December 31, 2021, were: Roy Sebag, Joshua Crumb, David Jaques and Michael Costa.

Table of compensation excluding compensation securities							
Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)⁽¹⁰⁾	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	All other compensation (\$)	Total compensation (\$)
Antonin Scalia ⁽¹⁾ Director and CEO	2022	188,040	Nil	Nil	Nil	1,925,544	2,113,584
	2021	33,096	Nil	Nil	Nil	209,092	242,188
Aydin Kilic ⁽²⁾ Former Director, Former President and Former CEO	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	73,771	Nil	Nil	Nil	Nil	73,771
Thomas Armstrong ⁽³⁾	2022	193,607	Nil	Nil	Nil	1,925,544	2,119,151

Table of compensation excluding compensation securities							
Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$) ⁽¹⁰⁾	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	All other compensation (\$)	Total compensation (\$)
Chairman, President and COO	2021	33,096	Nil	Nil	Nil	209,092	242,188
Sean Ty ⁽⁴⁾ CFO and Corporate Secretary	2022	144,077	Nil	Nil	Nil	162,428	306,505
	2021	72,500	Nil	Nil	Nil	109,443	181,943
Roy Sebag ⁽⁵⁾ Former Chairman	2022	40,265	Nil	Nil	Nil	23,201	63,457
	2021	42,000	Nil	Nil	Nil	Nil	42,000
Joshua Crumb ⁽⁶⁾ Former Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	30,800	Nil	Nil	Nil	Nil	30,800
David Jaques ⁽⁷⁾ Director	2022	42,012	Nil	Nil	Nil	Nil	42,012
	2021	42,000	Nil	Nil	Nil	Nil	Nil
Marcus Dent ⁽⁸⁾ Director	2022	40,256	Nil	Nil	Nil	314,002	354,258
	2021	14,000	Nil	Nil	Nil	492,807	506,807
Michael Costa ⁽⁹⁾ Former Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	30,800	Nil	Nil	Nil	Nil	30,800

Notes:

- (1) Mr. Scalia became a Director and was appointed as CEO on September 24, 2021.
- (2) Mr. Kilic became a Director on March 15, 2019, and was appointed President, CEO and Director on April 18, 2019. He was paid a management and consulting fees for the amount of \$192,375 (2018 - \$257,825), \$35,000 as bonus (2018 - \$nil), \$150,000 as a contract material change fee (2018 - \$nil) and \$nil (2018 - \$42,716) for executive services provided by a company controlled by Mr. Kilic. At a meeting of the board of directors on September 17, 2021, the Board duly accepted Mr. Kilic's resignation as President and CEO.
- (3) Mr. Armstrong became a Director and was appointed as President and COO on September 24, 2021.
- (4) Mr. Ty was appointed CFO on November 1, 2018. Ty Consulting Inc., a private company beneficially owned by Mr. Ty, was paid fees for accounting services.
- (5) Mr. Sebag was appointed a Chairman and Director on August 16, 2018. The Board duly accepted Mr. Sebag's resignation from the Board on April 4, 2023.
- (6) Mr. Crumb was appointed a Director on August 16, 2018. At a meeting of the Board of directors on September 17, 2021, the Board duly accepted Mr. Crumb's resignation from the Board.
- (7) Mr. Jaques was appointed a Director on August 16, 2018.
- (8) Mr. Dent was appointed a Director on September 1, 2021.
- (9) Mr. Costa was appointed a Director on August 31, 2018. At a meeting of the Board of directors on September 17, 2021, the Board duly accepted Mr. Costa's resignation from the Board.
- (10) Starting January 1, 2020, each director of the Corporation was paid \$3,500 cash per month. On January 6, 2023, Messrs. Sebag, Dent, Armstrong and Scalia elected to reduce their cash director's fees to US\$1,300 per month for the following 12 months in exchange for a one-time grant of 390,000 RSUs each. Mr. Jaques agreed to redenominate his cash director's fees to U.S. dollars (from \$3,500 to US\$2,600 per month).

Compensation Securities Table

The Corporation's authorized share capital is an unlimited number of Common Shares. At the date of this Circular there were 137,522,563 Common Shares issued and outstanding. The Corporation currently has the LTIP in place, allowing it to grant options to a maximum of 10% of the issued and outstanding Common Shares of the Corporation, and a fixed maximum of 11,500,000 RSUs, from time to time.

The following table discloses all compensation securities granted or issued to each director and named executive officer by the Corporation in the financial year ended December 31, 2022, for services provided or to be provided, directly or indirectly, to the Corporation.

Name and Position ⁽¹⁾	Compensation Securities						
	Type of Compensation Security ⁽¹⁾	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Antonin Scalia ⁽³⁾ Director and CEO	Options RSU	N/A	N/A	N/A	N/A	N/A	N/A
Thomas Armstrong Chairman, President and COO	Options RSU	N/A	N/A	N/A	N/A	N/A	N/A
Sean Ty CFO and Corporate Secretary	Options RSU	88,841 ⁽²⁾ 300,000	2022/05 /18	0.35 0.34	0.34 0.34	0.04 0.04	2027/05/18 2027/05/18
Roy Sebag ⁽³⁾ Former Chairman	Options	N/A	N/A	N/A	N/A	N/A	N/A
David Jaques Director	Nil	N/A	N/A	N/A	N/A	N/A	N/A
Marcus Dent Director	Nil	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) All compensation securities held by current directors and NEOs are disclosed in the notes to the directors table in the section "PARTICULARS OF MATTERS TO BE ACTED UPON - Election of Directors" in this Circular.
- (2) The Company granted an option to purchase up to 88,841 Common Shares at an exercise price of \$0.35 per Common Share expiring five years from the date of the grant. 20% of 88,841 stock options vest six months after the date of grant and every six months thereafter.
- (3) As of December 31, 2022, Mr. Sebag held options to purchase 150,000 Common Shares.

Exercise of Compensation Securities by NEOs and Directors

The following table sets forth information concerning the exercise of options by NEOs and directors during the fiscal year ended December 31, 2022.

Name and Position	Type of Compensation Security	Number of underlying securities exercised (#)	Exercise Price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Antonin Scalia Director and CEO	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Thomas Armstrong Chairman, President and COO	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sean Ty CFO and Corporate Secretary	RSU	157,449 142,551	N/A	June 2, 2022 November 18, 2022	0.30 0.055	0.30 0.055	47,235 7,840
Roy Sebag Former Chairman	Stock Options	1,000,000	0.14	April 6, 2022	0.58	0.43	580,000
David Jaques Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Marcus Dent Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Securities Authorized for Issuance under Equity Compensation Plans

At the December 31, 2022, fiscal year end, the number of issued and outstanding Common Shares was 118,531,698. Therefore, the number of Common Shares available to be reserved for issuance upon exercise of options under the LTIP at December 31, 2022, was 11,853,170.

The following table sets forth information in respect of the Corporation's equity compensation plans under which equity securities of the Corporation are authorized for issuance, aggregated in accordance with all equity plans previously approved by the Shareholders and all equity plans not approved by Shareholders as at December 31, 2022:

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (#)	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights (\$)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (#)
Equity compensation plans approved by securityholders ⁽¹⁾	11,751,346	0.49	8,567,074 ⁽²⁾
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	11,751,346	0.49	8,567,074

Notes:

- (1) The Corporation's LTIP is a rolling plan, last approved by the Shareholders at a meeting on September 6, 2022.
- (2) Based on a total of 118,531,698 Common Shares issued and outstanding as at December 31, 2022.

Employment, Consulting, and Management Agreements

Effective May 12, 2022, the Corporation entered into a new consulting agreement with Ty Consulting Inc. The agreement provided Ty Consulting Inc. an annual consulting fee of US\$150,000 and an initial stock option grant of 88,841 options and 300,000 restricted share units, of which 157,449 restricted share units vested immediately on the effective date and 142,551 restricted share units vested six months following the effective date. On October 25, 2022, the Corporation granted an additional 487,244 restricted share units to Ty Consulting Inc., of which 60% of the restricted share units will vest 12 months following the effective date and twenty percent 20% every six months thereafter, such that 100% of the restricted share units will be vested 24 months following the effective date.

On November 22, 2022, in response to weakening market conditions, the Corporation amended its consulting agreement with Ty Consulting Inc. to reduce the latter's annual consulting fee to US\$90,000, with the intention of restoring the fee to the original rate of US\$150,000 per year as market conditions improve. The result in the termination of the consulting agreement if a change of control event occurs will be one-time lump sum payment equal to six months of the original US\$150,000 annual compensation payable within 30 days of such termination.

The Corporation has entered into an employment agreement with Antonin "AJ" Scalia, as the Corporation's Chief Executive Officer, effective September 24, 2021. The agreement provides Mr. Scalia with an annual base salary of US\$125,000, an initial stock option grant of 325,000 options and 3,400,000 restricted share units vesting 20% every six months following the effective date. The Corporation may terminate the employment of Mr. Scalia at any time without cause, in which case Mr. Scalia would be entitled to severance equal to twelve months of the base salary compensation in one lump sum on the date of termination.

The Corporation has entered into an employment agreement with Thomas "Drew" Armstrong, as the Corporation's President and Chief Operating Officer, effective September 24, 2021. The agreement provides Mr. Armstrong with an annual base salary of US\$125,000, an initial stock option grant of 325,000 options and 3,400,000 restricted share units vesting 20% every six months following the effective date. The Corporation may terminate the employment of Mr. Armstrong at any time without cause, in which case Mr. Armstrong would be entitled to severance equal to twelve months of the base salary compensation in one lump sum on the date of termination.

Compensation Risk Considerations

The Board is responsible for considering, establishing and reviewing executive compensation programs, and whether the programs encourage unnecessary or excessive risk taking. The Corporation anticipates the programs will be balanced and will not motivate any unnecessary or excessive risk taking. The Corporation does not currently have a policy that restricts directors or NEOs from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity. However, to the knowledge of the Corporation, as of the date hereof, no director or NEO of the Corporation has participated in the purchase of such financial instruments.

Base salaries are fixed in amount and do not encourage risk taking. While annual incentive awards will focus on the achievement of short-term or annual goals and short-term goals may encourage the taking of short-term risks at the expense of long-term results, the Corporation's annual incentive award program will represent a small percentage of employees' compensation opportunities.

Stock option awards are important to further align employee's interests with those of the Shareholders. The ultimate value of the awards is tied to the price of the Common Shares and since awards are expected to be staggered and subject to long-term vesting schedules, they will help ensure that NEOs have significant value tied in long-term stock price performance.

Compensation of Executives

Except for the grant of equity incentives to the NEOs and any compensation payable pursuant to an executive compensation agreement between the CEO or CFO and the Corporation, there are no arrangements under which NEOs were compensated by the Corporation during the two most recently completed financial years for their services in their capacity as NEOs, directors or consultants.

Compensation of Directors

Pursuant to its Articles, the Corporation is recommending that four directors be elected at the Meeting. At the date of this Circular, the Corporation has four directors.

The Corporation regularly reviews the competitiveness of non-employee director compensation levels against the competitive marketplace. While the results of that share review have generally demonstrated that non-employee director compensation levels at the Corporation were competitive with the market, adjustments to annual fees have been made throughout the Corporation's growth cycle in recent years to further strengthen the Corporation's competitiveness while also reflecting the greater time and commitment required of the roles. In particular, an adjustment was made effective January 1, 2020, whereby the independent directors receive \$3,500 per month cash compensation. A subsequent adjustment was made on January 6, 2023, in response to deteriorating market conditions: Messrs. Sebag, Dent, Armstrong and Scalia elected to reduce their cash director's fees to US\$1,300 per month for the following 12 months in exchange for a one-time grant of 390,000 RSUs each. On the same date, Mr. Jaques agreed to redenominate his cash directors' fees in U.S. dollars (from \$3,500 to US\$2,600 per month).

Option and Share-Based Awards

The Corporation currently has the LTIP in place, which was established to provide incentive to qualified parties to increase their proprietary interest in the Corporation and thereby encourage their continuing association with the Corporation. Management proposes share option grants and grants of restricted share units to the Board based on such criteria as performance, previous grants, and hiring incentives. The Board administers the Corporation's share option plan and all option grants require Board approval. The share option plan allows options to be issued to directors, officers, employees or consultants of the Corporation.

In compensation its senior management, the Corporation employees a combination of salary and equity participation. The Board is of the view that encouraging its executives and employees to hold shares of the Corporation is the best way to align their interests with those of the Corporation's Shareholders. Equity participation is accomplished through the Corporation's share option plan.

Share options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and competitive factors. The amounts and terms of options granted are determined by the Board based on recommendations put forward by the CEO. Due to the Corporation's limited financial resources, option grants are an important part of executive compensation to assist in maintaining executive motivation.

Given the evolving nature of the Corporation's business, the Board continues to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

The following table shows the aggregate indebtedness of all executive officers, directors, employees and former executive officers, directors and employees of the Corporation or any of its subsidiaries, owing to the Corporation and outstanding as of the date hereof.

Aggregate Indebtedness (\$)		
Purpose	To the Company or its Subsidiaries	To Another Entity
Share Purchases	Nil	Nil
Other	95,000	Nil

Indebtedness of Directors and Executive Officers

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS UNDER (1) SECURITIES PURCHASE AND (2) OTHER PROGRAMS						
Name and Principal Position	Involvement of Company or Subsidiary	Largest Amount Outstanding During Most Recently Completed Financial Year	Amount Outstanding as of July 14th, 2023	Financially Assisted Securities Purchase During Most Recently Completed Financial Year	Security for Indebtedness	Amount Forgiven During Most Recently Completed Financial Year
Programs (other than Securities Purchase Programs) ⁽¹⁾						
Antonin Scalia, Director and CEO	Holder of promissory note	47,853	22,439	N/A	N/A	Nil
Thomas Armstrong, Chairman, President and COO	Holder of promissory note	55,073	24,336	N/A	N/A	Nil
Isaac Fithian, CFOMO	Holder of promissory note	Nil	10,928	N/A	N/A	Nil

Notes:

- (1) There is no indebtedness outstanding for security purchase programs.

The above indebtedness is a result of the Corporation holding promissory notes from the directors and officers in connection with payroll tax liabilities for RSU grants made by the Corporation to these individuals. The interest rates are determined using the applicable federal rates as prescribed by the Internal Revenue Service. The loan balance is paid down semi-monthly on every payroll.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

The Audit Committee is responsible for monitoring the Corporation's accounting and financial reporting practices and procedures, the adequacy of internal accounting controls and procedures, the quality and integrity of financial statements and for directing the auditors' examination of specific areas.

The Audit Committee's Charter

The charter of the Corporation's audit committee and other information required to be disclosed by Form 52-110F2 are attached as Schedule "A".

Composition of the Audit Committee

The members of the audit committee of the Board are David Jaques (Chair) and Marcus Dent. All of the members of the Audit Committee are considered independent as defined in National Instrument 52-110 – *Audit Committees* ("NI 52-110"). All of the audit committee members are considered to be financially literate within the meaning of NI 52-110, which includes the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the Corporation's financial statements.

Relevant Education and Experience

The relevant education and experience of each of the members of the Audit Committee is as follows:

Name of Member	Relevant Education	Experience
David Jaques ⁽¹⁾	Higher National Diploma in Business Administration from Polytechnic of the South Bank, London; UK Chartered Certified Accountant (inactive)	Mr. Jaques has held senior financial positions in banking, corporate and venture capital. In his early career, he held various positions with Barclays Bank in London and provided advisory services in currency and interest rate risk management to the bank's corporate clients. He held a similar role at Barclays Bank, New York from 1988 to 1993. He was Senior Vice President and Treasurer of Silicon Valley Bank between 1994 and 1999; founding CFO for PayPal from 1999 to 2001 and CFO of BlueRun Ventures from 2001 to 2008. Since 2008 he has provided CFO consulting services through Greenough Consulting Group and has held board positions at Katapult Technology Corp. (TSXV: FUND), UBL Interactive, Inc., Mobivity Holdings, Inc., Bluedot Innovation, Inc., Digitzs Solutions, Inc. and Wedo Ventures Limited.
Marcus Dent	Undergraduate degree in Economics from DePaul University	Mr. Dent is the founder of TFTC.io, a media company focused on Bitcoin and Freedom in the Digital Age. He is also a Venture Partner at Ten31, a bitcoin-focused venture capital firm. Previously, Mr. Dent served as Director of Business Development at Great American Mining from 2019 to 2021.
Antonin Scalia	Undergraduate degree in Finance from the College of William and Mary	Mr. Scalia previously held roles at Galaxy Digital, where he worked across the firm's investment banking, principal investments, and bitcoin mining divisions; and J.P. Morgan, where he advised large-cap technology companies on capital-raising and mergers and acquisitions transactions out of the firm's investment banking division.

Note:

(1) Chair of the Audit Committee.

Audit Committee Oversight

Since the commencement of the Corporation's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

Reliance on certain Exemptions

The Corporation's auditors, KRP LLP, have not provided any material non-audit services.

Pre-Approval Policies and Procedures

The audit committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

To ensure auditor independence, no non-audit services were requested to be provided to the Corporation by KRP LLP during the last completed fiscal year. Fees incurred with the Corporation's external auditors for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table:

	Fees Paid to External Auditors in Fiscal Year Ended December 31, 2022	Fees Paid to External Auditors in Fiscal Year Ended December 31, 2021
Audit Fees ⁽¹⁾	\$140,000	\$140,000
Audit Related Fees ⁽²⁾	\$Nil	\$Nil
Tax Fees ⁽³⁾	\$Nil	\$Nil

All Other Fees⁽⁴⁾	\$Nil	\$Nil
Total	\$140,000	\$140,000

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Corporation's financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services.

Exemption

Since the Corporation is a "venture issuer" pursuant to NI 52-110 (its securities are not listed or quoted on any of the Toronto Stock Exchange, a market in the U.S., or a market outside of Canada and the U.S.), it is relying on the exemption in section 6.1 of NI 52-110, exempting the Corporation from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

CORPORATE GOVERNANCE

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and accountable to shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making. This section sets out the Corporation's approach to corporate governance and addresses the Corporation's compliance with National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

Set out below is a description of the Corporation's approach to corporate governance in relation to the Guidelines.

Board of Directors

NI 58-101 defines an "independent director" as a director who has no direct or indirect material relationship with the Corporation. A "material relationship" is in turn defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with such member's independent judgment.

The Board is currently comprised of four members, two of whom the Board has determined to be "independent directors" within the meaning of NI 58-101. David Jaques and Marcus Dent are considered independent directors within the meaning of NI 58-101 since they are each independent of management and free from any material relationship with the Corporation. The basis for this determination is that, since the date of incorporation of the Corporation, none of the independent directors have worked for the Corporation, received remuneration from the Corporation or had material contracts with or material interests in the Corporation which could interfere with their ability to act with a view to the best interests of the Corporation. Antonin Scalia is considered non-independent by virtue of his role as Chief Executive Officer of the Corporation. Thomas Armstrong is considered non-independent by virtue of his role as President and Chief Operating Officer.

The operations of the Corporation do not support a large board of directors and the Board has determined that the current constitution of the Board is appropriate for the Corporation's current stage of development. Similarly, given the size of the Corporation, all the Corporation's operations are conducted by a small management team which is also represented on the Board. Individual directors are encouraged to engage an outside advisor at the expense of the Corporation in appropriate circumstances, and the independent directors have retained independent advice on occasion.

The directors do not hold meetings at which non-independent directors and members of management are not in attendance. However, the Board considers that management is effectively supervised by the independent directors on an informal basis as the independent directors are actively and regularly involved in reviewing and supervising the operations of the Corporation and are able to meet at any time without the non-independent director being present. At the present time, the Board facilitates the exercise of independent judgment in carrying out its responsibilities by carefully examining all material issues and relying heavily on the advice of outside counsel and other advisors in all appropriate circumstances.

Directorships

None of the directors and proposed directors of the Corporation is also a current director of any other reporting issuer(s) (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Orientation and Continuing Education

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Corporation's properties, business, technology and industry and on the responsibilities of directors. Directors are also encouraged to take part in training courses or information sessions provided by regulatory bodies to keep abreast of current developments in corporate governance requirements.

Board meetings are always commenced with an update and/or presentation by the Corporation's management team to give the directors additional insight into the Corporation's business and progress.

Ethical Business Conduct

Each member of the Board has been made aware of the fiduciary duties placed on individual directors by the governing corporate legislation and the common law applicable to the Corporation and the restrictions on an individual director's participation in decisions of the Board in which the director has an interest. The Board finds that the knowledge of its members of these legal restrictions is sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

Where a Board member has an interest in a transaction involving the Corporation, that director must declare his interest in advance of its consideration by the Board and must refrain from voting on any resolution approving the transaction. Further, the Corporation's auditors have full and unrestricted access to the audit committee at all times to discuss their audit and their related findings as to the integrity of the financial reporting process.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to nominate for election at the annual meeting of shareholders, taking into account the size of the Corporation, its asset base and the number of members required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Corporation, this policy will be reviewed.

Compensation

Effective January 1, 2020, directors of the Corporation received \$3,500 per month in cash compensation. In response to deteriorating market conditions, the Corporation adjusted this compensation plan effective January 6, 2023: Messrs. Sebag, Dent, Armstrong and Scalia elected to reduce their cash director's fees to US\$1,300 per month for the following 12 months in exchange for a one-time grant of 390,000 RSUs each. On the same date, Mr. Jaques agreed to redenominate his cash directors' fees in U.S. dollars (from \$3,500 to US\$2,600 per month).

The compensation for senior management of the Corporation is determined by and at the discretion of the Board. The Board determines compensation for the directors, the Chief Executive Officer, and the Chief Financial Officer. See "*Statement of Executive Compensation*".

Board Committees

The Board has no committees other than the Audit Committee.

Assessments

The Board has not developed written descriptions or objectives for its executives and looks to generally accepted industry standards as adequately delineating the roles and responsibilities of such persons. There is no formal process for regular assessment of the Board, its committees and individual directors. Rather the Board informally assesses performance through ongoing dialogue amongst Board members.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed in this Management Information Circular, none of the informed persons of the Corporation (as defined in National Instrument 51-102 – Continuous Disclosure Obligations), nor any proposed nominee for election as a director of the Corporation, nor any person who beneficially owns, directly or indirectly, shares carrying more than 10% of the voting rights attached to the issued shares of the Corporation, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which, in either case, has or will materially affect the Corporation and none of such persons has any material interest in any transaction proposed to be undertaken by the Corporation that will materially affect the Corporation.

MANAGEMENT CONTRACTS

There are no management functions of the Corporation which are to any substantial degree performed by a person or a company other than the directors or executive officers of the Corporation.

ADDITIONAL INFORMATION

The Corporation will provide to any Shareholder, upon written request to the Chief Financial Officer of the Corporation at 320-638 Broughton Street, Vancouver, British Columbia, V6G 3K3, telephone: (604) 259-0607, a copy of:

- (a) the audited financial statements of the Corporation for its most recently completed financial period, together with the management's discussion and analysis of such financial results and the auditor's report thereon, and one copy of any interim financial statements subsequent to the financial statements of the Corporation that have been filed for any period after the end of its most recently completed financial period; and
- (b) this Circular.

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information about the Corporation may be found in the Corporation's consolidated financial statements and management's discussion and analysis for its most recently completed financial period.

APPROVAL

The contents of this Circular and the sending thereof to the Shareholders have been approved by the Board.

DATED this 14th day of July, 2023.

BY ORDER OF THE BOARD OF DIRECTORS

(Signed) "Thomas Armstrong"

Thomas Armstrong
Chairman of the Board of Directors

Schedule "A"**CATHEDRA BITCOIN INC.****AUDIT COMMITTEE CHARTER**

This charter (the "**Charter**") sets forth the purpose, composition, responsibilities and authority of the Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Cathedra Bitcoin Inc. ("**Cathedra**" or the "**Corporation**").

1.0 Mandate

The Committee shall:

- (a) assist the Board in its oversight role with respect to the quality and integrity of the financial information;
- (b) assess the effectiveness of the Corporation's risk management and compliance practices;
- (c) assess the independent auditor's performance, qualifications and independence;
- (d) assess the performance of the Corporation's internal audit function;
- (e) ensure the Corporation's compliance with legal and regulatory requirements; and
- (f) prepare such reports of the Committee required to be included in any Management Information Circular in accordance with applicable laws or the rules of applicable securities regulatory authorities.

2.0 Composition and Membership

The committee shall be composed of not less than three members, each of whom shall be a director of the Corporation. A majority of the members of the Committee shall not be an officer or employee of the Corporation. All members shall satisfy the applicable independence and experience requirements of the laws governing the Corporation, the applicable stock exchanges on which the Corporation's securities are listed and applicable securities regulatory authorities.

Each member of the Committee shall be financially literate as such qualification is interpreted by the Board of Directors in its business judgment.

Members of the Committee shall be appointed or reappointed at the annual meeting of the Corporation and in the normal course of business will serve a minimum of three years. Each member shall continue to be a member of the Committee until a successor is appointed, unless the member resigns, is removed or ceases to be a Director. The Board of Directors may fill a vacancy that occurs in the Committee at any time.

The Board of Directors or, in the event of its failure to do so, the members of the Committee, shall appoint or reappoint, at the annual meeting of the Corporation a Chairman among their number. The Chairman shall not be a former Officer of the Corporation. Such Chairman shall serve as a liaison between members and senior management.

The time and place of meetings of the Committee and the procedure at such meetings shall be determined from time to time by the members therefore provided that:

- (a) a quorum for meetings shall be at least three members;
- (b) the Committee shall meet at least quarterly;
- (c) notice of the time and place of every meeting shall be given in writing or by telephone, facsimile, email

or other electronic communication to each member of the Committee at least 24 hours in advance of such meeting;

- (d) a resolution in writing signed by all directors entitled to vote on that resolution at a meeting of the Committee is as valid as if it had been passed at a meeting of the Committee.

The Committee shall report to the Board of Directors on its activities after each of its meetings. The Committee shall review and assess the adequacy of this charter annually and, where necessary, will recommend changes to the Board of Directors for its approval. The Committee shall undertake and review with the Board of Directors an annual performance evaluation of the Committee, which shall compare the performance of the Committee with the requirements of this charter and set forth the goals and objectives of the Committee for the upcoming year. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board of Directors may take the form of an oral report by the chairperson of the Committee or any other designated member of the Committee.

4.0 Duties and Responsibilities

4.1 Oversight of the Independent Auditor

- (a) Sole authority to appoint or replace the independent auditor (subject to shareholder ratification) and responsibility for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between Management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Committee.
- (b) Sole authority to pre-approve all audit services as well as non-audit services (including the fees, terms and conditions for the performance of such services) to be performed by the independent auditor.
- (c) Evaluate the qualifications, performance and independence of the independent auditor, including (i) reviewing and evaluating the lead partner on the independent auditor's engagement with the Corporation, and (ii) considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.
- (d) Obtain and review a report from the independent auditor at least annually regarding: the independent auditor's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm; any steps taken to deal with any such issues; and all relationships between the independent auditor and the Corporation.
- (e) Review and discuss with Management and the independent auditor prior to the annual audit the scope, planning and staffing of the annual audit.
- (f) Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law.
- (g) Review as necessary policies for the Corporation's hiring of partners, employees or former partners and employees of the independent auditor.

4.2 Financial Reporting

- (a) Review and discuss with Management and the independent auditor the annual audited financial statements prior to the publication of earnings.
- (b) Review and discuss with Management the Corporation's annual and quarterly disclosures made in Management's Discussion and Analysis. The Committee shall approve any reports for inclusion in the Corporation's Annual Report, as required by applicable legislation.

- (c) Review and discuss with Management and the independent auditor management's report on its assessment of internal controls over financial reporting and the independent auditor's attestation report on management's assessment.
- (d) Review and discuss with Management the Corporation's quarterly financial statements prior to the publication of earnings.
- (e) Review and discuss with Management and the independent auditor at least annually significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements, including any significant changes in the Corporation's selection or application of accounting principles, any major issues as to the adequacy of the Corporation's internal controls and any special steps adopted in light of material control deficiencies.
- (f) Review and discuss with Management and the independent auditor at least annually reports from the independent auditors on: critical accounting policies and practices to be used; significant financial reporting issues, estimates and judgments made in connection with the preparation of the financial statements; alternative treatments of financial information within generally accepted accounting principles that have been discussed with Management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and other material written communications between the independent auditor and Management, such as any management letter or schedule of unadjusted differences.
- (g) Discuss with the independent auditor at least annually any "Management" or "internal control" letters issued or proposed to be issued by the independent auditor to the Corporation.
- (h) Review and discuss with Management and the independent auditor at least annually any significant changes to the Corporation's accounting principles and practices suggested by the independent auditor, internal audit personnel or Management.
- (i) Discuss with Management the Corporation's earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance (if any) provided to analysts and rating agencies.
- (j) Review and discuss with Management and the independent auditor at least annually the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Corporation's financial statements.
- (k) Review and discuss with the Chief Executive Officer and the Chief Financial Officer the procedures undertaken in connection with the Chief Executive Officer and Chief Financial Officer certifications for the annual filings with applicable securities regulatory authorities.
- (l) Review disclosures made by the Corporation's Chief Executive Officer and Chief Financial Officer during their certification process for the annual filing with applicable securities regulatory authorities about any significant deficiencies in the design or operation of internal controls which could adversely affect the Corporation's ability to record, process, summarize and report financial data or any material weaknesses in the internal controls, and any fraud involving Management or other employees who have a significant role in the Corporation's internal controls.
- (m) Discuss with the Corporation's General Counsel at least annually any legal matters that may have a material impact on the financial statements, operations, assets or compliance policies and any material reports or inquiries received by the Corporation or any of its subsidiaries from regulators or governmental agencies.

4.3 Oversight of Risk Management

- (a) Review and approve periodically Management's risk philosophy and risk management policies.

- (b) Review with Management at least annually reports demonstrating compliance with risk management policies.
- (c) Review with Management the quality and competence of Management appointed to administer risk management policies.
- (d) Review reports from the independent auditor at least annually relating to the adequacy of the Corporation's risk management practices together with Management's responses.
- (e) Discuss with Management at least annually the Corporation's major financial risk exposures and the steps Management has taken to monitor and control such exposures, including the Corporation's risk assessment and risk management policies.

4.4 Oversight of Regulatory Compliance

- (a) Establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
- (b) Discuss with Management and the independent auditor at least annually any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Corporation's financial statements or accounting.
- (c) Meet with the Corporation's regulators, according to applicable law.
- (d) Exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board of Directors.

5.0 Funding for the Independent Auditor and Retention of Other Independent Advisors

The Corporation shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent auditor for the purpose of issuing an audit report and to any advisors retained by the Committee. The Committee shall also have the authority to retain and, at Cathedra's expense, to set and pay the compensation for such other independent counsel and other advisors as it may from time to time deem necessary or advisable for its purposes. The Committee also has the authority to communicate directly with internal and external auditors.

6.0 Procedures for Receipt of Complaints and Submissions Relating to Accounting Matters

1. The Corporation shall inform employees on the Corporation's intranet, if there is one, or via a newsletter or e-mail that is disseminated to all employees at least annually, of the officer (the "**Complaints Officer**") designated from time to time by the Committee to whom complaints and submissions can be made regarding accounting, internal accounting controls or auditing matters or issues of concern regarding questionable accounting or auditing matters.
2. The Complaints Officer shall be informed that any complaints or submissions so received must be kept confidential and that the identity of employees making complaints or submissions shall be kept confidential and shall only be communicated to the Committee or the Chair of the Committee.
3. The Complaints Officer shall be informed that he or she must report to the Committee as frequently as such Complaints Officer deems appropriate, but in any event no less frequently than on a quarterly basis prior to the quarterly meeting of the Committee called to approve interim and annual financial statements of the Corporation.
4. Upon receipt of a report from the Complaints Officer, the Committee shall discuss the report and take such steps as the Committee may deem appropriate.

5. The Complaints Officer shall retain a record of a complaint or submission received for a period of six years following resolution of the complaint or submission.

7.0 Procedures for Approval of Non-Audit Services

1. The Corporation's external auditors shall be prohibited from performing for the Corporation the following categories of non-audit services:
 - (a) bookkeeping or other services related to the Corporation's accounting records or financial statements;
 - (b) financial information systems design and implementation;
 - (c) appraisal or valuation services, fairness opinion or contributions-in-kind reports;
 - (d) actuarial services;
 - (e) internal audit outsourcing services;
 - (f) management functions;
 - (g) human resources;
 - (h) broker or dealer, investment adviser or investment banking services;
 - (i) legal services;
 - (j) expert services unrelated to the audit; and
 - (k) any other service that the Canadian Public Accountability Board determines is impermissible.
2. In the event that the Corporation wishes to retain the services of the Corporation's external auditors for tax compliance, tax advice or tax planning, the Chief Financial Officer of the Corporation shall consult with the Chair of the Committee, who shall have the authority to approve or disapprove on behalf of the Committee, such non-audit services. All other non-audit services shall be approved or disapproved by the Committee as a whole.
3. The Chief Financial Officer of the Corporation shall maintain a record of non-audit services approved by the Chair of the Committee or the Committee for each fiscal year and provide a report to the Committee no less frequently than on a quarterly basis.

8.0 Reporting

The Chairman will report to the Board at each Board meeting on the Committee's activities since the last Board meeting. The Committee will annually review and approve the Committee's report for inclusion in the Annual Information Form. The Secretary will circulate the minutes of each meeting of the Committee to the members of the Board.

9.0 Access to Information and Authority

The Committee will be granted unrestricted access to all information regarding Cathedra that is necessary or desirable to fulfill its duties and all directors, officers and employees will be directed to cooperate as requested by Members.

10.0 Review of Charter

The Committee will annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for consideration.

Dated: October 9, 2018
Approved by: Audit Committee
Board of Directors

Schedule "B"

CATHEDRA BITCOIN INC.

LONG TERM INCENTIVE PLAN

CATHEDRA BITCOIN INC.
LONG TERM INCENTIVE PLAN

Approved by the Board of Directors on July 22, 2022.

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LONG TERM INCENTIVE PLAN

SECTION 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

As used herein, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the meanings set forth below:

- (a) “Administrator” means such Executive or Employee of the Company as may be designated as Administrator by the Committee from time to time, if any.
- (b) “Associate” means, where used to indicate a relationship with any person:
 - (i) any relative, including the spouse of that person or a relative of that person's spouse, where the relative has the same home as the person;
 - (ii) any partner, other than a limited partner, of that person;
 - (iii) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity; and
 - (iv) any corporation of which such person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the corporation.
- (c) “Award” means any award of Restricted Share Units or Options granted under this Plan.
- (d) “Award Agreement” means any written agreement, contract, or other instrument or document, including an electronic communication, as may from time to time be designated by the Company as evidencing any Award granted under this Plan.
- (e) “Award Holder” means Option Holder or RSU Holder, as applicable.
- (f) “Black-Out” means a restriction imposed by the Company on all or any of its directors, officers, employees, insiders or persons in a special relationship whereby they are to refrain from trading in the Company's securities until the restriction has been lifted by the Company.
- (g) “Board” means the board of directors of the Company.
- (h) “Change of Control” means an occurrence when either:
 - (i) a Person or Entity, other than the current “control person” of the Company (as that term is defined in the *Securities Act*), becomes a “control person” of the Company; or
 - (ii) a majority of the directors elected at any annual or extraordinary general meeting of shareholders of the Company are not individuals nominated by the Company's then-incumbent Board.
- (i) “Committee” means a committee of the Board appointed in accordance with this Plan or if no such committee is appointed, the Board itself.
- (j) “Company” means Cathedra Bitcoin Inc.
- (k) “Consultant” has the meaning given to such term in Policy 4.4;
- (l) “Disability” means a medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than 12 months, and which causes an individual to be unable to engage

in any substantial gainful activity, or any other condition of impairment that the Committee, acting reasonably, determines constitutes a disability.

- (m) “Disinterested Shareholder Approval” means the approval of a majority of shareholders of the Company voting at a duly called and held meeting of such shareholders, excluding votes of Insiders to whom options may be granted under the Plan
- (n) “Employee” means:
 - (i) an individual who works full-time or part-time for the Company or any Subsidiary and such other individual as may, from time to time, be permitted by applicable Regulatory Rules to be granted Options or RSUs as an employee or as an equivalent thereto; or
 - (ii) an individual who works for the Company or any Subsidiary either full-time or on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company or any Subsidiary over the details and methods of work as an employee of the Company or any Subsidiary, but for whom income tax deductions are not made at source,and includes:
 - (iii) a corporation wholly-owned by such individual; and
 - (iv) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.
- (o) “Executive” means an individual who is a director or officer of the Company or a Subsidiary, and includes:
 - (i) a corporation wholly-owned by such individual; and
 - (ii) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.
- (p) “Exercise Notice” means the written notice of the exercise of an Option, in the form set out as Schedule “B” hereto, duly executed by the Option Holder.
- (q) “Exercise Period” means the period during which a particular Option may be exercised and is the period from and including the Grant Date through to and including the Expiry Time on the Expiry Date provided, however, that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.
- (r) “Exercise Price” means the price at which an Option is exercisable as determined in accordance with section 5.3.
- (s) “Expiry Date” means the date the Option or RSU, as applicable, expires as set out in the Option Certificate or Award Agreement or as otherwise determined in accordance with sections 5.4, 6.2, 6.3, 6.4 or 12.4.
- (t) “Expiry Time” means the time the Option or RSU, as applicable, expires on the Expiry Date, which is 5:00 p.m. local time in Toronto, Ontario on the Expiry Date.
- (u) “Grant Date” means the date on which the Committee grants a particular Option or RSU, which is the date the Option or RSU comes into effect provided however that no Option or RSU can be exercised unless and until all necessary Regulatory Approvals have been obtained.
- (v) “Insider” means:
 - (i) An insider as defined under Section 1(1) of the *Securities Act* (Ontario), other than a person who falls within that definition solely by virtue of being a director or senior officer of a Subsidiary Company of the Corporation, and

- (ii) An associate as defined under Section 1(2) of the *Securities Act* (Ontario) of any person who is an insider by virtue of (i) above
- (w) “Investor Relations Activities” has the meaning given to such term in Policy 1.1 of the TSXV and any amendment thereto or replacement thereof;
- (x) “Investor Relations Service Provider” includes any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities;
- (y) “Market Price” means:
 - (i) Prior to an initial public offering of the Common Shares, such price as is determined by the Board to constitute their fair market value, using such reasonable valuation mechanism as it selects; and
 - (ii) After an initial public offering of the Common Shares, the closing price of the Common Share as reported on the TSXV on the last Business Day preceding the date on which the Option is granted by the Corporation (or, if such Common Shares are not then listed and posted for trading on the TSXV, on such stock exchange in Canada on which the Common Shares are listed and posted for trading as may be selected for such purpose by the Board); provided however, that the Exercise Price of an Option shall not be less than the minimum Exercise Price required by the applicable rules of the TSXV. In the event that the Common Shares did not trade on such Business Day, the Market Price shall be the average of the bid and ask prices in respect of the Common Shares at the close of trading on such date, provided, however, that the Exercise Price of an Option shall not be less than the minimum Exercise Price required by the applicable rules of the TSXV. In the event that the Common Shares are not listed and posted for trading on any stock exchange, the Market Price shall be the fair market value of the Common Shares as determined by the Board in its sole discretion
- (z) “Option” means an incentive share purchase option granted pursuant to this Plan entitling the Option Holder to purchase Shares of the Company.
- (aa) “Option Certificate” means the certificate, in substantially the form set out as Schedule “A” hereto, evidencing the Option.
- (bb) “Option Holder” means a Person or Entity who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person.
- (cc) “Outstanding Issue” means the number of Shares that are outstanding (on a non-diluted basis) immediately prior to the Share issuance or grant of Option or RSU in question.
- (dd) “Participant” means any person eligible to receive an Award under this Plan.
- (ee) “Person” or “Entity” means an individual, natural person, corporation, government or political subdivision or agency of a government, and where two or more persons act as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding or disposing of securities of an issuer, such partnership, limited partnership, syndicate or group shall be deemed to be a Person or Entity.
- (ff) “Personal Representative” means:
 - (i) in the case of a deceased Option Holder or RSU Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and
 - (ii) in the case of an Option Holder or RSU Holder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Option Holder or RSU Holder.
- (gg) “Plan” means this long term incentive plan as from time to time amended.

- (hh) "Policy 4.4" means Policy 4.4 of the TSXV and any amendment thereto or replacement thereof;
- (ii) "Regulatory Approvals" means any necessary approvals of the Regulatory Authorities as may be required from time to time for the implementation, operation or amendment of this Plan or for the Options or RSUs granted from time to time hereunder.
- (jj) "Regulatory Authorities" means all organized trading facilities on which the Shares are listed, and all securities commissions or similar securities regulatory bodies having jurisdiction over the Company, this Plan or the Options or RSUs granted from time to time hereunder.
- (kk) "Regulatory Rules" means all corporate and securities laws, regulations, rules, policies, notices, instruments and other orders of any kind whatsoever which may, from time to time, apply to the implementation, operation or amendment of this Plan or the Options or RSUs granted from time to time hereunder including, without limitation, those of the applicable Regulatory Authorities.
- (ll) "Restricted Share Unit" or "RSU" means a right awarded to a Participant to receive a payment in Shares as provided in section 8 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement.
- (mm) "Restriction Period" means the time period between the Grant Date and the date of vesting of an Award of RSUs specified by the Board in the applicable Award Agreement, which period shall not be less than 12 months, provided the Board may, in its discretion, permit earlier vesting, no sooner than quarterly, of the RSUs.
- (nn) "RSU Holder" means a Person or Entity who holds an unexercised and unexpired RSU or, where applicable, the Personal Representative of such person.
- (oo) "*Securities Act*" means the *Securities Act* (British Columbia), R.S.B.C. 1996, c. 418 as from time to time amended.
- (pp) "Section 409A" means Section 409A of the United States Internal Revenue Code of 1986, as amended, and the applicable rules, regulations and guidance promulgated thereunder.
- (qq) "Security Based Compensation" has the meaning given to such term in Policy 4.4;
- (rr) "Share" or "Shares" means, as the case may be, one or more common shares without par value in the capital stock of the Company.
- (ss) "Share Compensation Arrangements" means any stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism of the Company involving the issuance or potential issuance of Common Shares, including a share purchase from treasury which is financially assisted by the Company by way of a loan, guarantee or otherwise;
- (tt) "Stock Exchange" means the TSXV, and any other stock exchange on which the Common Shares are listed or traded;
- (uu) "Subsidiary" means a wholly-owned or controlled subsidiary corporation of the Company.
- (vv) "Triggering Event" means:
 - (i) the proposed dissolution, liquidation or wind-up of the Company;
 - (ii) a proposed merger, amalgamation, arrangement or reorganization of the Company with one or more corporations as a result of which, immediately following such event, the shareholders of the Company as a group, as they were immediately prior to such event, are expected to hold less than a majority of the outstanding capital stock of the surviving corporation;

- (iii) the proposed acquisition of all or substantially all of the issued and outstanding shares of the Company by one or more Persons or Entities;
- (iv) a proposed Change of Control of the Company;
- (v) the proposed sale or other disposition of all or substantially all of the assets of the Company; or
- (vi) a proposed material alteration of the capital structure of the Company which, in the opinion of the Committee, is of such a nature that it is not practical or feasible to make adjustments to this Plan or to the Options or RSUs granted hereunder to permit the Plan and Options or RSUs granted hereunder to stay in effect.

(ww) "TSXV" means the TSX Venture Exchange Inc.

(xx) "Vest" or "Vesting" means that a portion of the Option or RSU granted to the Option Holder or RSU Holder which is available to be exercised by the Option Holder or RSU Holder at any time and from time to time.

1.2 Choice of Law

The Plan is established under, and the provisions of the Plan shall be subject to and interpreted and construed in accordance with, the laws of the Province of British Columbia. The Company and each Option Holder and RSU Holder hereby attorn to the jurisdiction of the Courts of British Columbia.

1.3 Headings

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

SECTION 2 GRANT OF AWARDS

2.1 Grant of Awards

The Committee shall, from time to time in its sole discretion, grant Options or RSUs to such Persons or Entities and on such terms and conditions as are permitted under this Plan.

2.2 Record of Awards Grants

The Committee shall be responsible to maintain a record of all Options and RSUs granted under this Plan and such record shall contain, in respect of each Option and RSU:

- (a) the name and address of the Option Holder or RSU Holder;
- (b) the category (Executive, Employee or Consultant) under which the Option or RSU was granted to him, her or it;
- (c) the Grant Date and Expiry Date of the Option or RSU;
- (d) the number of Shares which may be acquired on the exercise of the Option and, if applicable, the Exercise Price of the Option;
- (e) the vesting and other additional terms, if any, attached to the Option or RSU; and
- (f) the particulars of each and every time the Option or RSU is exercised.

2.3 Effect of Plan

All Options and RSUs granted pursuant to the Plan shall be subject to the terms and conditions of the Plan notwithstanding the fact that the Option Certificates or Award Agreements issued in respect thereof do not expressly contain such terms and conditions but instead incorporate them by reference to the Plan. The Option Certificates and

Award Agreements will be issued for convenience only and in the case of a dispute with regard to any matter in respect thereof, the provisions of the Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate or Award Agreement. Each Option or RSU will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate or Award Agreement for such Option or RSU, as applicable. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, the provisions of the Plan will supersede such terms and conditions.

2.4 Limits with Respect to Certain Persons

- (a) The maximum number of Options or RSUs which may be issued to:
 - (A) Any Consultant in any twelve (12) month period under this Plan may be no more than two percent (2%) of the outstanding Common Shares of the Corporation;
 - (B) All Persons conducting Investor Relations Activities for the Corporation in any twelve (12) month period may be, in aggregate, no more than two percent (2%) of the outstanding Common Shares of the Corporation,

less the aggregate number of shares reserved for issuance or issuable under any other Share Compensation Arrangement of the Corporation.
- (b) Investor Relations Service Providers may not receive any Security Based Compensation other than Options.
- (c) Options granted to Consultants conducting Investor Relations Activities of the Corporation shall vest over a period of not less than twelve (12) months with no more than twenty-five percent (25%) of the Compensation Shares or Options vesting in any three (3) month period.
- (d) Options Granted to Insiders are subject to Section 10.2.
- (e) The maximum aggregate number of Options and RSUs that are issuable pursuant to this Plan together with all Share Compensation Arrangements granted or issued to Insiders (as a group) must not exceed 10% of the issued and outstanding Common Shares of the Corporation at any point in time, unless the Company has obtained Disinterested Shareholder Approval.
- (f) The maximum aggregate number of Common Shares that are issuable pursuant to the Plan together with all Share Compensation Arrangements granted or issued in any twelve (12) month period to Insiders (as a group) must not exceed 10% of the Common Shares, calculated as at the date any Share Compensation Arrangement is granted or issued to any Insider, unless the Company has obtained Disinterested Shareholder Approval.
- (g) There may be no acceleration of the vesting requirements applicable to Options granted to persons conducting Investor Relations Activities unless the prior written approval of the TSXV has been obtained.
- (h) Unless disinterested approval is obtained and except as otherwise may be permitted by the policies of the TSXV, the maximum aggregate number of Common Shares that are issuable pursuant to the Plan together with all Share Compensation Arrangements granted or issued in any 12 month period to any one Eligible Person must not exceed 5% of the Common Shares, calculated as at the date any Security Based Compensation is granted or issued to the Eligible Person.

2.5 Non-Assignability and Non-Transferability

All Security Based Compensation issued pursuant to this Plan is non-assignable and non-transferable except as provided for in SECTION 6.

2.6 Grants to Employees, Consultants or Management Company Employees

For Options or Compensation Shares granted to employees of the Corporation, Consultants or individuals employed by a company or individual providing management services to the Corporation, the Corporation and the Participant are responsible for ensuring and confirming that the Participant is a bona fide employee of the Corporation, Consultant or individual employed by a company or individual providing management services to the Corporation, as the case may be.

SECTION 3 PURPOSE AND PARTICIPATION

3.1 Purpose of Plan

The purpose of the Plan is to provide the Company with a share-related mechanism to attract, retain and motivate qualified Executives, Employees and Consultants, to incentivize such individuals to contribute toward the long term goals of the Company, and to encourage such individuals to acquire Shares of the Company as long term investments.

3.2 Participation in Plan

The Committee shall, from time to time and in its sole discretion, determine those Executives, Employees and Consultants, if any, to whom Options and RSUs are to be granted.

3.3 Limits on Option Grants

If the Company is listed on TSXV, the following limitations shall apply to the Plan and all Options thereunder so long as such limitations are required by the TSXV:

- (a) The maximum aggregate number of Shares issuable under this Plan pursuant to Options shall not exceed 10% of the Outstanding issue at any one time;
- (b) the maximum number of Options which may be granted to any one Option Holder under the Plan within any 12-month period shall be 5% of the Outstanding Issue (unless the Company has obtained Disinterested Shareholder Approval as required by the TSXV); and
- (c) with respect to section 5.1, the Expiry Date of an Option shall be no later than the tenth anniversary of the Grant Date of such Option;

and such limitation will not be an amendment to this Plan requiring the Option Holders consent under section 10.2 of this Plan.

3.4 Limits on RSU Grants

With respect to RSUs:

- (a) The maximum aggregate number of Shares issuable under this Plan pursuant to RSUs shall not exceed 11,500,000 at any one time, subject to section 4.2;
- (b) The total number of Shares issuable pursuant to RSUs to any Participant under this Plan shall not exceed five (5.0%) percent of the issued and outstanding Shares at the time of the Award;
- (c) The total number of Shares issuable to any Participant pursuant to RSUs under this Plan shall not, in the aggregate, exceed five (5.0%) percent of the issued and outstanding Shares in any twelve month period; and
- (d) Persons performing investor relations activities may receive only Options as Awards under this Plan.

3.5 Notification of Grant

Following the granting of a Award, the Administrator shall, within a reasonable period of time, notify the Option Holder or RSU Holder in writing of the grant and shall enclose with such notice the Option Certificate or Award Agreement representing the Option or RSU, as applicable, so granted. In no case will the Company be required to deliver an Option Certificate or Award Agreement to an Option Holder or RSU Holder until such time as the Company has obtained all necessary Regulatory Approvals for the grant of the Option or RSU.

3.6 Copy of Plan

Each Option Holder and RSU Holder, concurrently with the notice of the grant of the Option or RSU, shall be provided with a copy of the Plan. A copy of any amendment to the Plan shall be promptly provided by the Administrator to each Option Holder and RSU Holder.

3.7 Limitation on Service

The Plan does not give any Option Holder or RSU Holder that is an Executive the right to serve or continue to serve as an Executive of the Company or any Subsidiary, nor does it give any Option Holder or RSU Holder that is an Employee or Consultant the right to be or to continue to be employed or engaged by the Company or any Subsidiary.

3.8 No Obligation to Exercise

Option Holders and RSU Holders shall be under no obligation to exercise Options or RSUs granted under this Plan.

3.9 Agreement

The Company and every Option Holder and RSU Holder granted an Option or RSU hereunder shall be bound by and subject to the terms and conditions of this Plan. By accepting an Option or RSU granted hereunder, the Option Holder or RSU Holder has expressly agreed with the Company to be bound by the terms and conditions of this Plan. In the event that the Option Holder or RSU Holder receives their Options or RSUs pursuant to an oral or written agreement with the Company or a Subsidiary, whether such agreement is an employment agreement, consulting agreement or any other kind of agreement of any kind whatsoever, the Option Holder or RSU Holder acknowledges that in the event of any inconsistency between the terms relating to the grant of such Options and RSUs in that agreement and the terms attaching to the Options or RSUs as provided for in this Plan, the terms provided for in this Plan shall prevail and the other agreement shall be deemed to have been amended accordingly.

3.10 Notice

Any notice, delivery or other correspondence of any kind whatsoever to be provided by the Company to an Option Holder or RSU Holder will be deemed to have been provided if provided to the last home address, fax number or email address of the Option Holder or RSU Holder in the records of the Company and the Company shall be under no obligation to confirm receipt or delivery.

3.11 Representation to TSXV

As a condition precedent to the issuance of an Option or RSU, the Company must be able to represent to TSXV as of the Grant Date that the Option Holder or RSU Holder, as applicable, is a *bona fide* Executive, Employee or Consultant of the Company or any Subsidiary. Both the Company and the Option Holder or RSU Holder are responsible for confirming that that the Option Holder or RSU Holder is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

SECTION 4 NUMBER OF SHARES UNDER PLAN

4.1 Board to Approve Issuance of Shares

The Board shall approve by resolution the issuance of all Shares to be issued to Option Holders or RSU Holders upon the exercise of Options or RSUs, such authorization to be deemed effective as of the Grant Date of such Options or

RSUs regardless of when it is actually done. The Board shall be entitled to approve the issuance of Shares in advance of the Grant Date, retroactively after the Grant Date, or by a general approval of this Plan.

4.2 Number of Shares

Subject to adjustment as provided for herein, the aggregate number of Shares which will be available for purchase pursuant to Options granted pursuant to this Plan and any other incentive plan of the Company will not exceed 10% of the issued and outstanding Shares as at the time of grant. If any Option expires or otherwise terminates for any reason without having been exercised in full, the number of Shares in respect of such expired or terminated Option shall again be available for the purposes of granting Options pursuant to this Plan.

Subject to adjustment as provided for herein, the aggregate number of Shares which will be available for purchase pursuant to RSUs granted pursuant to this Plan will not exceed 11,500,000 Shares. If any RSU expires or otherwise terminates for any reason without having been exercised in full, the number of Shares in respect of such expired or terminated RSU shall again be available for the purposes of granting RSUs pursuant to this Plan.

4.3 Fractional Shares

No fractional shares shall be issued upon the exercise of any Option or RSU and, if as a result of any adjustment, an Option Holder or RSU Holder would become entitled to a fractional share, such Option Holder or RSU Holder shall have the right to purchase only the next lowest whole number of Shares and no payment or other adjustment will be made for the fractional interest.

SECTION 5 TERMS AND CONDITIONS OF OPTIONS

5.1 Exercise Period of Option

Subject to sections 5.4, 6.2, 6.3, 6.4, 7.1 and 12.4, the Grant Date and the Expiry Date of an Option shall be the dates fixed by the Committee at the time the Option is granted and shall be set out in the Option Certificate issued in respect of such Option.

Except as provided otherwise in SECTION 6, Options are non-assignable and non-transferable.

5.2 Number of Shares Under Option

The number of Shares which may be purchased pursuant to an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option.

5.3 Exercise Price of Option

The Exercise Price at which an Option Holder may purchase a Share upon the exercise of an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option, but in any case shall be no less than the Discounted Market Price. If the Company does not issue a news release to announce the grant and exercise price of an Option, the Discounted Market Price is the last closing price of the Common Shares before the date of the grant of the Option, less the applicable discount.

5.4 Termination of Option

Subject to such other terms or conditions that may be attached to Options granted hereunder, an Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of the Expiry Time on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Committee at the time the Option is granted as set out in the Option Certificate and the date established, if applicable, in paragraphs (a) or (b) below or sections 6.2, 6.3, 6.4, or 12.4 of this Plan:

- (a) *Ceasing to Hold Office* - In the event that the Option Holder holds his or her Option as an Executive and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of

the Option shall be, unless otherwise determined by the Committee and expressly provided for in the Option Certificate, the 90th day following the date the Option Holder ceases to hold such position unless the Option Holder ceases to hold such position as a result of:

- (i) ceasing to meet the qualifications set forth in the corporate legislation applicable to the Company;
- (ii) a special resolution having been passed by the shareholders of the Company removing the Option Holder as a director of the Company or any Subsidiary; or
- (iii) an order made by any Regulatory Authority having jurisdiction to so order;

in which case the Expiry Date shall be the date the Option Holder ceases to hold such position, and in no event shall the Expiry Date of the Option shall be later than the first anniversary of the date the Option Holder ceases to hold such position with the Company; OR

- (b) *Ceasing to be Employed or Engaged* - In the event that the Option Holder holds his or her Option as an Employee or Consultant and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise determined by the Committee and expressly provided for in the Option Certificate, the 90th day following the date the Option Holder ceases to hold such position, unless the Option Holder ceases to hold such position as a result of:

- (i) termination for cause;
- (ii) resigning their position; or
- (iii) an order made by any Regulatory Authority having jurisdiction to so order;

in which case the Expiry Date shall be the date the Option Holder ceases to hold such position, and in no event shall the Expiry Date of the Option shall be later than the first anniversary of the date the Option Holder ceases to hold such position with the Company.

In the event that the Option Holder ceases to hold the position of Executive, Employee or Consultant for which the Option was originally granted, but comes to hold a different position as an Executive, Employee or Consultant prior to the expiry of the Option, the Committee may, in its sole discretion, choose to permit the Option to stay in place for that Option Holder with such Option then to be treated as being held by that Option Holder in his or her new position and such will not be considered to be an amendment to the Option in question requiring the consent of the Option Holder under section 10.2 of this Plan. Notwithstanding anything else contained herein, in no case will an Option be exercisable later than the Expiry Date of the Option.

5.5 Vesting of Option and Acceleration

The vesting schedule for an Option, if any, shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. The Committee may elect, at any time, to accelerate the vesting schedule of one or more Options including, without limitation, on a Triggering Event, and such acceleration will not be considered an amendment to the Option in question requiring the consent of the Option Holder under section 10.2 of this Plan.

5.6 Additional Terms

Subject to all applicable Regulatory Rules and all necessary Regulatory Approvals, the Committee may attach additional terms and conditions to the grant of a particular Option, such terms and conditions to be set out in a schedule attached to the Option Certificate. The Option Certificates will be issued for convenience only, and in the case of a dispute with regard to any matter in respect thereof, the provisions of this Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, the provisions of the Plan shall supersede such terms and conditions.

SECTION 6 TRANSFERABILITY OF AWARDS

6.1 Non-transferable

Except as provided otherwise in this SECTION 6, Awards are non-assignable and non-transferable.

6.2 Death of Award Holder

In the event of the death of an Award Holder, any Awards held by such Award Holder shall pass to the Personal Representative of the Award Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of one year following the date of death and the applicable Expiry Date.

6.3 Disability of Award Holder

If the employment or engagement of an Award Holder as an Employee or Consultant or the position of an Award Holder as a director or officer of the Company or a Subsidiary is terminated by the Company by reason of such Disability of Award Holder, any Awards held by such Award Holder shall be exercisable by such Award Holder or by the Personal Representative on or before the date which is the earlier of one year following the termination of employment, engagement or appointment as a director or officer and the applicable Expiry Date.

6.4 Disability and Death of Award Holder

If an Award Holder has ceased to be employed, engaged or appointed as a director or officer of the Company or a Subsidiary by reason of such Award Holder's Disability and such Award Holder dies within one year after the termination of such engagement, any Awards held by such Award Holder that could have been exercised immediately prior to his or her death shall pass to the Personal Representative of such Award Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of one year following the death of such Award Holder and the applicable Expiry Date.

6.5 Vesting

Unless the Committee determines otherwise, Awards held by or exercisable by a Personal Representative shall, during the period prior to their termination, continue to vest in accordance with any vesting schedule to which such Awards are subject.

Unless the Committee determines otherwise, Options issued pursuant to the LTIP are generally subject to a vesting schedule as follows: (i) 1/3 upon the date of grant; (ii) 1/3 upon the first anniversary of the date of grant; and (iii) 1/3 upon the second anniversary of the date of grant.

6.6 Deemed Non-Interruption of Engagement

Employment or engagement by the Company shall be deemed to continue intact during any military or sick leave or other *bona fide* leave of absence if the period of such leave does not exceed 90 days or, if longer, for so long as the Award Holder's right to re-employment or re-engagement by the Company is guaranteed either by statute or by contract. If the period of such leave exceeds 90 days and the Award Holder's re-employment or re-engagement is not so guaranteed, then his or her employment or engagement shall be deemed to have terminated on the ninety-first day of such leave.

SECTION 7 EXERCISE OF AWARD

7.1 Exercise of Award

An Option or RSU may be exercised only by the Award Holder or the Personal Representative of any Award Holder. An Award Holder or the Personal Representative of any Award Holder may exercise an Option or RSU in whole or in part at any time and from time to time during the Exercise Period up to the Expiry Time on the Expiry Date by delivering to the Administrator the required Exercise Notice, and if applicable, the applicable Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate Exercise Price of the

Shares then being purchased pursuant to the exercise of the Option. Notwithstanding anything else contained herein, Options and RSUs may not be exercised during a Black-Out unless the Committee determines otherwise. If the expiry date of an Option or RSU falls within a Black-Out, the Committee shall have the option to extend the expiry date of the Option or RSU for no later than ten (10) business days after the expiry of the blackout period.

7.2 Issue of Share Certificates

As soon as reasonably practicable following the receipt of the Exercise Notice, the Administrator shall cause to be delivered to the Award Holder a certificate for the Shares so purchased. If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate or Award Agreement surrendered, the Administrator shall also provide a new Option Certificate for the balance of Shares available under the Option or RSU to the Award Holder concurrent with delivery of the Share Certificate.

7.3 No Rights as Shareholder

Until the date of the issuance of the certificate for the Shares purchased pursuant to the exercise of an Award, no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to such Shares, notwithstanding the exercise of the Award, unless the Committee determines otherwise. In the event of any dispute over the date of the issuance of the certificates, the decision of the Committee shall be final, conclusive and binding.

SECTION 8 RESTRICTED SHARE UNITS

8.1 Eligibility and participation.

Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant RSUs to eligible Participants. RSUs granted to a Participant shall be credited, as of the Grant Date, to the Participant's account. The number of RSUs to be credited to each Participant shall be determined by the Committee in its sole discretion in accordance with this Plan. Each RSU shall, contingent upon the lapse of any restrictions, represent one (1) Share. The number of RSUs granted pursuant to an Award and the Restriction Period in respect of such RSU shall be specified in the applicable Award Agreement.

8.2 Restrictions.

RSUs shall be subject to such restrictions as the Committee, in its sole discretion, may establish in the applicable Award Agreement, which restrictions may lapse separately or in combination at such time or times and on such terms, conditions and satisfaction of objectives as the Committee may, in its discretion, determine at the time an Award is granted.

8.3 Vesting.

No RSUs may not vest before the date that is one year following the date they are granted or issued, subject to the following:

(i) if a Participant ceases to become eligible for grants of RSUs upon occurrence of a Change of Control, all RSUs granted to that Participant that are subject to a vesting provision shall be deemed to have immediately vested upon the occurrence of the Change of Control, and

(ii) in the case of the death of a Participant, any RSUs granted to the Participant which have not vested at the date of death shall be deemed to have immediately vested upon the date of death and upon such vesting, may be exercised by the Participant's lawful personal representatives, heirs or executors until up to one year after the date of death of such Participant.

8.4 Change of control.

In the event of a Change of Control, all restrictions upon any RSUs shall lapse immediately and all such RSUs shall become fully vested in the Participant and will accrue to the Participant in accordance with Section 8.9 hereof.

8.5 Death.

Other than as may be set forth in the applicable Award Agreement, upon the death of a Participant, any RSUs granted to such Participant which, prior to the Participant's death, have not vested, will be immediately and automatically forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever. Any RSUs granted to such Participant which, prior to the Participant's death, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant's estate in accordance with SECTION 5(a)(x) hereof.

8.6 Termination of employment or service.

- (a) Where, in the case of Employees or Consultants, a Participant's employment is terminated by the Company or a Subsidiary for cause, or consulting contract, subject to the applicable Award Agreement, is terminated as a result of the Consultant's breach, all RSUs granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date.
- (b) Where, in the case of Employees or Consultants, a Participant's employment or consulting contract is terminated by the Company or a Subsidiary without cause, by voluntary termination or due to Retirement by the Participant, all RSUs granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date, provided, however, that any RSUs granted to such Participant which, prior to the Participant's termination without cause, voluntary termination or Retirement, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 8.9 hereof.
- (c) Upon termination of a Participant's employment with the Company or a Subsidiary, or upon termination of a Consultant's contract, the Participant's eligibility to receive further grants of Awards of RSUs under this Plan shall cease as of the Termination Date.

In the event that the RSU Holder ceases to hold the position of Executive, Employee or Consultant for which the RSU was originally granted, but comes to hold a different position as an Executive, Employee or Consultant prior to the expiry of the RSU, the Committee may, in its sole discretion, choose to permit the RSU to stay in place for that RSU Holder with such RSU then to be treated as being held by that RSU Holder in his or her new position and such will not be considered to be an amendment to the RSU in question requiring the consent of the RSU Holder under section 10.2 of this Plan. Notwithstanding anything else contained herein, in no case will an RSU be exercisable later than the Expiry Date of the RSU.

- (d) Notwithstanding any other provisions herein, upon termination of a Participant's employment with the Company or a Subsidiary, any Award held by the Participant must expire within a reasonable period which shall not exceed 12 months from the date of termination.

8.7 Disability.

Where, in the case of Employees or Consultants, a Participant becomes afflicted by a Disability, all RSUs granted to the Participant under this Plan will continue to vest in accordance with the terms of such RSUs, provided, however, that no RSUs may be redeemed during a leave of absence. Where, in the case of Employees or Consultants, a Participant's employment or consulting contract is terminated due to Disability, all RSUs granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date, provided, however, that any RSUs granted to such Participant which, prior to the Participant's termination due to Disability, had vested pursuant to terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 8.9 hereof.

8.8 Cessation of directorship.

Where, in the case of Directors, a Participant ceases to be a Director for any reason, any RSUs granted to the Participant under this Plan that have not yet vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Cessation Date, provided, however, that any RSUs granted to such Participant which, prior to

the Cessation Date for any reason, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 8.9 hereof.

8.9 Payment of award.

As soon as practicable after each Vesting Date of an Award of RSUs, and subject to the applicable Award Agreement, the Company shall issue from treasury to the Participant, or if Section 8.5 applies, to the Participant's estate, a number of Shares equal to the number of RSUs credited to the Participant's Account that become payable on the Vesting Date. As of the Vesting Date, the RSUs in respect of which such Shares are issued shall be cancelled and no further payments shall be made to the Participant under this Plan in relation to such RSUs.

**SECTION 9
ADMINISTRATION**

9.1 Board or Committee

The Plan shall be administered by the Board, by a Committee of the Board appointed in accordance with section 9.2 below, or by an Administrator appointed in accordance with subsection 9.4(e).

9.2 Appointment of Committee

The Board may at any time appoint a Committee, consisting of not less than two of its members, to administer the Plan on behalf of the Board in accordance with such terms and conditions as the Board may prescribe, consistent with this Plan. Once appointed, the Committee shall continue to serve until otherwise directed by the Board. From time to time, the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and appoint new members in their place, fill vacancies however caused, or remove all members of the Committee and thereafter directly administer the Plan.

9.3 Quorum and Voting

A majority of the members of the Committee shall constitute a quorum and, subject to the limitations in this SECTION 9, all actions of the Committee shall require the affirmative vote of members who constitute a majority of such quorum. Members of the Committee may vote on any matters affecting the administration of the Plan or the grant of Options or RSUs pursuant to the Plan, except that no such member shall act upon the granting of an Option or RSU to himself (but any such member may be counted in determining the existence of a quorum at any meeting of the Committee during which action is taken with respect to the granting of Options or RSUs to that member). The Committee may approve matters by written resolution signed by a majority of the quorum.

9.4 Powers of Committee

The Committee (or the Board if no Committee is in place) shall have the authority to do the following:

- (a) administer the Plan in accordance with its terms;
- (b) appoint or replace the Administrator from time to time;
- (c) hire an employ or engage a consultant to administrate the Plan;
- (d) determine all questions arising in connection with the administration, interpretation and application of the Plan, including all questions relating to the Market Price of the Shares;
- (e) correct any defect, supply any information or reconcile any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan;
- (f) prescribe, amend, and rescind rules and regulations relating to the administration of the Plan;

- (g) determine the duration and purposes of leaves of absence from employment or engagement by the Company which may be granted to Option Holders or RSU Holders without constituting a termination of employment or engagement for purposes of the Plan;
- (h) do the following with respect to the granting of Options or RSUs, as applicable:
 - (i) determine the Executives, Employees or Consultants to whom Options or RSUs shall be granted, based on the eligibility criteria set out in this Plan;
 - (ii) determine the terms of the Option or RSU to be granted to an Option Holder or RSU Holder including, without limitation, the Grant Date, Expiry Date, Exercise Price and vesting schedule, as applicable (which need not be identical with the terms of any other Option or RSU);
 - (iii) subject to any necessary Regulatory Approvals and section 10.2, amend the terms of any Options or RSUs;
 - (iv) determine when Options or RSUs shall be granted; and
 - (v) determine the number of Shares subject to each Option or RSU;
- (i) accelerate the vesting schedule of any Option or RSU previously granted; and
- (j) make all other determinations necessary or advisable, in its sole discretion, for the administration of the Plan.

9.5 Administration by Committee

All determinations made by the Committee in good faith shall be final, conclusive and binding upon all persons. The Committee shall have all powers necessary or appropriate to accomplish its duties under this Plan.

9.6 Interpretation

The interpretation by the Committee of any of the provisions of the Plan and any determination by it pursuant thereto shall be final, conclusive and binding and shall not be subject to dispute by any Option Holder or RSU Holder. No member of the Committee or any person acting pursuant to authority delegated by it hereunder shall be personally liable for any action or determination in connection with the Plan made or taken in good faith and each member of the Committee and each such person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Company.

SECTION 10 APPROVALS AND AMENDMENT

10.1 Shareholder Approval of Plan

If required by a Regulatory Authority or by the Committee, this Plan may be made subject to the approval of a majority of the votes cast at a meeting of the shareholders of the Company or by a majority of votes cast by disinterested shareholders at a meeting of shareholders of the Company. If shareholder approval is required, any Options or RSUs granted under this Plan prior to such time will not be exercisable or binding on the Company unless and until such shareholder approval is obtained.

10.2 Amendment of Option or RSU or Plan

The Board may from time to time, suspend, terminate or discontinue the Plan at any time, or amend or revise the terms of the Plan or of any Option or RSU granted under the Plan and any Certificate relating thereto, provided that no such suspension, termination, amendment or revision will be made:

- (i) Except in compliance with applicable law and with the prior approval, if required, of the TSXV or any other regulatory body having authority over the Corporation, the Plan or the Shareholders; and

- (ii) In the case of an amendment or revision, if it materially adversely affects the rights of any Participant, without the consent of the Participant.

If the Plan is terminated, the provisions of the Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force on the date of the termination will continue in effect as long as any Option or RSU, or any rights pursuant thereto remain outstanding and, notwithstanding the termination of the Plan, the Board will remain able to make such amendments to the Plan or the Options or RSU as they would have been entitled to make if the Plan were still in effect.

Subject to any applicable rules of the TSXV, the Board may from time to time, in its absolute discretion and without the approval of Shareholders, make the following amendments:

- (i) Amendments to fix typographical errors; and
- (ii) Amendments to clarify existing provisions of the Plan that do not have the effect of altering the scope, nature and intent of such provisions.

Shareholder approval is required for any change that would materially modify the eligibility requirements for participation in the Plan.

Disinterested Shareholder Approval is required for the following amendments to the Plan;

- (i) Any individual grant that would result in any of the limitations set forth in Section 2.4, Section 3.3 or Section 3.4 being exceeded;
- (ii) Any individual grant that would result in the grant to Insiders (as a group), within a twelve (12) month period, of an aggregate number of Options or RSUs exceeding ten percent (10%) of the issued Common Shares, calculated on the date an Option or RSU, as applicable, is granted to any Insider;
- (iii) Any individual grant that would result in the number of Common Shares issued to any individual in any twelve (12) month period under this Plan exceeding five percent (5%) of the issued Common Shares of the Corporation, less the aggregate number of shares reserved for issuance or issuable under any other Share Compensation Arrangement of the Corporation;
- (iv) Any amendment to Options or RSUs held by Insiders that would have the effect of decreasing the exercise price of the Options or RSUs;
- (v) Any extension of the Expiry Date of an Option held by an Insider.

For the purposes of the limitations set forth in items (ii) and (iv) above, Options or RSUs held by an Insider at any point in time that were granted to such Participant prior to it becoming an Insider shall be considered Options or RSUs granted to an Insider irrespective of the fact that the Participant was not an Insider at the time of grant.

10.3 Limits with Respect to Insiders

The aggregate number of Common Shares reserved for issuance to Insiders under this Plan and all Share Compensation Arrangements of the Company, in the aggregate, shall not exceed 10% of the Outstanding Shares, and the number of Common Shares issued to Insiders, within any one year period, under this Plan and all Share Compensation Arrangements of the Company, in the aggregate, shall not exceed 10% of the Outstanding Shares (on a non-diluted basis), unless Disinterested Shareholder Approval is received.

SECTION 11 CONDITIONS PRECEDENT TO ISSUANCE OF OPTIONS AND SHARES

11.1 Compliance with Laws

An Option or RSU shall not be granted or exercised, and Shares shall not be issued pursuant to the exercise of any Option or RSU, unless the grant and exercise of such Option or RSU and the issuance and delivery of such Shares

comply with all applicable Regulatory Rules, and such Options and RSUs and Shares will be subject to all applicable trading restrictions in effect pursuant to such Regulatory Rules and the Company shall be entitled to legend the Option Certificates or Award Agreements and the certificates representing such Shares accordingly.

11.2 Obligation to Obtain Regulatory Approvals

In administering this Plan, the Committee will seek any Regulatory Approvals which may be required. The Committee will not permit any Options or RSUs to be granted without first obtaining the necessary Regulatory Approvals unless such Options or RSUs are granted conditional upon such Regulatory Approvals being obtained. The Committee will make all filings required with the Regulatory Authorities in respect of the Plan and each grant of Options or RSUs hereunder. No Option or RSUs granted will be exercisable or binding on the Company unless and until all necessary Regulatory Approvals have been obtained. The Committee shall be entitled to amend this Plan and the Options and RSUs granted hereunder in order to secure any necessary Regulatory Approvals and such amendments will not require the consent of the Option Holders and RSU Holders under section 10.2 of this Plan.

11.3 Inability to Obtain Regulatory Approvals

The Company's inability to obtain Regulatory Approval from any applicable Regulatory Authority, which Regulatory Approval is deemed by the Committee to be necessary to complete the grant of Options or RSUs hereunder, the exercise of those Options or RSUs or the lawful issuance and sale of any Shares pursuant to such Options or RSUs, shall relieve the Company of any liability with respect to the failure to complete such transaction.

SECTION 12 ADJUSTMENTS AND TERMINATION

12.1 Termination of Plan

Subject to any necessary Regulatory Approvals, the Committee may terminate or suspend the Plan. Unless earlier terminated as provided in this SECTION 12, the Plan shall terminate on, and no more Options or RSUs shall be granted under the Plan after, the tenth anniversary of the Effective Date of the Plan.

12.2 No Grant During Suspension of Plan

No Option or RSU may be granted during any suspension, or after termination, of the Plan. Suspension or termination of the Plan shall not, without the consent of the Option Holder or RSU Holder, alter or impair any rights or obligations under any Option or RSU previously granted.

12.3 Alteration in Capital Structure

If there is a material alteration in the capital structure of the Company and the Shares are consolidated, subdivided, converted, exchanged, reclassified or in any way substituted for, the Committee shall make such adjustments to this Plan and to the Options and RSUs then outstanding under this Plan as the Committee determines to be appropriate and equitable under the circumstances, so that the proportionate interest of each Option Holder and RSU Holder shall, to the extent practicable, be maintained as before the occurrence of such event. Such adjustments may include, without limitation:

- (a) a change in the number or kind of shares of the Company covered by such Options or RSUs; and
- (b) a change in the Exercise Price payable per Share provided, however, that the aggregate Exercise Price applicable to the unexercised portion of existing Options shall not be altered, it being intended that any adjustments made with respect to such Options shall apply only to the Exercise Price per Share and the number of Shares subject thereto.

Any adjustment made to any Options or RSUs pursuant to this section 12.3 shall not be considered an amendment requiring the Option Holder's consent or RSU Holder's consent, as applicable, for the purposes of Section 10.2 of this Plan.

12.4 Triggering Events

Subject to the Company complying with section 12.5 and any necessary Regulatory Approvals and notwithstanding any other provisions of this Plan or any Option Certificate or Award Agreement, the Committee may, without the consent of the RSU Holder, Option Holder or Holders in question:

- (a) cause all or a portion of any of the Options or RSUs granted under the Plan to terminate upon the occurrence of a Triggering Event; or
- (b) cause all or a portion of any of the Options or RSUs granted under the Plan to be exchanged for incentive stock options of another corporation upon the occurrence of a Triggering Event in such ratio and at such exercise price as the Committee deems appropriate, acting reasonably.

Such termination or exchange shall not be considered an amendment requiring the Option Holder's or RSU Holder's consent for the purpose of section 10.2 of the Plan.

12.5 Notice of Termination by Triggering Event

In the event that the Committee wishes to cause all or a portion of any of the Options or RSUs granted under this Plan to terminate on the occurrence of a Triggering Event, it must give written notice to the Option Holders or RSU Holders in question not less than 10 days prior to the consummation of a Triggering Event so as to permit the Option Holder or RSU Holder the opportunity to exercise the vested portion of the Options or RSUs prior to such termination. Upon the giving of such notice and subject to any necessary Regulatory Approvals, all Options and RSUs or portions thereof granted under the Plan which the Company proposes to terminate shall become immediately exercisable notwithstanding any contingent vesting provision to which such Options or RSUs may have otherwise been subject.

12.6 Determinations to be Made By Committee

Adjustments and determinations under this SECTION 12 shall be made by the Committee, whose decisions as to what adjustments or determination shall be made, and the extent thereof, shall be final, binding, and conclusive.

SECTION 13 GENERAL TERMS APPLICABLE TO AWARDS

13.1 Forfeiture Events.

The Board will specify in an Award Agreement at the time of the Award that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events shall include, but shall not be limited to, termination of employment for cause, violation of material Company policies, fraud, breach of noncompetition, confidentiality or other restrictive covenants that may apply to the Participant or other conduct by the Participant that is detrimental to the business or reputation of the Company.

13.2 Awards may be granted separately or together.

Awards may, in the discretion of the Board, be granted either alone or in addition to, in tandem with, or in substitution for any other Award. Awards granted in addition to or in tandem with other Awards may be granted either at the same time as or at a different time from the grant of such other Awards or awards.

13.3 Non-transferability of awards.

Except as otherwise provided in an Award Agreement, no Award and no right under any such Award, shall be assignable, alienable, saleable, or transferable by a Participant otherwise than by will or by the laws of descent and distribution. No Award and no right under any such Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Company. The Company does not intend to make Awards assignable or transferable, except where required by law or in certain estate proceedings described herein.

13.4 Conditions and restrictions upon securities subject to awards.

The Board may provide that the Shares issued under an Award shall be subject to such further agreements, restrictions, conditions or limitations as the Board in its sole discretion may specify, including without limitation, conditions on vesting or transferability and forfeiture or repurchase provisions or provisions on payment of taxes arising in connection with an Award. Without limiting the foregoing, such restrictions may address the timing and manner of any resales by the Participant or other subsequent transfers by the Participant of any Shares issued under an Award, including without limitation: (A) restrictions under an insider trading policy or pursuant to applicable law; (B) restrictions designed to delay and/or coordinate the timing and manner of sales by Participant and holders of other Awards; (C) restrictions as to the use of a specified brokerage firm for such resales or other transfers; and (D) provisions requiring Shares to be sold on the open market or to the Company in order to satisfy tax withholding or other obligations.

13.5 Share certificates.

All Shares delivered under this Plan pursuant to any Award shall be subject to such stop transfer orders and other restrictions as the Board may deem advisable under this Plan or the rules, regulations, and other requirements of any securities commission, the Exchange, and any applicable securities legislation, regulations, rules, policies or orders, and the Board may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

13.6 Conformity to plan.

In the event that an Award is granted which does not conform in all particulars with the provisions of this Plan, or purports to grant an Award on terms different from those set out in this Plan, the Award shall not be in any way void or invalidated, but the Award shall be adjusted by the Board to become, in all respects, in conformity with this Plan.

13.7 Performance evaluation; adjustment of goals.

At the time that a performance-based Award is first issued, the Board, in the Award Agreement or in another written document, may specify whether performance will be evaluated including or excluding the effect of any of the following events that occur during the Restriction Period, as the case may be: (A) judgments entered or settlements reached in litigation; (B) the write down of assets; (C) the impact of any reorganization or restructuring; (D) the impact of changes in tax laws, accounting principles, regulatory actions or other laws affecting reported results; (E) extraordinary non-recurring items as may be described in the Company's management's discussion and analysis of financial condition and results of operations for the applicable financial year; (F) the impact of any mergers, acquisitions, spin-offs or other divestitures; and (G) foreign exchange gains and losses.

13.8 Adjustment of performance-based awards.

The Board shall have the sole discretion to adjust the determinations of the degree of attainment of the pre-established performance criteria or restrictions, as the case may be, as may be set out in the applicable Award Agreement governing the relevant performance-based Award. Notwithstanding any provision herein to the contrary, the Board may not make any adjustment or take any other action with respect to any performance-based Award that will increase the amount payable under any such Award. The Board shall retain the sole discretion to adjust performance-based Awards downward or to otherwise reduce the amount payable with respect to any performance-based Award.

**SECTION 14
MISCELLANEOUS**

14.1 No right as shareholder.

Neither the Participant nor any representatives of a Participant's estate shall have any rights whatsoever as Shareholders in respect of any Shares covered by such Participant's Award, until the date of issuance of a share certificate to such Participant or representatives of a Participant's estate for such Shares.

14.2 No trust or fund created.

Neither this Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a Participant or any other Person. To the extent that any Person acquires a right to receive payments from the Company pursuant to an Award, such right shall be no greater than the right of any unsecured creditor of the Company.

14.3 No representations or covenants with respect to tax qualification; Section 409A.

- (a) Although the Company may, in its discretion, endeavor to (i) qualify an Award for favourable Canadian tax treatment or (ii) avoid adverse tax treatment, the Company makes no representation to that effect and expressly disavows any covenant to maintain favorable or avoid unfavorable tax treatment. The Company shall be unconstrained in its corporate activities without regard to the potential negative tax impact on holders of Awards under this Plan.
- (b) For Participants who are residents or citizens of the United States of America, this Plan is intended to be administered in a manner consistent with the requirements, where applicable, of Section 409A. Where reasonably possible and practicable, this Plan shall be administered in a manner to avoid the imposition on Participants of immediate tax recognition and additional taxes pursuant to Section 409A. To the extent that an Award or the payment, settlement or deferral thereof is subject to Section 409A, the Award shall be granted, paid, settled or deferred in a manner that will comply with Section 409A, except as otherwise determined by the Committee. If a Participant is a “specified employee” (within the meaning of Section 409A) and should any portion of the Award that would otherwise be payable under such Award be determined to be a payment that is not exempt from Section 409A, such payment, to the extent otherwise payable within six (6) months after a “separation from service” (within the meaning of Section 409A), and to the extent necessary to avoid the imposition of taxes under Section 409A, will be settled on the earlier of the date that is six (6) months and one (1) day after the date of such of separation from service or the date of Participant’s death. For purposes of Section 409A, each installment payment provided under this Agreement shall be treated as a separate payment.
- (c) Notwithstanding the foregoing, neither the Company nor the Committee, nor any of the Company’s directors, officers or employees shall have any liability to any person in the event any Award results in adverse tax consequences for the Participant or any of his or her beneficiaries or transferees.

* * * * *

SCHEDULE "A"

[Include the following Exchange hold period if i) the exercise price of the stock options is based on less than Market Price; or ii) if the certificate is issued to persons holding securities carrying more than 10% of the voting rights attached to the Company's securities; or if the certificate is issued to directors, officers or promoters of the Company]

[Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until *<insert date four months and one day after Grant Date>*.]

CATHEDRA BITCOIN INC. STOCK OPTION PLAN - OPTION CERTIFICATE

This Option Certificate is issued pursuant to the provisions of the Stock Option Plan (the "Plan") of Fortress Technologies Inc. (the "Company") and evidences that *<insert name of Option Holder>* is the holder (the "Option Holder") of an option (the "Option") to purchase up to ● common shares (the "Shares") in the capital stock of the Company at a purchase price of CAD\$● per Share (the "Exercise Price"). This Option may be exercised at any time and from time to time from and including the following Grant Date through to and including up to 5:00 p.m. local time in Toronto, Ontario (the "Expiry Time") on the following Expiry Date:

- (a) the Grant Date of this Option is ●, 20____; and
- (b) subject to sections 5.4, 6.2, 6.3, 6.4 and 12.4 of the Plan, the Expiry Date of this Option is ●, 20_____.

To exercise this Option, the Option Holder must deliver to the Administrator of the Plan, prior to the Expiry Time on the Expiry Date, an Exercise Notice, in the form provided in the Plan, which is incorporated by reference herein, together with the original of this Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate of the Exercise Price of the Shares in respect of which this Option is being exercised.

This Option Certificate and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan. This Option Certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail. This Option is also subject to the terms and conditions contained in the schedules, if any, attached hereto.

[Include the following Exchange hold period only if the exercise price of the stock options is based on less than Market Price. or ii) if the certificate is issued to persons holding securities carrying more than 10% of the voting rights attached to the Company's securities; or if the certificate is issued to directors, officers or promoters of the Company]

[Any share certificates issued pursuant to an exercise of the Option before *< insert date four months and one day after Grant Date>* will contain the following legend:

"Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until *<insert date four months and one day after Grant Date>*."]

If the Option Holder is a resident or citizen of the United States of America at the time of the exercise of the Option, the certificate(s) representing the Shares will be endorsed with the following or a similar legend:

“The securities represented by this certificate have not been registered under the Securities Act of 1933, as amended, of the United States of America (the “Act”) or the securities laws of any state (“State”) of the United States of America and may not be sold, transferred, pledged, hypothecated or distributed, directly or indirectly, to a U.S. person (as defined in Regulation S adopted by the U.S. Securities and Exchange Commission under the Act) or within the United States unless such securities are (i) registered under the Act and any applicable State securities act (a “State Act”), or (ii) exempt from registration under the Act and any applicable State Act and the Company has received an opinion of counsel to such effect reasonably satisfactory to it, or (iii) sold in accordance with Regulation S and the Company has received an opinion of counsel to such effect reasonably satisfactory to it.”

This Option was granted to the Option Holder in his or her capacity as a ●[pick one: Director, Officer, Employee, Consultant] of the Company, and shall continue in effect should his or her status change and he or she continue in a new capacity as a Director, Officer, Employee or Consultant of the Company.

Cathedra Bitcoin Inc.

Per:

Director

The Option Holder acknowledges receipt of a copy of the Plan and represents to the Company that the Option Holder is familiar with the terms and conditions of the Plan, and hereby accepts this Option subject to all of the terms and conditions of the Plan. The Option Holder agrees to execute, deliver, file and otherwise assist the Company in filing any report, undertaking or document with respect to the awarding of the Option and exercise of the Option, as may be required by the Regulatory Authorities. The Option Holder further acknowledges that if the Plan has not been approved by the shareholders of the Company on the Grant Date, this Option is not exercisable until such approval has been obtained.

Signature of Option Holder:

Signature

Date signed: _____

Print Name

Address

OPTION CERTIFICATE – SCHEDULE

[Complete the following additional terms and any other special terms, if applicable, or remove the inapplicable terms or this schedule entirely.]

The additional terms and conditions attached to the Option represented by this Option Certificate are as follows:

1. The Options will not be exercisable unless and until they have vested and then only to the extent that they have vested. The Options will vest in accordance with the following:
 - (a) ● Shares (●%) will vest and be exercisable on or after the Grant Date;
 - (b) ● additional Shares (●%) will vest and be exercisable on or after ● [date];
 - (c) ● additional Shares (●%) will vest and be exercisable on or after ● [date];
 - (d) ● additional Shares (●%) will vest and be exercisable on or after ● [date];
2. Upon the Option Holder ceasing to hold a position with the Company, other than as a result of the events set out in paragraphs 5.4(a) or 5.4(b) of the Plan, the Expiry Date of the Option shall be *<if applicable, insert date desired that is longer or shorter than the standard 90 days set out in the Plan>* following the date the Option Holder ceases to hold such position.

* * * * *

SCHEDULE "B"

**STOCK OPTION PLAN
NOTICE OF EXERCISE OF OPTION**

TO: The Administrator, Stock Option Plan
Cathedra Bitcoin Inc.
320 – 638 Broughton Street

Vancouver, British Columbia V6G 3K3

(or such other address as the Company may advise)

The undersigned hereby irrevocably gives notice, pursuant to the Stock Option Plan (the "Plan") of Cathedra Bitcoin Inc. (the "Company"), of the exercise of the Option to acquire and hereby subscribes for (**cross out inapplicable item**):

- (a) all of the Shares; or
- (b) _____ of the Shares;

which are the subject of the Option Certificate attached hereto (**attach your original Option Certificate**).

The undersigned tenders herewith a certified cheque or bank draft (**circle one**) payable to "●" in an amount equal to the aggregate Exercise Price of the aforesaid Shares and directs the Company to issue the certificate evidencing said Shares in the name of the undersigned to be mailed to the undersigned at the following address (**provide full complete address**):

The undersigned acknowledges the Option is not validly exercised unless this Notice is completed in strict compliance with this form and delivered to the required address with the required payment prior to 5:00 p.m. local time in Toronto, Ontario on the Expiry Date of the Option.

DATED the _____ day of _____, 20____.

Signature of Option Holder

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