



INTELLISTAKE TECHNOLOGIES CORP.

**ANNUAL INFORMATION FORM
For the year ended June 30, 2025**

**503 – 905 West Pender Street
Vancouver, B.C., Canada V6C 1L6
October 28, 2025**

**INTELLISTAKE TECHNOLOGIES CORP.
ANNUAL INFORMATION FORM
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**ANNUAL INFORMATION FORM
INTELLISTAKE TECHNOLOGIES CORP.**

PRELIMINARY NOTES

Effective Date of Information

The information contained in Intellistake Technologies Corp.'s annual information form (“**AIF**” or “**Annual Information Form**”) is presented as of June 30, 2025, unless otherwise stated herein. Unless the context otherwise requires, all references to the “**Company**” or “**Intellistake**” shall mean Intellistake Technologies Corp.

Currency

Unless specified otherwise, all references in the AIF to “dollars” or to “\$” are to Canadian dollars and all references to “U.S. dollars” or to “U.S.\$” are to United States dollars.

Cautionary Note Regarding Forward-Looking Information

This AIF, including the documents incorporated by reference herein, contains “forward-looking information” or “forward-looking statements” within the meaning of applicable securities legislation (collectively, “**forward-looking statements**”). The forward-looking statements in this AIF are provided as of the date of this AIF and forward-looking statements incorporated by reference are made as of the date of those documents. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budgets”, “scheduled”, “estimates”, “forecasts”, “predicts”, “projects”, “intends”, “targets”, “aims”, “anticipates” or “believes” or variations (including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. These forward-looking statements include, among other things, statements relating to:

- expectations, strategies and plans;
- expected use of funds and general and administrative expenses;
- expectations generally about the Company’s business plan and its ability to raise further capital for corporate purposes;
- expected use of proceeds from the Private Placement (as defined herein) and the timing thereof;
- the ability of the Company to create the AI Agent software described in this AIF;
- the ability of the Company to acquire additional stablecoins and the Company’s intended use thereof;
- the Company’s ongoing development, anticipated testing phases, and potential future capabilities and applications of IntelliScope;
- the divestiture of the Food Business;
- expectations regarding the proposed acquisition of SVH;

- the Company's expectations relating to validator operations;
- the Company's plans for staking and investing in tokens;
- the Company's decision to implement a cryptocurrency treasury strategy, whereby the Company acquires various cryptocurrencies, including stablecoins, to be staked through reputable protocols or platforms to generate yields;
- the ability of the Company to identify and capitalize on investment opportunities that generate maximum returns for shareholders;
- the impact of the increased adoption of blockchain and digital assets on their appreciation in value;
- the expectation that investing in digital assets will bring diversification benefits to the Company's investment portfolio;
- the impact of regulatory clarity, government intervention and institutional involvement on the reduction of risk and perception of the credibility, legitimacy and stability of digital assets as an investment class;
- the ability of the Company to achieve its investment objectives, including but not limited to: providing shareholders with long-term capital growth, using investments to hedge against inflation and fiat currency devaluation, and seeking liquidity in its investments;
- the ability of the Company to negotiate the terms of investments to generate value for its shareholders;
- future financial or operating performance and condition of the Company and its business, operations and properties;
- competitive conditions;
- expectations respecting executive compensation; capital and operating expenditures; and
- any and all other timing, development, operational, financial, economic, legal, regulatory and political factors that may influence future events or conditions, as such matters may be applicable.

Although the forward-looking information in this AIF reflects management's current beliefs about the prospects of the Company based on information currently available to management and on what management believe to be reasonable assumptions, there is no certainty that the actual results achieved will be consistent with such forward-looking information. Forward-looking information is not a guarantee of future performance and by its nature is based on assumptions and involves significant known and unknown risks, uncertainties and other factors which may cause actual results, performance, achievements, industry results, prospects and opportunities of the Company in future periods to be materially different from those expressed or implied by the forward-looking information provided in this AIF. Such forward-looking statements are based on a number of factors and assumptions of management, including, without limitation:

- the Company will have the required resources to achieve its business plans;
- the Company will be able to retain and maintain the key personnel and third party consultants required to achieve its business objectives;

- the technology and blockchain industries in which the Company intends to focus its business in will grow at the rate and in the manner expected;
- the Company obtains the capital necessary to execute its business plans;
- the Company creates strategies to mitigate risks associated with cryptocurrency price fluctuations;
- the Company remains compliant with all applicable laws and securities regulations, including anti-money laundering (AML) and know-your-customer (KYC) laws, while avoiding any penalties or sanctions imposed by courts and regulatory bodies such as securities regulatory authorities;
- the Company engages and collaborates with local experts, as necessary, to address jurisdiction-specific matters and ensures compliance with foreign regulations to avoid penalties;
- the Company's exposure to counterparties such as custodians, liquidity providers, OTC desks, and loan counterparties, which could default, become insolvent, or fail to meet their obligations; and
- the Company addresses any potential cybersecurity threats promptly and effectively.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking information prove incorrect, then any such change could cause actual results, performance or achievements to differ materially from the anticipated results expressed or implied in the forward-looking information set out in this AIF.

With respect to the forward-looking statements information contained in this AIF, although the Company believes that the expectations and assumptions on which the forward-looking information are based are reasonable, undue reliance should not be placed on the statements containing forward-looking information, because no assurance can be given that they will prove to be correct. Since statements containing forward-looking information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to several factors and risks which include but are not limited to risks related to general business, economic, competitive, political and social uncertainties. This list is not exhaustive. Many factors could affect the assumptions on which statements about forward looking information are made in this AIF or the underlying assumptions.

Some of the risks and other factors, which could cause results to differ materially from those expressed in the forward-looking information contained in this AIF include, but are not limited to:

- the Company cannot raise the capital necessary to fund its operations and pursue its intended investment objectives;
- the Company is unable to retain or source the talent required to execute its investment strategy;
- the Company is unable to create strategies to mitigate the risks associated with cryptocurrency price fluctuations;
- the Company faces operational and technological risks;
- the Company faces risks relating to technological obsolescence and difficulty in obtaining hardware;
- the Company faces risks relating to DeFi (as defined herein) and smart contracts;

- the Company’s operations, investment strategies, and profitability may be adversely affected by competition from other methods of investing in cryptocurrencies;
- the prices of digital assets and volume of transactions that the Company conducts are subject to social media and publicity risks;
- the costs of regulation in the digital asset industries increase to the extent that the Company is no longer generating sufficient returns for shareholders;
- the Company fails to promptly and effectively address cybersecurity threats, thereby resulting in losses to investors and reputational harm to the Company;
- the Company does not have sufficient resources to maintain its operations on a competitive basis, which materially and adversely affects the business, financial condition and results of operations of the Company;
- the actual costs, timing and future plans concerning the operations of the Company or its investments differs from the Company’s expectations;
- the Company does not anticipate paying cash dividends;
- the Company may become subject to litigation;
- discretion of the Company on use of the net proceeds of any securities offerings;
- no guarantee on how the Company will use its available funds;
- the Company is subject to additional regulatory burden resulting from its public listing on the CSE;
- the market price for Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond our control;
- future sales of Common Shares by existing shareholders could reduce the market price of the Company’s Common Shares;
- the Company will continue to sell securities for cash to fund operations, capital expansion, mergers and acquisitions that will dilute the current shareholders; and
- future dilution as a result of financings.

A more comprehensive discussion of the factors that could cause actual results to differ significantly from the forward-looking information given in this AIF is set out under the heading “*Risk Factors*”. Forward-looking information is based on certain assumptions that the Company believes are reasonable, including that that financing will be available if and when needed on reasonable terms and such other assumptions and factors as set out herein. See “*Risk Factors*”.

Although the Company has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in the forward-looking information in this AIF, there may be other factors and risks that cause actions, events or results that have not been anticipated. **There can be no assurance that the forward-looking information in this AIF will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The factors discussed in this section should therefore be weighed carefully and readers should not**

place undue reliance on the forward-looking information provided in this AIF. Forward- looking information contained in this AIF is expressly qualified in its entirety by the foregoing cautionary statements and speak only as of the date of this AIF. Except as required under applicable laws, the Company assumes no obligation to update or revise such information to reflect new events or circumstances.

GLOSSARY

In the AIF, unless otherwise defined or unless there is something in the subject matter or context inconsistent therewith, the following terms have the meanings set forth herein or therein:

“ AI ”	means artificial intelligence.
“ AIF ” or “ Annual Information Form ”	means this Annual Information Form.
“ Audit Committee ”	means the audit committee of the Company.
“ BCBCA ”	means the <i>Business Corporations Act</i> (British Columbia).
“ Bitcoin ”	means the native token of the Bitcoin Network which utilizes the SHA-256 algorithm. Bitcoin is a peer-to-peer payment system and the digital currency of the same name which uses open source cryptography to control the creation and transfer of such digital currency.
“ Board ” or “ Board of Directors ”	means the board of directors of the Company.
“ Bonus Warrant ”	has the meaning ascribed thereto under “ <i>Description and General Development of the Business – Three Year History – Developments for the Year Ended June 30, 2023</i> ”.
“ Bonus Warrant Share ”	has the meaning ascribed thereto under “ <i>Description and General Development of the Business – Three Year History – Developments for the Year Ended June 30, 2023</i> ”.
“ CEO ”	means Chief Executive Officer.
“ CFO ”	means Chief Financial Officer.
“ Change of Business ”	has the meaning ascribed thereto under “ <i>Description and General Development of the Business – Overview</i> ”.
“ Common Shares ”	means the Class “A” shares without par value in the capital of the Company.
“ company ”	means, unless specifically indicated otherwise, a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.
“ Company ” or “ Intellistake ”	means Intellistake Technologies Corp., a corporation existing under the BCBCA.
“ Convertible Debenture ”	has the meaning ascribed thereto under “ <i>Description and General Development of the Business – Three Year History – Developments for the Year Ended June 30, 2025</i> ”.
“ CSE ”	means the Canadian Securities Exchange.

“Debt Settlement”	has the meaning ascribed thereto under <i>“Description and General Development of the Business – Three Year History – Developments for the Year Ended June 30, 2025”</i> .
“DeFi”	has the meaning ascribed thereto under <i>“Narrative Description Of The Business – Summary of the Business – Production and Services – Introduction to Blockchain and Cryptocurrency”</i> .
“Fireblocks”	has the meaning ascribed thereto under <i>“Narrative Description Of The Business – Summary of the Business – Production and Services – Safeguarding Digital Assets”</i> .
“Food Business”	has the meaning ascribed thereto under <i>“Description and General Development of the Business – Overview”</i> .
“forward looking information”	has the meaning ascribed thereto under <i>“Cautionary Note Regarding Forward-Looking Information”</i> .
“FTX”	has the meaning ascribed thereto under <i>“Risk Factors – Risks related to the Company’s Business – Risks Relating to Investments in Digital Assets”</i> .
“Ghetto”	has the meaning ascribed thereto under <i>“Description and General Development of the Business – Description and General Development of the Business – Historical Food Business”</i> .
“Ghetto Transaction”	has the meaning ascribed thereto under <i>“Description and General Development of the Business – Description and General Development of the Business – Historical Food Business”</i> .
“GPU”	has the meaning ascribed thereto under <i>“Narrative Description Of The Business – Summary of the Business – Components”</i> .
“Insider”	means: <ul style="list-style-type: none"> (a) a director or senior officer of the Company; (b) a director or senior officer of a company that is itself an Insider or subsidiary of the Company, (c) a Person that beneficially owns or controls, directly or indirectly, shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Company; or (d) the Company itself if it holds any of its own securities.
“IntelliScope”	has the meaning ascribed thereto under <i>“Description and General Development of the Business – Three Year History – Developments subsequent to the Year Ended June 30, 2025”</i> .
“Investment Company Act”	has the meaning ascribed thereto under <i>“Risk Factors – Risks related to the Company’s Business – Risks Relating to Investments in Digital Assets”</i> .

“Lender”	has the meaning ascribed thereto under “ <i>Description and General Development of the Business – Three Year History – Developments for the Year Ended June 30, 2024</i> ”.
“Listing Statement”	Means the CSE Form 2A Listing Statement dated June 30, 2025 that was filed by the Company and is available on SEDAR+.
“Loan”	has the meaning ascribed thereto under “ <i>Description and General Development of the Business – Three Year History – Developments for the Year Ended June 30, 2024</i> ”.
“Loan Agreement”	has the meaning ascribed thereto under “ <i>Description and General Development of the Business – Three Year History – Developments for the Year Ended June 30, 2024</i> ”.
“MD&A”	means Management’s Discussion and Analysis.
“MI 61-101”	has the meaning ascribed thereto under “ <i>Description and General Development of the Business – Overview</i> ”.
“MJDS”	means the Multijurisdictional Disclosure System.
“NI 51-102”	means National Investment 51-102 – <i>Continuous Disclosure</i> , of the Canadian Securities Administrators.
“NI 52-110”	means National Investment 52-110 – <i>Audit Committees</i> , of the Canadian Securities Administrators.
“Offering”	has the meaning ascribed thereto under “ <i>Description and General Development of the Business – Three Year History – Developments for the Year Ended June 30, 2024</i> ”.
“Options”	means stock options to acquire Common Shares issuable pursuant to the Share Compensation Plan.
“Panago”	has the meaning ascribed thereto under “ <i>Description and General Development of the Business – Three Year History – Developments for the Year Ended June 30, 2024</i> ”.
“Person”	means a company, individual or trust.
“PFIC”	has the meaning ascribed thereto under “ <i>Risk Factors – Risks related to Public Reporting</i> ”.
“PowerBank”	has the meaning ascribed thereto under “ <i>Description and General Development of the Business – Three Year History – Developments for the Year Ended June 30, 2024</i> ”.
“PowerBank Partnership Agreement”	has the meaning ascribed thereto under “ <i>Description and General Development of the Business – Three Year History – Developments subsequent to the Year Ended June 30, 2025</i> ”.

“Private Placement”	has the meaning ascribed thereto under <i>“Description and General Development of the Business – Three Year History – Developments subsequent to the Year Ended June 30, 2025”</i> .
“Promoter”	means (a) a person or company who, acting alone or in conjunction with one or more other persons, companies or a combination thereof, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of an issuer, or (b) a person or company who, in connection with the founding, organizing or substantial reorganizing of the business of an issuer, directly or indirectly, receives in consideration of services or property, or both services and property, 10% or more of any class of securities of the issuer or 10% or more of the proceeds from the sale of any class of securities of a particular issue, but a person or company who receives such securities or proceeds either solely as underwriting commissions or solely in consideration of property shall not be deemed a promoter within the meaning of this definition if such person or company does not otherwise take part in founding, organizing, or substantially reorganizing the business.
“QEF”	has the meaning ascribed thereto under <i>“Risk Factors – Risks related to Public Reporting”</i> .
“Quadriga”	has the meaning ascribed thereto under <i>“Risk Factors – Risks related to the Company’s Business – Risks Relating to Investments in Digital Assets”</i> .
“Regulation S”	means Regulation S promulgated under the U.S. Securities Act.
“Related Party”	has the meaning ascribed thereto under <i>“Description and General Development of the Business – Three Year History – Developments for the Year Ended June 30, 2024”</i> .
“Restructuring Unit”	has the meaning ascribed thereto under <i>“Description and General Development of the Business – Three Year History – Developments for the Year Ended June 30, 2024”</i> .
“SEC”	means the Securities and Exchange Commission.
“SEDAR+”	means the System for Electronic Document Analysis and Retrieval+ maintained by the Canadian Securities Administrators.
“Shareholders”	means holders from time to time of Common Shares.
“Share Compensation Plan”	means the share compensation plan of the Company adopted on November 5, 2021.
“Singularity”	has the meaning ascribed thereto under <i>“Narrative Description Of The Business – Summary of the Business – Production and Services – Safeguarding Digital Assets”</i> .
“SVH”	has the meaning ascribed thereto under <i>“Description and General Development of the Business – Three Year History – Developments subsequent to the Year Ended June 30, 2025”</i> .

“SVH Definitive Agreement”	has the meaning ascribed thereto under “ <i>Description and General Development of the Business – Three Year History – Developments subsequent to the Year Ended June 30, 2025</i> ”.
“SVH LOI”	has the meaning ascribed thereto under “ <i>Description and General Development of the Business – Three Year History – Developments subsequent to the Year Ended June 30, 2025</i> ”.
“SVH Transaction”	has the meaning ascribed thereto under “ <i>Description and General Development of the Business – Three Year History – Developments subsequent to the Year Ended June 30, 2025</i> ”.
“Tax Act”	means the <i>Income Tax Act</i> (Canada) and the regulations promulgated thereunder, as amended.
“Units”	has the meaning ascribed thereto under “ <i>Description and General Development of the Business – Three Year History – Developments subsequent to the Year Ended June 30, 2025</i> ”.
“U.S. Holder”	means a beneficial owner of Common Shares that is for U.S. federal income tax purposes: <ul style="list-style-type: none"> (a) a citizen or individual resident of the United States; (b) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) organized under the laws of the United States, any state thereof or the District of Columbia; (c) an estate whose income is subject to U.S. federal income taxation regardless of its source; or (d) a trust that (1) is subject to the primary supervision of a court within the United States and the control of one or more U.S. persons for all substantial decisions or (2) has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.
“VGAN”	has the meaning ascribed thereto under “ <i>Corporate Structure – Name, Address and Incorporation</i> ”.
“VGAN Transaction”	has the meaning ascribed thereto under “ <i>Description and General Development of the Business – Historical Food Business</i> ”.
“Venture Hub Agreement”	has the meaning ascribed thereto under “ <i>Description and General Development of the Business – Three Year History – Developments subsequent to the Year Ended June 30, 2025</i> ”.
“Warrants”	means the outstanding warrants of the Company to acquire Common Shares.
“United States”, “U.S.” or “US”	means the United States of America, its territories and possessions, and any state of the United States, and the District of Columbia.
“U.S. Exchange Act”	means the <i>U.S. Securities Exchange Act of 1934</i> , as amended.

“U.S. Securities Act” means the *U.S. Securities Act of 1933*, as amended.

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated under the provisions of the *Business Corporations Act* (Saskatchewan) on September 25, 2009 as “Kenna Resources Ltd.” On September 4, 2014, the Company completed its continuance to British Columbia under the BCBCA. On June 27, 2016, the Company changed its name to “LOOPShare Ltd.” On November 4, 2021, VGAN Brands Inc. (“**VGAN**”) completed a reverse takeover transaction with the Company and changed its name to “The Good Flour Corp.” On July 4, 2025 the Company changed its name from “The Good Flour Corp.” to “Intellistake Technologies Corp.”

The Company is listed on the CSE under the symbol “ISTK”, the OTCQB market under the symbol “ISTKF”, and the Frankfurt Stock Exchange under the symbol “E41”. The Company’s head office is located at 503 – 905 West Pender Street, Vancouver, B.C., Canada V6C 1L6. The Company’s registered office is located at 5791 Sidley Street, Burnaby, BC V5J 5E6.

Intercorporate Relationships

The Company has two wholly-owned subsidiaries that are required to be disclosed pursuant to Item 3 of Form 51-102F2. All of the subsidiaries have the same head office as the Company - 503 – 905 West Pender Street, Vancouver, B.C., Canada V6C 1L6, except for The Good Flour Milling Corp. the head office of which is 5791 Sidley Street, Burnaby, BC V5J 5E6. Each subsidiary only has a single class of shares outstanding, all of which are owned by the Company.

Name	Jurisdiction of Incorporation	% Equity Interest	Date of Incorporation	Nature of Operations
Intellistake Operations Corp.	British Columbia	100%	June 16, 2025	Operating entity for the Company’s current AI and digital asset business.
The Good Flour Milling Corp.	Canada	100%	December 31, 2021	Canadian based operating entity for the Food Business.

DESCRIPTION AND GENERAL DEVELOPMENT OF THE BUSINESS

Overview

On June 30, 2025, the Company filed the Listing Statement for the change of its business (the “**Change of Business**”) from the Food Business (as described below) to being a technology company that is focused on decentralized artificial intelligence (“**AI**”) and engaging in operations across the blockchain ecosystem, including proof-of-stake mining, blockchain nodes, digital tokens and validators. The Board believes that its network of business contacts and its depth of experience will enable the Company to identify and capitalize on investment opportunities that will bring greater value to the Shareholders. Specifically, the Company intends to generate revenue through the business lines described below.

Current Technology Business

Following the Change of Business, the Company is an early-stage technology company focused on the integration of decentralized AI models with public-blockchain networks. The three main business lines that the Company is pursuing are: (1) development of custom AI software for enterprise clients, (2) operation of blockchain validator hardware that supports AI networks and (3) investment in AI-related digital currencies tokens for staking purposes and to operate validator hardware.

The Company has made the following advancements in each of its business lines since the Change of Business:

1. *AI Agent Development:* The Company has engaged a team of technical consultants to develop the Company's AI software, and the team has completed an initial version of IntelliScope for beta testing. Please refer to the disclosure below for disclosure regarding the current status of IntelliScope's development, testing and plans for customer acquisition. As the Company's AI software is still in the beta testing phase, the Company has not yet generated any revenue from its AI software initiatives and has not entered into any customer contracts.
2. *Validator Operations:* The Company has also successfully deployed its technical infrastructure, specifically it has set-up and has operational an initial set of validator nodes and custody systems and that the Company has tested these systems with the results indicating the infrastructure is capable of supporting digital asset participation securely and at scale. The Company's validator infrastructure connected to the Fetch.ai network, which can be viewed publicly at validator address: `fetchvaloper1mm4aa88daqg9ah9fd20ae08zlwg33dxg99856x`. The Company has staked FET tokens and stablecoins.
3. *Token Investment and Staking:* The Company has acquired FET tokens and stablecoins (USDC) since completion of the Change of Business. The stablecoins are held in custody and are considered cash equivalents pegged to USD, allowing the Company to efficiently pay vendors, consultants, and service providers, many of whom prefer stablecoin payments over traditional bank wires due to speed, cost, and compatibility with blockchain-based services. In addition to facilitating payments, stablecoins provide a pathway for the Company to acquire other digital assets, including FET, and to participate in decentralized finance (DeFi) ecosystems. This is particularly relevant to the Company's AI Agent technology, which is being developed for deployment within blockchain-based environments (for example IntelliScope which is developed within the FET token ecosystem) where validator operations and smart contract interactions are required. The use of stablecoins also aligns with the Company's broader strategy to finance initiatives such as validator infrastructure, AI Agent development, and digital asset acquisitions. The Company may make additional purchases of FET tokens and other digital assets and tokens, from time to time, for operational or investment purposes.

The Company's plans for further development of its blockchain business lines is as follows:

1. *AI Agent Development.* The Company plans to create custom AI software systems called "AI Agents" for businesses. These are intelligent software programs that can perform specific tasks automatically. IntelliScope is the first example of AI software that the Company has developed. The Company intends to deliver these solutions either as one-time projects or ongoing subscription services with the goal of generating revenue comes from implementation fees and monthly subscription payments. Once the Company onboards clients, it will work clients to identify specific business processes that can benefit from AI automation. Projects typically include: (i) requirements analysis and solution design; (ii) AI model development and training; (iii) integration with existing business systems; and (iv) testing and deployment. For clients requiring ongoing AI capabilities, the Company intends to offer subscription-based services: (i) monthly access to AI tools and

capabilities; (ii) continuous model updates and improvements; (iii) technical support and maintenance; and (iv) performance monitoring and optimization.

2. *Validator Operations.* The Company seeks to operate specialized computers called "validators" that verify transactions on blockchain networks focused on AI applications. Validators are essentially digital accountants that check and approve transactions on these networks. When the Company operates a validator, the Company can earn rewards in the form of digital currencies (tokens). Additionally, other token holders can "delegate" their tokens to the Company's validators, and the Company may take a commission on the rewards earned. Transaction processing validators collect, verify, and process transactions on the network. When someone sends tokens or executes a smart contract, validators ensure the transaction is legitimate and add it to the blockchain. Many blockchain networks use "decentralized governance" where token holders vote on network changes. Validators often participate in this governance by voting on proposals such as: (i) technical upgrades to the network; (ii) changes to reward rates; and (iii) new features or capabilities. Validators can earn money through: (i) block rewards: payment for processing transactions and creating new blocks; (ii) transaction fees: small fees paid by users for each transaction; and (iii) delegation rewards: commission earned when others stake tokens with the validator. The amount of influence a validator has (and rewards they earn) depends on how many tokens are staked with them, either by the validator operator or by others who delegate tokens to them.
3. *Token Investment and Staking.* The Company intends to purchase, and intends to utilize for operations, tokens from projects building decentralized AI infrastructure and other digital tokens that can be staked to generate revenues including Bitcoin, Solana, Ethereum and similar digital tokens with large market capitalizations. These tokens will be "staked" - temporarily locked up to support network operations - in exchange for earning additional tokens as revenue. The Company may also, from time to time, acquire additional digital assets and tokens for investment purposes to the extent that such investments are ancillary to, and support, the operations of the Company. The aim is to create a steady income stream similar to earning interest on a deposit. Some tokens have lock-up periods during which they cannot be sold, but they continue generating rewards during this time. The rewards from staking varies based on a number of factors such as lock-up period and validator/node used.

The Company does not intend to manufacture hardware or develop its own blockchain technology. Instead, the Company intends to purchase existing equipment from established suppliers and configure it to support decentralized AI networks. The business model focuses on providing practical AI solutions to traditional industries while participating in the infrastructure that powers next-generation AI systems.

Historical Food Business

On July 8, 2021 the Company announced the signing of a share exchange agreement whereby it proposed to acquire 100% of the issued and outstanding shares of VGAN in exchange of approximately 60,075,000 Common Shares (the "**VGAN Transaction**"). The completion of the VGAN Transaction was contingent on VGAN completing an acquisition (the "**Ghetto Transaction**") of all issued and outstanding share capital of The Gourmet Ghetto Food Ltd. ("**Ghetto**").

On November 4, 2021, VGAN completed the Ghetto Transaction. On November 5, 2021, the Company completed the VGAN Transaction. On November 8, 2021, the Company began trading on the CSE at the open of market under the symbol "GFCO". The VGAN Transaction constituted a reverse takeover under applicable securities law.

On December 31, 2021, VGAN and Ghetto were amalgamated under the BCBCA and renamed The Good Flour Milling Corp.

Following the completion of the VGAN Transaction, the Company's business became the manufacture and distribution of a line of healthy, gluten-free and allergen free food products under the brand "The Good Flour Co."

In November 2021, the Company leased a new 7,000 square foot dry goods manufacturing facility in Burnaby, British Columbia, began plant construction to expand capacity of gluten free dry goods, and ordered a high speed automated bagging line from the Paxiom Group in Montreal, Quebec.

As disclosed above, the Company was previously exclusively in the business of manufacturing and distributing a line of healthy, gluten-free and allergen free food products selling products for individual customers and larger, "food service" customers, which include restaurants (the "**Food Business**"). Both individual and food service customers are located across North America, Australia and the United Kingdom. The Company's recipes were initially created in 2012 and have been developed to allow individuals with gluten and other food allergies to enjoy life without giving up their favorite foods or settling for low-quality alternatives. Simply put, "Flour" but good for you. The products include: All-purpose baking flour; Pizza & pasta flour; Tempura batter mix; Fish & chips batter mix; Fried chicken mix; Pancake & waffle mix (including protein pancake & waffle mix); Vanilla bean cake mix; and a vegan cheese product.

During 2025, following a thorough evaluation of the Company's existing operations and a review of its strategic options, the Company made a decision to complete the Change of Business from a Food Business to a technology company for the following reasons:

- The Food Business was launched during a time of disruption in the food sector with alternative meat, milk and cheese products generating significant consumer interest.
- Ultimately the alternative food sector has seen much slower growth than originally anticipated and while the Company's revenues have grown, it remains unprofitable.
- Further, the Company's existing revenues from the Food Business cannot support the ongoing costs of operating as a public company.
- The Board believes that its network of business contacts, and the depth of experience of the Board and new management team will enable the Company to identify and capitalize on opportunities in decentralized artificial intelligence and digital assets that will bring greater value to the Company's shareholders.

The Company has not yet identified a transaction for the Food Business, but it has retained an independent valuation advisor to assist with preparing an internal valuation of the Food Business. The valuation has been completed, and such valuation will assist the Board of Directors in the divestiture process. The Company will obtain shareholder approval (including disinterested shareholder approval if required by the CSE or Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**")), if required, for the divestiture of the Food Business and further details on the terms of any transaction and timing will follow in a subsequent press release.

There are significant risks associated with the business of the Company, as described above and under the heading "*Risk Factors*" of this AIF. Readers are strongly encouraged to carefully read all of the risk factors contained under the heading "*Risk Factors*" of this AIF. In addition, readers are encouraged to review the forward-looking statements under the heading "Cautionary Statement Regarding Forward Looking Information" in the preamble of this AIF.

Three-year history*Developments for the Year Ended June 30, 2023*

In July 2022, the automated line ordered from Paxiom was received at the Burnaby facility. The Company began validating technology and high speed bagging of its retail product for Canada and the United States.

In September 2022, the Company announced a Canada wide expansion as exclusive provider of its gluten-free pizza shells to over 195 Panago locations in Canada, furthering its entry into the pizza market. The Company also announced the addition of Harvest Sherwood Distribution as a distributor and a national order to Sprouts Farmers Markets and its 380 locations for its Fried Chicken Mix and Fish Batter.

In October 2022, the Company signed on with KeHe Distribution in the United States. KeHe supplies natural and organic products to more than 30,000 stores, chains and independent grocers.

In November 2022, the Company's products hit shelves in 380 Sprouts Farmers Markets stores and is featured in specialty meat and fish section across the country.

In December 2022, the Company announces that it had closed its non-brokered private placement to raise gross proceeds of \$1,925,250.

In January 2023, the Company's products launched in Heinen's 23 Grocery Stores across the United States, and it received a 500 store order for its products from a leading global retailer. The Company also announced development of new gluten-free protein pancake and waffle mix.

In February 2023, the Company announced a new supply agreement with a British Columbia-based meat processing plant for its gluten-free fried chicken mix for use in gluten free chicken wings, chicken tenders, and popcorn chicken. The Company's products also became available for purchase on Amazon, and the Company launched its children's protein pancake and waffle mix called "Patty Cakes™." Patty Cakes™ is enriched with 23 grams of potato protein and 100% free of gluten and all top allergens, including dairy, nuts, egg, and soy.

In April 2023, the Company announced a partnership on a new dry mix recipe prepared by the Company that will be used by Cactus Club Café on a number of its menu items. Cactus Club Café is a Canadian collection of restaurants that is known for its innovative dishes, made with only the freshest ingredients. The restaurant was founded in Vancouver in 1988 and has expanded to over 30 locations across Canada.

In May 2023, the Company appointed new Chief Executive Officer, Hamid Salimian. Mr. Salimian brings extensive experience in the food industry, having served in various leadership roles over the course of his career.

Developments for the Year Ended June 30, 2024

In August 2023 the Company's Burnaby production facility received two certifications from BRC -British Retail Consortium: the BRCGS - Global Food Safety Standard. 9th edition and GFCEP - Gluten-free Certification program 3rd edition. BRCGS's Global Food Safety Initiative GFSI benchmark provides a framework for facilities to manage product safety, quality with Good Manufacturing Practices and systems like HACCP. The BRC Gluten-Free Certification Program (GFCEP) is a certification that allows the Company to include the BRCGS trusted logos and marks on its products.

In October 2023 the Company announced a sales strategy to focus on food service market in Canada and the United States. As it relates to retail, the Company's focus is on retailers where inventory management and shipping costs are the most manageable. Based on this, the Company announced that it will not be continuing with its larger scale United States retail operations and as a result its products were discontinued in Sprouts Farmers Market and Heinen's Grocery Stores.

In December 2023, the Company closed non-brokered private placements to raise gross proceeds of \$349,500.

In January 2024, the Company announced its new PureMelt Cheeze™ product, a trailblazing addition to its product line. Developed with a commitment to health and sustainability, PureMelt Cheeze™ is crafted to be free of the top 10 allergens, ensuring that it is accessible to all without sacrificing the decadent experience of traditional cheese. The Company is targeting various food service locations to integrate the product into their menus.

In March 2024, the Company announced that it has entered into a loan agreement (the “**Loan Agreement**”) with an arm’s-length lender (the “**Lender**”) pursuant to which the Company may borrow up to \$250,000 in requested drawdowns, from time to time (each advance, a “**Loan**”). The Loans advanced will bear interest at a rate of 10% per annum and are unsecured and had a maturity date of July 31, 2025. The Loan Agreement was subsequently amended on several occasions to increase the principal amount to up to \$1,250,000. The Loan Agreement also includes an aggregate of 8,928,500 share purchase warrants (each, a “**Bonus Warrant**”) to the Lender, with such Bonus Warrants vesting on a pro rata basis upon advance of each Loan pursuant to the Loan Agreement. Each Bonus Warrant will be exercisable into one Share (each, a “**Bonus Warrant Share**”) at a price of \$0.14 per Bonus Warrant Share until March 15, 2029.

Developments for the Year Ended June 30, 2025

On January 23, 2025, announced that its vegan cheese product, PureMelt Cheeze™, is available for distribution as an open listed item with Gordon Food Service. This open listing will support the Company’s distribution and allows for access to any food service customers that use Gordon Food Service to procure products. Gordon Food Service has been in business since 1897 and has grown to become the largest family-operated broad-line food distribution company in North America.

On March 12, 2025 the Company announced that its PureMelt Cheeze™ product will undergo a nationwide roll out at Panago Pizza (“**Panago**”) locations across Canada. Panago is a Canadian pizza delivery and takeout chain with approximately 200 locations across five provinces and territories. Panago sources the highest quality ingredients to create great tasting pizzas that are better for our health and our environment. The PureMelt Cheeze™ product is not yet available at all Panago locations. The roll out was completed in stages and was completed in April 2025.

On June 5, 2025 the Company announced its intention to complete the Change of Business.

On June 5, 2025, the Company announced its intention to undertake a non-brokered private placement offering of Common Shares at a price of \$0.15 per Common Share to raise gross proceeds of up to \$2,000,000 through the issuance of up to 13,333,334 Common Shares (the “**Offering**”). The Common Shares issued in the Offering are subject to a statutory hold period of four months and one-day. Closing of the financing was not contingent on approval of the Change of Business. There are no restriction on using the proceeds from the Offering prior to CSE or shareholder approval of the Change of Business.

The Company also announced its intention to restructure a total of \$932,764 in existing accounts payable by converting such accounts into units at a price of \$0.15 per unit (the “**Debt Settlement**”). Each unit (“**Restructuring Unit**”) consisted of one Share and one warrant, with each warrant exercisable for a Share for a term of three years from the date issuance at a price of \$0.20 per warrant.

Further, the Company announced its intention to restructure the Loan Agreement into a convertible debenture (the “**Convertible Debenture**”) such that the principal and interest amount of the Loan is

converted into Restructuring Units at a conversion price of \$0.155 per Restructuring Unit and the maturity date is extended to be three years from the date of the completion of the restructuring.

To demonstrate continued support of the Company, a director of the Company (the “**Related Party**”) participated in the Debt Settlement and acquired an aggregate of 1,466,666 Restructuring Units to settle outstanding indebtedness of \$220,000. The participation by the Related Party in the Debt Settlement was considered a “related party transaction” within the meaning of MI 61-101. The related party transaction was exempt from the formal valuation and minority shareholder approval requirements under MI 61-101 in reliance upon the exemptions contained in Sections 5.5(a) and 5.7(1)(a) of MI 61-101, respectively, as the fair market value of the transaction, insofar as it involved the Related Party, did not exceed 25% of the Company’s market capitalization. The Company not file a material change report related to Debt Settlement more than 21 days before the expected closing of the Debt Settlement as required by MI 61-101 since the details of the participation by the Related Party were not settled until shortly prior to the closing of the Debt Settlement and the Company wished to close on an expedited basis for sound business reasons.

On June 5, 2025, the Company granted to certain directors, officers and consultants a total of 10,000,000 stock options exercisable at a price of \$0.155 per Share for a period of five years from the date of issuance. The stock options are subject to certain vesting conditions.

On June 30, 2025 the Offering, Debt Settlement, and restructuring of the Loan Agreement through the issuance of the Convertible Debenture, were completed. The Convertible Debenture has a principal amount of \$1,250,000, bears interest at a rate of 10% pre annum and has a maturity date of June 30, 2028. Mr. Gregory Cowles was appointed as Chief Strategy Officer.

On June 30, 2025 the Company filed the Listing Statement for the Change of Business.

Developments subsequent to the Year Ended June 30, 2025

On July 9, 2025 the Company commenced trading on the CSE effective at open of market under the new ticker symbol “ISTK”.

On July 16, 2025 the Company announced the execution of an exclusive strategic partnership agreement (the “**Venture Hub Agreement**”) with Singularity Venture Hub (“**SVH**”). Under this exclusive partnership framework, SVH will manage digital asset operations for Intellistake and serve as the Company’s supporting partner for security, custody, and treasury management.

On July 21, 2025 the Company changed its trading symbol under the OTC from “GFCOF” to “ISTKF”.

On July 23, 2025, the Company appointed Mario Casiraghi to its advisory board.

On July 29, 2025, the Company appointed Shelly Murphy to its advisory board.

On July 31, 2025, the Company announced a transaction with Power Bank Corporation (“**PowerBank**”) that involved the intersection of digital assets, energy, and tokenized finance. Together, the Company and PowerBank will undertake the following three initiatives: (1) a digital asset treasury program for PowerBank, (2) bitcoin treasury management for PowerBank, and (3) the tokenization of PowerBank’s real-world-assets.

The partnership agreement between the Company and Powerbank dated August 30, 2025 (the “**PowerBank Partnership Agreement**”) provides that the parties will agree on a fee structure based on the service needs of PowerBank, and that PowerBank must pay to the Company:

- A 15% performance fee on net trading profits calculated monthly above the then-current high-water mark;

- A 0.25%-0.75% fee on gross national value of each token liquidation execution by or through the Company under the PowerBank Partnership Agreement;
- A 20% profit share on profit generated through on-chain capital deployment strategies; and
- USD \$5,000 per year for every validator node established.

It is expected that any trading or treasury management services to be provided to PowerBank by the Company will be provided through SVH.

On August 4, 2025, the Company announced that its Common Shares commenced trading on the OTCQB market under the symbol “ISTKF”.

On August 6, 2025, the Company announced that its institutional grade self-custody wallet and validator infrastructure became live. The Company’s self-custody infrastructure was developed in collaboration with SVH leveraging Fireblocks, a trusted institutional platform used by leading digital asset managers.

On August 13, 2025, the Company appointed Alessandro Spano to its advisory board.

On August 14, 2025, the Company completed the acquisition of stablecoins as an operational step in its strategy to support decentralized AI and blockchain networks. The Company announced its intention to acquire approximately \$500,000 in stablecoins to be used toward strategic digital asset allocations across blockchain infrastructure and decentralized AI ecosystem assets. The Company used the stablecoins to acquire digital tokens (e.g. FET) and such digital tokens are presently being used to support staking and validator operations.

On August 29, 2025 the Company announced the development of IntelliScope, a newly designed enterprise artificial-intelligence that applies decentralized AI technologies to deliver transparent and verifiable corporate intelligence (“**IntelliScope**”). The IntelliScope suite is being developed as a collection of modular AI agents, each intended to address specific enterprise challenges. Development has advanced through internal closed testing, where functionality is being refined and validated, and has now moved into closed beta testing with an enterprise client, a phase focused on gathering feedback to shape premium features and expand real-world use cases. The Company is developing IntelliScope through an in-house team of consultants and is also outsourcing certain development work to third party consultants.

The Company has commenced discussions regarding strategic options for divesting its Food Business, though as of the date hereof, no agreement has been entered into with respect to any divestiture transaction and the Company intends to continue to operate the Food Business through its subsidiaries until completion of a divestiture.

On September 3, 2025, the Company announced the completion of its previously announced non-brokered private placement offering of an aggregate of 6,609,196 units (each a “**Unit**”) at a price of \$0.87 per Unit to raise gross proceeds of \$5.75 million (the “**Private Placement**”). Each Unit consisted of one Common Share and one Warrant. Each Warrant entitles the holder thereof to purchase one Share at an exercise price of \$1.08 until September 2, 2028, subject to accelerated expiry in certain circumstances. The Company paid a finder’s fees to certain arm’s-length third parties consisting of a cash commission of up to 7% of the gross proceeds of the Private Placement, and had previously obtained shareholder approval for the Private Placement on August 29, 2025.

The Company also announced that since its Change of Business, it has received a total of \$962,737.72 in proceeds from the exercise of Warrants and Options.

On September 9, 2025 the Company announced that it has appointed Mr. Gregory Cowles, Co-Founder and Chief Strategy Officer to its Board of Directors.

On September 16, 2025 the Company announced the appointment of Eric Fang to its Advisory Board. A seasoned investor and strategist with over a decade of experience spanning traditional finance and digital assets, Mr. Fang brings expertise to support the Company's institutional growth strategy and technology development.

On September 22, 2025 the Company announced that it has been added to the CSE 25 Index, the flagship benchmark of the Canadian Securities Exchange. This sub-index contains over 52.75% of the total weight of the Composite Index. The inclusion is effective after market close on September 19, 2025, as part of the CSE's quarterly rebalancing.

On September 24, 2025 the Company announced continued progress in the development of IntelliScope, its enterprise AI suite, with PowerBank participating as a closed beta partner. PowerBank, a diversified energy company, will provide long-term testing and feedback to support the refinement of IntelliScope's first enterprise-facing agent.

The IntelliScope suite is being developed as a collection of modular AI agents designed to transform how enterprises access and interpret intelligence. The first enterprise-facing agent is focused on the energy sector, where it will be applied to real-world data and regulatory requirements using a structured, step-by-step workflow. Planned capabilities include analyzing geological and environmental data to identify optimal sites for renewable projects, monitoring regulatory and market shifts, and generating concise intelligence summaries to help decision-makers cut through noise. The goal is to provide practical solutions that improve workflow efficiency while giving enterprises confidence that decisions are based on transparent intelligence — with every output traceable to its source through decentralized AI infrastructure.

The closed beta marks an important milestone in advancing IntelliScope's enterprise applications. The current stage of beta testing involves a scoping exercise where IntelliScope is working with PowerBank to fully understand its needs and functionality requests. Following the conclusion of the scoping exercise, Intellistake will develop a user interface that is built on top of the existing IntelliScope AI agent and customized for PowerBank's needs. Intellistake will provide updates as beta modules progress, in line with the Company's broader vision of building a decentralized, transparent platform for enterprise intelligence. As the Company's AI software is still in the beta testing phase, the Company has not yet generated any revenue from its AI software initiatives. The Company intends to complete the beta testing phase during 2025 and move into commercialization in 2026.

On October 1, 2025 the Company announced that it has entered into a non-binding Letter of Intent (“**SVH LOI**”) dated September 29, 2025 and signed by the Company on September 30, 2025, to acquire SVH, a digital-asset firm specializing in incubation, treasury management, and web3 advisory (“**SVH Transaction**”).

The SVH Transaction aims to position Intellistake at the crossroads of traditional finance and decentralized AI. SVH manages over US\$90 million (unaudited) in assets and oversees advisory services across a token portfolio that reached a valuation of US\$250 million* (unaudited) and operates in authorized jurisdictions in reliance of Swiss VASP/CASP licenses for trading and custody operations. With its institutional framework and track record in digital assets, the aim of the SVH Transaction is to have SVH bring the scale, credibility, and expertise to strengthen Intellistake's mission of supporting decentralized AI — through validator infrastructure, enterprise AI agents, and a strategic token reserve.

By acquiring SVH, Intellistake seeks to gain an experienced team and an established institutional treasury platform, strengthening its foundation to deliver secure, compliant digital-asset access that traditional investors can trust.

The SVH LOI states Intellistake's intention of acquiring 100% of the outstanding securities of SVH in exchange for approximately C\$25 million of Intellistake common shares (“Intellistake Shares”), based on a price of C\$1.78 per Intellistake Share representing a total of 14,044,943 Intellistake Shares. The

Intellistake Shares will be subject to escrow and contractual trading restrictions to be set out therein as well. Upon closing, Mario Casiraghi would be appointed to the Intellistake Board of Directors and potentially enter into a management services agreement with Intellistake. The SVH Transaction is arm's length and no long-term debt is being assumed as part of the SVH Transaction.

The SVH Transaction builds on the companies' existing collaboration, which has already seen SVH establish Intellistake's digital wallets and enable third-party staking and validator node operations to support decentralized AI. It follows the exclusive partnership between the Company and Intellistake announced on July 16, 2025, and Mr. Casiraghi's appointment to the Intellistake Advisory Board on July 23, 2025.

Completion of the SVH Transaction remains subject to completion of satisfactory due diligence, the negotiation and execution of a definitive agreement ("**SVH Definitive Agreement**") that will include representations, warranties, covenants, indemnities, termination rights, and other provisions customary for a transaction of this nature, no objection from the Canadian Securities Exchange, and shareholder approval of SVH, if required. The parties intend to finalize the SVH Definitive Agreement within approximately 45 days, with a closing targeted within 60 days thereafter, subject to satisfaction of closing conditions in the SVH Definitive Agreement.

**This figure reflects the combined fully diluted values of SVH-incubated clients as calculated in July 2025 during peak crypto market conditions. Valuations are indicative only, not representative of current or guaranteed client value, and remain subject to significant market fluctuations.*

Outlook

Intellistake has an experienced management team with over 80+ years of combined expertise across public markets, blockchain technology, and AI development, coupled with a strongly defined philosophy and financial vision for successful growth. The team is led by Jason Dussault, who brings over 32 years of experience in North American public markets as an investor, director, and CEO, with the past five years focused specifically on the digital asset space as both an investor and researcher.

Intellistake provides access to the intersection of artificial intelligence and blockchain technology, through familiar stock exchange mechanisms. The Company eliminates technical barriers including digital asset wallet management and private key security, while addressing the institutional access gap that has historically limited participation to celebrities and venture capitalists with early access to private AI companies. Intellistake democratizes access to digital currencies.

Intellistake is designed to be resilient and not dependent on one asset, one product, or one market cycle. The Company's diversified approach includes: planned digital asset investment strategy focusing on decentralized AI tokens; planned validator operations intending to earn staking rewards and commissions from delegators once operational; planned AI SaaS products developing subscription-based, blockchain-integrated business tools; and a mid-term vision including the tokenization of enterprise and physical assets to third parties. This diversified model is designed to create less reliance on token price and more focus on building recurring revenue streams.

Going forward, Intellistake will expand its enterprise AI software solutions, as it intends to develop custom AI agents for clients in sectors including energy, mining, and logistics. These solutions are expected to leverage decentralized blockchain networks and once solutions are operational and customers secured, provide recurring subscription-based revenue through monthly fees and licensing agreements.

On October 7, 2025 the Company announced a strategic allocation of C\$500,000 worth of the token FET to its validator node on the Fetch.ai network.

On October 15, 2025 the Company announced the appointment of Tyler Whitaker to its Advisory Board. Whitaker has nearly 10 years of experience in blockchain infrastructure development and institutional automation systems, including early contributions to the Fantom ecosystem. His role is to provide strategic guidance as the Company scales its validator operations and AI-driven digital asset infrastructure.

On October 20, 2025 the Company announced that a third-party FET token holder delegated 1 million FET to the Company's validator node — marking the first external delegation under the Company's infrastructure. The validator earns annual staking rewards (for direct staking) of approx. 5-8% APR, and the Company receives an 8% service commission on the rewards generated by third-party delegations. This milestone is framed as confirmation that the Company's validator infrastructure is live, operational and trusted by external participants. The validator lies on the Fetch.ai network, which is part of the ASI Alliance ecosystem.

On October 22, 2025 the Company announced that the acquisition target, SVH, has entered into a partnership with Project Mycelium — a decentralized AI-cloud company building a “sovereign, agent-first compute network”. Under the partnership, SVH will incubate and support Project Mycelium's Web3 infrastructure expansion: tokenization, treasury management, validator onboarding, and regulated token launches.

NARRATIVE DESCRIPTION OF THE BUSINESS

Summary of the Business

General Description of the Business

The Company operates as a technology company in the emerging field of decentralized AI. The Company will generate revenue through three main business lines: developing custom AI software for enterprise clients, operating blockchain validator hardware that supports AI networks and investing in AI-related digital currencies tokens to primarily operate validator hardware:

1. *AI Agent Development.* The Company plans to create custom AI software systems called “AI Agents” for businesses. These are intelligent software programs that can perform specific tasks automatically. For example, an AI Agent might help a travel company by automatically booking flights and hotels when a customer provides their preferences and budget. The AI Agent would search available options, compare prices, and make reservations without human intervention. The Company intends to deliver these solutions either as one-time projects or ongoing subscription services. Revenue comes from implementation fees and monthly subscription payments.

The Company will work clients to identify specific business processes that can benefit from AI automation. Projects typically include: (i) requirements analysis and solution design; (ii) AI model development and training; (iii) integration with existing business systems; and (iv) testing and deployment.

For clients requiring ongoing AI capabilities, the Company intends to offer subscription-based services: (i) monthly access to AI tools and capabilities; (ii) continuous model updates and improvements; (iii) technical support and maintenance; and (iv) performance monitoring and optimization.

2. *Validator Operations.* The Company will operate specialized computers called “validators” that verify transactions on blockchain networks focused on AI applications. Validators are essentially digital accountants that check and approve transactions on these networks. When the Company operates a validator, the Company earns rewards in the form of digital currencies (tokens).

Additionally, other token holders can “delegate” their tokens to the Company’s validators, and the Company intends to take an 8% commission on the rewards earned.

Transaction processing validators collect, verify, and process transactions on the network. When someone sends tokens or executes a smart contract, validators ensure the transaction is legitimate and add it to the blockchain.

Many blockchain networks use “decentralized governance” where token holders vote on network changes. Validators often participate in this governance by voting on proposals such as: (i) technical upgrades to the network; (ii) changes to reward rates; and (iii) new features or capabilities.

Validators earn money through: (i) *block rewards*: payment for processing transactions and creating new blocks; (ii) *transaction fees*: small fees paid by users for each transaction; and (iii) *delegation rewards*: commission earned when others stake tokens with the validator.

The amount of influence a validator has (and rewards they earn) depends on how many tokens are staked with them, either by the validator operator or by others who delegate tokens to them.

3. *Token Investment and Staking*. The Company will purchase, and intends to utilize for operations, tokens from projects building decentralized AI infrastructure and other digital tokens that can be staked to generate revenues including Bitcoin, Solana, Ethereum and similar digital tokens with large market capitalizations. These tokens will be “staked” - temporarily locked up to support network operations - in exchange for earning additional tokens as revenue. This creates a steady income stream similar to earning interest on a deposit. Some tokens have lock-up periods during which they cannot be sold, but they continue generating rewards during this time. The rewards from staking varies based on a number of factors such as lock-up period and validator/node used.

The Company will not manufacture hardware or develop its own blockchain technology. Instead, the Company will purchase existing equipment from established suppliers and configure it to support decentralized AI networks. The business model focuses on providing practical AI solutions to traditional industries while participating in the infrastructure that powers next-generation AI systems.

Treasury Management

The Company held stablecoins having an aggregate value of U.S.\$62,384. As of September 1, 2025, U.S.\$59,529 of stablecoins was used to acquire a similar value of FET tokens.

The Company’s cryptocurrency treasury strategy is designed to provide investors with varying degrees of economic exposure to cryptocurrencies through a range of securities, including equity and fixed income instruments. Any cryptocurrency that is acquired is intended to be staked through reputable protocols or platforms, thereby enabling the Company to participate in network validation or governance activities, while earning yield or rewards on the staked assets.

The Company has deployed the validator infrastructure, and the FET tokens that were acquired with these stablecoins are presently being used to support staking and validator operations. Stablecoins, which are considered cash equivalents pegged to USD, may also be used to pay vendors and acquire other digital assets, providing additional flexibility in financing these initiatives. In addition to facilitating payment and acquire other digital assets, including FET, stablecoins facilitate a pathway for the Company to participate in decentralized finance (DeFi) ecosystems. This is particularly relevant to the Company’s AI Agent technology IntelliScope, which is internally resourced and currently in beta testing. The use of stablecoins also aligns with the Company’s broader strategy to finance initiatives such as validator infrastructure, AI Agent development, and digital asset acquisitions.

Production and Services – Introduction to Blockchain and Cryptocurrency

Blockchain technology was invented in 2008 and works as database technology. Blockchain is gaining widespread adoption with many unique applications, fewer middlemen, greater efficiency and automated transactions.

Blockchain technology is unique in that it can store data and distribute it in a decentralised manner. The decentralisation of information increases security and offers additional functionality to its users. Blockchain technology is making a significant impact in many areas of business, finance, information management and governance, but it is still in its early stages, with significant future opportunities and applications.

Blockchain technology enables the application of cryptocurrency. Cryptocurrency is a form of encrypted and decentralised digital currency, transferred directly between peers across the internet, with transactions being settled, confirmed and recorded in a distributed public ledger by a process known as “mining”.

Units of a cryptocurrency exist only as data on the internet, and are not issued or controlled by any single institution, authority, or government. Whereas most of the world’s money currently exists in the form of electronic records managed by central authorities, units of a cryptocurrency exist as electronic records in a decentralised tamper-proof transaction database called a Blockchain. The ledger is both publicly available to anyone and secured with public key encryption.

How a Cryptocurrency Works

Cryptocurrencies are decentralised digital currencies that enable instant transfers to anyone, anywhere. Transactions occur via open source, cryptographic protocol platforms which use peer-to-peer technology to operate with no central authority.

The network is an online, peer-to-peer network that hosts the public transaction ledger, known as the Blockchain, and each cryptocurrency with a source code that comprises the basis for the cryptographic and algorithmic protocols governing the Blockchain. No single entity owns or operates the network, the infrastructure of which is collectively maintained by a decentralised user base.

As the network is decentralised, it does not rely on either governmental authorities or financial institutions to create, transmit or determine the value of the tokens. Rather, the value of a token is determined by the market supply of and demand for the tokens, the prices of which are set in transfers by mutual agreement or barter, as well as by the number of merchants that accept the tokens. Because tokens are digital files that can be transferred without the involvement of intermediaries or third parties, there are little or no transaction costs in direct peer-to-peer transactions.

Tokens can be used to pay for goods and services or can be converted to fiat currencies, such as the US dollar, at rates determined by various exchanges. There are a number of cryptocurrency exchanges, including international exchanges such as: Binance, Bybit, Bitstamp, Kraken and Coinbase. There are also country-based and regional exchanges. Additionally, third party service providers may be used for transfers but they may charge significant fees for processing transactions.

In a cryptocurrency network, every peer has their own copy of the Blockchain, which contains records of every historical token transaction, effectively containing records of all account balances. Each account is identified solely by its unique public key, and is secured with its associated private key (kept secret, like a password).

The combination of private and public cryptographic keys constitutes a secure digital identity in the form of a digital signature, providing strong control of ownership.

Each time a new block of transactions is created, data from that block is used to create a hash that is stored along with the block. One piece of data used is the hash from the most recent block in the Blockchain. Each

block's hash is created using the hash of the block before it, acting as a sort of tamper-evident seal that confirms the validity of the new block and all earlier blocks. Alterations made to any earlier block would make the hashes of all subsequent blocks invalid, the discrepancy would be easily detected by future miners, and that broadcast would be discarded in favour of one from a different peer. Thus, miners "vote with their computer power, expressing their acceptance of valid blocks by working on extending them and rejecting invalid blocks by refusing to work on them" and consensus of the majority is represented by the longest Blockchain.

Miners, which are specialized computers, compete to solve new blocks; a miner that verifies and solves a new block is awarded a newly-generated quantity of tokens, an amount which is usually proportional to the miner's contributed hash rate/work, (plus a small transaction fee) as an incentive to invest their computer power, as mining is critical to the continuing functioning and security of the cryptocurrency network. The difficulty of the proof-of-work puzzles is automatically adjusted so that a new block is mined on a specified basis, adapting as the total mining power active on the network increases over time.

Why Cryptocurrencies?

A Blockchain enables market participants to make and verify transactions on a network instantaneously without a central authority (i.e., a clearinghouse in the traditional financial system). The Company believes that Blockchain, the backbone technology behind cryptocurrency mining, has the potential to truly disrupt multiple industries and make processes more democratic, secure, transparent, and efficient.

Interbank transactions can potentially take days for clearing and final settlement, especially outside of working hours. Blockchain transactions can reduce transaction times to minutes and are processed at all times.

Because cryptocurrencies are completely digital, they can be used in ways that ordinary currencies cannot; primarily, they are used like the digital equivalent of cash. Unlike credit or debit cards that are issued by banks, consumers don't need an account or good credit to use digital currencies. Further, digital currencies are becoming increasingly accepted globally by retailers and institutions.

The Market for Cryptocurrency

Cryptocurrencies offer many advantages over traditional (also known as 'fiat') currency, including:

- Acting as a fraud deterrent, as cryptocurrencies are digital and cannot be counterfeited or reversed arbitrarily by sender;
- Immediate settlement;
- Eliminate counterparty risk;
- No trusted intermediary required;
- Potential for lower fees;
- Identity theft prevention;
- Accessible by everyone globally;
- Transactions are verified and protected through a confirmation process, which prevents the problem of double spending currencies;
- Decentralised no central authority (government or financial institution); and

- Recognized universally and not bound by government imposed exchange rates.

Management believes that as the demand for cryptocurrencies increases and cryptocurrencies become more widely accepted, there will be an increasing demand for professional grade, scalable infrastructure to support growth of the growing Blockchain ecosystem.

Blockchain, Cryptocurrency and Decentralized Artificial Intelligence

Much of today's AI exists in centralized black boxes owned by a few large organizations. This concentration of control counters the otherwise democratizing potential of AI and hands over outsized influence on society, finance and creativity to a handful of corporate entities. Current limitations of "centralized" AI include:

- *Data Silos*: In a centralized system, data is often siloed within the walls of large tech companies, limiting the ability to harness the full breadth of information available. Users either push models to data or need to send data to models, which is a very expensive process.
- *Computational Bottlenecks*: The immense computing power required for training and running complex AI models is concentrated in the hands of a few, creating potential bottlenecks and single points of failure.
- *Privacy Concerns*: The centralization of personal data within the control of a few entities raises significant privacy and security concerns, as evidenced by recent data breaches and misuse scandals.
- *Lack of Transparency*: Centralized AI systems are often opaque, making it difficult to understand how decisions are made and hindering the ability to hold these systems accountable.
- *Power disparity*: AI is giving the power to individuals to execute tasks in new more efficient ways, but ultimately might create an economic disparity, especially if monopolies exist that are able to set access and pricing terms.

Decentralized AI distributes the control over humanity's most capable technology ever, rather than concentrating its power, which mitigates the potential for overarching influence by any one entity. With development and governance distributed across entities with diverse incentives and priorities, decentralized AI can progress in better alignment with individual needs rather than imposing homogeneous outcomes. This nurtures diverse applications rather than having a handful of prevailing models dominate the culture.

An example of how blockchain, cryptocurrency and decentralized AI come together is the digital token: Artificial Superintelligence 'ASI' Alliance (known as FET). FET is one of the Company's target holdings. FET is an Ethereum token that powers the ASI Alliance, a robust, open-source innovation stack that empowers developers, enterprises, and researchers worldwide to build ethical, scalable, and groundbreaking AI solutions.

The ASI Alliance provides an open infrastructure for building smart, autonomous services. Using Fetch.ai (a leading member of the ASI Alliance) technology it is possible for the technically curious to deploy AI Agents to create intelligent connections between each other and real world systems and devices. Fetch.ai tooling is fully composable to allow for freedom of exploration, from simple AI-driven coordination tasks to complex business logic.

Fetch.ai’s technology has already been applied across various industries:

- *Energy*: Fetch.ai’s technology can enable energy grid optimization, peer-to-peer energy trading, and demand response management.
- *Healthcare*: Fetch.ai’s autonomous agents can be used to create intelligent healthcare systems that enable better patient care and resource allocation.
- *Finance*: Fetch.ai’s autonomous agents can be used to create decentralized finance (“**DeFi**”) applications that enable secure, transparent, and efficient financial transactions.
- *Transport*: Fetch.ai’s technology can enable intelligent transport systems that optimize traffic flow, reduce congestion, and improve safety.

FET tokens power a network where AI Agents can find and work with each other. Here’s how all three business components connect for the Company’s business model:

- *AI Agents*: The Company develops AI Agents that can potentially use the FET network.
- *Staking*: The Company stakes FET tokens to earn approximately ~7.5% annual rewards.
- *Validators*: The Company operates validators on the FET network, earning transaction fees and additional rewards.

This integrated approach means the Company benefits from the network’s growth through multiple revenue streams.

Basis For Investments in Digital Assets

The Company believes that investing in digital assets can represent a strong investment strategy for several reasons, particularly in the context of emerging technologies, diversification, and long-term growth potential:

1. **Exposure to Emerging Technologies**: The Company believes that digital assets are part of an important technological shift. Blockchain technology, which underpins digital assets, has the potential to improve various industries, including finance, supply chain management, healthcare, and more.¹ By investing in digital assets, the Company seeks to gain exposure to these innovative technologies and the growth opportunities they may present.
2. **High Growth Potential**: The market for digital assets is still in its early stages, and many believe it has substantial growth potential.² As the adoption of blockchain technology and digital assets increases, the value of certain assets may appreciate significantly over time. This growth potential is particularly attractive to investors seeking high returns, especially when compared to traditional, more established asset classes that may not offer the same level of upside.
3. **Diversification and Portfolio Enhancement**: Digital assets can provide valuable diversification benefits to an investment portfolio. Unlike traditional asset classes (stocks, bonds, real estate), digital assets operate independently of conventional financial markets and are not directly correlated with the performance of traditional assets. Management believes this diversification can

¹ Forbes, 15 Industries That Could Significantly Benefit From Blockchain Technology, June 10, 2022 https://www.forbes.com/councils/forbestech_council/2022/06/10/15-industries-that-could-significantly-benefit-from-blockchain-technology/.

² Fidelity Digital Assets, 2025 Look Ahead, page 3, January 7, 2025 <https://fwd.widen.net/s/zrvf5hfifs/fda-2025-look-ahead-report---final>.

help to mitigate risk, especially during times of market volatility or financial crises, and can enhance overall portfolio stability.

4. **Hedge Against Inflation and Currency Devaluation:** Certain digital assets, particularly Bitcoin, have been referred to as “digital gold”³ because of their limited supply and deflationary characteristics. As governments around the world adopt accommodative monetary policies, resulting in increased currency supply and inflationary pressures, digital assets may serve as a hedge against these trends. The scarcity of certain digital assets and their ability to be transacted across borders also position them as a potential store of value during times of economic uncertainty.
5. **Decentralized Nature and Security:** Digital assets typically operate on decentralized networks, reducing reliance on centralized authorities such as governments and financial institutions. This decentralization enhances security and reduces the risks associated with traditional banking and financial systems, including systemic failure, fraud, and government interference. Digital assets offer a degree of autonomy and financial sovereignty that is not available in traditional financial markets.
6. **Global Market and Liquidity:** Digital assets are traded on global platforms 24/7, offering liquidity and flexibility. This global reach would allow the Company to buy, sell, and trade assets without being constrained by market hours or geographic location, providing greater access to opportunities and faster execution.
7. **Institutional Adoption and Mainstream Acceptance:** Over the past few years, digital assets have seen increasing adoption by institutional investors, such as hedge funds, family offices, and publicly traded companies.⁴ Major financial institutions are also developing infrastructure to support the digital asset ecosystems⁵, which further validates the legitimacy of the market. This institutional involvement provides increased credibility and signals that digital assets may be a mainstream asset class in the future.
8. **Regulatory Framework Evolution:** As digital assets gain mainstream attention, governments and regulators around the world are working to establish more comprehensive regulatory frameworks. While this regulatory environment is still developing, clearer guidelines will provide increased transparency and legal certainty for investors. Over time, this regulatory clarity is expected to reduce risks and increase confidence in digital assets as a legitimate and stable investment class.

In conclusion, by investing in digital assets, the Company believes that it stands to benefit from exposure to a high-growth, innovative, and diversified asset class that has the potential to provide attractive returns, hedge against inflation, and provide strategic diversification to traditional portfolios. Digital assets also offer flexibility, security, and global liquidity. Further, as discussed above, digital assets investment provides support for the Company’s technology operations.

See disclosure under the heading “*Risk Factors — Risks Related to Investments in Digital Assets*”.

3 Business Insider, Zahra Tayeb, Crypto is ‘digitizing gold’ and bitcoin has the power to ‘revolutionize’ finance, BlackRock CEO says, July 6, 2023 <https://markets.businessinsider.com/news/currencies/crypto-digitizing-gold-bitcoin-can-revolutionize-finance-blackrock-larry-fink-2023-7> .

4 Fidelity Digital Assets, Institutional Investor Digital Assets Study: Key Findings, page 10, May 30, 2024 <https://www.fidelitydigitalassets.com/research-and-insights/2023-institutional-investordigital-assets-study> .

5 Forbes, Roomy Khan, 2025 Crypto Golden Age: AI & Blockchain Unleashing Innovation, December 4, 2024 <https://www.forbes.com/sites/roomykhana/2024/12/04/2025-crypto-golden-age-ai-blockchain-unleashing-innovation/> .

Specialized Skills and Knowledge

Operating as a technology company that will combine AI and cryptocurrency holdings requires a diverse and specialized skill set, as well as in-depth knowledge in various fields. This includes:

- *Blockchain Infrastructure*: experience participating and managing blockchain infrastructure. This includes understanding network protocols, security requirements, and optimization techniques for different blockchain systems.
- *AI Software Development*: experience directing development of AI applications for enterprise use, including integration with existing business systems and deployment of machine learning models in production environments.
- *Financial Markets and Treasury Management*: Experience in public capital markets and decentralized treasury management, particularly important for managing digital asset portfolios and token-based investments.
- *Network Security and Operations*: Specialized knowledge in validator security, including secure key management, system monitoring, and protection against various attack vectors that could compromise validator operations.

The Company’s management team will also need to be able to create strategies for mitigating risks associated with cryptocurrency price fluctuations. Management will need to stay updated with technological advancements and trends in blockchain and digital assets to identify high-potential investment opportunities, while also keeping up with global trends in blockchain adoption and regulatory landscapes in key jurisdictions. Operating a public technology company in these sectors requires a multidisciplinary approach that combines technical, regulatory, financial, and strategic expertise, which the Company’s management team has — see disclosure under the headings “*Directors and Officers*”, for a summary of the management team’s experience and education. Additionally, management expects to engage and rely upon various legal and financial advisors and other experts as necessary to ensure the Company remains compliant with all applicable laws and is able to successfully navigate through various complex industries while delivering value to shareholders. See “*Risk Factors — Risks Related to the Company’s Business — Reliance on Management and Key Personnel.*”

Competitive Conditions

The Company competes with other companies in the industries and sectors in which it seeks to operate. These include:

Validator Services Market

The validator services industry includes several established companies offering blockchain infrastructure support. However, most focus on general blockchain networks rather than AI-specific protocols. The Company differentiates itself by:

- Specializing in AI-focused blockchain networks.
- Combining validator operations with AI software development.
- Offering integrated services rather than infrastructure alone.

Examples of competitors that provide validator services include xTAO Inc., Sol Strategies Inc., Republic Technologies Inc. and Neptune Digital Assets Corp.

AI Solutions Market

The enterprise AI market is highly competitive, with large technology companies and specialized AI firms competing for clients. The Company differentiates itself by:

- Focus on specific industries (energy, mining, engineering) rather than broad market approach.
- Integration with decentralized AI networks that larger competitors may not understand.
- Practical implementation focus rather than research-oriented approach.

Competitors in the AI market include some of the world’s largest companies. Examples of Canadian listed competitors that are at a similar stage of development as the Company include xTAO Inc. and Alset AI Ventures Inc.

Digital Asset Investment

The Company competes with various investment vehicles focusing on blockchain and cryptocurrency investments, as well as mutual funds, investment funds, hedge funds, investment companies, management companies and other investment vehicles for investment opportunities. Many of these competitors have greater financial, technical, and other resources than the Company. The Company’s focus on combined operational and investment exposure to decentralized AI creates differentiation in this space. According to CoinMarketCap there are over one hundred companies that are focus on blockchain and cryptocurrency investment and that would be competitors of the Company.⁶ In Canada examples of competing companies in this space include Sol Strategies Inc., Matador Technologies Inc. and Neptune Digital Assets Corp.

Additionally, to compete, the Company depends on the knowledge, experience and network of business contacts of management and the Board. See “*Risk Factors*”.

Intangible Properties

The Company is developing its proprietary software for AI Agents. The source code for the Company’s software is owned by the Company and is in its possession and held in a private account. No patents have been registered on the software and no applications have been made to register or otherwise protect copyrights in the software or its components.

Components

The Company will acquire and operate validator hardware, but will not manufacture any components. The Company will source all equipment from established third-party suppliers and modifies it for specific network requirements. The Company will source all validator hardware over-the-counter from major retailers using off-the-shelf components. It does not require high-performance Graphic Processing Units (each, a “GPU”) like those used in AI model training. Instead, its infrastructure uses standard Central Processing Units, Solid State Drives, and mid-range GPUs that are widely available.

Cycles

Cryptocurrencies are sensitive to macroeconomic trends such as interest rates, inflation, and market liquidity. Bull and bear cycles in crypto markets can significantly impact investment performance. Additionally, blockchain and cryptocurrency sectors experience cycles driven by technological breakthroughs (e.g., the rise of decentralized finance or Non-Fungible Tokens). These cycles influence

⁶ <https://coinmarketcap.com/charts/bitcoin-treasures/>

market dynamics and the timing of investments. Further market sentiment heavily influences the adoption of new blockchain technologies and cryptocurrencies. Speculative trading can create boom-and-bust cycles, affecting valuations and investment returns.

Economic Dependence

The Company's business is not substantially dependent on any one contract.

Changes to Contracts

The Company's business is not reasonably expected to be affected in the current financial year by the renegotiation or termination of any contracts or sub-contracts.

Employees and Consultants

As of the date hereof, the Company has 17 employees and 6 consultants. All of the current employees (except for the CFO) are associated with the Food Business. The Company intends to take measures to keep costs to a minimum and as such intends to rely on external contractors for many services in order to scale back quickly if need be given the volatility of the digital currency ecosystem.

Foreign Operations

The Company will primarily operate validator hardware infrastructure within Canada, leveraging the country's advantages in renewable energy, stable regulatory environment, and natural cooling benefits for high-performance computing equipment. The Company's initial validator operations will be established in Canadian data centers. However, the Company plans to expand validator operations across Europe and the Middle East to enhance network decentralization and geographic distribution. Set out below are a number of factors the Company would consider and risks the Company may be subject to related to operations and investments in foreign jurisdictions.

Regulatory and Legal Risks

Foreign operations may expose the Company to a variety of regulatory and legal frameworks that differ significantly from Canadian law. These differences can impact both the Company's compliance obligations and the operational risks associated with cross-border investments. Regulatory approaches to digital assets vary widely across jurisdictions. While some countries have embraced digital currencies and blockchain technologies with clear regulatory frameworks (e.g., Switzerland, Singapore),⁷ others have banned or heavily restricted their use (e.g., China). By operating or investing in foreign markets, the Company could be subject to more stringent or less favorable regulations. This includes laws related to anti-money laundering (AML), know-your-customer (KYC), securities regulations, taxation, and digital asset exchanges. Depending on which jurisdictions the Company intends to invest in, the Company may need to engage and collaborate with local experts to address these jurisdiction-specific matters and ensure compliance with foreign regulations to avoid penalties. Initially, the Company intends to acquire digital assets in Canada, either privately or on a Canadian regulated exchange such as Coinbase, in accordance with applicable laws.

Currency and Exchange Rate Risks

If the Company chooses to invest in foreign jurisdictions, the Company will be exposed to risks arising from fluctuations in currency exchange rates. These fluctuations can significantly affect the value of the

⁷ World Economic Forum, Sandra Waliczek, How different countries are navigating the uncertainty of digital asset regulation in a complex election year, October 4, 2024 <https://www.weforum.org/stories/2024/10/different-countries-navigating-uncertainty-digital-asset-regulation-election-year/>.

Company’s foreign investments or the cost of repatriating profits from abroad. While digital assets like Bitcoin or Ethereum are often viewed as a potential hedge against fiat currency fluctuations, they are not immune to volatility. For example, the value of digital assets could fluctuate against local currencies, especially in emerging markets with unstable currencies. Moreover, the Company may face challenges in converting digital assets into local currency or in dealing with cross-border transactions that involve exchange rate risks.

Political and Geopolitical Risks

Investing in foreign markets, especially in jurisdictions with less political stability, exposes the Company to political and geopolitical risks. These risks can range from changes in government, civil unrest, expropriation, to shifts in international trade relations. Political decisions, such as government crackdowns on cryptocurrencies or changes in monetary policy, can influence the value and accessibility of digital assets. For example, certain countries have imposed outright bans on cryptocurrencies (e.g., China), which could directly impact the liquidity and value of the Company’s investments in digital assets in those markets. Additionally, geopolitical tensions (e.g., between the U.S. and China) could lead to changes in the regulation of digital assets, affecting market access and investor sentiment.

Tax Implications

Foreign investments can introduce complexities in terms of tax obligations and compliance, especially when dealing with investments in digital assets that involve multiple jurisdictions. Different countries have varying tax treatments for digital assets. Some countries tax cryptocurrencies as property or as capital gains, while others have more favorable tax treatment or no taxation on digital asset transactions. The Company may be required to pay taxes on digital asset holdings or transactions in both the jurisdiction where the asset is held and Canada, potentially leading to double taxation unless mitigated by tax treaties.

Foreign operations can offer significant opportunities for a technology issuer focusing on digital assets and decentralized AI, such as access to emerging markets, diversification of investments, and exposure to global demand trends. However, these operations also come with risks, including regulatory uncertainty, geopolitical risks, currency fluctuations, tax complexities, and operational challenges. To manage these risks, before making any decision to invest or operate in a foreign jurisdiction, the Company intends to carefully assess the legal, financial, and operational implications, and determine how it could ensure compliance with local regulations, mitigate potential risks and maintain flexible strategies to respond to changes in foreign markets.

See disclosure under the heading “*Risk Factors — Risks Related to the Company’s Business - Operations in Emerging Markets*” for additional information on the risks associated with investing in foreign jurisdictions.

Safeguarding Digital Assets

The Company will utilize a self-custodial model for digital asset storage and management in partnership with Singularity TM AG (“**Singularity**”) and Fireblocks Ltd. (“**Fireblocks**”). Fireblocks provides the underlying security infrastructure via Multi-Party Computation⁸ (MPC-CMP) based wallet technology. However, wallets are not held by Singularity or Fireblocks directly. Instead, Singularity facilitates the setup of client-specific, segregated Fireblocks vaults, where governance policies and signing rights are defined in collaboration with the Company.

The Company retains full control over its digital assets via MPC-CMP security policies. Singularity may be included in the quorum structure for added operational security, but cannot act independently to move or manage assets without explicit co-signature by the Company. This structure mitigates counterparty risk;

⁸ <https://www.fireblocks.com/what-is-mpc/>

assets cannot be accessed or frozen by either Singularity or Fireblocks. Unlike traditional custodians such as Coinbase, this arrangement aligns with the self-custodial principles of blockchain while maintaining institutional-grade security (SOC 2 Type II, ISO 27001) and compliance protocols.

The Company intends to securely hold its digital assets with Singularity. This section outlines the custody framework adopted by Singularity for the secure management of digital assets on behalf of its clients. It provides an overview of the operational infrastructure, risk controls, and regulatory alignment that underpin Singularity's approach to safeguarding assets in a rapidly evolving digital environment. The content covers the roles and responsibilities of Singularity and its sub-custodian, the technological and procedural safeguards in place, and the compliance measures adhered to in accordance with Swiss regulations.

1. Custodian Information

Singularity provides financial intermediation services related to crypto-assets and is a Swiss company registered under CHE-457.707.300, with its registered office at Hinterbergstrasse 53, 6312 Steinhausen, Canton of Zug, Switzerland.

Singularity and its sub-custodians are not related parties of the Company. The Company is not aware of anything with regards to Singularity's operations that would adversely affect the Company's ability to obtain an unqualified audit opinion on its audited financial statements.

2. Regulatory Frameworks Applicable to the Custodian

Singularity provides financial intermediation services related to crypto-assets. Under Swiss law, companies that engage in financial intermediation must comply with the Swiss Anti-Money Laundering Act⁹ (AMLA) and are subject to ongoing oversight to ensure they meet anti-money laundering (AML) and counter-terrorist financing (CTF) requirements. As a recognized financial intermediary, Singularity is affiliated with So-FIT¹⁰ (Supervisory Organization for Financial Intermediaries and Trustees) under affiliation number 1411. So-FIT is officially licensed by the Swiss Financial Market Supervisory Authority (FINMA)¹¹ to supervise financial intermediaries and ensure their compliance with AMLA.

3. Anti-Money Laundering (AML) Framework

Singularity maintains a robust AML/CFT compliance framework aligned with the AMLA, FINMA regulations, and international standards. Singularity operates under a structured "Three Lines of Defence" model to manage AML risks, integrating business-level due diligence, independent oversight by an AML Officer, and internal audits. Rigorous Know Your Customer (KYC/KYB) and Enhanced Due Diligence (EDD) procedures are applied based on client risk tiers, with continuous transaction monitoring and on-chain analytics for high-risk clients.

Singularity also ensures full compliance with sanctions screening (SECO, UN, OFAC, EU) and maintains strict reporting obligations to the Swiss Money Laundering Reporting Office (MROS). All AML-related data, including onboarding records, transaction logs, and suspicious activity reports, are securely retained for a minimum of ten years.

4. Know Your Business (KYB) Procedures

To ensure regulatory compliance and mitigate third-party risk, Singularity employs a fully integrated Know Your Business (KYB) verification framework in collaboration with Blockpass¹². This solution enables rapid and automated verification of business counterparties worldwide, supporting onboarding, AML

⁹ https://www.amla.europa.eu/index_en

¹⁰ <https://so-fit.ch/>

¹¹ <https://www.finma.ch/>

¹² <https://www.blockpass.org/>

screening, and document validation within hours. Through Blockpass' secure infrastructure, Singularity verifies Certificates of Incorporation, corporate addresses, legal structures, and the identities of directors, shareholders, and Ultimate Beneficial Owners (UBOs). The KYB system is compliant with THE European Markets in Crypto-Assets Regulation (MiCA), the Financial Action Task Force (FATF), and other international financial regulations and includes reusable, portable KYB profiles to streamline operations. All verifications are conducted via a dedicated compliance dashboard that consolidates screening, monitoring, and audit logs under one interface. The system is specifically optimized for the crypto and blockchain sectors and reduces compliance overhead by leveraging expert support and automation. This ensures that Singularity maintains a scalable, audit-ready, and cost-efficient KYB process across its client base and ecosystem partners.

5. Identity of Sub-Custodian (Fireblocks)¹³

To ensure institutional-grade security, Singularity securely manages its digital assets via Fireblocks, a leading enterprise-grade digital asset custody platform headquartered at Floor 25, Yitzhak Sadeh 8, Tel Aviv, 6777508, Israel. Fireblocks is a software-based custodial infrastructure used by over 1,800 institutional clients globally, with \$10+ trillion in digital asset transfers processed. Fireblocks' platform combines bank-grade security, MPC, secure hardware enclaves (Intel SGX), and a zero-trust architecture to provide robust protection against unauthorized access or asset loss.

6. Operations between Singularity and the Sub-Custodian

As a sub-custodian, Fireblocks does not directly hold client assets or control private keys. Instead, Singularity operates its own institutional workspace within the Fireblocks platform, establishing segregated vaults per client. Each vault is isolated on-chain and independently governed by Singularity using custom-configured governance policies, quorum rules, and access thresholds. Fireblocks enables secure and compliant asset operations without counterparty risk.

7. Infrastructure provided by the Sub-Custodian

Fireblocks serves as the sub-custodian by providing the underlying technological infrastructure supporting the secure custody, governance, and transaction execution of digital assets managed by Singularity. The platform is designed to meet the stringent operational, security, and compliance requirements of institutional-grade treasury operations. Key components of the Fireblocks infrastructure include:

a. Secure Key Management with MPC-CMP: Fireblocks employs Multi-Party Computation (MPC-CMP), a cryptographic protocol that eliminates single points of failure by distributing key shares across secure environments. Keys are never fully reconstructed or exposed, significantly reducing the risk of compromise from both internal and external threats.

b. On-Chain Vault Segregation: Each client's assets are held in isolated, on-chain vaults under the governance of Singularity. There is no commingling of assets, ensuring transparency, individualized asset control, and full separation of client holdings in both operational and legal terms.

c. Auditability and Real-Time Monitoring: All transactions, policy changes, and administrative actions are immutably logged and timestamped. Fireblocks provides real-time monitoring and audit-ready reporting, enabling Singularity to maintain continuous oversight and demonstrate compliance with regulatory requirements.

d. Advanced Policy Engine and Access Controls: The platform supports customizable transaction policies that can be tailored by Singularity to reflect each client's internal risk parameters. Controls may

¹³ <https://www.fireblocks.com/>

include role-based permissions, multi-level approval workflows, transaction thresholds, and destination whitelisting, enhancing operational security.

e. DeFi and Exchange Integration: Fireblocks provides secure connectivity to decentralized finance (DeFi) protocols and centralized exchanges. All interactions with external platforms are subject to the client's authorization and are executed under strict governance rules, ensuring seamless yet controlled access to yield strategies, staking, and liquidity operations.

f. API-Driven and 24/7 Operational Readiness: The infrastructure supports automated operations via robust Application Programming Interfaces, enabling 24/7 availability for digital asset management. Clients benefit from instant transaction execution, workflow automation, and seamless integration with internal systems or third-party services.

This infrastructure ensures that Singularity is equipped to deliver secure, compliant, and highly scalable treasury services to its clients, while retaining full operational control over asset governance.

8. Custodian's Operations and Auditability

All transaction-related and administrative activities executed on the Fireblocks platform are subject to full audit logging. Every configuration change, transaction request, policy update, and user interaction is automatically recorded with a precise timestamp, user identification, and associated metadata. These immutable records are accessible via a centralized dashboard and can be exported for regulatory inspections or third-party audit purposes. This level of transparency enables Singularity to maintain detailed operational oversight and demonstrate full traceability of all digital asset movements and governance actions.

9. Singularity's Operational Controls

Singularity implements a comprehensive set of operational controls to safeguard client assets and ensure procedural integrity across its custody and transaction management activities. These controls are designed to meet institutional security standards and are embedded within both the Fireblocks platform and the Singularity's internal compliance framework. Key operational safeguards include:

a. Two-Factor Authentication (2FA¹⁴): All access to sensitive systems and key operational functions is protected by two-factor authentication, ensuring that no single set of credentials is sufficient to authorize critical actions. This authentication layer applies to all personnel interacting with the Fireblocks platform, from transaction initiators to policy administrators.

b. Approval Workflows and Transaction Authorization: Singularity enforces both manual and automated approval processes for transaction execution. These workflows are tailored to the risk profile of the client and the value of the transaction, with multi-signature validation and quorum thresholds as required. No transaction can be executed without satisfying predefined authorization policies.

c. Enforced Transaction Policy Rules: Transaction policy rules govern every movement of digital assets. These include role-based permissions, destination address whitelisting, maximum value limits, velocity controls, and transaction time windows. Each policy is programmable within Fireblocks and enforced automatically at the protocol level.

d. Internal Compliance Monitoring and Audits: Singularity conducts regular compliance reviews of its internal processes, custody activities, and access controls. These checks are performed by the compliance team in alignment with Singularity's AML/CFT policy and internal audit framework. Any deviations are logged, remediated, and, if necessary, escalated to senior management.

¹⁴ <https://dictionary.cambridge.org/dictionary/english/2fa>

e. **Incident Response and Emergency Protocols:** A defined incident escalation protocol ensures that any operational irregularity, breach attempt, or system anomaly is immediately flagged, investigated, and addressed, allowing Singularity to maintain business continuity in the event of system compromise or failure.

10. Insurance, Loss and Theft Protection

Fireblocks maintains strategic partnerships with leading global insurance providers, enabling Singularity to access tailored digital asset insurance policies designed specifically for its non-custodial, infrastructure-based custody model. Although Fireblocks does not directly hold or control client assets, its enterprise-grade infrastructure qualifies for insurance underwriting due to its robust security architecture and operational integrity. The available insurance coverage extends to critical risk areas associated with digital asset custody, including:

- a. **Internal or external theft**, whether by malicious actors, insider threats, or third-party intrusions;
- b. **Key compromise events**, such as partial or full exposure of cryptographic key shares used in transaction authentication;
- c. **Infrastructure-level disasters**, including server failures, data corruption, or physical damage to hosting environments;
- d. **Custodial mismanagement**, involving operational failures or breaches of governance policies leading to asset loss or unauthorized transactions.

In addition to insurance access, Fireblocks incorporates advanced disaster recovery and business continuity solutions to ensure uninterrupted operations in the event of a system failure or security breach. These include partnerships with specialized providers such as Coincover¹⁵ and Station70¹⁶, which offer encrypted backup protocols, “break-the-glass” emergency access mechanisms, and social recovery procedures. These redundancies ensure that Singularity can recover access to client vaults, reestablish governance settings, and maintain custody services without exposing assets to undue risk.

11. Services Provided by Singularity

Singularity offers a comprehensive suite of non-discretionary digital asset services tailored to institutional clients. All services are executed strictly upon client instruction and within clearly defined operational parameters. The core services provided include:

- a. **Third-Party Custody Facilitation:** Singularity enables secure custody of digital assets through Fireblocks. Custody solutions include the creation of segregated client vaults, granular access control, transaction policy enforcement, and full auditability of all operations.
- b. **Trading Services:** Singularity executes trades on behalf of clients using independent, regulated digital asset trading platforms. Singularity does not operate a proprietary exchange. All trades are carried out on a non-discretionary basis and only upon specific client instruction, applicable agreements, and any trading parameters explicitly agreed upon by the client.
- c. **On-Chain Operational Support:** Singularity provides connectivity and facilitation for on-chain activities, including DeFi Protocol Interactions, enabling client access to staking, lending, borrowing, liquidity provision, and other DeFi services through smart contracts.

¹⁵ <https://www.coincover.com/>

¹⁶ <https://www.station70.com/>

d. Non-Discretionary Execution and Risk Control: All trading and on-chain services are performed under a non-discretionary mandate. Singularity does not act autonomously and will only execute transactions upon clear, documented client instructions. Risk thresholds, counterparties, and protocol choices must be pre-approved and communicated by the client.

Through this service structure, Singularity ensures secure, compliant, and transparent operations aligned with Swiss financial regulations and best practices in digital asset management.

12. Known Breaches and Historical Incidents

As of the date of this document, Singularity has not experienced any digital asset loss, compromise, or theft within their custody framework. All Fireblocks' infrastructure used has passed multiple independent security audits including SOC 2 Type II¹⁷, ISO 2700¹⁸, and CCSS Level III certification¹⁹.

13. Additional Company Protocols

All transactions involving the purchase and holding of digital assets will be conducted through secure channels, utilizing encryption technologies to ensure confidentiality and integrity. The Company will implement two-factor authentication (2FA) and other access controls for all systems involved in processing transactions to prevent unauthorized access.

The Company is committed to maintaining full compliance with applicable anti-money laundering (AML) and KYC regulations, as well as any other legal requirements related to digital asset security. This compliance will include the use of secure identity verification methods and regular monitoring of digital asset transactions to prevent illicit activities.

The Company will engage with reputable third-party custodians, exchanges, and service providers who specialize in securing digital assets. These partners will be carefully selected based on their track record in the industry, the security protocols they employ, and their adherence to regulatory standards. The Company will periodically review the security practices of its service providers to ensure they continue to meet the highest standards of protection.

The Company will ensure that its personnel who have access to digital assets or private keys are thoroughly trained in cybersecurity protocols and best practices. Access to sensitive systems and data will be strictly controlled, with role-based access limitations in place to minimize the risk of unauthorized access. The Company will also implement an internal policy of least privilege, ensuring that employees only have access to the information necessary for their specific roles.

In the event of a security breach or incident, the Company will establish an emergency response plan that includes immediate actions to contain the threat, secure affected assets, and notify relevant authorities. The Company will also have a disaster recovery plan in place to recover assets in the event of a significant loss or technical failure.

By implementing these rigorous security measures, the Company aims to mitigate the risks associated with holding and managing digital assets, ensuring the safety and integrity of investor capital. These protocols are designed to meet the highest industry standards, provide transparency, and offer assurance to shareholders that the Company's digital assets are being securely managed in accordance with best practices.

¹⁷ <https://learn.microsoft.com/en-us/compliance/regulatory/offering-soc-2>

¹⁸ <https://learn.microsoft.com/en-us/compliance/regulatory/offering-iso-27001>

¹⁹ <https://www.fireblocks.com/blog/fireblocks-achieves-first-ever-ccss-qsp-level-3-certification/>

Lending

The Company does not expect to engage in any lending activities.

Bankruptcy and Similar Procedures

There are no bankruptcies, receivership or similar proceedings against the Company, nor is the Company aware of any such pending or threatened proceedings. There has not been any voluntary bankruptcy, receivership or similar proceeding, by the Company during its last three financial years.

Reorganizations

Other than as described below, the Company has not completed any material reorganization and no reorganization is proposed for the current financial year.

On November 4, 2021, the Company completed the VGAN Transaction with VGAN. The shareholders of VGAN received 60,075,000 Common Shares. Upon completion of the VGAN Transaction, the shareholders of VGAN obtained control of the consolidated entity. Accordingly, VGAN was identified as the acquirer for accounting purposes, and the consolidated entity is considered to be a continuation of VGAN, with the net assets of The Good Flour Corp. at the date of the RTO deemed to have been acquired by VGAN. See “*Description and General Development of the Business — Overview*” for additional details with respect to the VGAN Transaction.

Social or Environmental Policies

The Company has not yet implemented any formal social or environmental policies that are fundamental to its operations. It is currently evaluating the implementation of such policies based on current trends related to environment, social and governance initiatives.

Advisory Board

The Company has established an Advisory Board that includes seasoned executives and professionals that possess valuable knowledge, and experience in the areas of business, corporate advisory, traditional finance, AI and digital assets. Advisory Board members: (i) make introductions to potential service providers and partners that could provide benefits to the Company’s business and corporate strategy; (ii) provide market analysis and insights; (iii) identify strategic options and recommend to Company a course of action and strategy; (iv) manage relationships with connections to assist in contract execution with introduced parties; and (v) source strategic opportunities and provide advisory services related to such strategic opportunities.

Significant Acquisitions

During the year ended June 30, 2025 the Company made no significant acquisitions for which disclosure is required under Part 8 of NI 51-102.

RISK FACTORS

Due to the nature of that business and the present stage of development of its business, the Company may be subject to significant risks. The Company’s actual operating results may be very different from those expected as at the date of this AIF, in which the event the value or trading price (once listed) of the Company’s Common Shares could decline and an investor may lose all or part of his or her investment.

*All statements regarding the Company and the Company’s business should be viewed in light of these risk factors. Such information does not purport to be an exhaustive list. If any of the identified risks were to materialize, the Company’s business, financial position, prospectus, anticipated operations, results or future operations may be materially affected (each a “**material adverse effect**”). Additional risks and*

uncertainties not presently known to the Company, or which the Company currently deems not to be material, may also have a material adverse effect. References to “we” or “us” shall mean the Company.

Risk Factors Related to Holding Securities of the Company

An investment in the Company’s Common Shares is speculative and will be subject to material risks; and investors should not invest in securities of the Company unless they can afford to lose their entire investment.

The Company’s business, operating results and financial condition could be adversely affected by any of the risks outlined below. These risks and uncertainties are not the only ones facing the Company. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems immaterial, may also impair the operations of the Company. Additionally, the Company will face a number of challenges in the development of its business due to the nature of the present stage of the business and operations. If any such risks actually occur, the financial condition, liquidity and results of operations of the Company could be materially adversely affected and the ability of the Company to implement its growth plans could be adversely affected. Sometimes new risks emerge and management may not be able to predict all of them, or be able to predict how they may cause actual results to be different from those contained in any forward-looking statements. Readers should not rely upon forward-looking statements as a prediction of future results. Readers should carefully consider all such risks, including those set out in the discussion below and elsewhere in this AIF.

Market Risk for Securities

There can be no assurance that an active trading market for the Common Shares will be sustained. The market price for the Common Shares may be subject to wide fluctuations. Factors such as government regulation, overall market movements, share price movements of peer companies and competitors, the growth of decentralized AI, as well as the demand for digital assets which the Company holds. If such increased levels of volatility and market turmoil continue, the Company’s operations could be adversely impacted, and the trading price of the Common Shares may be materially adversely affected. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Volatility of Share Prices

The trading price of the Common Shares will be subject to change because of numerous factors, including reports of new information, changes in the Company’s financial situation, the supply and demand for Common Shares in the market, failure to achieve financial results in line with the expectations of analysts, or announcements concerning results. Price volatility will also be subject to a number of factors beyond the control of the Company including the global economy, interest rates, political and geo-political events in various countries around the world, inflation, deflation, armed conflicts, trade wars, and the like. There is no guarantee that the market price of the Common Shares will be protected from any such fluctuations in the future; and future changes may be material.

Litigation Associated with Share Price Volatility

In the past, certain companies that have experienced volatility in their share value, have been the subject of securities class action litigation. The Company might become involved in securities class action litigation in the future. Such litigation often results in substantial costs and diversion of management’s attention and resources and could have a negative effect on business and results of operation.

Possible Dilution

The growth of the Company's technology business and the acquisition of digital assets will require additional capital; and the ongoing costs of operations may not generate positive cash flow for the near or long term. The Company's ability to secure any required financing to expand operations will depend in part upon prevailing capital market conditions and business success. There can be no assurance that the Company will be successful in its efforts to secure any additional financing on terms satisfactory to management. If additional financing is raised by issuance of additional Common Shares from treasury, control may change and shareholders may suffer dilution.

Risks related to the Company's Business***Negative Operating Cash Flow***

The Company has not yet generated profits from operations and there is no assurance that it will earn profits in the future, or that profitability, if achieved, will be sustained. The Company expects to continue to incur significant expenses including sales and marketing expenses, product development, research and development costs and other expenses. The Company's revenue may decline or its revenue growth may be constrained for a number of reasons, including reduced demand for the Company's products and services, increased competition or failure to capitalize on growth opportunities. The Company will need to generate significant additional revenue to achieve and sustain profitability and, even if it achieves profitability, the Company cannot be sure that it will remain profitable for any substantial period of time. The Company's failure to achieve or sustain profitability could negatively impact its ability to obtain financing, pursue its business objectives and have a material adverse effect on the value of the Common Shares.

Limited Operating History

The Company is in an early stage of development and has no history of operations as a technology company. The Company will be subject to many risks common to start-up enterprises and its viability must be viewed against the background of the risks, expenses and problems frequently encountered by companies in the early stages of development. This includes under-capitalization, cash shortages, limitations with respect to personnel, lack of revenues and financial and other resources. There is no assurance that the Company will develop its business profitably, and the likelihood of success of the Company must be considered in light of the Company's early stage of development and lack of operating history as a technology company. There is no assurance that the Company will be successful in achieving a return on shareholders' investment.

Additional Financing

The Company's future capital requirements depend on many factors, including its cash flows from operations, locating and retaining talent, and competing market developments. Based on the Company's current financial situation, the Company will have difficulty maintaining its operations or acquiring additional investments if it does not raise additional financing in the near future. There can be no assurance that additional financing will be available to the Company when needed or on terms which are acceptable. The Company's inability to raise financing to support operations could limit the Company's operations and may have a material adverse effect upon future profitability and require the Company to scale back its current business plan or cease operating.

Technologic Risks

The Company's success may depend upon its ability to design, develop, test, market, license and support new products or product enhancements on a timely basis in response to both competitive threats and marketplace demands. In addition, software products and enhancements must remain compatible with the other software products and systems used by its customers. If new industry standards emerge that the

Company does not anticipate or adapt to, its products could be rendered obsolete and, as a result, its business and operating results, as well as its ability to compete in the marketplace, would be materially harmed.

There can be no assurance that the Company will be successful in the introduction, marketing and production of any new products or product innovations or develop and introduce in a timely manner updates to products which satisfy customer needs or achieve market acceptance. The Company's failure to develop new products and introduce them successfully and in a timely manner could harm its ability to grow its business and could have a material adverse effect on its business, results of operations and financial condition.

Risks Related to Artificial Intelligence

The Company incorporates AI capabilities into certain of our development processes, and this technology is an element of our business operations. AI is also an element of the business operations and product and service offerings for certain of our customers. As with many developing technologies, AI presents risks and challenges, and may result in unintended consequences that could affect its further development, adoption and use and, therefore, our business. Deficiencies or other failures of AI systems could subject us to competitive harm, regulatory action, penalties, legal liability or brand or reputational harm. AI is an emerging technology for which the legal and regulatory landscape is not fully developed, including potential liability for breaching IP or privacy regulations. While laws and regulations applicable to AI are emerging and evolving, what these legal frameworks will look like remains uncertain and they may be inconsistent from jurisdiction to jurisdiction. The Company may not always be able to anticipate how to respond to these legal frameworks, and our obligation to comply with them could entail significant costs, negatively affect our business or materially limit our ability to incorporate certain AI capabilities into our development processes and solutions. Additionally, leveraging AI capabilities to potentially improve internal functions and operations presents further risks, costs and challenges. The Company aims to use AI ethically and attempt to identify and mitigate ethical or legal issues presented by its use. However, the Company may be unsuccessful in identifying or resolving ethical or legal issues presented by the use of AI. The use of AI to support business operations may carry inherent risks related to data privacy and security, such as intended or unintended transmission of personal or other data or proprietary or sensitive information, as well as challenges related to implementing and maintaining AI tools. Growing use of AI by third parties may also increase these risks. Further, reliance on AI could introduce operational vulnerabilities and impact the Company's relationships with customers, partners, and suppliers.

Risks Related to the Acquisition and Maintenance of Intellectual Property

The Company's success will depend, in part, on its ability to maintain intellectual property protection and enforce its rights against others. The Company may be unable to obtain adequate patent protection or any patent protection for its products or such patent protection may not be obtained quickly enough to meet its business needs. In addition, the coverage claimed in a patent application can be significantly reduced before a patent is issued. There can be no assurance that: patent applications will result in the issuance of patents; additional proprietary products developed will be patentable; patents issued will provide adequate protection or any competitive advantage; patents will not be successfully challenged by any third parties; or the patents of others will not impede the Company's ability to commercialize its technology.

Frequent claims and related litigation concerning infringement of proprietary rights are common in many technology fields. The Company expects that its products and methods could be increasingly subject to third-party infringement claims as the number of competitors grows and the functionality of products and technology in different industry segments overlap. Third parties may also legitimately and independently develop products, services, and technology similar to, or duplicative of, the Company's products and services. Despite the Company's best efforts, third parties may attempt to disclose, obtain, copy, or use the Company's intellectual property rights or other proprietary information or technology without authorization. Efforts to protect intellectual property and other proprietary rights may not prevent such

unauthorized disclosure or use, misappropriation, infringement, reverse engineering or other infringement of these rights.

The Company may initiate claims or litigation against third parties for infringement, misappropriation or other violation of its intellectual property rights or other proprietary rights or to establish the validity of its intellectual property rights or other proprietary rights. Any such litigation, whether or not it is resolved in its favor, could be time-consuming, result in significant expense to and divert the efforts of technical and management personnel. Furthermore, attempts to enforce intellectual property rights against third parties could also provoke these third parties to assert their own intellectual property rights or other claims against the Company or result in a holding that invalidates or narrows the scope of the Company's rights, in whole or in part.

In addition to protection under intellectual property laws, the Company will rely on confidentiality or license agreements that it will generally enter into with corporate partners, employees, consultants, contractors, advisors, vendors and customers. The Company will generally limit access to and distribution of its proprietary information. However, the Company cannot be certain that it will have entered into such agreements with all parties who may have or had access to confidential information or that the agreements have entered into will not be breached or challenged or that such breaches will be detected. Furthermore, non-disclosure provisions can be difficult to enforce, and even if successfully enforced, may not be entirely effective. The Company cannot guarantee that any of the measures it will have taken will prevent infringement, misappropriation, or other violation of its technology or other intellectual property or proprietary rights. The Company also may be a target for a cyberattack, which poses a risk of unauthorized access to, and misappropriation of, its proprietary and competitively sensitive information.

Intellectual Property Infringement Assertions by Third Parties

The Company's success and ability to compete also depends in part on its ability to operate without infringing, misappropriating or otherwise violating the intellectual property or other proprietary rights of third parties. These third-party rights may preclude the Company from making, using or selling its commercial products and services. Current and potential competitors may own patents, copyrights, trademarks and trade secrets and may pursue litigation based on allegations of infringement, misappropriation or other violations of intellectual property rights. The Company may receive notices that claim the Company infringed, misappropriated, misused or otherwise violated other parties' intellectual property rights. These other parties may have the capability to dedicate substantial resources to enforce their intellectual property rights and to defend claims that may be brought against them. Although to-date, the Company has not received any notices that it has violated intellectual rights of any third party, to the extent the Company gains greater commercial visibility, the Company faces a higher risk of being the subject of intellectual property infringement, misappropriation or other violation claims. Moreover, there could be public announcements of the results of hearings, motions or other interim proceedings or developments in any dispute involving intellectual property rights. If securities analysts or investors perceive these announcements or results to be negative, it could have a substantial adverse effect on the price of the Common Shares.

There may be third-party intellectual property rights, including issued patents or pending patent applications that cover significant aspects of the Company technologies, products, services or business methods. There may also be third-party intellectual property rights, including trademark registrations, pending trademark applications and non-registered common law use, which covers the way the Company markets its goods and services. The Company may also be exposed to increased risk of being the subject of intellectual property infringement, misappropriation, or other violation claims as a result of acquisitions or its incorporation of third-party products and services (e.g., hardware and software) into its product and service offerings. The Company has a lower level of visibility into the development process with respect to such third-party products and services or the care taken by any third-party to safeguard their products and services against infringement, misappropriation, or other intellectual property violation risks.

In addition, former employers of the Company's current, former or future employees may assert claims that such employees have improperly disclosed confidential or proprietary information of these former employers. Any intellectual property claims, with or without merit, are difficult to predict, could be very time-consuming and expensive to settle or litigate, could divert the management's attention and other resources and may not be covered by insurance. These claims could subject the Company to significant liability for damages, potentially including treble damages if the Company is found to have willfully infringed a third-party's intellectual property rights. These claims could also result in having to stop using technology, or product branding found to be in violation of a third-party's rights. As a result of any such allegations of intellectual property infringement, the Company may need to redesign or rebrand its products and services. This may include developing alternative non-infringing technology or branding, which could require significant effort and expense. If the Company cannot license rights or develop alternative technology for any infringing aspect of its business, it would be forced to limit or stop sales of one or more of its products or services, it could lose existing customers, and it may be unable to compete effectively. Any of these results would harm the Company's business, financial condition, and results of operations.

Failure to Retain Existing Customers or Add New Customers.

The financial performance of the Company will be significantly determined by its success in adding, retaining, engaging and monetizing active customers of its products. If people do not perceive the Company's products as insightful, reliable, relevant and trustworthy it may be unable to attract or retain customers or otherwise maintain or increase the frequency and duration of their engagement. If the Company is unable to maintain or increase its customer base or engagement, or effectively monetize its customer base's use of its products, its revenue and financial results may be adversely affected. Any decrease in customer retention, growth or engagement could render the Company's products less attractive to customers.

Limited Management Experience

The Company's management team has a limited track record. They also have not collectively operated a public company of the nature being undertaken by the Company. As management is the key component of any investment company's success, prospective investors should carefully evaluate the skills of management prior to investing.

Reliance on Management and Key Personnel

The success of the Company is dependent upon the ability, expertise, judgment, discretion and good faith of its senior management and the engagement of key personnel. The Company will attempt to enhance its management and technical expertise by recruiting qualified individuals who possess the desired skills and experience in target areas; however, there is no guarantee they will be successful in recruiting and retaining such individuals. The Company's management team will also need to be able to create strategies for mitigating risks associated with cryptocurrency price fluctuations. Management will need to stay updated with technological advancements and trends in blockchain and digital assets to identify high-potential investment opportunities, while also keeping up with global trends in blockchain adoption, and regulatory landscapes in key jurisdictions. Operating a public technology company in these sectors requires a multidisciplinary approach that combines technical, regulatory, financial, and strategic expertise. See "Description of the Business — Specialized Skills and Knowledge". The Company's inability to retain a qualified management team and attract and retain sufficient additional employees with skills and knowledge in the aforementioned areas as well as information technology, engineering, blockchain, and technical support resources could have a material adverse impact on the Company's financial condition and results of operation. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

Allocation of Personnel

The Company's officers and employees are not able to devote all of their business time and attention to the Company as they will continue to be involved in the operations of other businesses. The Company's officers and employees devote such time and attention to the business of the Company as they reasonably consider necessary to effectively carry out the operations of the Company.

Potential Conflicts of Interest

The Company will rely on management's expertise in identifying and advising on technology and investment opportunities, transaction execution and asset management capabilities. Certain executives may also provide similar services to other entities, and there are no restrictions on members of management from providing similar services to other entities, or from engaging in other activities in the future (whether or not their objectives, strategies and policies are similar to those of the Company). Consequently the Company may, from time to time, not be provided the opportunity of participating in an opportunity that would otherwise be compatible with the Company's business objectives and restrictions. Applicable corporate law contains conflict of interest provisions requiring the directors to disclose their interests in certain contracts and transactions and to refrain from voting on those matters.

Costs of Operating as a Public Company

As a public company whose securities will be listed on the CSE, the Company will incur significant legal, accounting and related continuous disclosure expenses. The Company will be subject to the reporting requirements of Canadian securities laws the rules and regulations thereunder, the rules and regulations of the CSE, and the provisions of securities laws that apply to public companies such as the Company. The expenses that will be required in order to adequately comply with the various reporting and other requirements applicable to public companies will require considerable expense, time and the attention of management.

Uninsured or Uninsurable Risks

The Company intends to insure its operations in accordance with industry practice, including cryptocurrency industry practice. However, given the nature of the Company's business, such insurance may not be available, may be uneconomical for the Company, or may be insufficient to provide adequate coverage. The Company may become subject to liability for losses against which it cannot insure or against which it may elect not to insure because of high premium costs or for other reasons. The payment of any such liabilities would reduce or eliminate the funds available for operations. Payments of liabilities for which the Company does not carry insurance may have a material adverse effect on its financial position.

Dividend Risk

The Company has not paid dividends in the past and does not anticipate paying dividends in the near future. The Company expects to retain earnings to finance further growth and, where appropriate, retire debt.

Litigation Risk

The Company may be the subject of litigation as it pertains to any aspect of the Company's business. The Company may not be successful with respect to any actions it initiates, and may not be successful in defending any claims brought against it. Financial losses resulting from unsuccessful litigation may have a material adverse impact on the Company. Any claims, with or without merit, often result in substantial costs and diversion of management's attention and resources and could have a negative effect on business and results of operations.

Foreign Exchange Risk

The Company is a Canadian company, and most of its expenses and fund raising have been expected to continue to be in Canadian dollars. Most of the expenses and revenues of the Company are expected to be denominated in currencies other than Canadian dollars. As a result, the Company is subject to foreign exchange risks relating to the relative value of the applicable foreign currency as compared to the Canadian dollar.

The Company does not currently engage in any hedging activities to offset any currency fluctuations. Any fluctuations in the value of any of these currencies relative to the Canadian dollar may result in variations in the comprehensive income of the Company and may have an adverse impact on the Company's business and financial condition.

Ability to Access Capital

If additional funds are raised through further issuances of equity or convertible debt securities, existing Shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of the Shareholders. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital or to pursue business opportunities, including potential acquisitions. If adequate funds are not obtained, the Company may be required to eliminate certain of its existing investments and curtail the acquisition of additional investments. There is no assurance that the Company's future cash flow, if any, will be adequate to satisfy its investments and capital requirements.

Operations in Emerging Markets

The Company may have operations in various emerging markets in the future. Such operations expose the Company to the socio-economic conditions as well as the laws governing the industry in such countries. Inherent risks with conducting foreign operations include, but are not limited to: high rates of inflation; extreme fluctuations in currency exchange rates, military repression; war or civil war; social and labour unrest; organized crime; hostage taking; terrorism; violent crime; expropriation and nationalization; renegotiation or nullification of existing licenses, approvals, permits and contracts; changes in taxation policies; restrictions on foreign exchange and repatriation; and changing political norms, banking and currency controls and governmental regulations that favour citizens of the jurisdiction. See disclosure under the heading "Description of the Business — Foreign Operations" for additional information on the risks associated with operating in foreign jurisdictions.

Governments in certain foreign jurisdictions intervene in their economies, sometimes frequently, and occasionally make significant changes in policies and regulations. Changes, if any, in industry or investment policies or shifts in political attitude in the countries in which the Company operates or invests may adversely affect the Company's operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, importation of product and supplies, income and other taxes, royalties, the repatriation of profits, expropriation of property, foreign investment, maintenance of licenses, approvals and permits and workplace safety. Failure to comply strictly with applicable laws, regulations and local practices could result in loss, reduction or expropriation of licenses, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

Tariffs and Other Trade Actions

The global economy has the potential to be negatively impacted by increasing tension and uncertainty resulting from actions by the United States government to impose tariffs on goods that are imported into the United States. Increased trade barriers, such as tariffs, could adversely affect our business, financial

condition and results of operations. The impact of any tariffs is expected to result in market disruptions, inflation, supply chain disruptions and volatility in commodity prices, credit and capital markets. Further escalation of geopolitical tensions related to tariffs and retaliatory trade actions could result in increased volatility and disruption to the global economy and the markets in which we operate adversely impacting our business, financial condition or results of operations.

Risks Relating to Regulation

The Company will be subject to a variety of laws and regulations across all jurisdictions in which it operates, including but not limited to, intellectual property, advertising, marketing, distribution, data and information security, electronic communications, competition, consumer protection, privacy laws, unfair commercial practices, taxation, securities law compliance, online payment and payment processing services. These laws, regulations and legislation, along with other applicable laws and regulations, which in some cases can be enforced by private parties or government entities, are constantly evolving and can be subject to significant change. As a result, the application, interpretation, and enforcement of these laws and regulations could have a material adverse impact on the Company and lead to increases in costs and expenditure as well as restrict its existing operations and ability to expand.

These laws and regulations, as well as any changes to the same and any related inquiries, investigations or any other government actions, may be costly to comply with and may delay or impede new product development, result in negative publicity, increase the Company's operating costs, require significant management time and attention, and subject it to remedies that may harm its business including fines or demands or orders that modify, or cease certain or all existing business practices, or implement costly and burdensome compliance measures. Any such consequences could adversely affect the Company's business, results of operations or financial condition.

Compliance with Privacy Laws

The rate of privacy law-making is accelerating globally and interpretation and application of consumer protection and data privacy laws in Canada, the United States, Europe and elsewhere are often uncertain, contradictory and in flux. As business practices are being challenged by regulators, private litigants, and consumer protection agencies around the world, it is possible that these laws may be interpreted and applied in a manner that is inconsistent with the Company's data or consumer protection practices. If so, this could result in increased litigation government or court imposed fines, judgments or orders requiring that the Company change its practices, which could have an adverse effect on its business and reputation. Complying with these various laws could cause the Company to incur substantial costs or require it to change its business practices in a manner adverse to its business.

Risks Related to Changes in Laws and Regulations

We operate in a complex regulatory and legal environment and are subject to a wide variety of laws and regulations in the jurisdictions in which we operate. Some of the laws and regulations in Canada and the U.S. and other jurisdictions in which we may decide to operate that affect or may affect us include: privacy, data protection and data transfer laws and regulations; those relating to the manner in which we advertise, market and sell solutions; labor and employment laws, including wage and hour laws; tax laws or interpretations thereof; potentially adverse tax consequences, including the complexities of foreign value-added tax (or other tax) systems and restrictions on the repatriation of earnings; and securities and exchange laws and regulations. The laws and regulations specifically applicable to us may also change on the basis of a change in the nature of our technology solutions, or a change in the jurisdictions in which the technology solutions are being offered, including, but not limited to, as a result of acquisitions. We do not have the ability to ensure that our customers are using our technology solutions in a manner that complies with all applicable laws and regulations in all jurisdictions where they use them. There can be no guarantee that we will have sufficient resources to comply with new laws, regulations, or government action, or to

successfully compete in the context of a shifting regulatory environment. Moreover, these laws and regulations may change, sometimes significantly, as a result of political, economic or social events.

In addition, as with many innovations, machine learning and AI present additional risks and challenges that could affect their adoption and therefore our business. For example, the development of machine learning and AI present emerging governance and transparency issues, including with respect to ethics and human rights, and if we enable or offer solutions on this front that are controversial, due to their impact, or perceived impact, on human rights, privacy, employment, or in other social contexts, we may experience brand or reputational harm, competitive harm, or legal liability. New regulations or standards have been or may be adopted in the space of AI. The growing focus on AI regulations and guidelines may increase the burden and cost of research and development in this area, including by causing us to incur significant costs in order to adapt our platform to the requirements for the use of AI systems, subjecting us to brand or reputational harm, competitive harm, or legal liability. We may also be restricted in our ability to fully utilize AI and machine learning technologies as a result of legal and regulatory restrictions on data governance, including data collection and processing. Also, our positions on social and ethical issues may impact our ability to attract or retain employees, customers, and other users. In particular, our brand and reputation are associated with our public commitments to sustainability, equality, inclusivity, accessibility, and ethical use, and any perceived changes in our dedication to these commitments could impact our relationships with potential and current customers and other users.

Export and Import Controls; Economic Sanctions

If we decide to commence international operations, we may be subject to a number of Canadian and foreign laws relating to economic sanctions and to export and import controls which could limit our ability to offer our technology solutions in certain jurisdictions or to certain customers. In addition, the export of our technology, hardware or software in certain jurisdictions may require governmental authorizations. For example, the Canadian Export and Imports Permits Act may apply, which requires that a permit be obtained by any person or entity seeking to export or transfer goods and technology. Various jurisdictions also regulate the import of certain encryption technology, including imposing import permitting and licensing requirements, and have enacted laws that could limit our ability to offer our technology in those countries. Complying with export or import controls and economic sanctions may be time-consuming and result in the delay or loss of business opportunities.

Any change in export or import controls, economic sanctions, or related legislation, or change in the countries, governments, persons, or technologies targeted by such restrictions or legislation, could result in decreased use of our technology by customers or in our decreased ability to offer our technology internationally, which would harm our business, operating results, and financial condition. Furthermore, failure to comply with export or import controls or with economic sanctions may expose us to government investigations and penalties, which could harm our business, operating results and financial condition.

Technology and Development Risks

The Company's market involves rapidly evolving products and technological change. The Company cannot guarantee that it will be able to engage in research and development at the requisite levels. The Company cannot assure investors that it will successfully identify new technological opportunities and continue to have the needed financial resources to develop new products in a timely or cost-effective manner. At the same time, products, services, and technologies developed by others may render the Company's products and services obsolete or non-competitive.

The Company's products are the subject of continuous development and needs to be substantially developed further in order to gain and maintain competitive and technological advantage, and to improve the products' and services' usability, scalability and accuracy. There are no guarantees that the Company will be able to undertake such development successfully. Failure to successfully undertake such research and development, anticipate technical problems, or estimate research and development costs or timeframes

accurately will adversely affect the Company's results and viability. The Company intends to expand and diversify its offerings and features, but there is no guarantee that such activities will be successful, failing which operating results and revenue growth rates could be adversely impacted. These activities can involve significant expenditure of time, capital, and resources, including development, design, management, and marketing, with no guarantees that such new products or features will ultimately generate revenue or be profitable in the future.

Ability to Form Strategic Alliances.

The Company's growth and marketing strategies are based, in part, on seeking out and forming strategic alliances and working relationships with third parties. There can be no assurance that existing strategic alliances and working relationships will not be terminated or modified in the future, nor can there be any assurance that new relationships, if any, will afford the Company the same flexibility under which it currently operates. If the Company is unsuccessful in establishing or maintaining its relationship with these third parties, the Company's ability to compete in the marketplace or to grow its revenue could be impaired, and operating results could suffer.

Competition Risks

The industries within which the Company operates are rapidly evolving and intensely competitive, and are subject to changing technology, shifting user needs, and frequent introductions of new offerings. The Company's potential competitors include large and established companies as well as other start-up companies. Such competitors may have longer operating histories and more financial resources and manufacturing and marketing experience than the Company. Certain technological advancements across many industries have in many ways reduced the barriers to entry for new competitors, including start-ups and early-stage companies, who may be able to bring competitive products to market more quickly and with less resources than in the past.

The Company's ability to compete will depend on the success of its plans to develop and commercialize new products, to effectively respond to consumer preferences and to manage the complexity of its intellectual property and technologies. Some of the Company's competitors have substantially greater financial resources, higher revenues and greater economies of scale. These advantages may allow competitors to implement their operational strategies more quickly or effectively than the Company can, or benefit from changes in technologies, which could harm its competitive position. These competitive advantages may be exacerbated in a difficult economy, thereby permitting competitors to gain market share. There can be no assurance that the Company will be able to successfully respond to changing consumer preferences, including with respect to new developing technologies and acquiring and developing intellectual property. If the Company is unable to maintain its competitive position, the Company could experience lower demand for products, downward pressure on prices, reduced margins, an inability to take advantage of new business opportunities, a loss of market share, reduced profitability and an inability to attract consumers or business partners in the future.

The Company's Inability to Implement its Business Strategy

There is no assurance that the Company's business plan will succeed in whole or in part. The success of the Company's development strategy will depend on a number of factors and there is no assurance that the Company will be able to achieve planned growth, that modifications to its strategy will not be required, or that the Company will be able to effectively market or manage expanded operations and enhance profitability. The Company's ability to manage growth effectively will require the development of management information systems capabilities and improvement of operational and financial systems. Any failure to expand these areas and implement and improve such systems, procedures, and controls in an efficient manner at a pace consistent with the Company's business could have a material adverse effect on the Company's business, financial condition and results of operations.

Cybersecurity Risk and Network Security

The Company's operations will rely on the secure processing, storage and transmission of confidential and other information in computer systems and networks. While protective measures may be taken, computer systems, sensitive data, software and networks may be vulnerable to cyber-attacks, unauthorized access, computer viruses or other malicious code and events that could have a security impact. The Company relies on third party information technology vendors and there is the risk that third parties could expose it to cybersecurity breaches. If one or more of these events occur, this could potentially jeopardize the Company's confidential and other personal information processed and stored in, and transmitted through, computer systems and networks, or otherwise cause interruptions or malfunctions in their operations. The Company may be required to expend significant additional resources to modify protective measures or to investigate and remediate vulnerabilities or other exposures. As a result, the Company may be subject to financial losses, litigation or liability for failure to comply with privacy and regulations. These all may lead to reputational harm affecting investor confidence. A cyber attack could also compromise any proprietary, confidential or sensitive information or systems that the Company maintains for the purpose of competitive advantage and such a compromise could lead to lost revenues while it attempts to recover or replace the lost information or systems.

Risks Related to Validator and Staking Operations

The Company expects that a portion of the revenue generated by the Company will come from the awards realized by managing validators and by staking its own assets to such validators. There is a risk that fewer third-party digital asset holders delegate their digital assets to the Company's validators, resulting in fewer awards and lower yields to the Company.

The Company intends to operate validators and earn crypto token rewards for processing transactions and securing crypto networks. The Company expects to, in large part, re-stake its crypto token rewards to its validators. The Company's decision to stake an individual crypto token depends on a combination of network quality, network liquidity and expected staking compensation, the percentage of which varies from token to token. The compensation percentage is determined by a combination of a network's natural inflation rate, the transaction fees generated on the network, a token's price, and the percent of total tokens being staked. As such, the Company's compensation percentage may fall temporarily due to a short-term decline in transaction volume or an increase in the percent of crypto tokens being staked. The Company has no control over the compensation percentages of the various crypto tokens it chooses to stake, and the compensation percentage may fall below expected levels for temporarily or permanently. The compensation percentage is expected to decrease as sector activity increases and more crypto tokens are invested in specific tokens. Staking revenues could decrease to a level that materially and adversely affects the Company's staking assets and staking strategies, the value of its staking assets and the value of any investment in the Company.

Another key risk is slashing, a penalty imposed at the protocol level if a validator engages in malicious activity, downtime, or misbehavior. Slashing can result in a partial or total loss of staked assets, further increasing the financial risk of staking.

We have recently implemented a cryptocurrency treasury strategy, and we may be unable to successfully implement it

We have recently implemented a cryptocurrency treasury strategy, however there is no assurance that we will be able to successfully implement this new strategy or that it will operate at the scale or profitability currently anticipated. The cryptocurrency treasury strategy may require specialized employee skillsets and operational, technical and compliance infrastructure to support the cryptocurrencies being managed and related staking activities. Our new cryptocurrency treasury strategy requires that we implement different security protocols and treasury management practices. There is no assurance that we will be able to execute this strategy by building out the needed infrastructure within the timeframe that we currently anticipate.

Errors in key management could result in significant loss of funds and reduced rewards. As a result, this new cryptocurrency treasury strategy could have a material adverse effect on our business and financial condition.

Our cryptocurrency treasury strategy could require changes in our day-to-day operations and expose us to significant operational risks

Our cryptocurrency treasury strategy, including staking, restaking, liquid staking, and other decentralized finance activities, exposes us to significant operational risks. The cryptocurrency ecosystem rapidly evolves, with frequent upgrades and protocol changes that may require significant adjustments to our operational setup. The upgrades and protocol changes may require that we incur unanticipated costs, and it could cause temporary service disruptions. We may also need to employ third-party service providers in our operations, which may introduce risks outside of our control, including a loss of service or cryptocurrency as a result of action or inaction of by such providers or significant cybersecurity risks. Any of these operational risks could materially and adversely affect our ability to execute our cryptocurrency treasury strategy and may prevent us from realizing positive returns and could severely hurt our financial condition.

Risks Relating to Investments in Digital Assets

Investing in New and Rapidly Evolving Markets

Cryptocurrencies are measured at fair value less cost to sell. Cryptocurrency prices are affected by various forces including global supply and demand, interest rates, exchanges rates, inflation or deflation and political and economic conditions. Further, cryptocurrencies have no underlying backing or contracts to enforce recovery of invested amounts. The profitability of the Company is related to the current and future market price of cryptocurrencies; in addition, the Company may not be able to liquidate its cryptocurrencies at its desired price if necessary. Investing in cryptocurrencies is speculative, prices are volatile, and market movements are difficult to predict. Supply and demand for such currencies change rapidly and are affected by a variety of factors, including regulation and general economic trends.

Cryptocurrencies have a limited history; their fair values have historically been volatile, and the value of cryptocurrencies held by the Company could decline rapidly. A decline in the market prices of cryptocurrencies could negatively impact the Company's future operations. Historical performance of cryptocurrencies is not indicative of their future performance.

Many cryptocurrency networks are online end-user-to-end-user networks that host a public transaction ledger (blockchain) and the source code that comprises the basis for the cryptographic and algorithmic protocols governing such networks. In many cryptocurrency transactions, the recipient or the buyer must provide its public key, which serves as an address for a digital wallet, to the seller. In the data packets distributed from cryptocurrency software programs to confirm transaction activity, each party to the transaction user must sign transactions with a data code derived from entering the private key into a hashing algorithm. This signature serves as validation that the transaction has been authorized by the owner of the cryptocurrency. This process is vulnerable to hacking and malware and could lead to theft of the Company's digital wallets and the loss of the Company's cryptocurrency.

Cryptocurrencies are loosely regulated and there is no central marketplace for exchange. Supply is determined by a computer code, not a central bank. Additionally, exchanges may suffer from operational issues, such as delayed execution, which could have an adverse effect on the Company.

The cryptocurrency exchanges on which the Company may trade on are relatively new and, in many cases, largely unregulated, and therefore may be more exposed to fraud and failure than regulated exchanges for other assets. Any financial, security, or operational difficulties experienced by such exchanges may result in an inability of the Company to recover money or cryptocurrencies being held on the exchange. Further,

the Company may be unable to recover cryptocurrencies awaiting transmission into or out of the exchange, all of which could adversely affect an investment of the Company. Additionally, to the extent that the digital asset exchanges representing a substantial portion of the volume in digital asset trading are involved in fraud or experience security failures or other operational issues, such digital asset exchanges' failures may result in loss or less favorable prices of cryptocurrencies, or may adversely affect the Company, its operations, and its investments.

Furthermore, crypto-exchanges engage in commingling their client's assets in exchange wallets. When crypto-assets are commingled transactions are not recorded on the applicable blockchain ledger but are only recorded by the exchange. Therefore, there is a risk around the occurrence of transactions or existence of period end balances represented by exchanges.

Volatility of Cryptocurrency Markets

The markets for cryptocurrencies have experienced much larger fluctuations than other markets, and there can be no assurances that erratic swings in price will slow in the future. In the event that the price of cryptocurrency declines, the value of an investment in the Company could also decline. Several factors may affect the price and volatility of cryptocurrency including, but not limited to: (i) global cryptocurrency demand, depending on the acceptance of cryptocurrency by retail merchants and commercial businesses; (ii) the perception that the use and holding of cryptocurrency is safe and secure, and the related lack of or inconsistency in regulatory restrictions, particularly across various jurisdictions; (iii) conversely, heightened regulatory measures restricting the use of cryptocurrency as a form of payment or the purchase of cryptocurrency; (iv) investor's expectations with respect to the rate of inflation; (v) interest rates; (vi) currency exchange rates, including exchange rates between cryptocurrency and fiat currency; (vii) fiat currency withdrawal and deposit policies on cryptocurrency exchanges and liquidity on such cryptocurrency exchanges; (viii) interruption of services or failures of major cryptocurrency exchanges; (ix) general governmental monetary policies, including trade restrictions, currency revaluations; (x) global or regional political, economic or financial events and situations, including increased threat or terrorist activities; or (xi) self-fulfilling expectations of changes in the cryptocurrency market. As well, momentum pricing is typically associated with assets whose valuation, as determined by the investing public, accounts for anticipated future appreciation in value. Momentum pricing of cryptocurrency may result in speculation regarding future appreciation in the value of cryptocurrency. As a result, changing investor confidence could adversely affect investments in the Company.

Additionally, blockchain nodes are compensated by the blockchain network for their roles in maintaining network operations, security, and consensus. These rewards are intended to offset the capital and operating costs associated with their construction and operation. However, due to the highly volatile nature of cryptocurrencies—including fluctuations in pricing, hashing power, and block rewards—the Company cannot guarantee that the net asset value of a blockchain asset or the block reward associated with any specific token will remain at current levels or increase in the future.

Cryptocurrency market technology is in the development stage, and cryptocurrency assets are not widely held, are difficult to purchase and store securely and are not fully regulated. As result of these variables, the pricing of cryptocurrency assets is highly volatile which will affect the value of staked digital assets, economics of mining operations and block reward payouts over time.

The Company faces operational and technological risk

Cryptocurrency operations involve complex processes, rapidly evolving tools, and highly technical infrastructure. Managing blockchain networks, executing smart contracts, and securing private keys require precision and expertise. Errors in transaction execution, software updates, or system integrations could result in financial loss, downtime, or security vulnerabilities. Additionally, human errors,

misconfigurations, or reliance on third-party service providers may introduce operational risks that could impact business continuity.

Technological obsolescence and difficulty in obtaining hardware

The Company may invest in hardware and equipment required for maintaining the Company's activities. Should competitors introduce new services/software embodying new technologies, the Company's hardware and equipment and its underlying technology may become obsolete and require substantial capital to replace such equipment.

Cryptocurrency Loss, Theft or Restriction on Access

There is a risk that some or all of the cryptocurrencies that the Company's custodians hold from time to time could be lost or stolen. Access to the Company's cryptocurrencies through custodians from time to time could also be restricted by cybercrime (such as a denial of service attack) against the custodian or sub-custodian which holds cryptocurrencies for the Company. Any of these events may adversely affect the Company's operations and, consequently, the Company's investments and profitability.

Cryptocurrencies are controllable only by the possessor of both the unique public and private keys relating to the local or online digital wallet in which the cryptocurrencies are held, which wallet's public key or address is reflected in the network's public blockchain. The Company's cryptocurrencies will be held in custodial wallets provided by custodians. Such custodians will hold the private keys required to access the Company's cryptocurrencies and will be responsible for safeguarding the private keys relating to such digital wallets. To the extent such private keys are lost, destroyed or otherwise compromised, the Company will be unable to access the cryptocurrencies held by its custodians from time to time and such private keys will not be capable of being restored by any network. Any loss of private keys relating to digital wallets used to hold the Company's cryptocurrencies from time to time would have a material adverse effect on the Company's ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on the Company's business, prospects or operations and potentially the value of any cryptocurrencies held by its custodians.

Digital asset transactions are irrevocable and if stolen or incorrectly transferred, digital assets may be irretrievable. Once a transaction has been verified and recorded in a block that is added to the blockchain, an incorrect transfer or theft generally will not be reversible, and the Company may not be capable of seeking compensation. The Company has established policies and procedures to require careful review of each transaction before execution, but such policies and procedures may not be properly followed or may not be sufficient to avoid executed an improper transaction.

Inherent Instability of the Cryptocurrency Market

The further development and acceptance of the cryptocurrency industry is subject to a variety of factors that are difficult to anticipate and evaluate. The use of cryptocurrency to buy and sell goods and services, among other things, is a new and rapidly evolving industry. There is no assurance that cryptocurrency will become a leading means of digital payment. Any slowing or stopping of the development in the acceptance of cryptocurrency may adversely affect the Company's investments and thereby adversely affect an investment in the Company. For a number of reasons, including for example, the lack of recognized security technologies, inefficient processing of payment transactions, problems in the handling of warranty claims, limited user-friendliness, inconsistent quality, and lack of clear universally applicable regulation as well as uncertainties regarding proprietary rights and other legal issues, cryptocurrency activities may in fact prove in the long run to be an unprofitable means for businesses. Factors affecting the further development of the cryptocurrency industry include: (i) continued worldwide growth in the adoption and use of cryptocurrency; (ii) government and quasi-government regulation of cryptocurrency and their use, or restrictions on or regulation of access to and operation of cryptocurrency systems; (iii) changes in consumer demographics and public tastes and preferences; (iv) the availability and popularity of other forms or methods of buying

and selling goods and services; and (v) the regulatory environment and general economic conditions and the regulatory environment related to cryptocurrency. A decline in the popularity or acceptance of cryptocurrency would harm the business and investments of the Company.

Lack of Regulation of Cryptocurrency Market

Cryptocurrency exchanges are largely unregulated. Over the past several years, several cryptocurrency exchanges have been closed due to fraud, failure or security breaches. In many of these instances, the customers of such cryptocurrency exchanges were not compensated or made whole for the partial or complete losses of their account balances in such cryptocurrency exchanges. The closure or temporary shutdown of cryptocurrency exchanges due to fraud, business failure, hackers or malware, or government mandated regulation may reduce confidence in cryptocurrency. These potential consequences could adversely affect the value of the Company's investments in cryptocurrency and the Company's ability to exchange cryptocurrency for other forms of liquid capital.

Exposure to Hacking

Cryptocurrency trading platforms, or the Company's digital wallets may be hacked. Access to the Company's crypto assets, maintained in a hosted online wallet, could also be restricted by cybercrime. Any of these events may adversely affect the operations of the Company and, consequently, its business and profitability. The loss or destruction of a private key required to access the Company's digital wallets may be irreversible. Any loss of access to its private keys or its experience of a data loss relating to the Company's digital wallets could adversely affect its business. To the extent such private keys are lost, destroyed or otherwise compromised, the Company will be unable to access its cryptocurrency investments, and such private keys will not be capable of being restored by the network. Any loss of private keys relating to digital wallets used to store the Company's cryptocurrency could adversely affect its business and profitability.

Cryptocurrency codes have also been exposed by certain malicious actors. Several errors and defects have been found, including those that disabled some functionality for users and exposed users' information. While relatively rare, discovery of flaws in or exploitations of the source code that allow malicious actors to take or create money have also occurred. Flaws in any cryptocurrency may create industry-wide concerns that adversely affect the Company, and flaws in the cryptocurrencies specifically important to the Company's business could reduce the value of the Company's assets, cause its performance to suffer, harm its reputation, and otherwise adversely affect the Company.

Banking Regulations

A number of companies that are involved in cryptocurrency have been unable to find banks that are willing to provide them with bank accounts and banking services. Similarly, a number of such companies have had their existing bank accounts closed by their banks. Banks may refuse to provide bank accounts and other banking services to cryptocurrency-related companies or companies that accept cryptocurrencies for a number of reasons, such as perceived compliance risks or costs. The difficulty that many businesses that are involved with cryptocurrency have and may continue to have in finding banks willing to provide them with bank accounts and other banking services may be currently decreasing the usefulness of cryptocurrencies as a payment system and harming public perception of cryptocurrencies or could decrease its usefulness and harm its public perception in the future. Similarly, the usefulness of cryptocurrencies as a payment system, the public perception of cryptocurrencies, the value of cryptocurrencies, and the number of businesses operating in the industry could be damaged if banks were to close the accounts of many or of a few key businesses involved in cryptocurrency. This overall negative impact on cryptocurrency could impact the Company's investments in the same and concurrently, the inability of the Company to maintain a bank account because it invests in cryptocurrencies could have a negative impact on its business.

Irrevocability of Digital Asset Transactions

Digital asset transactions are not reversible without the consent and active participation of the recipient of the transaction. Once a transaction has been verified and recorded in a block that is added to the blockchain, an incorrect transfer of digital assets will not be reversible. To the extent that the Company is unable to effect a corrective transaction with a third party, or is incapable of identifying the recipient of its digital asset through error or theft, the Company will not be able to revert or otherwise recover any incorrectly transferred digital assets, or to convert or recover digital assets transferred to uncontrolled accounts.

Failure of Cryptocurrency Exchanges

The Company is not acting and will not act as an exchange, is not offering and will not offer coins or tokens, nor is it acting nor will it act as a platform that facilitates the trading of crypto assets that are securities or instruments or contracts involving crypto assets. When cryptocurrency exchanges or other trading venues are involved in fraud or experience security failures or other operational issues, such events could result in a reduction in cryptocurrency prices or confidence and impact the Company's business and have a material adverse effect on the Company's ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on the business, prospects and operations of the Company.

Cryptocurrency market prices depend, directly or indirectly, on the prices set on exchanges and other trading venues, which are new and, in most cases, largely unregulated as compared to established, regulated exchanges for securities, commodities or currencies. For example, during the past four years, a number of cryptocurrency exchanges have closed due to fraud, business failure or security breaches.

In early 2019, the QuadrigaCX trading platform ("**Quadriga**") ceased operations, which the Ontario Securities Commission attributed largely to fraudulent activity of its co-founder and CEO, Gerald Cotton. Quadriga subsequently filed for creditor protection. Clients of Quadriga were owed approximately an aggregate of \$215 million and only approximately \$46 million was recovered to pay such clients. In November 2022, the FTX Exchange ("**FTX**") trading platform filed for Chapter 11 bankruptcy protection in the United States.

The collapse of FTX meant the company was unable to pay \$8 billion in liabilities to as many as 1 million creditors, leaving many investors with no recourse to get their money back. The former CEO of FTX, Sam Bankman-Fried, was indicted in New York on multiple counts of securities fraud and money laundering. The size and scope of these events, combined with the underlying fraudulent and criminal activity, has caused cryptocurrency and other digital asset values to decline, increased hesitancy among investors to invest in cryptocurrencies, and increased the regulatory scrutiny of companies affiliated with cryptocurrencies. The fallout from these events, and the possibility of similar events occurring in the future, would have a material adverse effect on the business, prospects, or operations of the Company and potentially the value of any cryptocurrencies held by the Company's custodians.

While smaller exchanges are less likely to have the infrastructure and capitalization that may provide larger exchanges with some stability, larger exchanges may be more likely to be appealing targets for hackers and "malware" (i.e., software used or programmed by attackers to disrupt computer operation, gather sensitive information or gain access to private computer systems) and may be more likely to be targets of regulatory enforcement action. In the event the Company faces fraud, security failures, operational issues or similar events such factors would have a material adverse effect on the Company's ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on the business, prospects and operations of the Company.

There is also no guarantee that when the Company or a custodian attempts to convert cryptocurrencies to fiat currencies on an exchange platform that a corresponding buy order for such cryptocurrency will be available at any given time. This could result in the Company being unable to convert its cryptocurrency into fiat currency at a desired conversion rate, or at all, and would have a material adverse effect on the

business, prospects, or operations of the Company and potentially the value of any cryptocurrencies held by the Company's custodians.

Cybersecurity

The Company relies on digital and internet technologies, including reliance on information technology to process, transmit and store sensitive and confidential data, including personally identifiable information, and proprietary and confidential business performance data. As a result, the Company or its investors are exposed to risks related to cybersecurity. Such risks may include unauthorized access, use, or disclosure of sensitive information (including confidential private information), corruption or destruction of data, or operational disruption resulting from system impairment (e.g., malware).

The Company's ongoing risk and exposure to these matters is partially attributable to the evolving nature of these threats. As a result, cybersecurity and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage, malfunction, human error, technological error or unauthorized access is a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

As with any computer code generally, flaws in cryptocurrency codes of the Company's custodians may be exposed by malicious actors. To date, several hackings of third-party custodians have become public knowledge whereby hackers have exploited security vulnerabilities in computer code used by cryptocurrency exchanges, digital wallets and companies that hold cryptocurrency to steal the equivalent of hundreds of millions of dollars based on current exchange rates. Such events would have a material adverse effect on the Company's ability to continue as a going concern, which would have a material adverse effect on the Company's business, prospects or operations and potentially the value of any digital assets held by the Company's custodians.

Smart contract risk

In DeFi, smart contract risk often replaces the custodial risk found in centralized finance platforms. This risk arises because hackers can exploit vulnerabilities in smart contract code to drain funds held in escrow. Attacks on DeFi protocols frequently target coding flaws, misconfigurations, or insecure administrative controls.

Many DeFi smart contracts include administrative keys, which grant their holders the power to modify the contract, such as upgrading protocols or adjusting parameters. If hackers gain access to these keys, they can manipulate the contract, drain liquidity pools, or execute unauthorized transactions. Smart contract exploitations remain a persistent threat across the blockchain ecosystem.

Additionally, in connection with the cryptocurrency treasury strategy, including staking, restaking, liquid staking, and other DeFi activities, we expect to interact with various smart contracts in order to optimize our strategy. Although smart contracts are integral to the functionality of staking deposit contracts, liquid staking protocols, restaking platforms, and DeFi applications, they are subject to many known risks such as technical vulnerabilities, coding errors, security flaws, and exploits. Any vulnerability in a smart contract we interact with could result in the loss or theft of digital assets, which could have a materially adverse impact on our business.

The Company's operations, investment strategies, and profitability may be adversely affected by competition from other methods of investing in cryptocurrencies

The Company competes with other users or companies that own and run proof-of-stake operations. Market and financial conditions, and other conditions beyond the Company's control, may make it more attractive

to invest in other financial vehicles, or to invest in cryptocurrencies directly which could limit the market for the Company's shares and reduce their liquidity.

Acceptance of Cryptocurrency

Currently, there is a relatively small use of other cryptocurrencies in the retail and commercial marketplace for goods or services. In comparison there is relatively large use by speculators contributing to price volatility. The relative lack of acceptance of cryptocurrencies in the retail and commercial marketplace limits the ability of end-users to use them to pay for goods and services. Such lack of acceptance or decline in acceptances would have a material adverse effect on the Company's ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on the Company's business, prospects or operations and potentially the value of any cryptocurrencies held by the Company's custodians.

As relatively new products and technologies, Bitcoin, the Bitcoin Network, and its other cryptocurrency counterparts have not been widely adopted as a means of payment for goods and services by major retail and commercial outlets. Conversely, a significant portion of cryptocurrency demand is generated by speculators and investors seeking to profit from the short term or long-term holding of cryptocurrencies. The relative lack of acceptance of cryptocurrencies in the retail and commercial marketplace limits the ability of end users to use them to pay for goods and services. A lack of expansion by cryptocurrencies into retail and commercial markets, or a contraction of such use, may result in increased volatility or a reduction in their market prices, either of which could adversely impact the Company's operations, investment strategies, and profitability.

The prices of digital assets and volume of transactions that we conduct are subject to social media and publicity risks

Bitcoin, along with other digital assets, receive a high degree of public scrutiny, both from traditional media sources and through social media and other forums. Unfavorable publicity regarding Bitcoin has adversely affected the price of Bitcoin, as has unfavorable publicity involving other digital assets or digital asset-focused firms. Bitcoin has in the past, and may in the future, be the target of social media criticism, including regarding the market value, utility and environmental effects of Bitcoin. Such unfavorable media coverage could continue to materially impact decisions to buy, hold, or trade Bitcoin or other digital assets and, as a result, the price and value of such assets.

In addition, social media posts and other statements and actions by prominent individuals, including Elon Musk and Michael Saylor, have resulted in outsized movements in the market price of Bitcoin and other cryptocurrencies. It is possible that future statements by such individuals concerning Bitcoin and other cryptocurrencies will have disproportionate impacts on the market price of Bitcoin and other digital assets.

Cryptocurrency Regulatory Changes

As cryptocurrencies have grown in both popularity and market size, governments around the world have reacted differently to cryptocurrencies, with certain governments deeming them illegal while others have allowed their use and trade. Governments may in the future curtail or outlaw the acquisition, use, sale or redemption of cryptocurrencies. Ownership of, holding or trading in cryptocurrencies may then be considered illegal and subject to sanction. Governments may also take regulatory action that may increase the cost or subject cryptocurrency companies to additional regulation. For example, in April 2023, the U.S. Securities and Exchange Commission (SEC) filed charges against several cryptocurrency exchanges and issuers, arguing that certain digital assets should be classified as securities. This regulatory stance has led to increased scrutiny and enforcement actions, creating uncertainty for businesses like the Company operating in the industry, which can add cost and complexity to operations, create downward pressure on the value of cryptocurrencies, and otherwise adversely affecting businesses such as the Company. The SEC, has following a change in administration, indicated it will be re-evaluating its regulation of cryptocurrencies.

The effect of any future regulatory change on the Company's business or any cryptocurrency that may impact the Company's business is impossible to predict, but such change could be substantial and would have a material adverse effect on the business, prospects and operations of the Company. Governments may in the future take regulatory actions that prohibit or severely restrict the right to acquire, own, hold, sell, use or trade cryptocurrencies or to exchange cryptocurrencies for fiat currency. Similar actions by governments or regulatory bodies could result in restriction of the acquisition, ownership, holding, selling, use or trading in the Company's securities. Such a restriction could have a material adverse effect on the Company's ability to continue as a going concern or to pursue this segment at all or raise new capital, which would have a material adverse effect on the business, prospects or operations of the Company and could harm investors in the Company's securities. Ongoing and future regulatory actions and regulatory change related to the Company's business or cryptocurrencies may impact its ability to continue to operate and such actions could affect the Company's ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on the business, prospects or operations of the Company. Current and future legislation and rulemaking and other regulatory developments, including interpretations released by a regulatory authority, may impact the manner in which cryptocurrencies are viewed and regulated or treated for classification and clearing purposes. The Company cannot be certain as to how future regulatory developments will impact the treatment of cryptocurrencies under the law. If the Company determines not to comply with such additional regulatory and registration requirements, the Company may seek to cease certain of its operations or be subjected to fines, penalties and other governmental action. Any such action may adversely affect an investment in the Company as well as its ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on the Company's business, prospects or operations and potentially the value of any cryptocurrencies held by the Company's custodians.

Uncertain Future of Cryptographic and Algorithmic Protocols

The use of cryptocurrencies to, among other things, buy and sell goods and services and complete transactions, is part of a new and rapidly evolving industry that employs digital assets based upon a computer-generated mathematical or cryptographic protocol. The growth of this industry in general, and the use of cryptocurrencies in particular, is subject to a high degree of uncertainty, and the slowing or stopping of the development or acceptance of developing protocols may occur and is unpredictable.

The factors include, but are not limited to:

- continued worldwide growth in the adoption and use of cryptocurrencies;
- governmental and quasi-governmental regulation of cryptocurrencies and their use, or restrictions on or regulation of access to and operation of the network or similar cryptocurrency systems;
- changes in consumer demographics and public tastes and preferences;
- the maintenance and development of the open-source software protocol of the network;
- the availability and popularity of other forms or methods of buying and selling goods and services, including new means of using fiat currencies;
- general economic conditions and the regulatory environment relating to digital assets; and
- negative consumer sentiment and perception of cryptocurrencies generally.

Such events would have a material adverse effect on the Company's ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on the business, prospects or

operations of anonymous intelligence and potentially the value of any cryptocurrencies held by the Company's custodians and its sub-custodians and could harm investors in the Company's securities.

Political or Economic Risks

As an alternative to fiat currencies that are backed by central governments, digital assets, which are relatively new, are subject to supply and demand forces based upon the desirability of an alternative, decentralized means of buying and selling goods and services, and it is unclear how such supply and demand will be impacted by geopolitical events such as wars or embargoes, negative macroeconomic developments, such as high interest rates, high inflation or economic recessions, or other crises that may motivate large scale purchases or sales of cryptocurrencies.

Nevertheless, political or economic crises may motivate large-scale acquisitions or sales of cryptocurrencies either globally or locally. Large-scale sales of cryptocurrencies would result in a reduction in their value and could adversely affect the Company. Such circumstances would have a material adverse effect on the Company's ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on the Company's business, prospects or operations and potentially the value of any cryptocurrencies held by the Company's custodians and sub-custodians and could harm investors.

Illegality

As cryptocurrencies and other digital assets regulations continue to develop in most countries, one or more countries such as China and Russia may take regulatory actions in the future that could severely restrict the right to acquire, own, hold, sell or use these digital assets or to exchange for fiat currency. Such restrictions may adversely affect the Company and on the Company's ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on the Company's business, prospects or operations and potentially the value of any cryptocurrencies held by the Company's custodians.

Lack of liquidity

Digital assets that are represented and trade on a ledger-based platform may not necessarily benefit from viable trading markets. Stock exchanges have listing requirements and vet issuers, requiring them to be subjected to rigorous listing standards and rules and monitoring investors transacting on such platform for fraud and other improprieties.

These conditions may not necessarily be replicated on a distributed ledger platform, depending on the platform's controls and other policies. The more lax a distributed ledger platform is about vetting issuers of digital assets or users that transact on the platform, the higher the potential risk for fraud or the manipulation of digital assets. These factors may decrease liquidity or volume, or increase volatility of digital assets trading on a ledger-based system, which may adversely affect the Company. Such circumstances would have a material adverse effect on the Company's ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on the Company's business, prospects or operations and potentially the value of any cryptocurrencies held by the Company's custodians, and could harm investors.

Risks Related to the Company's Food Business

The Company intends to divest the Food Business; however, until such time as the divestiture of the Food Business is complete, the Company will be subject to the following additional risks.

Disruption at our Facilities

Currently, all of our products are manufactured at our Burnaby, British Columbia production facility. A natural disaster, fire, power interruption, work stoppage or other calamity at this facility, or at any future facility at which we produce our products, would significantly disrupt our ability to deliver our products

and operate our business. If any material items of our machinery or inventory were damaged, we would be unable to meet our contractual obligations and cannot predict when, if at all, we could replace or repair such machinery, which could materially adversely affect our business, financial condition and results of operations. Similarly, if disruptions to the operations at our restaurant locations require us to shut down any of these locations for any reason, including as a result of fire, earthquake, other natural disaster, civil disruption or a health crisis, this could cause significant disruption and expense to our business and operations and could have an adverse effect on our business.

Government Regulation of the Food Industry Creates Risks and Challenges

Our operations are subject to regulation by government agencies including, among others, Health Canada and the CFIA and provincial and local public health units. These agencies regulate the processing, packaging, storage, distribution, handling, advertising, and labelling of our products, including food safety standards as well as regulate the operations and licensing of our restaurant locations or those of our customers. Our manufacturing facility, restaurant locations and products are subject to inspection by federal, provincial, and local authorities. We strive to maintain compliance with all laws and regulations and maintain all permits and licenses relating to our operations. Nevertheless, there can be no assurance that we are in compliance with all such laws and regulations, have all necessary permits and licenses, and will be able to comply with such laws and regulations, or obtain such permits and licenses in the future. Failure by us to comply with applicable laws and regulations and permits and licenses could subject us to civil remedies, including fines, injunctions, recalls or seizures, as well as potential criminal sanctions, which could have a material adverse effect on our financial condition and results of operations. In addition, enforcement of existing laws and regulations, changes in legal requirements or evolving interpretations of existing regulatory requirements may result in increased compliance costs and create other obligations, financial or otherwise, that could adversely affect our business, financial condition or results of operations.

Price of Raw Materials

Costs of the ingredients and packaging for our products are volatile and can fluctuate due to conditions that are difficult to predict, including global competition for resources, weather conditions, consumer demand and changes in governmental trade and agricultural programs. Volatility in the prices of raw materials and other supplies we purchase could increase our cost of sales and reduce our profitability. Moreover, we may not be able to implement product price increases to cover any increased costs, or any price increases implemented may result in lower sales volumes. If we are not successful in managing our ingredient and packaging costs, and unable to increase our prices to cover increased costs or if such price increases reduce sales volumes, then such increases in costs will adversely affect our business, results of operations and financial condition.

Consumer Trends

Our business is focused on the development, manufacture, marketing and distribution of vegan/healthy food products, as well as gluten-free products. Consumer demand could change based on a number of possible factors, including dietary habits and nutritional values, concerns regarding the health effects of ingredients and shifts in preference for various product attributes. If consumer demand for our products decreases, our business and financial condition would suffer. In addition, sales of vegan/healthy food products are subject to evolving consumer preferences that we may not be able to accurately predict or respond to. Consumer trends could change based on a number of possible factors, including economic factors and social trends. A significant shift in consumer demand away from our products could reduce sales, which would harm our business and financial condition.

Supply Chain Management

Insufficient or delayed supply of products threaten our ability to meet customer demands while over capacity threatens our ability to generate profit. Accordingly, any failure by us to properly manage our

supply chain could have a material adverse effect on our business, financial condition and results of operations. We do not currently have written supply agreements with our suppliers. Because of the absence of such contracts, any of such suppliers could seek to alter or terminate its relationship with us at any time, which could result in disruption in our supply chain.

Limited or Disrupted Supply of Key Ingredients

A number of the ingredients in our products are vulnerable to adverse weather conditions and natural disasters, such as floods, droughts, frosts, earthquakes, hurricanes and pestilence. Adverse weather conditions and natural disasters can lower crop yields and reduce crop size and quality which, in turn, could reduce the available supply of, or increase the price of quality ingredients. Moreover, we strive to use locally sourced ingredients which are more limited in supply than conventional product ingredients. We also compete with other food producers in the procurement of ingredients, and as consumer demand for vegan/healthy food products increases, this competition may increase. If supplies of quality ingredients are reduced or there is greater demand for such ingredients, we may not be able to obtain sufficient supply on favourable terms, or at all, which could impact our ability to supply products to distributors and retailers and may adversely affect our business, results of operations and financial condition.

Food Safety and Consumer Health

We are subject to risks that affect the food industry in general, including risks posed by food spoilage, accidental contamination, product tampering, consumer product liability, and the potential costs and disruptions of a product recall. We manage these risks by maintaining strict and rigorous controls and processes in our production facility and distribution system. However, we cannot assure that such systems will eliminate the risks related to food safety. We could be required to recall certain or a large portion of our products in the event of contamination or adverse test results or as a precautionary measure. There is also a risk that not all of the product subject to the recall will be properly identified, or that the recall will not be successful or not be enacted in a timely manner. A product recall could result in significant losses due to its costs, destruction of product inventory and lost sales due to the unavailability of the product or potential loss of current or new customers as a result of an adverse impact on our reputation. In addition, once purchased by consumers, we have no further control over our products and consumers may prepare our products in a manner that is inconsistent with our directions which may adversely affect the quality and safety of our products. Any product contamination could subject us to product liability claims, adverse publicity and government scrutiny, investigation or intervention, resulting in increased costs and decreased sales. Any of these events could have a material adverse impact on our business, financial condition and results of operations.

Brand Value

Our success largely depends on our ability to maintain and grow the value of the Good Flour Co. brands. Maintaining, promoting and positioning our brands and reputation will depend on, among other factors, the success of our product offerings, food safety, quality assurance, marketing and merchandising efforts and our ability to provide a consistent, high-quality customer experience. Brand value is based on perceptions of subjective qualities, and any incident that erodes the loyalty of customers or suppliers, including adverse publicity or a governmental investigation or litigation, or infringement of our intellectual property causing brand confusion could significantly reduce the value of our brand and adversely affect our business, results of operations and financial condition.

Food Safety and Illness Incidents

Food safety and food-borne illness incidents or advertising or product mislabeling may materially adversely affect the Company's business by exposing it to lawsuits, product recalls or regulatory enforcement actions, increasing its operating costs and reducing demand for its product offerings.

Selling food for human consumption involves inherent legal and other risks, and there is increasing governmental scrutiny of and public awareness regarding food safety. Unexpected side effects, illness, injury or death related to allergens, food-borne illnesses or other food safety incidents caused by products the Company sells, or involving its suppliers, could result in the discontinuance of sales of these products or relationships with such suppliers, or otherwise result in increased operating costs, regulatory enforcement actions or harm to the Company's reputation. Shipment of adulterated or misbranded products, even if inadvertent, can result in criminal or civil liability. Such incidents could also expose the Company to product liability, negligence or other lawsuits, including consumer class action lawsuits. Any claims brought against the Company may exceed or be outside the scope of its existing or future insurance policy coverage or limits. Any judgment against the Company that is more than its policy limits or not covered by its policies or not subject to insurance would have to be paid from cash reserves, which would reduce the Company's capital resources.

The occurrence of food-borne illnesses or other food safety incidents could also adversely affect the price and availability of affected ingredients, resulting in higher costs, disruptions in supply and a reduction in sales. Furthermore, any instances of food contamination or regulatory noncompliance, whether or not caused by the Company's actions, could compel it, suppliers, distributors or customers, depending on the circumstances, to conduct a recall. Food recalls could result in significant losses due to their costs, the destruction of product inventory, lost sales due to the unavailability of the product for a period of time and potential loss of existing distributors or customers and a potential negative impact on the Company's ability to attract new customers due to negative consumer experiences or because of an adverse impact on its brand and reputation. The costs of a recall could exceed or be outside the scope of its existing or future insurance policy coverage or limits.

Product Recalls

Companies are sometimes subject to the recall or return of their products for a variety of reasons, including product defects or and inadequate or inaccurate labeling statements. If any of the products sold are recalled due to an alleged product defect or for any other reason, the Company could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. The Company may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. Recall of products could lead to adverse publicity, decreased demand for the Company's products and could have significant reputational and brand damage. A recall for any reason could lead to decreased demand for the Company's products and could have a material adverse effect on the results of operations and financial condition of the Company. Additionally, product recalls may lead to increased scrutiny of the Company's operations by regulatory agencies, requiring further management attention and potential legal fees and other expenses.

Product Returns

Product returns are a customary part of any e-commerce business. Products may be returned for various reasons. Any increase in product returns could reduce the Company's results of operations.

Risks Related to Public Reporting

Our inability to maintain effective internal controls over financial reporting could increase the risk of an error in our financial statements.

Our senior management is responsible for establishing and maintaining adequate internal controls over financial reporting. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Internal control over financial reporting cannot provide absolute assurance of achieving financial reporting objectives due to its inherent limitations. Internal control

over financial reporting is a process that involves human diligence and compliance and is therefore subject to error, collusion, or improper override. Given such limitations, there is a risk that material misstatements may not be prevented or detected on a timely basis, and although it is possible to incorporate into the financial reporting process safeguards to reduce this risk, they cannot be guaranteed to entirely eliminate it. If we fail to maintain effective internal control over financial reporting, then there is an increased risk of an error in our financial statements that could result in us being required to restate previously issued financial statements at a later date.

We incur expenses as a result of being a public company and our current resources may not be sufficient to fulfill our public company obligations.

We incur significant legal, accounting, insurance and other expenses as a result of being a public company, which may negatively impact our performance and could cause our results of operations and financial condition to suffer. Compliance with applicable securities laws in Canada and the U.S. and the rules of the CSE substantially increases our expenses, including our legal and accounting costs, and makes some activities more time-consuming and costly. Reporting obligations as a public company and our anticipated growth may place a strain on our financial and management systems, processes and controls, as well as our personnel.

We are responsible for establishing and maintaining adequate internal control over financial reporting, which is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Because of our inherent limitations and the fact that we are a public company and are implementing additional financial control and management systems, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. A failure to prevent or detect errors or misstatements may result in a material impact on our financial position, liquidity, and results of operations.

If our management is unable to certify the effectiveness of our internal controls or if material weaknesses in our internal controls are identified, we could be subject to regulatory scrutiny and a loss of public confidence, which could have a material impact on our financial position, liquidity, and results of operations. In addition, if we do not maintain adequate financial and management personnel, processes and controls, we may not be able to accurately report our financial performance on a timely basis, which could have a material impact on our financial position, liquidity, and results of operations.

We do not expect that our disclosure controls and procedures and internal controls over financial reporting will prevent all error or fraud. A control system, no matter how well-designed and implemented, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues within an organization are detected. The inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Controls can also be circumvented by individual acts of certain persons, by collusion of two or more people or by management override of the controls. Due to the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected in a timely manner or at all. If we cannot provide reliable financial reports or prevent fraud, our reputation and operating results could be materially adversely effected, which could also cause investors to lose confidence in our reported financial information, which in turn could have a material impact on our financial position, liquidity and results of operations.

Loss of Foreign Private Issuer Status in the Future

The Company may in the future lose its foreign private issuer status if a majority of the Common Shares are owned of record in the United States and the Company fails to meet the additional requirements necessary to avoid loss of foreign private issuer status. The regulatory and compliance costs to the Company under U.S. federal securities laws as a U.S. domestic issuer may be significantly more than the costs the Company incurs as a Canadian foreign private issuer eligible to use the MJDS. If the Company is not a foreign private issuer, it would not be eligible to use the MJDS or other foreign issuer forms and would be required to file periodic and current reports and registration statements on U.S. domestic issuer forms with the SEC, which are more detailed and extensive than the forms available to a foreign private issuer.

Passive Foreign Investment Company Status

Generally, if for any taxable year, 75% or more of the Company's gross income is passive income, or at least 50% of the average quarterly value of the Company's assets are held for the production of, or produce, passive income, the Company would be characterized as a passive foreign investment company ("PFIC") for U.S. federal income tax purposes. For purposes of the above calculations, the Company will be treated as if it holds its proportionate share of the assets of, and receive directly its proportionate share of the income of, any other corporation in which it directly or indirectly own at least 25%, by value, of the shares of such corporation. Passive income includes, among other things, dividends, interest, certain non-active rents and royalties, net gains from the sale or exchange of property producing such income and net foreign currency gains. Assets that produce or are held for the production of passive income generally include cash, even if held as working capital or raised in a public offering, marketable securities, and other assets that may produce passive income.

Additionally, under the Investment Company Act of 1940, as amended (the "**Investment Company Act**"), a company may be deemed an investment company if the value of its investment securities is more than 40% of its total assets (exclusive of government securities and cash items) on an unconsolidated basis. While the SEC and its staff have taken the position that Bitcoin and Ethereum (in their current forms) are not securities, such statements are not official policy statements by the SEC and reflect only the speakers' views, which are not binding on the SEC or any other agency or court. Moreover, the legal and regulatory landscape surrounding cryptocurrency continues to evolve, and SEC rules and applicable law are subject to change. Accordingly, the classification of certain digital assets or related activities could affect whether the Company is considered to hold investment securities for purposes of the Investment Company Act, and could also impact the PFIC analysis, depending on the characterization and treatment of income and assets derived from digital asset-related activities.

The determination as to whether a non-U.S. corporation is a PFIC is a factual determination made on an annual basis after the close of each taxable year. This determination is based on the application of complex U.S. federal income tax rules, which are subject to differing interpretations, and the determination will depend on, among other things, the composition of the non-U.S. corporation's income, expenses and assets, as well as the relative value of its assets (which may fluctuate with the non-U.S. corporation's market capitalization), from time to time and the nature of its activities. Accordingly, there can be no assurance that the Company will not be classified as a PFIC for the current taxable year or for any future taxable year. If the Company is a PFIC for any taxable year during which a U.S. Holder holds its Common Shares, the Company would continue to be treated as a PFIC with respect to that U.S. Holder for such taxable year and, unless the U.S. Holder makes certain elections, for future years even if the Company ceases to be a PFIC. If the Company is characterized as a PFIC, U.S. Holders of its Common Shares may suffer adverse U.S. federal income tax consequences, including the treatment of all or a portion of any gains realized on the sale of the Company's Common Shares as ordinary income, rather than as capital gain, the loss of the preferential income tax rate applicable to dividends received on the Company's Common Shares by individuals who are U.S. Holders, the addition of interest charges to the tax on such gains and certain distributions, and required compliance with certain reporting requirements. A U.S. shareholder of a PFIC generally may mitigate certain of these adverse U.S. federal income tax consequences by making a qualified

electing fund (“QEF”) election or a mark-to-market election. There can be no assurances that the Company will provide the information necessary for U.S. Holders to make QEF elections if it is classified as a PFIC.

Prospective U.S. Holders contemplating an investment in the Common Shares are urged to consult their tax advisors regarding the Company’s status as a PFIC and the U.S. federal income tax consequences that may apply if the Company is determined to be a PFIC in any taxable year.

Our senior management team has limited experience managing a public company, and regulatory compliance may divert its attention from the day-to-day management of our business.

We are publicly listed on the CSE. The individuals who now constitute our senior management team have relatively limited experience managing a publicly traded company and limited experience complying with the increasingly complex laws pertaining to public companies compared to senior management of other publicly traded companies. Our senior management team may not successfully or efficiently manage a public company subject to significant regulatory oversight and reporting obligations under Canadian and U.S. securities laws. In particular, these new obligations will require substantial attention from our senior management and could divert their attention away from the day-to-day management of our business.

Risks related to the book-based system

Unless and until certificated Common Shares are issued in exchange for book-entry interests in the Common Shares, owners of the book-entry interests will not be considered owners or holders of Common Shares. Instead, the depository or its nominee will be the sole holder of the Common Shares. Unlike holders of the Common Shares themselves, owners of book-based interests will not have the direct right to act upon the Company’s solicitations or requests or other actions from holders of the Common Shares. Instead, holders of beneficial interests in the Common Shares will be permitted to act only to the extent such holders have received appropriate proxies to do so from CDS or, if applicable, a CDS participant. There is no assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of beneficial interests in the Common Shares to vote on any requested actions on a timely basis.

DIVIDENDS

The Company has not, since the date of its incorporation, declared or paid any dividends on its Common Shares and does not currently have a policy with respect to the payment of dividends. For the immediate future, the Company does not envisage any earnings arising from which dividends could be paid. The payment of dividends in the future will depend on the Company’s earnings, if any, the Company’s financial condition and such other factors as the directors of the Company consider appropriate. There are no contractual restrictions on the Company’s ability to pay dividends.

DESCRIPTION OF CAPITAL STRUCTURE

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value. As of the date hereof, 125,538,089 Common Shares were issued and outstanding as fully paid and non-assessable common shares.

The Company is authorized to issue an unlimited number of Common Shares. Holders of Common Shares are entitled to receive notice of any meetings of Shareholders, to attend and to cast one vote per Common Share at all such meetings. Holders of Common Shares do not have cumulative voting rights with respect to the election of directors and, accordingly, holders of a majority of the Common Shares entitled to vote in any election of directors may elect all directors standing for election. Holders of Common Shares are entitled to receive on a pro-rata basis such dividends, if any, as and when declared by the Board at its discretion from funds legally available therefor and upon the liquidation, dissolution or winding up of the Company are entitled to receive on a pro-rata basis the net assets of the Company after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to

any other series or class of shares ranking senior in priority to or on a pro-rata basis with the holders of Common Shares with respect to dividends or liquidation. The Common Shares do not carry any preemptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

CONSOLIDATED CAPITALIZATION

The following tables sets out the consolidated capitalization of the Company as at June 30, 2025, and as of the date of this AIF. This table must be read in conjunction with the audited annual financial statements for the year ended June 30, 2025, and the accompanying notes and the management's discussion and analysis.

Description of Security	Number Authorized to be Issued	Amount Outstanding as at June 30, 2025 (unaudited)	Amount Outstanding as of the date of this Listing Statement
Shares	Unlimited	107,977,467	125,538,089 ⁽¹⁾⁽¹⁰⁾
Warrants	Unlimited	64,032,639 ⁽²⁾	60,584,133 ⁽³⁾
Options	20% of Shares	13,250,000 ⁽⁴⁾	14,550,000 ⁽⁵⁾
Convertible Notes	Unlimited	750,000 ⁽⁶⁾	750,000 ⁽⁶⁾
Convertible Debenture	Unlimited	16,129,032 ⁽⁷⁾	16,129,032 ⁽⁷⁾
Restricted Share Units	20% of Shares	1,000,000 ⁽⁸⁾	1,000,000 ⁽⁸⁾

Notes:

- Includes additional Shares issued subsequent to June 30, 2025.
- Consists of 17,875,000 warrants with an exercise price of \$0.25 per share until November 5, 2026; 23,510,000 warrants with an exercise price of \$0.05 per share until September 30, 2026, these warrants were originally issued on November 5, 2025 and none of these warrants are held by related persons of the Company; 2,000,000 warrants with an exercise price of \$0.15 per share until July 23, 2026; 5,500,713 warrants with an exercise price of \$0.40 per share until December 9, 2025; and 8,928,500 warrants with an exercise price of \$0.14 per share until March 14, 2029, these warrants were originally issued on March 15, 2024, July 5, 2024, October 7, 2024, January 22, 2025, April 9, 2025 and June 30, 2025; and 6,218,426 warrants with an exercise price of \$0.20 per share until June 30, 2028, these warrants were originally issued on June 30, 2025.
- Consists of 17,010,002 warrants with an exercise price of \$0.25 per share until November 5, 2026; 16,400,000 warrants with an exercise price of \$0.05 per share until September 30, 2026, these warrants were originally issued on November 5, 2025 and none of these warrants are held by related persons of the Company; 1,500,000 warrants with an exercise price of \$0.15 per share until July 23, 2026; 4,999,285 warrants with an exercise price of \$0.40 per share until December 9, 2025; 7,453,500 warrants with an exercise price of \$0.14 per share until March 14, 2029, these warrants were originally issued on March 15, 2024, July 5, 2024, October 7, 2024, January 22, 2025, April 9, 2025 and June 30, 2025; 6,218,426 warrants with an exercise price of \$0.20 per share until June 30, 2028, these warrants were originally issued on June 30, 2025; and 7,002,920 warrants with an exercise price of \$1.08 per share until September 2, 2028, these warrants were originally issued on September 2, 2025.
- 3,250,000 Options are exercisable into Shares at a price of \$0.20 per Share until November 5, 2026; and 10,000,000 Options are exercisable into Shares at a price of \$0.155 per Share until June 5, 2030.
- 3,250,000 Options are exercisable into Shares at a price of \$0.20 per Share until November 5, 2026; 10,000,000 Options are exercisable into Shares at a price of \$0.155 per Share until June 5, 2030; and 250,000 Options are exercisable into Shares at a price of \$0.63 per Share until July 9, 2023.
- The original principal amount of the Convertible Notes is equal to \$500,000 and shall vest over two years, with 12.5% vesting every three months commencing on November 4, 2021. On vesting of each tranche of the Convertible Notes, each holder shall have the option, subject to certain exemptions, to receive either their respective portion of cash consideration or an amount equal to their respective portion in Shares at a price equal to \$0.20 per Share.
- The original principal amount of the convertible debenture resulting from the restructuring of the Loan Agreement is equal to \$1,250,000. The convertible debenture has a maturity date of June 30, 2028 and is convertible into units of the Company at a conversion price of \$0.155. Each unit consist of one Share and one warrant exercisable at an exercise price of \$0.20 until June 30, 2028. In the event that the convertible debenture is converted in full and all related warrants are exercised, 16, 129,032 Shares would be issued.

8. 1,000,000 of the Restricted Share Units vested on April 10, 2023 but have not been redeemed.

MARKET FOR SECURITIES

Market

The Company's Common Shares are listed on the CSE under the trading symbol "ISTK", quoted on the OTCQB market under the trading symbol "ISTKF", and listed on the Frankfurt Stock Exchange under the trading symbol "E41".

Trading Price and Volume

The following table sets out the monthly high and low trading prices and the monthly volume of trading of the Common Shares of the Company on the CSE during the year ended June 30, 2025. The trading and price data prior to July 4, 2025 pertain to the Common Shares while the Company was operating the Food Business prior to the completion of the Change of Business. Upon resumption of trading on the CSE following the Change of Business, the Common Shares now trade under the symbol "ISTK":

<u>Canadian Exchange (CSE)⁽¹⁾</u>			
<u>Month</u>	<u>High (\$)</u>	<u>Low (\$)</u>	<u>Trading Volume</u>
June 2025	0.56	0.155	2,280,777
May 2025	0.155	0.12	131,656
April 2025	0.13	0.13	29,500
March 2025	0.155	0.13	234,758
February 2025	0.17	0.12	9,693
January 2025	0.17	0.08	91,238
December 2024	0.095	0.08	123,100
November 2024	0.14	0.08	91,855
October 2024	0.2	0.1	68,512
September 2024	0.18	0.08	456,405
August 2024	0.17	0.08	104,372
July 2024	0.125	0.12	130,537

Notes:

(1) Source: Yahoo! Finance

Prior Sales

The following summarizes the Common Shares and securities convertible into Common Shares issued by the Company during the year ended June 30, 2025. The prior sales data prior to July 4, 2025 pertain to the Common Shares while the Company was operating the Food Business prior to the completion of the Change of Business.

<u>Date of Issuance</u>	<u>Type of Security</u>	<u>Number of Securities</u>	<u>Issue / Exercise / Conversion Price</u>
2024-10-24	Warrants	1,785,700	\$0.14
2025-01-22	Warrants	1,785,700	\$0.14
2025-04-09	Warrants	1,785,700	\$0.14
2025-06-05	Options	10,000,000	\$0.155

**ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL
RESTRICTION ON TRANSFER**

Except as set out in the table below, as of the date of this AIF no Common Shares are currently held in escrow or subject to a contractual restriction on transfer.

Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of Outstanding Shares
Class "A" Shares	295,328 ⁽¹⁾	0.27%

Notes:

- These Common Shares are subject to a contractual restriction on transfer that will expire on November 4, 2025 (98,440 Shares), February 4, 2026 (65,628), May 4, 2026 (65,628), August 4, 2026 (32,816) and November 4, 2026 (32,816). 147,664 of these Common Shares are held by Jennifer Peters and 147,664 of these Common Shares are held by Hamid Salimian.

DIRECTORS AND OFFICERS

The names and province or state and country of residence of the directors and executive officers of Intellistake, positions held by them with Intellistake and their principal occupations for the past five years are as set forth below. The term of office of each of the present directors expires at the next annual general meeting of shareholders. After each such meeting, the Board of Directors appoints the Company's officers and committees for the ensuing year.

Name, Position(s) held and Province/State and Country of Residence	Director/ Executive Officer Since	Principal Occupation	Common Share Ownership and %
Jason Dussault ⁽¹⁾ Chief Executive Officer and Director British Columbia, Canada	June 4, 2025	Self-employed entrepreneur.	1,117,858 ⁽²⁾ (1.04%)
Gregory Cowles Chief Strategy Officer and Director England, United Kingdom	September 9, 2025	Creative Lead at Raw:Creation from September 2019 to Present.	Nil (0%)
Denis Silva ⁽¹⁾ Director British Columbia, Canada	November 5, 2021	Practicing corporate and securities lawyer since 2009.	897,856 ⁽³⁾ (<1%)
Paul Sparkes ⁽¹⁾ Director British Columbia, Canada	November 5, 2021	Corporate director and President of Otterbury Holdings Inc., a corporation advising growth entities in private and public markets.	250,000 ⁽⁴⁾ (<1%)

Name, Position(s) held and Province/State and Country of Residence	Director/ Executive Officer Since	Principal Occupation	Common Share Ownership and %
Dean Golbeck Chief Financial Officer and Corporate Secretary British Columbia, Canada	November 5, 2021	Chartered Professional Accountant.	Nil (0%)

Notes:

- (1) Member of the Audit Committee.
- (2) Mr. Dussault holds all of his Common Shares indirectly through Tile Head Enterprises Ltd., a private company controlled by Mr. Dussault.
- (3) Of these Common Shares 347,856 Common Shares are held by 1255308 B.C. Ltd., an entity controlled by Mr. Silva.
- (4) Of these Common Shares 250,000 Common Shares are held by Salt Box Capital Inc., an entity controlled by Mr. Sparkes.

Unless otherwise noted above, the term of office of the directors expires on the earlier of the Company's next annual general meeting, or upon resignation. The term of office of the officers expires at the discretion of the directors.

As of the date of this AIF, the Company's directors and officers as a group, beneficially own, directly and indirectly, or exercise control or direction over, 2,265,714 Common Shares, representing 1.80% of the issued and outstanding Common Shares.

Director and Officer Biographies

Jason Dussault – CEO and Director

Mr. Dussault brings over 32 years of experience in North American public markets as an investor, director and CEO. Mr. Dussault is a dynamic and multi-talented entrepreneur known for his innovative marketing approach and celebrated career as an accredited artist. He gained national recognition as the star and producer of Dussault Inc., the CityTV reality series that showcased his creative journey and business acumen. Over the years, Jason has garnered widespread media attention, with features on FOX News, Entertainment Tonight, CityTV, eTalk, CBC, MTV, The Wall Street Journal, and The New York Times, among others.

In addition to his artistic and media achievements, Mr. Dussault has extensive experience in capital markets and the mining sector. He has served as CEO and director of multiple publicly traded companies, including Dussault Apparel Inc., where he combined his fashion vision with brand development, and Pure Energy Minerals Ltd., a lithium exploration company focused on sustainable resource development. More recently, Mr. Dussault was CEO of Stillcanna Inc., a Canadian public company specializing in CBD manufacturing across Europe. Under his leadership, he raised over \$30 million in capital, established large-scale extraction facilities in Romania and Poland, built a global team, and successfully led the merger with Sativa Group PLC to create a leading force in the cannabis wellness sector.

Mr. Dussault has a consulting agreement with the Company that includes non-competition and non-disclosure covenants. Mr. Dussault has not completed any post-secondary education but has attended certain executive education courses at Simon Fraser University on Corporate Governance and Continuous Disclosure.

Gregory Cowles – Chief Strategy Officer and Director

Mr. Cowles is Chief Strategy Officer and a director at Intellistake, where he leads strategy across validator operations, AI token reserves, and institutional positioning. He has experience at the intersection of digital currencies and decentralized artificial intelligence (AI). Since first engaging with Bitcoin in 2013, he has spent more than a decade helping to shape the growth of blockchain ecosystems, guiding successful token launches, and working alongside AI and digital asset teams. Mr. Cowles holds an HND in Engineering from University College Birmingham and began his career in engineering and data science. This foundation shaped his structured, problem-solving approach to business. As Creative Lead at G&C Cowson DBA Raw:Creation, over the past four years, he has led marketing efforts for public companies and has built lasting partnerships with decentralized AI Ecosystems, and for the last five years, he has focused on strategy and growth within the crypto, AI, DeFi, and launchpad sectors. He has also built a personal digital brand reaching over 500,000 followers and generating more than 1 billion impressions – evidence of his ability to communicate complex ideas at scale and with clarity. Mr. Cowles has a consulting agreement with the Company that includes non-competition and non-disclosure covenants.

Dean Golbeck – CFO and Corporate Secretary

Mr. Golbeck holds a Chartered Accountant designation (CPA, CA) with a Bachelor of Business Administration in Finance from Vancouver Island University. He started his career with Deloitte LLP where he worked on a mix of large public company audits and mid-market assurance and advisory services. In 2017, Mr. Golbeck achieved the Certificate of Completion for the CPA In-Depth Tax Course. Shortly after, he moved to Smythe LLP where he focused on corporate reorganizations and tax planning for high-net-worth individuals. Mr. Golbeck has an employment agreement with the Company that includes non-competition and non-disclosure covenants.

Denis Silva – Director

Mr. Silva is a partner at DLA Piper (Canada) LLP, an international law firm, advising clients on corporate finance and merger and acquisition transactions with a focus on the technology and mining sectors. Denis has been recognized by Lexpert and Chambers, and has acted for a wide variety of companies listed on Canadian and US exchanges. Denis holds a B.A. from the University of British Columbia, an M.P.A. from Queen’s University, and an LL.B from the University of Windsor. Mr. Silva does not have an employment or consulting agreement with the Company; however, a law firm in which he is partner provides legal services to the Company.

Paul Sparkes - Director

Mr. Sparkes is an accomplished business leader and entrepreneur with over 25 years of experience in media, finance, capital markets and Canada’s political arena. He spent a decade as a leader in the broadcast and media industry as CTVglobemedia’s Executive Vice President, Corporate Affairs. He also held senior positions in public service, including with the Government of Canada as Director of Operations to Prime Minister Jean Chretien, and as a senior aide to two Premiers of Newfoundland and Labrador. Paul was a co-founder and executive vice chairman at Difference Capital Financial and serves on a number of private and public boards. He is currently President and founder of Otterbury Holdings Inc., Global Alternatives Advisory, and is an advisor and deal maker for growth companies in the private and public markets. Mr. Sparkes has a BA, Political Science from Memorial University. Mr. Sparkes does not have an employment or consulting agreement with the Company.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than as disclosed below, no director or executive officer of the Company is as of the date of this AIF, or has been in the last 10 years, a director, chief executive officer or chief financial officer of any company (including the Company) that,

- (a) was the subject of a cease trade order or similar order or an order that denied such company access to any exemptions under securities legislation, for a period of more than 30 consecutive days which was issued while the person was acting in that capacity; or
- (b) was subject to a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued after that person ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while the person was acting in that capacity.

Other than as disclosed below, no director or executive officer or shareholder holding a sufficient number of securities of the Company to materially affect the control of the Company:

- (a) is, as at the date of this AIF, or has been within the 10 years before the date of this AIF, a director or executive officer of any company (including the Company) that while that person was acting in that capacity, or within a year of that person ceasing to act in the 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, receiver manager or trustee appointed to hold its assets; or
- (b) has, within 10 years before the date of this AIF, 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 its assets.

No director or executive officer of the Company or a shareholder holding a sufficient number of securities to affect materially the control of the Company has been subject to:

- (a) 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
- (b) 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.

The foregoing, not being within the knowledge of the Company, has been furnished by the respective directors, executive officers and shareholders holding a sufficient number of securities of the Company to affect materially control of the Company.

On February 5, 2016, the British Columbia Securities Commission issued a cease trade order against Ziplocal Inc. for failure to file its annual audited financial statements and MD&A. The required documents were filed and the order was subsequently revoked on March 11, 2016. Mr. Paul Sparkes was a director of Ziplocal Inc. during this period.

Conflicts of Interest

Certain directors and officers of the Company are also directors, officers or shareholders of other companies that are similarly engaged in business similar to that of the Company. Such associations to other companies in the renewable energy sector may give rise to conflicts of interest from time to time. As a result, opportunities provided to a director of the Company may not be made available to the Company, but rather may be offered to a company with competing interests. The directors and senior officers of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and

to disclose any personal interest which they may have in any project or opportunity of the Company, and to abstain from voting on such matters.

The directors and officers of the Company are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosure by the directors of conflicts of interests and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings material to the Company to which the Company is a party or of which any of its property is the subject matter, and there are no such proceedings known to the Company to be contemplated.

PROMOTERS

No person or company has, within the two years immediately preceding the date of this AIF, been a Promoter of the Company.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed in this AIF and other than transactions carried out in the ordinary course of business of the Company or its subsidiary, none of the directors or executive officers of the Company, any shareholder directly or indirectly beneficially owning, or exercising control or direction over, more than 10% of the outstanding Common Shares, nor an associate or affiliate of any of the foregoing persons has had, during the three most recently completed financial years of the Company or during the current financial year, any material interest, direct or indirect, in any transactions that materially affected or would materially affect the Company or its subsidiary.

MATERIAL CONTRACTS

The Company has entered into the following material contracts:

1. Convertible Debenture as described under "*General Development and Business of the Company – Three Year History – Developments for the Year Ended June 30, 2024*".
2. Venture Hub Agreement as described under "*General Development and Business of the Company – Three Year History – Developments subsequent to the Year Ended June 30, 2025*".
3. The SVH LOI as described under "*General Development and Business of the Company – Three Year History – Developments subsequent to the Year Ended June 30, 2025*".

INTEREST OF EXPERTS

No person or corporation is named as having prepared or certified a statement, report, opinion or valuation described or included in a filing, or referred to in a filing, made under NI 51-102 by our Company during, or relating to the financial year ended June 30, 2025 and whose profession or business gives authority to the statement, report, opinion or valuation made by the person or corporation, other than DMCL LLP, the current auditor of the Company.

DMCL LLP has advised the Company that it is independent with respect to the Company within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any application legislation or regulation.

AUDITORS, TRANSFER AGENT AND REGISTRAR

DMCL LLP, Chartered Accountants, of 1140 W Pender St #1500, Vancouver, BC V6E 4G1 were appointed on December 18, 2017, and are the current Auditors of the Company.

The registrar and transfer agent of the Company shares is TSX Trust Company located at 650 West Georgia Street, Suite 2700 Vancouver, BC V6B 4N9.

ADDITIONAL INFORMATION

Additional information on the Company may be found on SEDAR+ at www.sedarplus.com. Additional information, including directors' and officers' remuneration and indebtedness to the Company, principal holders of the securities of the Company and securities authorized for issuance under equity compensation plans, is contained in the Company's management information circular for its most recent annual general meeting, which is filed on SEDAR+. Additional financial information is provided in the Company's audited consolidated financial statements for the year ended June 30, 2025 and the related management's discussion and analysis of financial conditions and results of operations, both of which are available on SEDAR+.

AUDIT COMMITTEE

Pursuant to the provisions of National Instrument 52-110 - *Audit Committees* ("NI 52-110"), reporting issuers are required to provide disclosure with respect to its audit committee, including the text of the audit committee's charter, composition of the committee, and the fees paid to the external auditor. Accordingly, the Company provides the following disclosure with respect to its Audit Committee.

Audit Committee Charter

The text of the Audit Committee's charter is attached as Schedule "A" to this AIF.

Composition of Audit Committee and Independence

The following are the current members of the Audit Committee:

Denis Silva	Not Independent ⁽¹⁾	Financially Literate ⁽¹⁾
Jason Dussault	Not Independent ⁽¹⁾	Financially Literate ⁽¹⁾
Paul Sparkes (Chair)	Independent ⁽¹⁾	Financially Literate ⁽¹⁾

⁽¹⁾ As defined by NI 52-110.

A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.

Mr. Silva indirectly receives a consulting fee from the issuer for the provision of legal services to the Company by a law firm that he is a partner with.

A member of the Audit Committee is considered financially literate if he or she has 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 issues that can reasonably be expected to be raised by the Company's financial statements.

Relevant Education and Experience

The education and experience of each member of the Audit Committee relevant to the performance of his or her responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

- a) an understanding of the accounting principles used by the Company to prepare its financial statements;
- b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions;
- c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more persons engaged in such activities; and
- d) an understanding of internal controls and procedures for financial reporting, are as follows:

Each of Mr. Dussault, Mr. Sparkes and Mr. Silva have an understanding of financial reporting requirements respecting financial statements sufficient enough to enable them to discharge their duties as members of the Audit Committee. Each of Mr. Dussault, Mr. Sparkes and Mr. Silva has gained this financial literacy through their multi-decade experience as a director and/or executive officer of other Canadian reporting issuers. These roles have required them to review quarterly and annual financial statements, meet with auditors and gain an understanding of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements. Please refer to "*Director and Officers*" above for further information on the education and experience of the Audit Committee.

Audit Committee Oversight

Since the commencement of the financial year ended June 30, 2025, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the financial year ended June 30, 2025, the Company has not relied on the exemptions contained in sections 2.4, 6.1.1(4), 6.1.1(5), 6.1.1(6) or under part 8 of NI 52-110.

Pre-Approval Policies and Procedures

Pursuant to the terms of the Company's Audit Committee Charter, the Audit Committee is required to review and pre-approve any non-audit services provided by the Company's external auditors. The Audit Committee has adopted a written Audit Committee Pre-Approval Policy with respect to audit and non-audit services to be performed by the Company's external auditors. The Audit Committee will pre-approve all audit services provided by the external auditor through their recommendation of the external auditor as shareholders' auditors at the Company's annual meeting and through the Audit Committee's review of the external auditor's annual audit plan. The Audit Committee Chair may pre-approve a request for non-audit services where the aggregate fees are estimated to be less than or equal to \$50,000 but the Chair must advise other Audit Committee members of such pre-approval no later than the next regularly scheduled Audit Committee meeting. For non-audit services where the aggregate fees are estimated to be greater than \$50,000, the approval of the full Audit Committee is required. In no event can the external auditor undertake non-audit services prohibited by legislation or professional standards.

Audit Fees

The aggregate fees billed by the Company’s external auditors in each of the last two fiscal years for audit fees are set out in the table below. “Audit Fees” includes fees for audit services including the audit services completed for the Company’s subsidiaries. “Audit-Related Fees” includes fees for assurance and related services by the Company’s external auditor that are reasonably related to the performance of the audit or review of the Company’s financial statements and not reported under Audit Fees including the review of interim filings. “Tax Fees” includes fees for professional services rendered by the external auditor for tax compliance, tax advice, and tax planning. “All Other Fees” includes all fees billed by the external auditors for services not covered in the other three categories.

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
June 30, 2025	\$89,000	\$13,500	\$Nil	\$Nil
June 30, 2024	\$72,000	\$Nil	\$Nil	\$Nil

Exemption in Section 6.1

The Company is a “venture issuer” as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (Composition of Audit Committee) and 5 (Reporting Obligations).

SCHEDULE A

Intellistake Technologies Corp. AUDIT COMMITTEE CHARTER As of March 1, 2019

The following Audit Committee Charter was adopted by the Audit Committee of the Board of Directors and the Board of Directors of Intellistake Technologies Corp. (the “Company”):

Mandate

The primary function of the audit committee (the “Committee”) is to assist the Company’s Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels. The Committee’s primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company’s financial reporting and internal control system and review the Company’s financial statements;
- review and appraise the performance of the Company’s external auditors; and
- provide an open avenue of communication among the Company’s auditors, financial and senior management and the Board of Directors.

Composition

The Committee shall be comprised of a minimum three directors as determined by the Board of Directors and in compliance with the requirements of NI 52-110.

All members of the Committee shall have accounting or related financial management expertise. All members of the Committee who are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of this Audit Committee Charter, the definition of “financially literate” is as set out in NI 52-110.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders’ meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership. The position description and responsibilities of the Chair are set out in Schedule “A” attached hereto.

Meetings

The Committee shall meet a least quarterly, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions. The Committee may ask members of management of the Company or others to attend meetings or to provide information as necessary.

Quorum for the transaction of business at any meeting of the Committee shall be a majority of the number of members of the Committee or such greater number as the Committee shall by resolution determine.

Meetings of the Committee shall be held from time to time as the Committee or the Chair shall determine upon 48 hours' notice to each of its members. The notice period may be waived by unanimous resolution of the Committee.

The Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.

Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. The Committee shall report its determinations to the Board at the next scheduled meeting of the Board, or earlier as the Committee deems necessary.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

1. Documents/Reports Review

- (a) review and update this Audit Committee Charter as required; and
- (b) review the Company's financial statements, MD&A and any annual and interim earnings press releases before the Company publicly discloses this information and any financial reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

2. External Auditors

- (a) review annually, the performance of the external auditors who shall be ultimately accountable to the Company's Board of Directors and the Committee as representatives of the shareholders of the Company;
- (b) obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with the professional standards for the external auditors;
- (c) review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;
- (d) take, or recommend that the Company's full Board of Directors take appropriate action to oversee the independence of the external auditors, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (e) recommend to the Company's Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval;
- (f) recommend to the Company's Board of Directors the compensation to be paid to the external auditors;
- (g) at each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;

- (h) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company;
- (i) review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements; and
- (j) review and pre-approve all audit and audit-related services, and any non-audit services, and the fees and other compensation related thereto provided by the Company's external auditors in accordance with the Audit Committee Pre-Approval Policy.

3. Financial Reporting Processes

- (a) in consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external;
- (b) consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;
- (c) consider and approve, if appropriate, changes to the Company's accounting principles and practices as suggested by the external auditors and management;
- (d) review significant estimates and judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such estimates and judgments;
- (e) following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- (f) review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;
- (g) review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- (h) review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
- (i) establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters;
- (j) establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
- (k) review with management the Chief Executive Officer and Chief Financial Officer certificates prepared in connection with the annual and interim continuous disclosure regulatory filings.

4. Other Responsibilities

- (a) review and approve any related-party transactions;
- (b) the Committee shall perform any other activities consistent with this Audit Committee Charter and governing law, as the Committee or the Board deems necessary or appropriate.

Authority

The Committee shall have the authority to:

- (a) engage independent counsel and other advisors including accounting or other consultants or experts as it determines necessary to carry out its duties;
- (b) set and pay the compensation for advisors employed by the Committee;
- (c) communicate directly with the external auditors;
- (d) access, on an unrestricted basis, the books and records of the Company; and
- (e) conduct any investigation appropriate to its responsibilities, and it may request the external auditors, as well as any officer of the Company, or outside counsel for the Company, to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee;
- (f) the Committee shall have the authority to engage the external auditors to perform a review of the interim financial statements.

SCHEDULE “A” TO AUDIT COMMITTEE CHARTER

Position Description for the Chair of the Audit Committee

I. Purpose

The Chair of the Audit Committee of the Board shall be a director who is elected by the Board to act as the leader of the Committee in assisting the Board in fulfilling its financial reporting and control responsibilities to the shareholders of the Company.

II. Who may be Chair

The Chair will be selected from amongst the directors of the Company who have a sufficient level of financial sophistication and experience in dealing with financial issues to ensure the leadership and effectiveness of the Committee.

III. Responsibilities

The following are the primary responsibilities of the Chair:

- chairing all meetings of the Committee in a manner that promotes meaningful discussion;
- ensuring adherence to this Audit Committee Charter and that the adequacy of it is reviewed as required;
- providing leadership to the Committee to enhance the Committee’s effectiveness, including:
 - providing the information to the Board relative to the Committee’s issues and initiatives and reviewing and submitting to the Board an appraisal of the Company’s independent auditors and internal auditing functions;
 - ensuring that the Committee works as a cohesive team with open communication, as well as ensuring open lines of communication among the independent auditors, financial and senior management and the Board of Directors for financial and control matters;
 - ensuring that the resources available to the Committee are adequate to support its work and to resolve issues in a timely manner;
 - ensuring that the Committee serves as an objective party to monitor the Company’s financial reporting process and internal control systems, as well as to monitor the relationship between the Company and the independent auditors to ensure independence;
 - ensuring that procedures are in place to assess the audit activities of the independent auditors; and
 - ensuring that procedures are in place for dealing with complaints received by the Company regarding accounting, internal controls and auditing matters, and for employees to submit confidential anonymous concerns regarding questionable accounting or auditing matters.
- managing the Committee, including:
 - adopting procedures to ensure that the Committee can conduct its work effectively and efficiently, including committee structure and composition, scheduling, and management of meetings;

- preparing the agenda of the Committee meetings and ensuring pre-meeting material is distributed in a timely manner and is appropriate in terms of relevance, efficient format and detail;
- ensuring meetings are appropriate in terms of frequency, length and content;
- obtaining and reviewing with the Committee an annual report from the independent auditors, and arranging meetings with the auditors and financial management to review the scope of the proposed audit for the current year, its staffing and the audit procedures to be used;
- overseeing the Committee's participation in the Company's accounting and financial reporting process and the audits of its financial statements;
- ensuring that the auditors' report directly to the Committee, as representatives of the Company's shareholders; and
- annually reviewing with the Committee its own performance.

SCHEDULE “B” TO AUDIT COMMITTEE CHARTER

Audit Committee Pre-Approval Policy

This Policy identifies the Audit Committee’s procedures and conditions for pre-approving audit, audit-related, tax and other non-audit services performed by a public accounting firm that acts as the independent auditor (the “Auditor”) responsible for auditing the consolidated financial statements of Intellistake Technologies Corp. (the “Company”), and its subsidiaries and affiliates.

1. Introduction

The CPA Code of Professional Conduct (the “CPA Code”) sets out the rules for auditor independence. They include prohibitions or restrictions on services that may be provided by independent auditors to their audit clients. The independence rules identify non-audit services that are deemed inconsistent with an auditors’ independence (“Prohibited Services”). When determining whether a non-audit service is a Prohibited Service, specific reference will be made to the underlying independence rules.

In addition, under Canadian Securities Administrators (“CSA”) rules, a public company’s Audit Committee will be responsible for pre-approving all non-audit services to be provided to the company or its subsidiaries by the company’s independent auditors or the independent auditors of the company’s subsidiaries.

Under both the CPA Code and CSA rules, pre-approval of services by the Audit Committee may be accomplished either by specific approval of each engagement or by adopting pre-approval policies and procedures. The CSA rules require public companies to disclose in their Annual Information Form a description of the policies and procedures their Audit Committee has established to pre-approve non-audit services. The CSA rules also require public disclosure of fees paid to the independent auditors under the captions “Audit Fees”, “Audit-Related Fees”, “Tax Fees”, and “All Other Fees”. The four categories of service, as defined in the CSA rules are:

1. Audit Services: Include services that are normally provided by the independent auditor in connection with statutory and regulatory filings or engagements.
2. Audit Related Services: Include services by an independent auditor that are reasonably related to the performance of the audit of the issuer’s financial statements and are not reported as Audit Services.
3. Tax Services: Include professional services rendered by an independent auditor for tax compliance, tax advice, and tax planning.
4. All Other Services: Include products and services provided by the independent auditor not included in the previous three categories.

2. Permitted Services

The Company and its subsidiaries will not engage the Auditor to carry out any Prohibited Service. The Audit Committee will consider the pre-approval of permitted services to be performed by the independent auditor in each of the following broad categories.

Audit Services

- Audit of annual financial statements of the Company.
- Review of quarterly interim financial statements.

- Issuance of comfort letters to underwriters and consents to the securities administrators related to a debt or equity financing.

Audit Related Services

- Accounting consultations on specific issues.
- Accounting and reporting consultations on proposed transactions.
- Accounting work related to mergers and acquisitions.
- Audit of employee benefits plan.
- Due diligence assistance.
- General advice on accounting standards.

Tax Services

- Compliance Income and Mining Taxes Services, including tax return preparation.
- Payroll tax services.
- Tax advice and consultations relating to proposed transactions.
- Advice on GST and HST.
- Other tax services not included in the audit and audit-related categories.

Other Non-Audit Services

- Valuation Services.
- Information Technology Advisory and Risk Management Services.
- Actuarial Services.
- Forensic and Related Services.
- Corporate Recovery Services.
- Transaction Services.
- Corporate Finance Services.
- Project Risk Management Services.
- Operational Advisory and Risk Management Services.
- Regulatory and Compliance Services.

- Translation Services.

3. **Approval of Permitted Services**

For permitted services the following pre-approval policies will apply:

A. Audit Services

The Audit Committee will pre-approve all audit services provided by the Auditor through their recommendation of the Auditor as shareholders' auditors at the Company's annual meeting and through the Audit Committee's review of the Auditor's annual Audit Plan.

B. Pre-Approval of Audit Related, Tax Services and Other Non-Audit Services

Annually, the Audit Committee will pre-approve the audit-related, tax and other non-audit services to be provided by the Auditor that are recurring or otherwise reasonably expected to be provided by the external auditor, including involvement with regulatory filings and offering documents. In addition, the Audit Committee will pre-approve the auditor entering into discussion with and providing preliminary advice to management in connection with accounting, internal controls and taxation matters where they are responding to management's request and the fees for the services of this nature are to be less than \$5,000 individually or \$50,000 in aggregate during the year. Where the auditor presents an engagement letter in connection with any requested services, the pre-approval of the Audit Committee should be evidenced by the signature of the Audit Committee Chair or his designate. The Audit Committee shall be subsequently informed, at least quarterly, of the services for which the External Auditor has been actually engaged. Any additional requests for pre-approval shall be addressed on a case-by-case specific engagement basis as described in (C) below.

C. Approval of Additional Services

With respect to services not covered in (A) or (B) above, the Company employee making the request will submit the request for service to the Chief Financial Officer of the Company. The request for service should include a description of the service, the estimated fee, a statement that the service is not a Prohibited Service and the reason the Auditor is being engaged. All fees related to tax services will be discussed and reviewed by the Audit Committee or its designee prior to beginning the proposed engagement.

(i) **Services where the aggregate fees are estimated to be less than or equal to \$50,000.**

Recommendations, in respect of each engagement, will be submitted by the Chief Financial Officer of the Company to the Chair of the Audit Committee for consideration and approval. The full Audit Committee will subsequently be informed of the service, at its next meeting. The engagement may commence upon approval of the Chair of the Audit Committee.

(ii) **Services where the aggregate fees are estimated to be greater than \$50,000.**

Recommendations, in respect of each engagement, will be submitted by the Chief Financial Officer of the Company to the full Audit Committee for consideration and approval, generally at its next meeting or at a special meeting called for the purpose of approving such services. The engagement may commence upon approval of the full Audit Committee.