

**NOTICE OF ANNUAL AND SPECIAL MEETING  
AND  
MANAGEMENT INFORMATION CIRCULAR  
OF  
BITRUSH CORP.  
FOR THE ANNUAL GENERAL AND SPECIAL MEETING  
TO BE HELD ON AUGUST 19, 2021**

**Dated July 8, 2021**

## NOTICE OF ANNUAL AND SPECIAL MEETING

NOTICE IS GIVEN that the annual general and special meeting (the “**Meeting**”) of the holders of common shares (“**Shareholders**”) of BitRush Corp. (“**BitRush**” or the “**Corporation**”) will be held at 77 King Street West, Suite 2905, Toronto, Ontario M5K 1H1, on August 19, 2021, commencing at 11:00 a.m. (Toronto time), for the following purposes, each as described under the heading “Particulars of Matters to be Acted Upon” in the management information circular (the “**Management Information Circular**”) of the Corporation accompanying this notice of meeting:

1. to receive the financial statements of the Corporation for the year ended December 31, 2016, 2017, 2018, 2019 and 2020 and each of the auditor’s report thereon;
2. to appoint Manning Elliott, LLP Chartered Professional Accountants as auditor of the Corporation for the financial year ended December 31, 2021, and authorize the board of directors to fix the remuneration of the auditor;
3. to elect the board of directors for the ensuing year;
4. to consider and, if thought advisable, to authorize by means of a special resolution, with or without variation, an amendment to the articles of the Corporation to change the name of the Corporation from “BitRush Corp.” to “BetterFutures Enterprises Corp.”, or such other name as may be approved by the board of directors of the Corporation and applicable regulatory authorities;
5. to consider and, if thought advisable, to confirm by means of an ordinary resolution, the enactment of the new By-law No. 2 of the Corporation and the repeal of the Corporation’s previously existing by-laws;
6. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution to approve and adopt the 2021 Omnibus Equity Incentive Compensation Plan to replace the existing the Corporation’s stock option plan; and
7. to transact such other business as may be properly brought before the Meeting or any adjournment thereof.

An “ordinary resolution” is a resolution passed by at least a majority of the votes cast by Shareholders who voted in respect of that resolution at the Meeting. A “special resolution” is a resolution passed by at least two thirds of the votes cast by Shareholders who voted in respect of that resolution at the Meeting.

The nature of the business to be transacted at the Meeting is described in further detail in the Management Information Circular under the section entitled “*Particulars of Matters to be Acted Upon*”.

The board of directors has fixed July 5, 2021, as the record date (“**Record Date**”) for the determination of shareholders entitled to notice of and to vote at the meeting and at any adjournment thereof. Only shareholders of record on the Record Date are entitled to receive notice of and to vote at the Meeting or any adjournments or postponements thereof.

### **Special Measures in Response to the Current COVID-19 (coronavirus) Outbreak**

While as of the date of this Notice and accompanying Management Information Circular, the Corporation intends to hold the Meeting in physical in-person format, it is continuously monitoring the COVID-19

pandemic. In light of the rapidly evolving news and guidelines related to the COVID-19 pandemic, the Corporation asks that, in considering whether to attend the Meeting in person, shareholders follow, among other things, the instructions of the Public Health Agency of Canada (<https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html>) and any applicable additional provincial and local instructions. Shareholders should not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if they or someone with whom they have been in close contact has travelled to/from outside of Canada within the 14 days prior to the Meeting. **All shareholders are strongly encouraged to vote prior to the Meeting by any of the means described in the Management Information Circular.**

The Corporation reserves the right to take any additional precautionary measures it deems appropriate in relation to the Meeting in response to further developments in respect of the COVID-19 pandemic including, if considered necessary or advisable, providing a virtual webcast version of the Meeting and/or hosting the Meeting solely by means of remote communication, placing restrictions on in-person attendance, or postponing or adjourning the Meeting.

Changes to the Meeting date and/or means of holding the Meeting may be announced by way of press release. Please monitor the Corporation's press releases as well as the Corporation's website at [www.bitrush.com](http://www.bitrush.com) for updated information. If applicable and as appropriate, the Corporation will provide required information on the logistical details of a virtual or hybrid Meeting including how a shareholder can remotely access, participate in and vote at a Meeting. An amended Circular will not be mailed out in the event of changes to the Meeting format.

### **Notice-and-Access**

The Corporation is utilizing the notice-and-access mechanism (the "**Notice-and-Access Procedures**") that came into effect on February 11, 2013 under National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer and National Instrument 51-102 – Continuous Disclosure Obligations, for distribution of Meeting materials to registered and beneficial Shareholders.

### **Website Where Meeting Materials are Posted**

The Notice-and-Access Procedures allow reporting issuers to post electronic versions of proxy-related materials (such as proxy circulars and annual financial statements) on-line, via the System for Electronic Document Analysis and Retrieval ("**SEDAR**") and one other website, rather than mailing paper copies of such materials to Shareholders. Electronic copies of the Management Information Circular, financial statements of the Corporation for the fiscal years ended December 31, 2016, 2017, 2018, 2019 and 2020 ("**Financial Statements**") and management's discussion and analysis of the Corporation's results of operations and financial condition for such fiscal years ("**MD&A**") may be found on the Corporation's SEDAR profile at [www.sedar.com](http://www.sedar.com) and also on the Corporation's website at [www.bitrush.com/investors](http://www.bitrush.com/investors). The Corporation will not use procedures known as "stratification" in relation to the use of Notice-and-Access Procedures. Stratification occurs when a reporting issuer using the Notice-and-Access Procedures provides a paper copy of the Management Information Circular to some Shareholders with this notice package. In relation to the Meeting, all Shareholders will receive the required documentation under the Notice-and-Access Procedures, which will not include a paper copy of the Management Information Circular.

### **Obtaining Paper Copies of Materials**

The Corporation anticipates that using notice-and-access for delivery to all Shareholders will directly benefit the Corporation through a substantial reduction in both postage and material costs, and also

promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials. Shareholders with questions about notice-and-access can call the Corporation's transfer agent Capital Transfer Agency Inc. ("**Capital Transfer**") toll-free at 1.844.499.4482. Shareholders may also obtain paper copies of the Management Information Circular, Financial Statements and MD&A free of charge by contacting Capital Transfer at the same toll-free number or upon request to the Corporation's Chief Executive Officer.

A request for paper copies which are required in advance of the Meeting should be sent so that they are received by the Corporation or Capital Transfer, as applicable, by 5:00 p.m. on July 30, 2021 in order to allow sufficient time for Shareholders to receive the paper copies and to return their proxies or voting instruction forms to intermediaries not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or any adjournments or postponements thereof (the "**Proxy Deadline**").

## **Voting**

All Shareholders are invited to attend the Meeting and may attend in person or may be represented by proxy. A "beneficial" or "non-registered" Shareholder will not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his/her/its broker; however, a beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the common shares in that capacity. Only Shareholders as of the Record Date are entitled to receive notice of and vote at the Meeting. Shareholders who are unable to attend the Meeting in person, or any adjournments or postponements thereof, are requested to complete, date and sign the enclosed form of proxy (registered holders) or voting instruction form (beneficial holders) and return it in the envelope provided. To be effective, the enclosed form of proxy or voting instruction form must be mailed or faxed so as to reach or be deposited with Capital Transfer (in the case of registered holders) at 390 Bay Street, Suite 920, Toronto, ON M5H 2Y2, Fax Number: 416.350.5008, prior to the Proxy Deadline, failing which such votes may not be counted, or your intermediary (in the case of beneficial holders) with sufficient time for them to file a proxy by the Proxy Deadline. Shareholders are reminded to review the Management Information Circular before voting.

DATED at Toronto, Ontario, on July 8, 2021

**BY ORDER OF THE BOARD OF DIRECTORS OF  
BITRUSH CORP.**

*/s/ "Karsten Arend"*

Karsten Arend  
Chief Executive Officer, President and Director

## BITRUSH CORP.

### MANAGEMENT INFORMATION CIRCULAR

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BitRush Corp. (“**BitRush**” or the “**Corporation**”) is utilizing the notice-and-access mechanism (the “**Notice-and-Access Procedures**”) provided for under National Instrument **54-101** –Communication with Beneficial Owners of Securities of a Reporting Issuer (“**NI 54-101**”) and National Instrument 51-102 – Continuous Disclosure Obligations (“**NI 51-102**”) for distribution of this Management Information Circular to both registered and non-registered (or beneficial) shareholders of the Corporation (collectively, the “**Shareholders**”). Further information on notice-and-access is contained below under the heading *General Information Respecting the Meeting– Notice-and-Access* and Shareholders are encouraged to read this information for an explanation of their rights.

### GENERAL INFORMATION RESPECTING THE MEETING

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#### SPECIAL MEASURES IN RESPONSE TO THE CURRENT COVID-19 (CORONAVIRUS) OUTBREAK

While as of the date of this Management Information Circular, the Corporation intends to hold the Meeting in physical in-person format, it is continuously monitoring the COVID-19 pandemic. In light of the rapidly evolving news and guidelines related to the COVID-19 pandemic, the Corporation asks that, in considering whether to attend the Meeting in person, shareholders follow, among other things, the instructions of the Public Health Agency of Canada (<https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html>) and any applicable additional provincial and local instructions. Shareholders should not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if they or someone with whom they have been in close contact has travelled to/from outside of Canada within the 14 days prior to the Meeting. All shareholders are strongly encouraged to vote prior to the Meeting by any of the means described in the Management Information Circular.

The Corporation reserves the right to take any additional precautionary measures it deems appropriate in relation to the Meeting in response to further developments in respect of the COVID-19 pandemic including, if considered necessary or advisable, providing a virtual webcast version of the Meeting and/or hosting the Meeting solely by means of remote communication, placing restrictions on in-person attendance, or postponing or adjourning the Meeting.

**Changes to the Meeting date and/or means of holding the Meeting may be announced by way of press release. Please monitor the Corporation’s press releases as well as the Corporation’s website at [www.bitrush.com](http://www.bitrush.com) for updated information. If applicable and as appropriate, the Corporation will provide required information on the logistical details of a virtual or hybrid Meeting including how a shareholder can remotely access, participate in and vote at a Meeting. An amended Circular will not be mailed out in the event of changes to the Meeting format.**

#### PROXY RELATED INFORMATION

##### Solicitation of Proxies

This Management Information Circular (the “**Management Information Circular**”) is furnished in connection with the solicitation by and on behalf of the management of BitRush of proxies to be used at the Annual and Special Meeting of Shareholders of the Corporation (the “**Meeting**”) to be held at the time and place and for the purposes set forth in the accompanying notice of meeting (the “**Notice of Meeting**”).

References in this Management Information Circular to the Meeting include any adjournment(s) or postponement(s) thereof. It is expected that such solicitation will be primarily by mail. Solicitation may also be supplemented by telephone or other means of telecommunications or personally by directors, officers or designated agents of the Corporation. The Corporation may also pay brokers, investment dealers, custodians or nominees holding common shares of the Corporation in their names or in the names of their principals for their reasonable expenses in forwarding proxy solicitation material to their principals who are beneficial holders of common shares of the Corporation. The cost of solicitation by management or on behalf of management of the Corporation will be borne by the Corporation.

No person is authorized to give any information or to make any representations other than those contained in this Management Information Circular and, if given or made, such information must not be relied upon as having been authorized.

The board of directors of the Corporation (the “**Board**”) has fixed the close of business on July 5, 2021 as the record date, being the date for the determination of the registered Shareholders entitled to receive notice of, and to vote at, the Meeting. All duly completed and executed proxies must be received by the Corporation’s registrar and transfer agent, Capital Transfer Agency Inc. (“**Capital Transfer**”), at 390 Bay Street, Suite 920, Toronto, ON M5H 2Y2, Fax Number: 416.350.5008, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or any adjournments or postponements thereof.

In this Management Information Circular, unless otherwise indicated, all dollar amounts “\$” are expressed in Canadian dollars.

Unless otherwise stated, the information contained in this Management Information Circular is as of July 8, 2021 (the “**Effective Date**”).

### **Voting of Proxies**

The common shares in the capital stock of the Corporation (“**Common Shares**”) represented by the form of proxy delivered to registered Shareholders (if same is properly executed and is received at the offices of Capital Transfer at the address provided herein, not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or any adjournment(s) or postponement(s) thereof), will be voted at the Meeting, and, where a choice is specified in respect of any matter to be acted upon, will be voted or withheld from voting in accordance with the specification made on any ballot that may be called for. In the absence of such specification, proxies in favour of management will be voted in favour of all resolutions described below. The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting. At the time of the filing of this Circular, management knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters that are not now known to management should properly come before the Meeting, the form of proxy will be voted on such matters in accordance with the best judgment of the named proxies.

### **Appointment of Proxies**

The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. **A Shareholder desiring to appoint some other person, who need not be a Shareholder, to represent him or her at the Meeting, may do so by inserting such person’s name in the blank space provided in the enclosed form of proxy or by completing another proper form of proxy and, in either case, depositing the completed and executed proxy at the offices of Capital Transfer, at the address provided herein, not later**

than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or any adjournment(s) or postponement(s) thereof.

A Shareholder forwarding the enclosed form of proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. If the Shareholder giving the proxy wishes to confer a discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The Common Shares represented by the form of proxy submitted by a Shareholder will be voted in accordance with the directions, if any, given in the form of proxy.

To be valid, a form of proxy must be executed by a Shareholder or a Shareholder's attorney duly authorized in writing or, if the Shareholder is a body corporate, under its corporate seal or, by a duly authorized officer or attorney.

### Revocation of Proxies

A proxy given pursuant to this solicitation may be revoked at any time prior to its use. A Shareholder who has given a proxy may revoke the proxy by:

- (i) completion and signing a proxy bearing a later date and depositing it at the offices of Capital Transfer, 390 Bay Street, Suite 920, Toronto, Ontario M5H 2Y2;
- (ii) depositing an instrument in writing executed by the Shareholder or by the Shareholder's attorney duly authorized in writing or, if the Shareholder is a body corporate, under its corporate seal or, by a duly authorized officer or attorney either with Capital Transfer, 390 Bay Street, Suite 920, Toronto, Ontario M5H 2Y2 at any time up to and including the last business day preceding the day of the Meeting or any adjournment(s) or postponement(s) thereof or with the Chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment(s) or postponement(s) thereof; or
- (iii) any other manner permitted by law.

Such instrument will not be effective with respect to any matter on which a vote has already been cast pursuant to such proxy.

### Voting by Non-Registered Shareholders

Only registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. Most Shareholders are "non-registered" or "beneficial" Shareholders ("**Non-Registered Shareholders**") because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares. Common Shares beneficially owned by a Non-Registered Shareholder are registered either: (i) in the name of an intermediary ("**Intermediary**") that the Non-Registered Shareholder deals with, in respect of the Common Shares; or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. ("**CDS**")) of which the Intermediary is a participant. In accordance with applicable securities law requirements, the Corporation will have distributed copies, via mail or electronically, of the Notice of Meeting, this Management Information Circular, the form of proxy and a request card for interim and annual materials (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries for distribution to Non-Registered Shareholders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will either:

1. be given a voting instruction form which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Shareholder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “voting instruction form”) which the Intermediary must follow. Typically, the voting instruction form will consist of a one page pre-printed form. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in Canada and the United States. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Non-Registered Shareholders and asks Non-Registered Shareholders to return the forms to Broadridge or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of the shares to be represented at the Meeting. Sometimes, instead of the one page pre-printed form, the voting instruction form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label with a bar-code and other information. In order for this form of proxy to validly constitute a voting instruction form, the Non-Registered Shareholder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company. A Non-Registered Shareholder who receives a voting instruction form cannot use that form to vote his or her Common Shares at the Meeting; or
2. be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. In this case, the Non-Registered Shareholder who wishes to submit a proxy should properly complete the form of proxy and deposit it with Capital Transfer at 390 Bay Street, Suite 920, Toronto, ON M5H 2Y2, Fax Number: 416.350.5008.

In either case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Shareholder who receives one of the above forms wish to vote at the Meeting, or any adjournment(s) or postponement(s) thereof, (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the persons named in the voting instruction form and insert the Non-Registered Shareholder or such other person’s name in the blank space provided. **In either case, Non-Registered Shareholders should carefully follow the instructions of their Intermediary, including those regarding when and where the voting instruction form is to be delivered.**

A Non-Registered Shareholder may revoke a voting instruction form or a waiver of the right to receive Meeting Materials and to vote which has been given to an Intermediary at any time by written notice to the Intermediary provided that an Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive Meeting Materials and to vote, which is not received by the Intermediary at least seven (7) days prior to the Meeting.

Non-Registered Shareholders fall into two categories: those who object to their identity being made known to the issuers of securities which they own (“**Objecting Beneficial Owners**” or “**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities they own (“**Non-Objecting Beneficial Owners**” or “**NOBOs**”). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their NOBOs from intermediaries. Pursuant to NI 54-101, issuers may obtain and use the NOBO list in connection with any matter relating to the affairs of the issuer, including the distribution

of proxy-related materials directly to NOBOs. The Corporation is not sending Meeting Materials directly to the NOBOs. The Corporation will use and pay intermediaries and agents to send the Meeting Materials and also intends to pay for intermediaries to deliver the Meeting Materials to the OBOs. **As more particularly outlined below under the heading “Notice-and-Access”, Meeting Materials will be sent to Non-Registered Shareholders using the Notice-and-Access Provisions.**

## Notice and Access

As noted above, the Corporation is utilizing the Notice-and-Access Procedures under NI 54-101 and NI 51-102 for distribution of this Management Information Circular to all registered Shareholders and Non-Registered Shareholders.

The Notice-and-Access Procedures allows reporting issuers to post electronic versions of proxy-related materials (such as proxy circulars and annual financial statements) on-line, via the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) and one other website, rather than mailing paper copies of such materials to Shareholders. Electronic copies of the Management Information Circular, financial statements of the Corporation for the years ended December 31, 2016, 2017, 2018, 2019 and 2020 (“**Financial Statements**”) and management’s discussion and analysis of the Corporation’s results of operations and financial condition for such fiscal years (“**MD&A**”) may be found on the Corporation’s SEDAR profile at [www.sedar.com](http://www.sedar.com) and also on the Corporation’s website at [www.bitrush.com/investors](http://www.bitrush.com/investors). The Corporation will not use procedures known as “stratification” in relation to the use of Notice-and-Access Procedures. Stratification occurs when a reporting issuer using the Notice-and-Access Procedures provides a paper copy of this Management Information Circular to some Shareholders with the notice package. In relation to the Meeting, all Shareholders will receive the required documentation under the Notice-and-Access Procedures, which will not include a paper copy of this Management Information Circular. **Shareholders are reminded to review this Management Information Circular before voting.**

Although this Management Information Circular, the Financial Statements and the MD&A will be posted electronically on-line as noted above, Shareholders will receive paper copies of a “notice package” via prepaid mail containing the Notice with information prescribed by NI 54-101 and NI 51-102, a form of proxy or voting instruction form, and supplemental mail list return card for Shareholders to request they be included in the Corporation’s supplementary mailing list for receipt of the Corporation’s annual and/or interim financial statements for the 2021 fiscal year.

The Corporation anticipates that notice-and-access will directly benefit the Corporation through a substantial reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials.

Shareholders with questions about notice-and-access can call the Corporation’s transfer agent Capital Transfer toll free at 1.844.499.4482. Shareholders may also obtain paper copies of this Management Information Circular, the Financial Statements and the MD&A free of charge by contacting Capital Transfer at the same toll-free number or upon request to the Corporate Secretary of the Corporation.

A request for paper copies which are required in advance of the Meeting should be sent so that they are received by the Corporation or Capital Transfer, as applicable, by 5:00 p.m. on July 30, 2021 in order to allow sufficient time for Shareholders to receive their paper copies and to return (a) their form of proxy to the Corporation or Capital Transfer, or b) their voting instruction form to their Intermediaries by its due date.

## INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE VOTED UPON

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Other than as disclosed herein, no director or executive officer of the Corporation who has held such position at any time since the beginning of the Corporation's last financial year, each proposed nominee for election as a director of the Corporation, and associates or affiliates of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

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The authorized share capital of the Corporation consists of an unlimited number of Common Shares without par value. As at the date hereof, there are 89,809,234 Common Shares issued and outstanding. Each Common Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting. The record date for the determination of Shareholders entitled to receive notice of the Meeting has been fixed at July 5, 2021 (the "Record Date"). All such holders of record of Common Shares on the Record Date are entitled either to attend and vote thereat in person the Common Shares held by them or, provided a completed and executed proxy shall have been delivered to the Corporation's transfer agent, Capital Transfer, within the time specified in the Notice, to attend and to vote thereat by proxy the Common Shares held by them.

To the knowledge of the directors and senior officers of the Corporation as of the Effective Date, the following persons beneficially own, directly or indirectly, or exercise control or discretion over voting securities of the Corporation carrying in excess of 10% of the voting rights attached to the securities of the Corporation:

Name of Holder	Number of Common Shares Held, directly and/or indirectly	Percentage Ownership, Control or Direction
HSRC Investment Pte Ltd., a company controlled by Hansjoerg Wagner, a director of the Corporation	34,600,000 which includes 2,000,000 Common shares held personally by Mr. Wagner	38.5% which includes 2,000,000 Common shares held personally by Mr. Wagner

## PARTICULARS OF MATTERS TO BE ACTED UPON

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To the knowledge of the Board, the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice of Meeting and no director of the Corporation has informed management of the Corporation of any intent to oppose any action to be taken by management at the Meeting. However, if any other matter properly comes before the Meeting, the form of proxy furnished by the Corporation will be voted on such matters in accordance with the best judgment of the persons voting the proxy.

### Financial Statements and Auditor's Report Thereon

The Board has approved the audited financial statements of the Corporation for the years ended December 31, 2016, 2017, 2018, 2019 and 2020, copies of which will be available at the Meeting. These financial statements are available on request, on the Corporation's website and under the Corporation's

SEDAR profile. No vote by the Shareholders is required with respect to this matter and the presentation thereof will not constitute approval or disapproval of any matters referred to therein.

### **Appointment of Auditors**

On January 15, 2020, McGovern Hurley LLP, Chartered Professional Accountants resigned as auditor during their then current term of appointment, which was considered and approved by the Board and the Audit Committee. On January 15, 2020, the Corporation appointed Manning Elliott LLP as its new auditor, which was considered and approved by the Board and the Audit Committee. The change of auditor notice provides that the auditor's report of McGovern Hurley LLP on the consolidated financial statements of the Corporation for the year ended December 31, 2015, the last year in which audited financial statements were prepared by McGovern Hurley LLP, did not contain any reservations as to departures from generally accepted accounting principles or limitation in the scope of the audit. Such notice also provides that there have been no reportable events in connection with the audit for such year and through to January 15, 2020.

A copy of the Corporation's "reporting package" (as such term is defined under NI 51-102) with respect to McGovern Hurley LLP's resignation and the appointment of Manning Elliott LLP as auditor of the Corporation is attached as Schedule A.

Shareholders are also being asked to approve the appointment of Manning Elliott LLP as the Corporation's auditors to hold office effective as of the date of their appointment until the close of the next annual meeting of Shareholders at a remuneration to be fixed by the Board.

**Unless a proxy specifies that the shares it represents should be withheld from voting in the appointment of auditors, the proxy holders named in the accompanying proxy intend to use it to vote FOR the appointment of Manning Elliott LLP, Chartered Professional Accountants, as auditors of the Corporation, to hold office until the close of the next annual meeting of shareholders and to authorize the Board to fix the remuneration of the auditors.**

### **Election of Directors**

The number of directors to be elected at the Meeting is 3 directors. The persons named in the enclosed form of proxy intend to vote for the election of those nominees whose names are set forth below (the "**Proposed Directors**"). All of the Proposed Directors are now members of the board of directors and have been so since the dates indicated. Management does not contemplate that any of the Proposed Directors will be unable to serve as a director, but if such an event should occur for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion, unless authority to vote the proxy for the election of directors has been withheld. Each director elected will hold office until the next annual meeting of shareholders, until their resignation, or until their successor is duly elected, unless the office is earlier vacated in accordance with the by-laws of the Corporation.

The following table and the notes thereto state the names of all the Proposed Directors to be nominated for election as directors, all other positions and offices with the Corporation now held by them, their principal occupations or employments, the period or periods of service as directors of the Corporation and the approximate number of voting securities of the Corporation beneficially owned, directly or indirectly, or over which control of direction is exercised by each of them as of the date hereof.

Name, Province or State and Country of Residence	Date First Became a Director	Present Principal Occupation and Positions Held During the Preceding Five Years	Number of Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction is Exercised <sup>(1)</sup>
Karsten Arend <sup>(2)</sup> Toronto, Canada	April 5, 2016	Chief Executive Officer and President of BitRush Corp.	4,870,000
Hansjoerg Wagner <sup>(2)</sup> Singapore	September 14, 2016	Private Consultant	34,600,000
Edward (Ted) Boyd <sup>(2)</sup> Toronto, Canada	December 19, 2018	Marketing and Technology Executive	None

**Notes:**

- (1) The information with respect to the Common Shares beneficially owned, controlled or directed is not within the direct knowledge of the Corporation and has been furnished by the respective individuals.
- (2) Denotes member of the Audit Committee.

As a group, the proposed directors beneficially own, control or direct, directly or indirectly, 39,470,000 Common Shares, representing approximately 43.9% of the issued and outstanding Common Shares as of the Effective Date.

The term of office of each director will be from the date of the Meeting at which the director is elected until the resignation of such director, the next annual meeting of Shareholders of the Corporation, or until his successor is elected or appointed.

Proxies received in favour of management will be voted for the election of the above-named nominees unless the shareholder has specified in the proxy that his or her shares are to be withheld from voting in respect thereof. Management has no reason to believe that any of the nominees will be unable to serve as a director but, if a nominee is for any reason unavailable to serve as a director, proxies in favour of management will be voted in favour of the remaining nominees and may be voted for a substitute nominee unless the shareholder has specified in the proxy that his or her shares are to be withheld from voting in respect of the election of directors.

***Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions***

Except as described below, no Proposed Director is, as at the date of this Circular, or has been, within ten years before the date of this Management Information Circular, a director, chief executive officer or chief financial officer of any company that,

1. was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while the proposed director was acting in such capacity; or
2. was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to act in such capacity and which resulted from an event that occurred while that person was acting in such capacity.

As a result of not filing its CEO and CFO certifications with respect to its financial statements and management's discussion and analysis for the third quarter ended September 30, 2016, by the filing deadline, the Corporation was made subject to a cease trade order dated December 2, 2016 issued by the Ontario Securities Commission which was fully revoked on May 21, 2021. Other than Mr. Boyd, all of the Corporation's current Board members were directors of the Corporation at the time the cease trade order was put into effect.

No Proposed Director is, as at the date of this Management Information Circular, or has been within 10 years before the date of this Management Information Circular, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No Proposed Director or any personal holding company of such person has, within the 10 years before the date of this Management Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director or personal holding company, as the case may be.

No Proposed Director or any personal holding company of such person has been subject to (i) 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 (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a security holder in deciding whether to vote for a proposed director.

## **Name Change**

The Board intends to change the name of the Corporation to disassociate itself from its former business activities associated with cryptocurrencies which it no longer anticipates representing any part of its business going forward. To change the name of the Corporation, the articles of the Corporation must be amended. Such an amendment must be authorized by a special resolution of Shareholders. Shareholders will therefore be asked at the Meeting to consider and, if thought advisable, to authorize by means of a special resolution, an amendment to the articles of the Corporation to change the name of the Corporation to "BetterFutures Enterprises Corp." or such other name as may be approved by the Board and applicable regulatory authorities. The special resolution Shareholders will be asked to approve is as follows:

### **"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. the articles of the Corporation be amended to change the name of the Corporation to "BetterFutures Enterprises Corp.", or such other name as may be approved by the board of directors of the Corporation and applicable regulatory authorities;
2. any one director or officer of the Corporation be and is hereby authorized, for and on behalf of the Corporation, to execute and deliver, or cause to be delivered, articles of amendment of the Corporation, as required pursuant to the Business Corporations Act (Ontario), and to do all such other acts or things necessary or desirable to implement, carry out and give effect to the said change of name; and
3. the directors of the Corporation are hereby authorized, in their discretion, to revoke this special resolution or any portion thereof before it is acted upon without further approval or authorization of the shareholders of the Corporation."

**To be approved, the above special resolution must be passed by not less than two-thirds of the votes cast by Shareholders at the Meeting in respect of this special resolution.**

**Unless otherwise specified, the persons named in the enclosed form of proxy will vote FOR the special resolution to change the name of the Corporation. Notwithstanding that the above special resolution is**

passed at the Meeting, the directors of the Corporation may revoke it at any time prior to the filing of articles of amendment implementing the change of name of the Corporation.

### **Confirmation of By-Law No. 2 and Repeal of Existing By-Laws**

As a company incorporated in the Province of Ontario, the Corporation is subject to the Business Corporations Act (Ontario) ("**OBCA**"). Since the date the Corporation first adopted its by-laws, the OBCA has been amended to modernize certain provisions thereof in line with other Canadian corporate statutes. In light of such amendments, on December 7, 2016, the board of directors of the Corporation repealed the Corporation's existing by-laws and enacted a new general bylaw, being By-Law No. 2, a copy of which is annexed as Schedule B to this Management Information Circular. In accordance with the OBCA, Shareholders will be asked at the Meeting to confirm the repeal of all previous by-laws of the Corporation and the enactment of By-Law No. 2 in replacement thereof.

**Unless otherwise specified, the persons named in the enclosed form of proxy will vote FOR the confirmation of By-Law No. 2 in replacement of all previous by-laws.**

### **Approval of the Omnibus Incentive Plan**

Further to a review of the Corporation's current stock option plan (the "**Option Plan**") and a desire to increase flexibility of granting long-term incentives to eligible participants, including, directors, officers, employees and consultants of the Corporation, the Board approved, as of July 8, 2021, and subject to required Shareholder approval and, if applicable, regulatory approval, the adoption of an omnibus equity incentive plan (the "**Omnibus Incentive Plan**"), the form which is attached hereto as Schedule C, to replace the existing Option Plan. If the Omnibus Incentive Plan is implemented, the terms of the existing Option Plan will be amended such that it is replaced in its entirety with the terms of the Omnibus Incentive Plan, and any existing stock options (the "**Options**") will be governed by the terms and conditions of the Omnibus Incentive Plan and will no longer be subject to the terms of the Option Plan. The Omnibus Incentive Plan will not be implemented unless and until Shareholder approval is obtained, and until the Omnibus Incentive Plan is implemented, the terms of the Option Plan will remain in force.

Below is a summary of the material terms and conditions of the Omnibus Incentive Plan. The summary is qualified in its entirety by the full text of the Omnibus Incentive Plan, which is attached as Schedule C hereto. Unless otherwise defined in this Management Information Circular, all defined terms contained in the below summary have the meaning ascribed to them in the Omnibus Incentive Plan.

The purposes of the Omnibus Incentive Plan are to: (i) provide the Corporation with a mechanism to attract, retain and motivate highly qualified directors, officers, employees, consultants and other service providers of the Corporation and its Affiliates eligible to participate in the Omnibus Incentive Plan; (ii) align the interests of Participants with that of other Shareholders of the Corporation generally; and (iii) enable and encourage Participants to participate in the long-term growth of the Corporation through the acquisition of Common Shares as long-term investments.

The Omnibus Incentive Plan will be administered by the Board (or a committee thereof) and will provide that the Board may from time to time, in its discretion, and in accordance with CSE requirements or any other stock exchange on which the Common Shares are listed (the "**Exchange**"), grant to eligible Participants, non-transferable awards (the "**Awards**").

Such Awards will include Options, restricted share units ("**RSUs**"), deferred share units ("**DSUs**") and performance share units ("**PSUs**").

Subject to adjustment, the number of Common Shares reserved for issuance to Participants under the Omnibus Incentive Plan, together with Common Shares reserved for issuance under any other share

compensation arrangements of the Corporation, shall not exceed 17,691,846 Common shares being 20% of the total number of Common Shares issued and outstanding, on a fixed basis, as of the date of this Management Information Circular. To the extent that an Award lapses or the rights of its Participant terminate, any Common Shares subject to such Award shall again be available for grant under an Award.

The maximum number of Common Shares for which Awards may be issued to any one Participant in any 12-month period shall not exceed 5% of the outstanding Common Shares, calculated on the date an Award is granted to the Participant, unless the Corporation obtains disinterested shareholder approval if required by the policies of the Exchange. The maximum number of Common Shares for which Awards may be issued to any one Consultant (as defined by the Exchange) within any 12-month period shall not exceed 2% of the outstanding Common Shares, calculated on the date an Award is granted to the Consultant. The maximum number of Common Shares for which Options may be issued to any Persons retained to provide Investor Relations Activities (as defined by the Exchange) within any 12-month period shall not exceed 2% of the outstanding Common Shares, calculated on the date an Option is granted to such Persons.

Unless disinterested shareholder approval is obtained, if required by the policies of the Exchange : (i) the maximum number of Common Shares for which Awards may be issued to Insiders (as a group) at any point in time shall not exceed 10% of the outstanding Common Shares; and (ii) the aggregate number of Awards granted to Insiders (as a group), within any 12-month period, shall not exceed 10% of the outstanding Common Shares, calculated at the date an Award is granted to any Insider.

The Omnibus Incentive Plan will provide for customary adjustments or substitutions, as applicable, in the number of Common Shares that may be issued under the Omnibus Incentive Plan in the event of a merger, arrangement, amalgamation, consolidation, reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off or other distribution of stock or property of the Corporation, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution (other than normal cash dividends) to Shareholders, or any similar corporate event or transaction.

If there is a Change of Control, any Awards held by a Participant shall automatically vest following such Change of Control, on the Termination Date, if the Participant is an Employee, officer or a Director and their employment, or officer or Director position is terminated within 12 months following the Change of Control, provided that no acceleration of Awards shall occur in the case of a Participant that was retained to provide Investor Relations Activities unless the approval of the Exchange is either obtained or not required. Notwithstanding the foregoing, in the event of an actual or potential Change of Control of the Corporation, the Board may, in its sole discretion, without the necessity or requirement for the agreement of any Participant: (i) accelerate, conditionally or otherwise, on such terms as it sees fit, the vesting date of any Awards; (ii) permit the conditional redemption or exercise of any Awards, on such terms as it sees fit; (iii) otherwise amend or modify the terms of any Awards, including for greater certainty by (1) permitting Participants to exercise or redeem any Awards to assist the Participants to participate in the actual or potential Change of Control, or (2) providing that any Awards exercised or exercised shall be exercisable or redeemed for, in lieu of Shares, such property (including shares of another entity or cash) that shareholders of the Corporation will receive in the Change of Control; and (iv) terminate, following the successful completion of a Change of Control, on such terms as it sees fit, the Awards not exercised or redeemed prior to the successful completion of such Change of Control.

### Options

Subject to the terms and conditions of the Omnibus Incentive Plan, the Board may grant Options to Participants in such amounts and upon such terms (including the exercise price, duration of the Options, the number of Common Shares to which the Option pertains, and the conditions, if any, upon

which an Option shall become vested and exercisable) as the Board shall determine.

The exercise price of the Options will be determined by the Board at the time any Option is granted. In no event will such exercise price be less than the greater of the closing price per Common Share on the Canadian Securities Exchange either at the date of grant of the Option or the trading day immediately prior to the date of grant of the Option, if the Shares are then trading on the Canadian Securities Exchange. Such price upon exercise of any Option shall be payable to the Corporation in full in cash, by certified cheque or wire transfer.

Unless otherwise specified in an Award Agreement, and subject to any provisions of the Omnibus Incentive Plan or the applicable Award Agreement relating to acceleration of vesting of Options, Options shall vest equally over a four year period such that  $\frac{1}{4}$  of the Options shall vest on the first, second, third and fourth anniversary dates of the date that the Options were granted.

The Board may determine the expiry date of each Option. Subject to a limited extension if an Option expires during a black out period, Options may be exercised for a period of up to ten years after the grant date, provided that: (i) upon a Participant's termination for cause, all Options, whether vested or not, as at the date on which a Participant ceases to be eligible to participate under the Omnibus Plan (the "Termination Date") as a result of termination of employment, will automatically and immediately expire and be forfeited; (ii) upon the death of a Participant, all unvested Options as at the Termination Date shall automatically and immediately vest, and all vested Options will continue to be subject to the Omnibus Incentive Plan and be exercisable for a period of 12 months after the Termination Date; (iii) in the case of the disability of a Participant, all Options shall remain and continue to vest (and are exercisable) in accordance with the terms of the Omnibus Incentive Plan for a period of 12 months after the Termination Date, provided that any Options that have not been exercised (whether vested or not) within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date; (iv) in the case of the retirement of a Participant, the Board shall have discretion, with respect to such Options, to determine whether to accelerate the vesting of such Options, cancel such Options with or without payment and determine how long, if at all, such Options may remain outstanding following the Termination Date, provided, however, that in no event shall such Options be exercisable for more than 12 months after the Termination Date; and; (v) in all other cases where a Participant ceases to be eligible under the Omnibus Incentive Plan, including a termination without cause or a voluntary resignation, unless otherwise determined by the Board, all unvested Options shall automatically and immediately expire and be forfeited as of the Termination Date, and all vested Options will continue to be subject to the Omnibus Incentive Plan and be exercisable for a period of 90 days after the Termination Date, provided that any Options that have not been exercised within 90 days after the Termination Date shall automatically and immediately expire and be forfeited on such date.

### RSUs

Subject to the terms and conditions of the Omnibus Incentive Plan, the Board may grant RSUs to Participants in such amounts and upon such terms (including time-based restrictions on vesting, restrictions under applicable laws or under the requirements of the Exchange) as the Board shall determine.

Each RSU grant shall be evidenced by an Award Agreement that shall specify the Period(s) of Restriction, the number of RSUs granted, the settlement date for RSUs, whether such RSU is settled in cash, Common Shares or a combination thereof or if the form of payment is reserved for later determination by the Committee, and any such other provisions as the Committee shall determine, provided that unless otherwise determined by the Committee or as set out in any Award Agreement, no RSU shall vest later than three years after the date of grant. The Committee shall impose, in the Award Agreement at the time of grant, such other conditions and/or restrictions on any RSUs granted pursuant to the Omnibus Incentive Plan as it may deem advisable, including, without limitation, restrictions based upon the achievement of specific performance criteria, time-based restrictions on

vesting and, restrictions under applicable laws or under Exchange Policies.

When and if RSUs become payable, the Participant issued such RSUs shall be entitled to receive payment from the Corporation in settlement of such RSUs: (i) in cash, in an amount equal to the product of the FMV of a Common Share on the applicable settlement date multiplied by the number of RSUs being settled, (ii) in a number of Common Shares (issued from treasury) equal to the number of RSUs being settled, (iii) in some combination thereof, or (iv) in any other form, all as determined by the Committee at its sole discretion. The Committee's determination regarding the form of payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the RSUs. In the event settlement is made by payment in cash, such payment shall be made by the earlier of (i) 2 ½ months after the close of the year in which such conditions or restrictions were satisfied or lapsed and (ii) December 31 of the third year following the year of the grant date

Unless otherwise specified in an Award Agreement, and subject to any provisions of the Omnibus Incentive Plan or the applicable Award Agreement relating to acceleration of vesting of RSUs, RSUs shall vest equally over a three year period such that 1/3 of the RSUs granted in an Award shall vest on the first, second and third anniversary dates of the date that the Award was granted, and provided that no RSU granted shall vest and be payable after December 31 of the third calendar year following the year of service for which the RSU was granted.

Subject to the Board's discretion: (i) upon a Participant's termination for cause, all RSUs, whether vested (if not yet paid out) or not as at the Termination Date will automatically and immediately expire and be forfeited; (ii) upon the death of a Participant, all unvested RSUs as at the Termination Date shall automatically and immediately vest and be paid out to the Participant's estate; (iii) in the case of the disability of a Participant, all RSUs shall remain and continue to vest in accordance with the terms of the Omnibus Incentive Plan for a period of 12 months after the Termination Date, provided that any RSUs that have not been vested within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date; (iv) in the case of the retirement of a Participant, the Board shall have discretion, with respect to such RSUs, to determine whether to accelerate the vesting of such RSUs, cancel such RSUs with or without payment and determine how long, if at all, such RSUs may remain outstanding following the Termination Date, provided, however, that in no event shall such RSUs be exercisable for more than 12 months after the Termination Date; and (v) in all other cases where a Participant ceases to be eligible under the Omnibus Incentive Plan, including a termination without cause or a voluntary resignation, unless otherwise determined by the Board, all unvested RSUs shall automatically and immediately expire and be forfeited as of the Termination Date, and all vested RSUs will be paid out in accordance with the Omnibus Incentive Plan.

Participants holding RSUs may, if the Board so determines, be credited with dividends paid with respect of the underlying Common Shares or dividend equivalents while they are so held in a manner determined by the Board in its sole discretion.

### DSUs

Subject to the terms and conditions of the Omnibus Incentive Plan, the Board may grant DSUs to Participants in such amounts and upon such terms (including the requirement that Participants pay a stipulated purchase price for each DSU, restrictions based upon the achievement of specific performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of the Exchange, or holding or sale restrictions placed on the Common Shares by the Corporation upon vesting of such DSUs) as the Board shall determine.

When and if DSUs become payable, the Participant issued such DSUs shall be entitled to receive payment from the Corporation in settlement of such DSUs: (i) in cash, in an amount equal to the product of the FMV of a Common Share on the applicable settlement date less the stipulated purchase price for

the DSUs being settled, if any, multiplied by the number of DSUs being settled, (ii) in a number of Common Shares (issued from treasury) equal to the number of DSUs being settled, (iii) in some combination thereof, or (iv) in any other form, all as determined by the Committee at its sole discretion. The Committee's determination regarding the form of payout and the timing of settlement thereof shall be set forth or reserved for later determination in the Award Agreement for the grant of the DSUs.

The extent to which a Participant shall have the right to retain DSUs following termination of the Participant's employment or other relationship with the Corporation, shall be set out in each DSU award agreement and determined in the sole discretion of the Board, and need not be uniform among all DSUs issued pursuant to the Omnibus Incentive Plan, and may reflect distinctions based on the reasons for termination, provided that the provisions shall comply with the applicable rules of the Exchange.

### PSUs

Subject to the terms and conditions of the Omnibus Incentive Plan, the Board may grant PSUs to Participants in such amounts and upon such terms (including the performance criteria applicable to such PSUs) as the Board shall determine. Each PSU shall have an initial value equal to the FMV of a Common Share on the date of grant. After the applicable performance period has ended, the holder of a PSU shall be entitled to receive payout on the value and number of PSUs, determined as a function of the extent to which the corresponding performance criteria have been achieved.

Payment of earned PSUs shall be as determined by the Committee and as set forth in the Award Agreement. Subject to the terms of the Omnibus Incentive Plan, the Committee, in its sole discretion, may pay earned PSUs in the form of : (i) cash equal to the value of the earned PSUs at the end of the applicable Performance Period, (ii) a number of Common Shares issued from treasury equal to the number of earned PSUs at the end of the applicable Performance Period, or (iii) in a combination thereof. Any Common Shares may be granted subject to any restrictions deemed appropriate by the Committee. The determination of the Committee with respect to the form of payout of such Awards shall be set forth in the Award Agreement for the grant of the Award or reserved for later determination. In no event will delivery of such Common Shares be made later than the earlier of: (i) 3 months after the close of the year in which such conditions or restrictions were satisfied or lapsed and (ii) December 31 of the third year following the year of the grant date.

Participants holding PSUs may, if the Board so determines, be credited with dividends paid with respect of the underlying Common Shares or dividend equivalents while they are so held in a manner determined by the Board in its sole discretion.

The extent to which a Participant shall have the right to retain PSUs following termination of the Participant's employment or other relationship with the Corporation, shall be set out in each PSU Award Agreement and determined in the sole discretion of the Board, and need not be uniform among all PSUs issued pursuant to the Omnibus Plan, and may reflect distinctions based on the reasons for termination, provided that the provisions shall comply with the applicable rules of the Exchange.

### *Shareholder Approval of the Omnibus Incentive Plan*

At the Meeting, Shareholders of the Corporation will be asked to consider, and if deemed advisable, to approve and pass the following ordinary resolution (the "**Omnibus Incentive Plan Resolution**"):

#### **"BE IT RESOLVED THAT:**

1. the omnibus incentive plan (the "**Omnibus Incentive Plan**") of BitRush Corp. (the "**Corporation**"), in the form as approved by the Board of Directors of the Corporation (the "**Board**") on July 8, 2021, and the full text of which is set out in Schedule "A" to the

Corporation's management information circular dated July 8, 2021, (the "**Information Circular**") and which replaces in its entirety the Corporation's stock option plan dated January 15, 2013 (the "**Stock Option Plan**") upon the Omnibus Incentive Plan becoming effective in accordance with the terms thereof is hereby ratified, confirmed and approved;

2. a total maximum reserve of 17,961,846 common shares of the Corporation (the "**Common Shares**"), representing 20% of the total number of Common Shares issued and outstanding as of the date of the Information Circular, are reserved for the issuance of options, restricted share units, deferred share units and performance share units under the Omnibus Incentive Plan;
3. the Omnibus Incentive Plan may be amended by the directors of the Corporation in order to satisfy the requests of any regulatory authorities, including the Canadian Securities Exchange (collectively the "**Regulatory Requests**") without further approval of the shareholders of the Corporation, unless approval of the shareholders of the Corporation is required by the Regulatory Requests;
4. subject to the effectiveness of the Omnibus Incentive Plan, any existing stock options of the Corporation issued under the Stock Option Plan shall be amended such that they are governed by the terms of the Omnibus Incentive Plan and no longer governed by the terms of the Stock Option Plan;
5. any one director or officer of the Corporation is hereby authorized to execute and deliver on behalf of the Corporation all such documents and instruments and to do all such other acts and things as in such director or officer's opinion may be necessary to give effect to the matters contemplated by these resolutions; and
6. notwithstanding that this resolution be passed by the shareholders of the Corporation, the adoption of the proposed Omnibus Incentive Plan is conditional upon receipt of any applicable regulatory approvals, and the directors of the Corporation are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Corporation, at any time if such revocation is considered necessary or desirable to the directors."

In order to be passed, the Omnibus Incentive Plan Resolution must be passed by a simple majority of the votes cast in person or by proxy, at the Meeting, of Shareholders. The directors of the Corporation unanimously recommend that Shareholders vote in favour of the Omnibus Incentive Plan Resolution.

**If the Omnibus Incentive Plan Resolution is not approved the Omnibus Incentive Plan will not be implemented, and the Stock Option Plan of the Corporation previously approved by Shareholders will continue in full force and effect.**

**Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the Omnibus Incentive Plan Resolution. An affirmative vote of a majority of the votes cast by disinterested Shareholders is sufficient for approval of the Omnibus Incentive Plan Resolution.**

## EXECUTIVE COMPENSATION

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Named Executive Officers

The following information is presented by the management of the Corporation in accordance with National Instrument Form 51-102F6V – *Statement of Executive Compensation - Venture Issuers* (“Form 51-102F6V”).

During the financial year ended December 31, 2020, the Corporation had the following Named Executive Officers (“NEOs”) being, Karsten Arend, the President & Chief Executive Officer (“CEO”) and a director of the Corporation and Keith Li, the Chief Financial Officer (“CFO”).

“Named Executive Officer or NEO” means: (a) the CEO, (b) the CFO, (c) the most highly compensated executive officer of the Corporation, including any of its subsidiaries, other than the CEO and CFO, including an individual performing functions similar to a CEO and CFO, at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V for that financial year; and (d) each individual who would be a NEO under (c) above but for the fact that the individual was neither an executive officer of the Corporation, or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

### Director and NEO Compensation, Excluding Compensation Securities

Set out below is a summary of all compensation paid, payable, awarded, granted, given, or otherwise provided, excluding compensation securities, during the Corporation’s two most recently completed financial years to the Corporation’s NEOs and directors, in any capacity, for services provided and for services to be provided, directly or indirectly, to the Corporation or any subsidiary thereof.

Table of compensation excluding compensation securities							
Name and Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus(\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Karsten Arend <sup>(1)</sup> CEO, President, Director	2020	90,000	Nil	Nil	Nil	Nil	90,000
	2019	65,990	Nil	Nil	Nil	Nil	65,990
Keith Li <sup>(2)</sup> CFO	2020	17,000	Nil	Nil	Nil	Nil	17,000
	2019	27,000	Nil	Nil	Nil	Nil	27,000
Hansjoerg Wagner <sup>(3)</sup> Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Edward Boyd <sup>(4)</sup> Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil

**Notes:**

- (1) Effective November 1, 2019, the Corporation entered into a Consulting Agreement with Just In-Genius Inc. (“JIGI”), an entity controlled by the CEO, for a one-year term (which was subsequently renewed pursuant to a new Consulting Agreement between the Corporation and JIGI made as of November 1, 2020 for another one-year term until October 31, 2021), pursuant to which Mr. Arend provides his services as the CEO. JIGI was compensated at a monthly rate \$7,500 from November 1, 2019 until December 31, 2020. See JIGI Consulting Agreement. Mr. Arend was appointed to the Board and as the President of the Corporation effective on April 5, 2016 and was appointed as the CEO effective on December 19, 2018.

- (2) The Corporation entered into an Accounting Services Agreement with Branson Corporate Services Ltd. (“BCS”) dated August 9, 2018 to provide assistance to the Corporation in preparing historical financial information of the Corporation required in connection with the application by the Corporation to the Ontario Securities Commission for an order to fully revoke a cease trade order issued against the Corporation in December 2016 which was fully revoked by an order of the Ontario Securities Commission dated May 21, 2021. In addition to such agreement, BCS and the Corporation had an arrangement whereby Mr. Li provides his services as CFO at a rate of \$750 per month. Effective July 1, 2021, BCS and the Corporation entered into a Management Services Agreement pursuant to which Mr. Li provides his services as CFO at a rate of \$5,000 per month. Mr. Li was appointed as the CFO effective on December 19, 2018. See “BCS Agreement”.
- (3) Mr. Wagner was appointed to the Board effective on September 14, 2016.
- (4) Mr. Boyd was appointed to the Board effective on December 19, 2018.

## **Stock Options and Other Compensation Securities**

No compensation securities were granted or issued by the Corporation to the directors of the Corporation or the NEOs during the financial year ended December 31, 2020.

## **Exercise of Compensation Securities by Directors and NEOs**

No compensation securities were exercised by the directors and the NEOs during the financial year ended December 31, 2020.

## **External Management Companies**

Except as described herein as it relates to Mr. Li providing his services as CFO, there are no executive management functions of the Corporation, which are to any substantial degree performed by a person or company other than the directors of the Corporation or the NEOs. See also “Employment, Consulting and Management Agreements”. Mr. Li is an employee of BCS. Under the Management Services Agreement entered into between the Corporation and BCS effective July 1, 2021 pursuant to which Mr. Li provides his services as CFO, all compensation in connection therewith is paid to BCS.

## **Stock Option Plans and Other Incentive Plans**

The Corporation’s Option Plan is a 10% rolling incentive stock option plan, pursuant to which the Corporation may grant incentive stock options (“Options”) up to 10% of the issued and outstanding shares of the Corporation as at the date of grant (on a non-diluted basis) to certain participants in the Option Plan, including directors, officers, employees and consultants of the Corporation. If the Omnibus Incentive Plan Resolution is passed by Shareholders, the Option Plan will be replaced by the Omnibus Incentive Plan. As of the date of this Management Information Circular, there are no Options that remain outstanding under the Option Plan.

The material terms of the Option Plan are as follows:

1. The Option Plan is administered by the board of directors or by a committee appointed by the board in accordance with the terms of the Option Plan.
2. The term of any options granted under the Option Plan are fixed by the board of directors at the time such options are granted, provided that the options are not be permitted to exceed a term of ten years.
3. The exercise price of any options granted under the Option Plan is determined by the board of directors, in its sole discretion, but cannot be less than the last closing price of the Corporation’s common shares on the day before the date on which the directors grant such options less the maximum discount permitted under the policies of the Exchange (as defined under the Option Plan).

4. All options are to be non-assignable and non-transferable except (i) as permitted by applicable securities laws, (ii) the Exchange, or (iii) as otherwise specifically provided in the Option Plan.

5. The aggregate number of Common Shares of the Corporation allocated and made available to be granted to participants under the Option Plan cannot exceed 10% of the issued and outstanding Common Shares of the Corporation as at the date of grant (on a non-diluted basis). Common Shares of the Corporation in respect of which Options are cancelled or not exercised prior to expiry, for any reason, are available for subsequent Option grants under the Option Plan.

6. The aggregate number of Common Shares of the Corporation reserved for issuance pursuant to Options granted to any one participant under the Option Plan in any one year period may not exceed 5% of the issued and outstanding Common Shares of the Corporation (on a non-diluted basis).

7. The aggregate number of Common Shares reserved for issuance pursuant to Options granted to insiders may not exceed 10% of the issued and outstanding Common Shares of the Corporation (on a non-diluted basis), unless disinterested shareholder approval is obtained and the issuance of Common Shares to insiders pursuant to the Option Plan and other share compensation arrangements within a one year period may not exceed 10% of the outstanding Common Shares of the Corporation (on a non-diluted basis), unless disinterested shareholder approval is obtained;

8. The issuance of Common Shares of the Corporation to any one insider and such insider's associates pursuant to the Option Plan and other share compensation arrangements within a one year period may not exceed 5% of the outstanding Common Shares (on a non-diluted basis), unless disinterested shareholder approval is obtained;

9. The issuance of Common Shares of the Corporation to any one consultant within a one year period may not exceed 2% of the outstanding Common Shares (on a non-diluted basis) at the date of grant; and the issuance of Common Shares of the Corporation to an employee conducting investor relations activities may not exceed, in the aggregate, 2% of the outstanding Common Shares.

10. If the option holder ceases to be a director, officer, consultant or employee of the Corporation or ceases to be employed by the Corporation (other than by reason of disability, death or termination for cause), as the case may be, then the option granted shall expire on no later than the 90th day following the date that the option holder ceases to be a director, officer, consultant, or employee or ceases to be employed by the Corporation, subject to terms and conditions set out in the Option Plan. However, if the option holder is engaged in investor relations activities the options must expire within 30 days after the option holder ceases to be employed by the Corporation to provide investor relations activities, in accordance with the policies of the Exchange.

7. Options are subject to anti-dilution provisions in the event of any consolidation, subdivision, conversion or exchange of the Common Shares of the Corporation.

The Option Plan was approved by shareholders of the Corporation. The Corporation has no security-based compensation arrangements other than the Plan.

### **Employment, Consulting and Management Agreements**

For the fiscal year ended December 31, 2020, the Corporation's NEOs were provided with cash compensation indirectly. Karsten Arend, the CEO provided his services pursuant to an agreement between the Corporation and JIGI, and Mr. Li, the CFO, provided his services pursuant to an arrangement

between the Corporation and BCS. Particulars of the agreements between the Corporation and each of these entities are provided below.

### **JIGI Consulting Agreement**

Effective November 1, 2019, the Corporation entered into a Consulting Agreement with JIGI, an entity controlled by the CEO, for a one-year term (which was subsequently renewed pursuant to a new Consulting Agreement between the Corporation and JIGI made as of November 1, 2020 for another one-year term until October 31, 2021 (both agreements referred to herein as the “**JIGI Consulting Agreement**”)), pursuant to which Mr. Arend, as principal, provides certain consulting services including his services as the CEO. JIGI invoices the Corporation for the services provided by Mr. Arend at a monthly rate of \$7,500. The JIGI Consulting Agreement may be terminated by JIGI by giving the Corporation sixty (60) days written notice, and the Corporation may terminate such agreement upon 60 days’ written notice to JIGI or by paying JIGI a fee equal to \$15,000 in lieu thereof. JIGI is responsible for all of its expenses but may be reimbursed for expenses approved by the Corporation.

The JIGI Consulting Agreement does not contain change of control, severance, termination or constructive dismissal provisions, except as aforementioned.

### **BCS Agreement**

The Corporation entered into an agreement with BCS effective August 9, 2018 (the “**BCS Agreement**”) pursuant to which BCS assisted the Corporation in the preparation of historical financial information for the Corporation required in connection with the Corporation’s application to the Ontario Securities Commission to obtain a revocation of the cease trade order issued against it by the Ontario Securities Commission on December 2, 2016 which order was fully revoked on May 21, 2021. In addition to the BCS Agreement, BCS and the Corporation had an arrangement whereby Mr. Li provides his services as the CFO at a rate of \$750 per month, which has been increased to \$5,000 per month effective July 1, 2021 pursuant to a Management Services Agreement entered into between BCS and the Corporation. Mr. Li assumed the role of CFO of the Corporation effective as of December 19, 2019. Mr. Li is an employee of BCS.

Neither the BCS Agreement nor the arrangement between the Corporation and BCS including the Management Services effective July 1, 2021 between BCS and the Corporation relating to Mr. Li’s services as the CFO provides for any change of control, severance, termination of constructive dismissal provisions.

### **Oversight and Description of Director and NEO Compensation**

Currently, directors of the Corporation do not receive any compensation for their role and services as members of the Board. Compensation matters are currently determined by the entire Board. The Board is responsible for reviewing the compensation plans and severance arrangements (if any) for management, in light of currently limited resources of the Corporation. In the event the cease trade order is revoked, the Board will ensure that the Corporation has a plan for the continuity of its officers and a compensation plan that is motivational and competitive given the Corporation’s circumstances at the relevant time and its future business plans.

Notwithstanding the foregoing, the Board has established and may establish in the future an *ad hoc* compensation committee if and when the compensation of the CEO and the CFO, respectively, is reviewed. This review is conducted in the context of the services that Mr. Arend and Mr. Li provide in the context of market rates for persons of similar qualifications performing similar services. Once the *ad hoc*

compensation committee has finished its review, it submits its recommendation to the Board for final approval. In connection with the Board's final approval, Mr. Arend has and will declare his interest in the matter to the Board and recuse himself from voting on his compensation.

The Board and each individual director are regularly assessed regarding their effectiveness and contribution. The assessment considers and takes into account:

- in the case of the Board, its mandate and charter; and
- in the case of an individual director, the applicable position description(s), if any, as well as the competencies and skills each individual director is expected to possess.

## **Elements of Compensation**

The Board conducts reviews with regard to the compensation of the directors and executive officers once a year taking into account the types of compensation and the amounts paid to directors and officers of comparable publicly traded Canadian companies.

### Cash Compensation

For the fiscal year ended December 31, 2020, the NEOs received cash compensation of \$82,500 paid to JIGI and BCS. Given the Corporation's limited resources, it does not currently have a specific formula for determining the amount of compensation nor formal approach for determining how the compensation fits into the overall compensation objectives in respect of the activities of the Corporation which are currently limited. However, both the JIGI Consulting Agreement and the arrangement with BCS for the provision of Mr. Li services as the CFO were approved by the Board. The cash compensation received by the NEOs was not evaluated against a formal "peer group".

### Performance-Based Cash Bonuses

The Corporation may elect to utilize cash bonuses when appropriate in the future. When and if utilized, the amount of cash bonus compensation will normally be paid on the basis of timely achievement of specific pre-agreed milestones. Each milestone will be selected based upon consideration of its impact on shareholder value creation and the ability of the Corporation to achieve the milestone during a specific interval. The amount of bonus compensation will be determined based upon achievement of the milestone, its importance to the Corporation's near and long term goals at the time such bonus is being considered, the bonus compensation awarded to similarly situated executives in similarly situated companies or any other factors the Corporation may consider appropriate at the time such performance-based bonuses are decided upon.

No cash bonuses were paid to the NEOs for the financial year ended December 31, 2020 and it is not expected that any such bonuses would be paid in 2021. As of the date hereof, in respect of the current financial year, the Corporation has not set any pre-agreed milestones with its NEOs in connection with the payment of cash bonuses.

### Stock Options

Stock options are a key compensation element for the Corporation because options align the objectives of the Corporation's executive officers, consultants and other eligible participants with those of shareholders. The Corporation has and expects to continue to provide significant stock option positions to its executive officers. The precise amount of stock options to be offered will be governed by the

importance of the role within the Corporation, by the competitive environment within which the Corporation operates, and by the regulatory limits on stock option grants pursuant to the Plan. When considering an award of options to an executive officer, consideration of the number of options previously granted to the executive may be taken into account, however, the extent to which such prior grants remain subject to resale restrictions will generally not be a factor.

The Corporation did not grant any Options to its NEOs during the fiscal year ended December 31, 2020.

### Pension Disclosure

The Corporation does not have a pension plan that provides for payments or benefits to the NEOs or directors at, following, or in connection with retirement.

Except as described herein, no other elements of compensation were awarded to, earned by, paid or payable to the NEOs or directors in the most recently completed financial year ended December 31, 2020.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

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The following table provides details of the equity securities of the Corporation authorized for issuance as of the financial year ended December 31, 2020 pursuant to the Corporation’s equity compensation plan currently in place:

Plan Category	Number of shares to be issued upon exercise of outstanding options and rights outstanding as at December 31, 2020	Weighted-average exercise price of outstanding options and rights outstanding as at December 31, 2020	Number of shares remaining available for future issuance under the Plan as at December 31, 2020
Equity compensation plans approved by shareholders	2,500,000	\$0.10	6,480,923
Equity compensation plans not approved by shareholders	Nil	Nil	Nil
<b>Total</b>		<b>\$0.10</b>	6,480,923

## STATEMENT OF CORPORATE GOVERNANCE

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The Corporation’s corporate governance disclosure in accordance with Form 58-101F2 (Venture Issuers) is hereby incorporated by reference to the Corporation’s Management’s Discussion and Analysis for the year ended December 31, 2020 under the heading “Corporate Governance” beginning on page 16 thereof. Such document has been filed on SEDAR and is available for review at [www.sedar.com](http://www.sedar.com) under the Corporation’s issuer profile. Upon request, the Corporation will promptly provide a copy of such document free of charge to a security holder of the Corporation.

## AUDIT COMMITTEE INFORMATION

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The Corporation’s audit committee disclosure in accordance with Form 52-110F2 – Disclosure by Venture Issuers is hereby incorporated by reference to the Corporation’s Management’s Discussion and Analysis for the year ended December 31, 2020 under the heading “Audit Committee Disclosure”

beginning on page 17 thereof. Such document has been filed on SEDAR and is available for review at [www.sedar.com](http://www.sedar.com) under the Corporation's issuer profile. Upon request, the Corporation will promptly provide a copy of such document free of charge to a security holder of the Corporation.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

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The Corporation does not provide loans to its directors, executive officers or any of their associates or affiliates. No directors, executive officers or any of their associates or affiliates are indebted to the Corporation.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

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No director, senior officer or associate of a director or senior officer nor, to the best of the knowledge of the directors and senior officers of the Corporation after having made reasonable inquiry, any person or company who beneficially owns, directly or indirectly, more than 10% of the outstanding voting securities of the Corporation as at the date hereof, or any associate or affiliate thereof, has any interest in any transaction, or in any transaction since January 1, 2020 or in any proposed transaction, which in either such case has materially affected or will materially affect the Corporation.

## **ADDITIONAL INFORMATION**

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Financial information is provided in the Corporation's financial statements and related management's discussion and analysis for the most recently completed financial year. Additional information relating to the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Corporation via email at: [office@bitrush.com](mailto:office@bitrush.com) to request copies of the Corporation's financial statements and management's discussion and analysis.

## BOARD APPROVAL

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The undersigned hereby certifies that the contents of and the sending of this Management Information Circular has been approved by the Board of Directors of the Corporation.

DATED at Toronto, Ontario, on July 8, 2021

**BY ORDER OF THE BOARD OF DIRECTORS OF BITRUSH CORP.**

*/s/ "Karsten Arend"*

Karsten Arend

Chief Executive Officer, President and Director

**SCHEDULE A**

**See Attached**

**NOTICE OF CHANGE OF AUDITOR**  
**National Instrument 51-102**

**BITRUSH CORP.**  
100 King Street West (56<sup>th</sup> floor),  
Toronto, Ontario M5X 1C9, Canada

TO: McGovern Hurley LLP  
251 Consumers Rd Suite 800,  
North York, Ontario M2J 4R3

AND TO: Manning Elliott LLP  
17<sup>th</sup> Floor, 1030 West Georgia Street  
Vancouver, British Columbia V6E 2V3

AND TO: British Columbia Securities Commission  
Ontario Securities Commission (collectively, the "Commissions")

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations* ("NI 51-102"), BitRush Corp. (the "Company") provides the following Notice of Change of Auditor:

1. McGovern Hurley LLP, the former auditor of the Company, have resigned on their own initiative effective January 15, 2020.
2. The board of directors of the Company has considered and approved the decision of management to accept the resignation of its former auditor, McGovern Hurley LLP, and to appoint Manning Elliott LLP as successor auditor of the Company.
3. There have been no reservations contained in the former auditor's report on the financial statements of the Company for the completed fiscal year ended December 31, 2015, the last year in which audited financial statements were prepared by the former auditor for the Company.
4. In the opinion of the Company, there have been no "reportable events" (as defined in NI 51-102).
5. The Company therefore requests that each of McGovern Hurley LLP and Manning Elliott LLP in a letter addressed to the Commissions, state whether or not they agree with the information contained in this Notice, with a copy of each such letter to be received by the undersigned within 7 days of their receipt of this Notice, in addition to providing the undersigned with the same document in PDF format acceptable for filing through SEDAR.

DATED as of this 15th day of January, 2020

*(signed)* "Karsten Arend"

\_\_\_\_\_  
Karsten Arend, Chief Executive Officer



17th floor, 1030 West Georgia St., Vancouver, BC, Canada V6E 2Y3

Tel: 604. 714. 3600 Fax: 604. 714. 3669 Web: manningelliott.com

January 15, 2020

To: British Columbia Securities Commission  
Ontario Securities Commission

Dear Sirs/Mesdames:

**Re: Bitrush Corp. (the "Company")  
Notice of Change of Auditor**

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We have read the Notice of Change of Auditor from the Company (the "Notice"), delivered to us pursuant to Part 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations*.

In this regard, we confirm that we are in agreement with the statements with respect to Manning Elliott LLP as set out in the Notice, and for other statements we have no basis to agree or disagree.

Yours truly,

MANNING ELLIOTT LLP

A handwritten signature in cursive script that reads 'Manning Elliott LLP'.

cc: CSE - Canadian Securities Exchange  
Bitrush Corp.



McGovern Hurley LLP  
CHARTERED PROFESSIONAL ACCOUNTANTS

251 Consumers Road, Suite 800  
Toronto, Ontario  
M2J 4R3  
Canada

Tel 416-496-1234  
Fax 416-496-0125  
Email [info@mcgovernhurley.com](mailto:info@mcgovernhurley.com)  
Web [mcgovernhurley.com](http://mcgovernhurley.com)

January 15, 2020

British Columbia Securities Commission  
Ontario Securities Commission

Dear Sirs/Mesdames:

Re: **Bitrush Corp.**

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We have reviewed the information contained in the Notice of Change of Auditor of Bitrush Corp. dated January 15, 2020 (the "Notice"), which we understand will be filed pursuant to Section 4.11 of National Instrument 51-102.

Based on our knowledge as of the date hereof, we agree with the statements contained in the Notice. We have no basis to agree or disagree with the comments in the notice relating to the successor auditor.

Yours truly,

McGovern Hurley LLP

Chartered Professional Accountants  
Licensed Public Accountants

## **SCHEDULE B**

### **BY-LAW NO. 2**

A by-law relating generally to the transaction of the business and affairs of

### **BITRUSH CORP.**

#### **Contents**

<b>Section</b>	<b>Subject</b>
1	Interpretation
2	Business of the Corporation
3	Directors
4	Committees
5	Officers
6	Protection of Directors and Officers and others
7	Shareholders
8	Dividends
9	Notices
10	Repeal of Existing By-law No.1
11	Effective Date

**IT IS HEREBY ENACTED** as By-law No. 2 of BitRush Corp. (the "Corporation") as follows:

## **1 Interpretation**

### **1.1 Definitions**

Unless otherwise defined below, words and expressions defined in the Act have the same meanings when used in the by-laws.

Any reference to a director, officer, shareholder or auditor in the by-laws means to a director, officer, shareholder or auditor of the Corporation. In the by-laws of the Corporation, the following terms have the following meanings:

**"Act"** means the *Business Corporations Act* (Ontario) and the regulations made thereto, as amended from time to time, and every statute that may be substituted therefor, and in the case of such amendment or substitution, any reference to the Act in the by-laws refers to the amended or substituted provisions therefor;

**"board"** means the board of directors of the Corporation;

**"by-laws"** means this by-law and all other by-laws of the Corporation from time to time in force and effect;

**"meeting of shareholders"** means any meeting of shareholders, including an annual meeting of shareholders and a special meeting of shareholders;

**"Person"** means an individual, partnership, limited partnership, limited liability partnership, syndicate, sole proprietorship, corporation or company (with or without share capital), limited liability company, trust, unincorporated association or other entity;

**"recorded address"** means (i) in the case of a shareholder, the latest address as shown in the records of the Corporation for such shareholder; (ii) in the case of joint shareholders, the address appearing in the records of the Corporation in respect of such joint holding, or the first address appearing if there is more than one; and (iii) in the case of a director, officer or auditor, the latest address as recorded in the records of the Corporation for such person.

### **1.2 Number and Gender**

Any reference to gender includes all genders. Words importing the singular include the plural and *vice versa*.

### **1.3 Conflict with the Act and Articles**

If there is any conflict or inconsistency between the by-laws and the Act or the articles of the Corporation, the Act or the articles shall govern.

### **1.4 Headings**

The division of this by-law into Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect its interpretation.

### **1.5 Invalidity of any Provision of this By-Law**

The invalidity or unenforceability of any provision in this by-law shall not affect the validity or enforceability of the remaining provisions which will continue in full force and effect, without amendment.

## **2 Business of the Corporation**

### **2.1 Corporate Seal**

The Corporation may, but need not, have a corporate seal and if one is adopted it shall be in such form as the board may approve from time to time.

## **2.2 Financial Year**

The financial year of the Corporation ends on such date in each year as the board may determine by resolution from time to time.

## **2.3 Execution of Instruments**

Contracts, documents or instruments in writing may be signed on behalf of the Corporation, manually, by facsimile or by electronic means by any one director or officer or any other person authorized by the directors from time to time (each such person is referred to as an "**Authorized Signatory**"). Voting rights for securities held by the Corporation may be exercised on behalf of the Corporation by any one Authorized Signatory. In addition, the board may from time to time, authorize any persons to sign contracts, documents or instruments in writing generally or to sign a specific contract, document or instrument in writing or to exercise voting rights for securities held by the Corporation generally or to exercise voting rights for specific securities held by the Corporation.

Any Authorized Signatory or other person authorized to sign any contract, document or instrument in writing, may affix the corporate seal, if any, to any contract, document or instrument in writing.

The term "**contracts, documents or instruments in writing**" includes, without limitation, deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, immovable or movable, agreements, releases, receipts and discharges, conveyances, transfers and assignments of securities and all other paper writings or electronic writings.

## **2.4 Banking Arrangements**

The banking and borrowing business of the Corporation or any part of it shall be transacted with such banks, trust companies or other persons as may from time to time be authorized by the board. Such banking or borrowing business or any part of it will be transacted on behalf of the Corporation under such agreements, instructions and delegations of powers as the board may direct or authorize from time to time. This paragraph does not limit the authority given under section 2.3.

## **3 Directors**

### **3.1 Place of Meetings**

Meetings of the board may be held at the registered office of the Corporation or any other place within or outside Canada. In any financial year of the Corporation, a majority of the meetings of the board need not be held in Canada.

### **3.2 Notice**

Subject to any resolution of the board, meetings of the board may be called at any time by the chair of the board, the president or any vice-president who is a director, or any two directors. Notice of the time and place for holding any meeting of the board shall be given by the secretary or other officer of the Corporation at least 24 hours prior to the time fixed for the meeting.

The accidental omission to give notice of any meeting of the board to, or the non-receipt of any notice by, any person, or any error in any notice not affecting the substance of the notice, does not invalidate any resolution passed or any action taken at the meeting.

A director may waive notice of a meeting of the board, any irregularity in a notice of meeting of the board or any irregularity in a meeting of the board. Such waiver may be given in any manner and at any time either before or after the meeting to which the waiver relates. Waiver of any notice of a meeting cures any irregularity in the notice, any default in the giving of the notice and any default in the timeliness of the notice.

### **3.3 Quorum**

The board may, from time to time, fix by resolution the quorum for meetings of the board but in no case shall a quorum be less than two-fifths of the number of directors or minimum number of directors, as the case may be. Where the corporation has fewer than three directors, all directors must be present to constitute a quorum. Until otherwise fixed, a majority of directors holding office, from time to time, will constitute a quorum.

### **3.4 First Meeting of the New Board**

For the first meeting of the board to be held following the election of the board at an annual or special meeting of the shareholders, or for a meeting of the board at which a director is appointed to fill a vacancy in the board, no notice of such meeting need be given to the newly elected or appointed director in order for the meeting to be duly constituted, provided a quorum of the directors is present.

### **3.5 Meeting by Telephonic, Electronic or Other Communication Facilities**

A director may, if all the directors of the Corporation consent, participate in a meeting of the board by telephonic, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously. A director participating in a meeting by such means is deemed to be present at the meeting. Any consent is effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board.

### **3.6 Chair**

The chair of any meeting of the board shall be the first mentioned of the following officers who is a director and is present at the meeting: the chair of the board; the chief executive officer or the president. If such officer is not present, the directors present will choose one of their number to chair the meeting.

### **3.7 Votes to Govern**

All questions arising at any meeting of the board will be decided by a majority of votes. In the case of an equality of votes, the chair of the meeting is not entitled to a second or casting vote in addition to his original vote.

### **3.8 Remuneration and Expenses**

The board may determine from time to time the remuneration, if any, to be paid to a director for his services as a director. The directors are also entitled to be reimbursed for travelling and other out-of-pocket expenses properly incurred by them in attending board meetings, committee meetings and shareholders meetings and in the performance of other duties of directors of the Corporation. The board may also award additional remuneration to any director undertaking special services on the Corporation's behalf beyond the services ordinarily required of a director by the Corporation.

A director may be employed by or provide services to the Corporation otherwise than as a director and, in such case, that director may be remunerated for his services as a director.

## **4 Committees**

Subject to the Act, the board may appoint one or more committees of the board, however designated, and delegate to any such committee any of the powers of the board.

The powers of any committee shall be exercised at a meeting at which a quorum is present or by resolution in writing signed by all the members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of any committee may be held at any place in or outside Canada. At all meetings of committees every question shall be decided by a majority of votes.

Each committee has the power to appoint its chair and to make, amend or repeal rules and procedures to regulate its meetings, including fixing its quorum (provided that a quorum may not be less than a majority of its members), setting requirements for calling, holding, conducting and adjourning meetings of the committee, selecting a chair for a meeting and determining whether the chair has a second or casting vote in the case of an equality of votes. If no rules and procedures are made, the rules and procedures will be the same as those governing the board set out in section 3 which shall apply with such changes as are necessary. Each member of a committee will serve at the pleasure of the board and, in any event, only so long as such person is a director. The directors may fill vacancies in a committee by appointment from among their members. Provided that a quorum is maintained, the committee may continue to exercise its powers notwithstanding any vacancy among its members.

## **5 Officers**

### **5.1 Appointment of Officers**

The board may appoint, at any time and from time to time, one or more officers of the Corporation as the board may determine. All officers will perform such duties as may be determined by the board or pursuant to a delegation of authority by the board and, in the absence of such determination, will be those usually incidental to the office held.

## **6 Protection of Directors and Officers and Others**

### **6.1 Limitation of Liability**

Subject to the Act and any other applicable law, no director or officer of the Corporation is liable for: (a) the acts, omissions, receipts, neglects or defaults of any other director or officer or employee; (b) joining in any receipt or other act for conformity; (c) any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation for or on behalf of the Corporation; (d) the insufficiency or deficiency of any security in or upon which any of the moneys of the Corporation are invested; (e) any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person, including any person with whom any moneys, securities or effects are deposited; (f) any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets of the Corporation; or (g) any other loss, damage or misfortune whatever which may happen in the execution of the duties of his office or in relation thereto, unless any of the above happens by or through his failure to exercise his powers and to discharge his duties honestly, in good faith with a view to the best interests of the Corporation or to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

### **6.2 Indemnification**

- (a) Subject to the Act and any other applicable law, the Corporation shall indemnify each director and officer of the Corporation, each former director or officer of the Corporation, and each other individual who acts or acted at the Corporation's request as a director or officer or in a similar capacity, of another entity against all costs, charges and expenses including any amount paid to settle an action or satisfy a judgment, reasonably incurred by such person in respect of any civil, criminal, administrative, investigative or other proceeding to which he is made a party or involved in by reason of being or having been a director or officer of the Corporation or such other entity at the request of

the Corporation or in a similar capacity (excluding any proceeding initiated by such individual other than to establish a right of indemnification) provided:

- (i) the individual acted honestly and in good faith with a view to the best interests of the Corporation, or, as the case may be, to the best interest of the other entity for which the individual acted as a director or officer or in a similar capacity at the Corporation's request; and
  - (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds to believe that his conduct was lawful.
- (b) The Corporation may advance monies to an individual referred to in section 6.2(a) for costs, charges, and expenses of a proceeding referred to above provided such individual shall repay the monies advanced if the individual does not fulfill the conditions set out in the Act.
  - (c) The Corporation is authorized to enter into any agreement evidencing and setting out the terms and conditions of, an indemnity in favour of any of the foregoing persons referred to in section 6.2(a).
  - (d) The Corporation may purchase, maintain or participate in insurance against the risk of its liability to indemnify pursuant to this by-law or otherwise.
  - (e) The right of any person to indemnification granted by this by-law are not exclusive of any other rights to which such person seeking indemnification may be entitled under any agreement, vote of shareholders or directors, at law or otherwise.

## **7 Shareholders**

### **7.1 Calling Meetings**

Any two or more directors and each of the chair of the board and the chief executive officer shall have power to call a meeting of shareholders at any time. Meetings of shareholders will be held on the date and at the time and place in or outside Ontario as the persons calling the meeting determine.

### **7.2 Meeting held by Other Means of Communication**

A meeting of shareholders may be held by telephonic or electronic means and a shareholder, proxyholder or shareholder's representative who, through those means, votes at a meeting or establishes a communications link shall be deemed to be present at that meeting. A meeting held by telephone or electronic means shall be deemed to be held at the place where the registered office or the Corporation is located.

### **7.3 Notice of Meeting**

If the Corporation is not an offering corporation, notice of the time and place of a meeting of shareholders shall be given not less than ten days and not more than fifty days before the meeting.

The accidental omission to give notice of any meeting of shareholders to, or the non-receipt of any notice by, any person, or any error in any notice not affecting the substance of the notice, does not invalidate any resolution passed or any action taken at the meeting.

### **7.4 Waiver of Notice**

A shareholder, proxyholder, shareholder's representative, director or auditor and any other person entitled to attend a meeting of shareholders may waive notice of a meeting of shareholders, any irregularity in a notice of meeting of shareholders or any irregularity in a meeting of shareholders. Such waiver may be given in any manner and at any time either before or after the meeting to which the waiver relates. Waiver of any notice of a meeting of shareholders cures any irregularity in the notice, any default in the giving of the notice and any default in the timeliness of the notice.

## **7.5 Chair, Secretary and Scrutineer**

The chair of any meeting of shareholders will be the first mentioned of the following officers who is present at the meeting: chair of the board, chief executive officer, president or a vice-president. If no such officer is present within fifteen minutes from the time fixed for holding the meeting, the persons present and entitled to vote will choose one of their number to be chair of the meeting. If present, the secretary of the Corporation shall be secretary of the meeting. If the secretary is absent, the chair of the meeting shall appoint another person, who need not be a shareholder, to act as secretary of the meeting. If desired, one or more persons, who need not be shareholders, may be appointed by the chair of the meeting to act as scrutineers by the chair of the meeting. Such persons need not be shareholders.

## **7.6 Quorum**

A quorum of shareholders is present at a meeting of shareholders irrespective of the number of persons actually present at the meeting, if the holder(s) of 20% of the shares are present in person or represented by proxy at the start of any meeting of shareholders.

## **7.7 Representatives**

The authority of an individual to represent a body corporate or association at a meeting of shareholders of the Corporation shall be established by depositing with the Corporation a certified copy of the resolution of the directors or governing body of the body corporate or association, as the case may be, granting such authority, or in such other manner as may be satisfactory to the chair of the meeting.

## **7.8 Persons Entitled to be Present**

The only persons entitled to be present at a meeting of shareholders are those entitled to vote at the meeting, the directors, the auditor and others who, although not entitled to vote, are entitled or required under any provision of the Act, the articles or the by-laws to be present at the meeting. Other persons may only attend with the consent of the chair of the meeting or the affirmative vote of a majority of the persons present in person at the meeting who are entitled to vote.

## **7.9 Votes to Govern**

A vote at a meeting of shareholders may be held by any means of communication facility made available by the Corporation. Any question at a meeting of shareholders shall be decided by a majority of the votes cast on the question unless the articles, the by-laws, the Act or other applicable law require otherwise. In the case of an equality of votes, the chair of the meeting shall not be entitled to a second or casting vote.

## **7.10 Voting**

Any question at a meeting of shareholders shall be decided by a show of hands unless a ballot is demanded or required. Where a ballot is required or demanded the ballot shall be taken in such manner as the chair of the meeting shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. The result of a ballot shall be the decision of the shareholders upon the question.

## **7.11 Procedure**

The chair of a meeting of shareholders will conduct the meeting and determine the procedure to be followed at the meeting. The chair's decision on all matters or things, including any questions regarding the validity or invalidity of a form of proxy or other instrument appointing a proxy, is conclusive and binding upon the meeting of shareholders.

## **7.12 Adjournment**

The chair of any meeting of shareholders may, and if so directed by the persons who are entitled to vote at the meeting, must, adjourn the meeting from time to time and place to place, subject to conditions as such persons may decide. Any adjourned meeting is duly constituted if held in accordance with the terms of the adjournment

and a quorum is present at the adjourned meeting. Any business may be considered and transacted at any adjourned meeting which could have been considered and transacted at the original meeting of shareholders.

## **8 Dividends and Other Distributions**

A dividend or other distribution payable in money may be paid by cheque, by electronic means, by cheque or by such other method as the board may determine. Payment will be made to or to the order of each registered holder of securities of the class in respect of which the payment is to be made. Cheques will be sent to a registered holder at the recorded address, unless the holder otherwise directs. In the case of joint holders, unless the joint holders otherwise direct, payment will be made to the order of all of such joint holders and, if applicable, sent to them at the recorded address. The sending of the payment by cheque, electronic means or such other method as the board may determine, in an amount equal to the dividend or other distribution to be paid less any tax which the Corporation is required to and does withhold, will satisfy and discharge the Corporation's liability for payment unless a cheque is not paid upon presentation. In the event of non-receipt of any payment by the person to whom it is sent, the Corporation may re-issue the payment on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as may be prescribed by the board or any person designated by the board from time to time.

## **9 Miscellaneous**

### **9.1 Notices**

Any notice (including any written or electronic communication, contract, document or other instrument in writing) to be given (which term includes, sent, delivered or served) pursuant to the Act, the articles or the by-laws or otherwise to a shareholder, director, officer, auditor or member of a committee of the board will be sufficiently given if (i) delivered personally to the person to whom it is to be given; (ii) delivered to such person's recorded address; (iii) if sent by prepaid mail to such person at the person's recorded address; or (iv) otherwise communicated to such person by electronic means as permitted by the Act. The foregoing may not be construed so as to limit the manner or effect of giving notice by any other means of communication otherwise permitted by law. A notice so delivered will be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed will be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any electronic means will be deemed to have been given at the time specified under the Act.

### **9.2 Notice to Joint Holders**

If two or more persons are registered as joint holders of any security, any notice may be addressed to all such joint holders but notice addressed to one of them constitutes sufficient notice to all of them.

### **9.3 Persons Entitled by Death or Operation of Law**

Every person who, by operation of law, transfer, death of a security holder or any other means whatsoever becomes entitled to any security, is bound by every notice in respect of such security which has been given to the security holder from whom such person derives title to such security prior to such person's name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon which such person became so entitled) and prior to such person furnishing to the Corporation the proof of authority or evidence of such person's entitlement prescribed by the Act.

## **10 Repeal of Existing By-law No. 1**

As of the coming into effect of this By-Law No. 2, the existing By-law No. 1 of the Corporation made as of the 6<sup>th</sup> day of October, 1998 is repealed. Such repeal does not affect the previous operation of the by-law so repealed or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under any such by-law prior to its repeal. All officers and persons acting under any such by-law which is repealed will continue to act as if appointed under the provisions of this by-law.

**11 Effective Date**

This by-law will come into force on the date when made by the board in accordance with the Act.

**ENACTED AND MADE** by the Board of the Corporation the 7th day of December, 2016.

/s/ "Karsten Arend"

Karsten Arend - President

At a [Special][Annual General] Meeting of Shareholders held on [date], the shareholders of the Corporation confirmed By-Law No. 2 as a by-law of the Corporation.

## SCHEDULE C

### BITRUSH CORP.

#### 2021 OMNIBUS EQUITY INCENTIVE COMPENSATION PLAN

##### ARTICLE 1 ESTABLISHMENT, PURPOSE AND DURATION

- 1.1 Establishment of the Plan. The following is the omnibus equity incentive compensation plan of BitRush Corp. (the “**Company**”) pursuant to which share based compensation Awards (as defined below) may be granted to eligible Participants (as defined below). The name of the plan is the 2021 Omnibus Equity Incentive Compensation Plan (the “**Plan**”).

The Plan permits the grant of Options, Restricted Share Units, Deferred Share Units and Performance Share Units (as such terms are defined below). The Plan was approved by the Board (as defined below) on July 8, 2021 and is being put forth before the shareholders of the Company for approval on August 19, 2021, and will be effective upon receipt of shareholder approval and, to the extent required, Exchange (as defined below) approval (the “**Effective Date**”) until the date it is terminated by the Board in accordance with the Plan.

- 1.2 Purposes of the Plan. The purposes of the Plan are to: (i) provide the Company with a mechanism to attract, retain and motivate highly qualified directors, officers, employees and consultants of the Company and its Affiliates; (ii) align the interests of Participants with that of other shareholders of the Company generally; and (iii) enable and encourage Participants to participate in the long-term growth of the Company through the acquisition of Shares (as defined below) as long-term investments.

- 1.3 Successor Plan. The Plan shall in respect of Options (as defined below) serve as the successor to the Company’s stock option plan dated effective January 15, 2013 and last reapproved by the holders of the Company’s Shares on September 14, 2016 (the “**Predecessor Plan**”), and no further awards shall be made under the Predecessor Plan from and after the Effective Date of the Plan.

##### ARTICLE 2 DEFINITIONS

- 2.1 Whenever used in the Plan, the following terms shall have the respective meanings set forth below, unless the context clearly requires otherwise, and when such meaning is intended, such term shall be capitalized.

- (a) “**Affiliate**” means any corporation, partnership or other entity (i) in which the Company, directly or indirectly, has majority ownership interest or (ii) which the Company controls. For the purposes of this definition, the Company is deemed to “control” such corporation, partnership or other entity if the Company possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such corporation, partnership or other entity, whether through the

ownership of voting securities, by contract or otherwise, and includes a corporation which is considered to be a subsidiary for purposes of consolidation under International Financial Reporting Standards.

- (b) **“Award”** means, individually or collectively, a grant under the Plan of Options, Deferred Share Units, Restricted Share Units or Performance Share Units, in each case subject to the terms of the Plan.
- (c) **“Award Agreement”** means either (i) a written agreement entered into by the Company or an Affiliate of the Company and a Participant setting forth the terms and provisions applicable to Awards granted under the Plan; or (ii) a written statement issued by the Company or an Affiliate of the Company to a Participant describing the terms and provisions of such Award. All Award Agreements shall be deemed to incorporate the provisions of the Plan, subject to such modifications or additions as the Committee may, in its sole discretion, determine appropriate. An Award Agreement need not be identical to other Award Agreements either in form or substance.
- (d) **“Blackout Period”** means a period of time during which the Participant cannot sell Shares, due to applicable law or policies of the Company in respect of insider trading.
- (e) **“Board”** or **“Board of Directors”** means the Board of Directors of the Company as may be constituted from time to time.
- (f) **“Cause”** means (i) if the Participant has a written agreement pursuant to which he or she offers his or her services to the Company and the term “cause” is defined in such agreement, “cause” as defined in such agreement; or otherwise (ii) (a) the inability of the Participant to perform his or her duties due to a legal impediment such as an injunction, restraining order or other type of judicial judgment, decree or order entered against the Participant; (b) the failure of the Participant to follow the Company’s reasonable instructions with respect to the performance of his or her duties; (c) any material breach by the Participant of his or her obligations under any code of ethics, any other code of business conduct or any lawful policies or procedures of the Company; (d) excessive absenteeism, flagrant neglect of duties, serious misconduct, or conviction of crime or fraud; and (e) any other act or omission of the Participant which would in law permit an employer to, without notice or payment in lieu of notice, terminate the employment of an employee.
- (g) **“Change of Control”** means the occurrence of any one or more of the following events:
  - (i) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Company as a result of which the holders of Shares prior to the completion of the transaction hold or beneficially own, directly or indirectly, less than 50% of the outstanding Voting Securities of the successor corporation after completion of the transaction;
  - (ii) the sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of all or substantially all of the assets of the

Company and/or any of its subsidiaries to any other person or entity, other than a disposition to a wholly-owned subsidiary in the course of a reorganization of the assets of the Company and its subsidiaries;

- (iii) a resolution is adopted to wind-up, dissolve or liquidate the Company;
  - (iv) an acquisition by any person, entity or group of persons or entities acting jointly or in concert of beneficial ownership of more than 50% of the Voting Securities, or securities convertible into, exercisable for or carrying the right to purchase more than 50% of the Voting Securities on a post-conversion basis, assuming only the conversion or exercise of securities beneficially owned by the acquiror; or
  - (v) the Board adopts a resolution to the effect that a Change of Control as defined herein has occurred or is imminent.
- (h) **“Code”** means the U.S. Internal Revenue Code of 1986, as amended from time to time, or any successor thereto.
- (i) **“Committee”** means the Board of Directors or if so delegated in whole or in part by the Board, any duly authorized committee of the Board appointed by the Board to administer the Plan.
- (j) **“Company”** means BitRush Corp., a corporation existing under the Business Corporations Act (Ontario), and any successor thereof.
- (k) **“Consultant”** has the meaning generally given to such term by the Exchange, and if the Shares are not so listed, shall have the meaning, if any, that applies to a listing of the Shares on such other Exchange where the Shares are then listed on.
- (l) **“Corporate Reorganization”** shall have the meaning ascribed to such term under Section 4.6 herein.
- (m) **“Deferred Share Unit”** means an Award denominated in units that provides the holder thereof with a right to receive Shares or cash or a combination thereof upon settlement of the Award, granted under and subject to the terms of the Plan.
- (n) **“Director”** means any individual who is a member of the Board of Directors of the Company.
- (o) **“Disability”** means the disability of the Participant which would entitle the Participant to receive disability benefits pursuant to the long-term disability plan of the Company (if one exists) then covering the Participant, provided that the Board may, in its sole discretion, determine that, notwithstanding the provisions of any such long-term disability plan, the Participant is permanently disabled for the purposes of the Plan.
- (p) **“Dividend Equivalent”** means a right with respect to an Award to receive cash, Shares or other property equal in value and form to dividends declared by the Board and paid with respect to outstanding Shares. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement, and if

specifically provided for in the Award Agreement shall be subject to such terms and conditions set forth in the Award Agreement as the Committee shall determine.

- (q) **“Employee”** means any employee or officer of the Company or an Affiliate of the Company. Directors who are not otherwise employed by the Company or an Affiliate of the Company shall not be considered Employees under the Plan.
- (r) **“Exchange”** means the Canadian Securities Exchange, or if the Shares are not listed on the Canadian Securities Exchange, such other principal market on which the Shares of the Company are then traded as designated by the Committee from time to time.
- (s) **“Exchange Policies”** mean the Policies of the Exchange and its rules, requirements and procedures, as applicable.
- (t) **“FMV”** means, unless otherwise required by any applicable provision of the Code or any regulations thereunder or by any applicable accounting standard for the Company’s desired accounting for Awards or by Exchange Policies, a price that is determined by the Committee, provided that such price cannot be less than the greater of the closing price per Share on the Canadian Securities Exchange either at the date of grant of the applicable Award or the trading day immediately prior to the date of grant of the applicable Award, if the Shares are then trading on the Canadian Securities Exchange.
- (u) **“Insider”** shall have the meaning ascribed thereto in Exchange Policies.
- (v) **“Investor Relations Activities”** shall have the meaning ascribed thereto in Exchange Policies.
- (w) **“ITA”** means the Income Tax Act (Canada).
- (x) **“Non-Employee Director”** means a Director who is not an Employee.
- (y) **“Notice Period”** means any period of contractual notice or reasonable notice that the Company or an Affiliate of the Company may be required at law, by contract or otherwise agrees to provide to a Participant upon termination of employment, whether or not the Company or Affiliate elects to pay severance in lieu of providing notice to the Participant, provided that where a Participant’s employment contract provides for an increased severance or termination payment in the event of termination following a Change of Control, the Notice Period for the purposes of the Plan shall be the Notice Period under such contract applicable to a termination which does not follow a Change of Control.
- (z) **“Option”** means the conditional right to purchase Shares at a stated Option Price for a specified period of time subject to the terms of the Plan.
- (aa) **“Option Price”** means the price at which a Share may be purchased by a Participant pursuant to an Option, as determined by the Committee.
- (bb) **“Participant”** means an Employee, Non-Employee Director, Consultant, or other service provider eligible to participate in the Plan as permitted by Exchange

Policies who has been selected to receive an Award, or who has an outstanding Award granted under the Plan or the Predecessor Plan.

- (cc) “Performance Period” means the period of time during which the assigned performance criteria must be met in order to determine the degree of payout and/or vesting with respect to an Award.
- (dd) “**Performance Share Unit**” means an Award granted under Article 9 herein and subject to the terms of the Plan, denominated in units, the value of which at the time it is payable is determined as a function of the extent to which corresponding performance criteria have been achieved.
- (ee) “**Period of Restriction**” means the period when an Award of Restricted Share Units is subject to forfeiture based on the passage of time, the achievement of performance criteria, and/or upon the occurrence of other events as determined by the Committee, in its discretion.
- (ff) “**Restricted Share Unit**” means an Award denominated in units subject to a Period of Restriction, with a right to receive Shares or cash or a combination thereof upon settlement of the Award, granted under Article 7 herein and subject to the terms of the Plan.
- (gg) “**Retirement**” or “**Retire**” means a Participant’s permanent withdrawal from employment or office with the Company or an Affiliate of the Company on terms and conditions accepted and determined by the Board.
- (hh) “**Shares**” means common shares of the Company.
- (ii) “**Share Units**” means Deferred Share Units, Performance Share Units and Restricted Share Units, including any Dividend Equivalent granted with respect to a Deferred Share Unit, Performance Share Unit and/or Restricted Share Unit.
- (jj) “**Termination Date**” means the date on which a Participant ceases to be eligible to participate under the Plan as a result of a termination of employment, officer position, board service or consulting arrangement with the Company or any Affiliate of the Company for any reason, including death, Retirement, resignation or termination with or without Cause. For the purposes of the Plan, a Participant’s employment, officer position, board service or consulting arrangement with the Company or an Affiliate of the Company shall be considered to have terminated effective on the last day of the Participant’s actual and active employment, officer position or board or consulting service with the Company or the Affiliate whether such day is selected by agreement with the individual, unilaterally by the Company or the Affiliate and whether with or without advance notice to the Participant. For the avoidance of doubt, no period of notice or pay in lieu of notice that is given or that ought to have been given under applicable law in respect of such termination of employment that follows or is in respect of a period after the Participant’s last day of actual and active employment shall be considered as extending the Participant’s period of employment for the purposes of determining his or her entitlement under the Plan.

- (kk) "**Total Share Authorization**" shall have the meaning ascribed to such term under Article 4.1 herein.
- (ll) "**Voting Securities**" shall mean any securities of the Company ordinarily carrying the right to vote at elections of directors and any securities immediately convertible into or exchangeable for such securities.

### **ARTICLE 3 ADMINISTRATION**

- 3.1 General. The Committee shall be responsible for administering the Plan. The Committee may employ legal counsel, consultants, accountants, agents and other individuals, any of whom may be an Employee, and the Committee, the Company, and its officers and Directors shall be entitled to rely upon the advice, opinions or valuations of any such persons. All actions taken and all interpretations and determinations made by the Committee shall be final, conclusive and binding upon the Participants, the Company, and all other interested parties. No member of the Committee will be liable for any action or determination taken or made in good faith with respect to the Plan or Awards granted hereunder. Each member of the Committee shall be entitled to indemnification by the Company with respect to any such determination or action in the manner provided for by the Company and its subsidiaries.
- 3.2 Authority of the Committee. The Committee shall have full and exclusive discretionary power to determine the terms and provisions of Award Agreements, to interpret the terms and the intent of the Plan and any Award Agreement or other agreement ancillary to or in connection with the Plan, to determine eligibility for Awards, and to adopt such rules, regulations and guidelines for administering the Plan as the Committee may deem necessary or proper. Such authority shall include, but not be limited to, selecting Award recipients, establishing all Award terms and conditions, including grant, exercise price, issue price and vesting terms, determining any performance goals applicable to Awards and whether such performance goals have been achieved, and, subject to Article 13, adopting modifications and amendments to the Plan or any Award Agreement, including, without limitation, any that are necessary or appropriate to comply with the laws or compensation practices of the jurisdictions in which the Company and its Affiliates operate. All costs incurred in connection with this Plan shall be for the account of the Company. This Plan shall be administered in accordance with the Exchange Policies by the Committee so long as the Shares are listed on the Exchange.
- 3.3 Delegation. The Committee may delegate to one or more of its members any of the Committee's administrative duties or powers as it may deem advisable; provided, however, that any such delegation must be permitted under applicable corporate law.
- 3.4 Record Keeping. The Company shall maintain a register in which shall be recorded:
- (a) the name and address of each Participant;
  - (b) the number of Shares subject to Awards granted to each Participant; and
  - (c) the aggregate number of Shares subject to Awards.

**ARTICLE 4**  
**SHARES SUBJECT TO THE PLAN AND MAXIMUM AWARDS**

- 4.1 Maximum Number of Shares Available for Awards. Subject to adjustment as provided in Section 4.5 herein, the number of Shares reserved for issuance to Participants under the Plan, together with Shares reserved for issuance under any other share compensation arrangements of the Company, shall not exceed 17,961,846 Shares, which represents 20% of the total number of Shares issued and outstanding, on a fixed basis, at the time the Plan was approved by the Board of Directors (the "**Total Share Authorization**"). To the extent that an Award lapses or the rights of its Participant terminate, any Shares subject to such Award shall again be available for the grant of an Award.
- 4.2 Award Grants to Individuals. The maximum number of Shares for which Awards may be issued to any one Participant in any 12-month period shall not exceed 5% of the outstanding Shares, calculated on the date an Award is granted to the Participant, unless, if required by Exchange Policies, the Company obtains disinterested shareholder approval. The maximum number of Shares for which Awards may be issued to any one Consultant within any 12-month period shall not exceed 2% of the outstanding Shares, calculated on the date an Award is granted to the Consultant.
- 4.3 Award Grants to Persons Providing Investor Relations Activities. The maximum number of Shares for which Options may be issued to any persons retained to provide Investor Relations Activities within any 12-month period shall not exceed 2% of the outstanding Shares, calculated on the date an Option is granted to such persons. Awards other than Options may not be granted to persons retained to provide Investor Relations Activities, except if such person is also an employee of the Company.
- 4.4 Award Grants to Insiders. Unless disinterested shareholder approval is obtained, if required by Exchange Policies: (i) the maximum number of Shares for which Awards may be issued to Insiders (as a group) at any point in time shall not exceed 10% of the outstanding Shares; and (ii) the aggregate number of Awards granted to Insiders (as a group), within any 12-month period, shall not exceed 10% of the outstanding Shares, calculated at the date an Award is granted to any Insider.
- 4.5 Adjustments in Authorized Shares. In the event of any corporate event or transaction (collectively, a "**Corporate Reorganization**") (including, but not limited to, a change in the Shares of the Company or the capitalization of the Company) such as a merger, arrangement, amalgamation, consolidation, reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off or other distribution of stock or property of the Company, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution (other than normal cash dividends) to shareholders of the Company, or any similar corporate event or transaction, the Committee shall make or provide for such adjustments or substitutions, as applicable, in the number and kind of Shares that may be issued under the Plan, the number and kind of Shares subject to outstanding Awards, the Option Price, grant price or exercise price applicable to outstanding Awards, the limit on issuing Awards other than Options granted with an Option Price equal to at least the FMV of a Share on the date of grant and any other value determinations applicable to outstanding Awards or to the Plan, as are equitably necessary to prevent dilution or enlargement of Participants' rights under the Plan that otherwise would result from such corporate event or transaction. In connection with a Corporate Reorganization, the Committee shall have the discretion

to permit a holder of Options to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan and the applicable Award Agreement) and the holder will then accept on the exercise of such Option, in lieu of the Shares that such holder would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that such holder would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, that holder had owned all Shares that were subject to the Option. Such adjustments shall be made automatically, without the necessity of Committee action, on the customary arithmetical basis in the case of any stock split, including a stock split effected by means of a stock dividend, and in the case of any other dividend paid in Shares.

The Committee shall also make appropriate adjustments in the terms of any Awards under the Plan as are equitably necessary to reflect such Corporate Reorganization and may modify any other terms of outstanding Awards, including modifications of performance criteria and changes in the length of Performance Periods. The determination of the Committee as to the foregoing adjustments, if any, shall be conclusive and binding on Participants under the Plan, provided that any such adjustments must comply with all regulatory requirements.

Subject to the provisions of Article 11 and any applicable law or regulatory requirement, without affecting the number of Shares reserved or available hereunder, the Committee may authorize the issuance, assumption, substitution or conversion of Awards under the Plan in connection with any Corporate Reorganization, upon such terms and conditions as it may deem appropriate. Additionally, the Committee may amend the Plan, or adopt supplements to the Plan, in such manner as it deems appropriate to provide for such issuance, assumption, substitution or conversion as provided in the previous sentence.

## **ARTICLE 5 ELIGIBILITY AND PARTICIPATION**

- 5.1 Eligibility. Awards under the Plan shall be granted only to bona fide Employees, Non-Employee Directors, Consultants and any other service providers eligible to participate in the Plan as permitted by Exchange Policies.
- 5.2 Actual Participation. Subject to the provisions of the Plan, the Committee may, from time to time, in its sole discretion select from among eligible Participants, including Employees, Non-Employee Directors and Consultants, those to whom Awards shall be granted under the Plan, and shall determine in its discretion the nature, terms, conditions and amount of each Award.

## **ARTICLE 6 STOCK OPTIONS**

- 6.1 Grant of Options. Subject to the terms and provisions of the Plan, Options may be granted to Participants in such number, and upon such terms, and at any time and from time to time as shall be determined by the Committee in its discretion.
- 6.2 Award Agreement. Each Option grant shall be evidenced by an Award Agreement that shall specify the Option Price, the duration of the Option, the number of Shares to which the Option pertains, the conditions, if any, upon which an Option shall become vested and exercisable, and any such other provisions as the Committee shall determine. The Award

Agreement for the grant of Options shall be in such form or forms as the Committee may from time to time approve.

- 6.3 Option Price. The Option Price for each grant of an Option under the Plan shall be determined by the Committee and shall be specified in the Award Agreement. The Option Price for an Option shall be not less than the FMV of the Shares on the date of grant.
- 6.4 Vesting of Options. Unless otherwise specified in an Award Agreement, and subject to any provisions of the Plan or the applicable Award Agreement relating to acceleration of vesting of Options, Options shall vest equally over a four year period such that 1/4 of the Options shall vest on the first, second, third and fourth anniversary dates of the date that the Options were granted.
- 6.5 Duration of Options. Each Option granted to a Participant shall expire at such time as the Committee shall determine at the time of grant; provided, however, that, subject to section 6.6, no Option shall be exercisable later than the tenth (10th) anniversary date of its grant.
- 6.6 Blackout Periods. If the date on which an Option is scheduled to expire occurs during, or within 10 business days after the last day of a Black Out Period applicable to such Participant, then the expiry date for such Option shall be extended to the last day of such 10 business day period.
- 6.7 Exercise of Options. Options granted under this Article 6 shall be exercisable at such times and on the occurrence of such events, and be subject to such restrictions and conditions, as the Committee shall in each instance approve, which need not be the same for each grant or for each Participant.
- 6.8 Payment. Options granted under this Article 6 shall be exercised by the delivery of a notice of exercise to the Company or an agent designated by the Company in a form specified or accepted by the Committee, or by complying with any alternative procedures which may be authorized by the Committee, setting forth the number of Shares with respect to which the Option is to be exercised, accompanied by full payment of the Option Price.

The Option Price upon exercise of any Option shall be payable to the Company in full in cash, certified cheque or wire transfer.

As soon as practicable after receipt of a notification of exercise and full payment of the Option Price, the Shares in respect of which the Option has been exercised shall be issued as fully-paid and non-assessable common shares of the Company. As of the business day the Company receives such notice and such payment, the Participant (or the person claiming through a Participant, as the case may be) shall be entitled to be entered on the share register of the Company as the holder of the number of Shares in respect of which the Option was exercised and to receive as promptly as possible thereafter, but in any event, on or before the 15th day of the third month of the year following the year in which the Option was exercised, a certificate or evidence of book entry representing the said number of Shares. The Company shall cause to be delivered to or to the direction of the Participant Share certificates or evidence of book entry Shares in an appropriate amount based upon the number of Shares purchased under the Option(s).

Shares shall not be issued pursuant to the exercise of an Option unless the exercise of such Option and the issuance and delivery of such Shares pursuant thereto shall comply with all relevant provisions of applicable Canadian and U.S. securities law, including, without limitation, the 1933 Act, the United States Securities and Exchange Act of 1934, as amended, applicable U.S. state laws, the rules and regulations promulgated thereunder, and the requirements of any stock exchange or consolidated stock price reporting system on which prices for the Shares are quoted at any given time. As a condition to the exercise of an Option, the Company may require the person exercising such Option to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required by law.

6.9 Death, Disability, Retirement and Termination or Resignation of Employment. If the Award Agreement does not specify the effect of a termination, cessation or resignation of employment then the following default rules will apply:

- (a) Death: If a Participant dies while an Employee, Director of, or Consultant to, the Company or an Affiliate of the Company:
  - (i) all unvested Options as at the Termination Date shall automatically and immediately vest; and
  - (ii) all vested Options (including those that vested pursuant to (i) above) shall continue to be subject to the Plan and exercisable for a period of 12 months after the Termination Date, provided that any Options that have not been exercised within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date.
- (b) Disability: If a Participant ceases to be eligible to be a Participant under the Plan as a result of their Disability then all Options remain and continue to vest (and are exercisable) in accordance with the terms of the Plan for a period of 12 months after the Termination Date, provided that any Options that have not been exercised (whether vested or not) within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date.
- (c) Retirement: If a Participant Retires then the Board shall have the discretion, with respect to such Participant's Options, to determine: (i) whether to accelerate vesting of any or all of such Options, (ii) whether any of such Options shall be cancelled, with or without payment, and (iii) how long, if at all, such Options may remain outstanding following the Termination Date; provided, however, that in no event shall such Options be exercisable for more than 12 months after the Termination Date.
- (d) Termination for Cause: If a Participant ceases to be eligible to be a Participant under the Plan as a result of their termination for Cause, then all Options, whether vested or not, as at the Termination Date shall automatically and immediately expire and be forfeited.
- (e) Termination without Cause or Voluntary Resignation: If a Participant ceases to be eligible to be a Participant under the Plan for any reason, other than as set out in

sections 6.9(a)-(d), then, unless otherwise determined by the Board in its sole discretion, as of the Termination Date:

- (i) all unvested Options shall automatically and immediately expire and be forfeited, and
- (ii) all vested Options shall continue to be subject to the Plan and exercisable for a period of 90 days after the Termination Date, provided that any Options that have not been exercised within 90 days after the Termination Date shall automatically and immediately expire and be forfeited on such date.

6.10 Non-transferability of Options. An Option granted under this Article 6 may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by bequeath or by the laws of descent and distribution, subject to the Exchange Policies or as otherwise allowed by the Exchange.

## **ARTICLE 7 RESTRICTED SHARE UNITS**

7.1 Grant of Restricted Share Units. Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Restricted Share Units to Participants in such amounts and upon such terms as the Committee shall determine.

7.2 Restricted Share Unit Agreement. Each Restricted Share Unit grant shall be evidenced by an Award Agreement that shall specify the Period(s) of Restriction, the number of Restricted Share Units granted, the settlement date for Restricted Share Units, whether such Restricted Share Unit is settled in cash, Shares or a combination thereof or if the form of payment is reserved for later determination by the Committee, and any such other provisions as the Committee shall determine, provided that unless otherwise determined by the Committee or as set out in any Award Agreement, no Restricted Share Unit shall vest later than three years after the date of grant.. The Committee shall impose, in the Award Agreement at the time of grant, such other conditions and/or restrictions on any Restricted Share Units granted pursuant to the Plan as it may deem advisable, including, without limitation, restrictions based upon the achievement of specific performance criteria, time- based restrictions on vesting and, restrictions under applicable laws or under Exchange Policies.

7.3 Vesting of Restricted Share Units. Unless otherwise specified in an Award Agreement, and subject to any provisions of the Plan or the applicable Award Agreement relating to acceleration of vesting of Restricted Share Units, Restricted Share Units shall vest equally over a three year period such that 1/3 of the Restricted Share Units granted in an Award shall vest on the first, second and third anniversary dates of the date that the Award was granted, and provided that no Restricted Share Unit granted shall vest and be payable after December 31 of the third calendar year following the year of service for which the Restricted Share Unit was granted.

7.4 Black Out Periods. If the date on which a Restricted Share Unit is scheduled to expire occurs during, or within 10 business days after the last day of a Black Out Period applicable to such Participant, then the expiry date for such Award shall be extended to the last day of such 10 business day period.

- 7.5 Non-transferability of Restricted Share Units. The Restricted Share Units granted herein may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated until the date of settlement through delivery or other payment, or upon earlier satisfaction of any other conditions, as specified by the Committee in its sole discretion and set forth in the Award Agreement at the time of grant or thereafter by the Committee. All rights with respect to the Restricted Share Units granted to a Participant under the Plan shall be available during such Participant's lifetime only to such Participant.
- 7.6 Dividends and Other Distributions. During the Period of Restriction, Participants holding Restricted Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares or Restricted Share Units.
- 7.7 Death, Disability, Retirement and Termination or Resignation of Employment. If the Award Agreement does not specify the effect of a termination or resignation of employment then the following default rules will apply:
- (a) Death: If a Participant dies while an Employee, Director of, or Consultant to, the Company or an Affiliate:
    - (i) all unvested Restricted Share Units as at the Termination Date shall automatically and immediately vest; and
    - (ii) all vested Restricted Share Units (including those that vested pursuant to (i) above) shall be paid to the Participant's estate in accordance with the terms of the Plan and the Award Agreement.
  - (b) Disability: If a Participant ceases to be eligible to be a Participant under the Plan as a result of their Disability, then all Restricted Share Units remain and continue to vest in accordance with the terms of the Plan for a period of 12 months after the Termination Date, provided that any Restricted Share Units that have not vested within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date.
  - (c) Retirement: If a Participant Retires then the Board shall have the discretion, with respect to such Participant's Restricted Share Units, to determine: (i) whether to accelerate vesting of any or all of such Restricted Share Units, (ii) whether any of such Restricted Share Units shall be cancelled, with or without payment, and (iii) how long, if at all, such Restricted Share Units may remain outstanding following the Termination Date; provided, however, that in no event shall such Restricted Share Units remain outstanding for more than 12 months after the Termination Date. Notwithstanding the above, for U.S. Participants, the treatment of Restricted Share Units upon retirement shall be provided for in the Award Agreement.
  - (d) Termination for Cause: If a Participant ceases to be eligible to be a Participant under the Plan as a result of their termination for Cause, then all Restricted Share

Units, whether vested or not, as at the Termination Date shall automatically and immediately be forfeited.

- (e) Termination without Cause or Voluntary Resignation: If a Participant ceases to be eligible to be a Participant under the Plan for any reason, other than as set out in sections 7.7(a)-(d), then, unless otherwise determined by the Board in its sole discretion, as of the Termination Date:
  - (i) all unvested Restricted Share Units shall automatically and immediately be forfeited, and
  - (ii) all vested Restricted Share Units shall be paid to the Participants in accordance with the terms of the Plan and the Award Agreement.

7.8 Payment in Settlement of Restricted Share Units. When and if Restricted Share Units become payable, the Participant issued such Restricted Share Units shall be entitled to receive payment from the Company in settlement of such Restricted Share Units: (i) in cash, in an amount equal to the product of the FMV of a Share on the applicable settlement date multiplied by the number of Restricted Share Units being settled, (ii) in a number of Shares (issued from treasury) equal to the number of Restricted Share Units being settled, (iii) in some combination thereof, or (iv) in any other form, all as determined by the Committee at its sole discretion. The Committee's determination regarding the form of payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the Restricted Share Units. In the event settlement is made by payment in cash, such payment shall be made by the earlier of (i) 2 1/2 months after the close of the year in which such conditions or restrictions were satisfied or lapsed and (ii) December 31 of the third year following the year of the grant date.

## **ARTICLE 8 DEFERRED SHARES UNITS**

- 8.1 Grant of Deferred Share Units. Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Deferred Share Units to Participants in such amounts and upon such terms as the Committee shall determine.
- 8.2 Deferred Share Unit Agreement. Each Deferred Share Unit grant shall be evidenced by an Award Agreement that shall specify the number of Deferred Share Units granted, the settlement date for Deferred Share Units, and any other provisions as the Committee shall determine, including, but not limited to a requirement that Participants pay a stipulated purchase price for each Deferred Share Unit, restrictions based upon the achievement of specific performance criteria, time-based restrictions, restrictions under applicable laws or under Exchange Policies, or holding requirements or sale restrictions placed on the Shares by the Company upon vesting of such Deferred Share Units.
- 8.3 Non-transferability of Deferred Share Units. The Deferred Share Units granted herein may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated. All rights with respect to the Deferred Share Units granted to a Participant under the Plan shall be available during such Participant's lifetime only to such Participant.
- 8.4 Black Out Periods. If the date on which a Deferred Share Unit is scheduled to expire occurs during, or within 10 business days after the last day of a Black Out Period

applicable to such Participant, then the expiry date for such Award shall be extended to the last day of such 10 business day period.

- 8.5 Dividends and Other Distributions. Participants holding Deferred Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate.

The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares or Deferred Share Units.

- 8.6 Termination of Employment, Consultancy or Directorship. Each Award Agreement shall set forth the extent to which the Participant shall have the right to retain Deferred Share Units following termination of the Participant's employment or other relationship with the Company or its Affiliates. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Deferred Share Units issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination, provided that provisions shall comply with Exchange Policies.

- 8.7 Payment in Settlement of Deferred Share Units. When and if Deferred Share Units become payable, the Participant issued such Deferred Share Units shall be entitled to receive payment from the Company in settlement of such Deferred Share Units: (i) in cash, in an amount equal to the product of the FMV of a Share on the applicable settlement date less the stipulated purchase price for the Deferred Share Units being settled, if any, multiplied by the number of Deferred Share Units being settled, (ii) in a number of Shares (issued from treasury) equal to the number of Deferred Share Units being settled, (iii) in some combination thereof, or (iv) in any other form, all as determined by the Committee at its sole discretion. The Committee's determination regarding the form of payout and the timing of settlement thereof shall be set forth or reserved for later determination in the Award Agreement for the grant of the Deferred Share Units.

## **ARTICLE 9 PERFORMANCE SHARE UNITS**

- 9.1 Grant of Performance Share Units. Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Performance Share Units to Participants in such amounts and upon such terms as the Committee shall determine.

- 9.2 Value of Performance Share Units. Each Performance Share Unit shall have an initial value equal to the FMV of a Share on the date of grant. The Committee shall set performance criteria for a Performance Period in its discretion, which, depending on the extent to which they are met, will determine, in the manner determined by the Committee and set forth in the Award Agreement, the value and/or number of each Performance Share Unit that will be paid to the Participant.

- 9.3 Earning of Performance Share Units. Subject to the terms of the Plan and the applicable Award Agreement, after the applicable Performance Period has ended, the holder of Performance Share Units shall be entitled to receive payout on the value and number of

Performance Share Units, determined as a function of the extent to which the corresponding performance criteria have been achieved. Notwithstanding the foregoing, the Company shall have the ability to require the Participant to hold any Shares received pursuant to such Award for a specified period of time.

- 9.4 Form and Timing of Payment of Performance Share Units. Payment of earned Performance Share Units shall be as determined by the Committee and as set forth in the Award Agreement. Subject to the terms of the Plan, the Committee, in its sole discretion, may pay earned Performance Share Units in the form of : (i) cash equal to the value of the earned Performance Share Units at the end of the applicable Performance Period, (ii) a number of Shares issued from treasury equal to the number of earned Performance Share Units at the end of the applicable Performance Period, or (iii) in a combination thereof. Any Shares may be granted subject to any restrictions deemed appropriate by the Committee. The determination of the Committee with respect to the form of payout of such Awards shall be set forth in the Award Agreement for the grant of the Award or reserved for later determination. In no event will delivery of such Shares be made later than the earlier of: (i) 3 months after the close of the year in which such conditions or restrictions were satisfied or lapsed and (ii) December 31 of the third year following the year of the grant date.
- 9.5 Dividends and Other Distributions. Participants holding Performance Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares or Performance Share Units.
- 9.6 Termination of Employment, Consultancy or Directorship. Each Award Agreement shall set forth the extent to which the Participant shall have the right to retain Performance Share Units following termination of the Participant's employment or other relationship with the Company or its Affiliates. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Performance Share Units issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination, provided that the provisions shall comply with applicable Exchange Policies.
- 9.7 Non-transferability of Performance Share Units. Performance Share Units may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. Further, a Participant's rights under the Plan shall inure during such Participant's lifetime only to such Participant.

## **ARTICLE 10 BENEFICIARY DESIGNATION**

- 10.1 Beneficiary. A Participant's "beneficiary" is the person or persons entitled to receive payments or other benefits or exercise rights that are available under the Plan in the event of the Participant's death. A Participant may designate a beneficiary or change a previous beneficiary designation at such times as prescribed by the Committee and by using such forms and following such procedures approved or accepted by the Committee for that

purpose. If no beneficiary designated by the Participant is eligible to receive payments or other benefits or exercise rights that are available under the Plan at the Participant's death, the beneficiary shall be the Participant's estate.

- 10.2 Discretion of the Committee. Notwithstanding the provisions above, the Committee may, in its discretion, after notifying the affected Participants, modify the foregoing requirements, institute additional requirements for beneficiary designations, or suspend the existing beneficiary designations of living Participants or the process of determining beneficiaries under this Article 10, or both, in favor of another method of determining beneficiaries.

## **ARTICLE 11 RIGHTS OF PERSONS ELIGIBLE TO PARTICIPATE**

- 11.1 Employment. Nothing in the Plan or an Award Agreement shall interfere with or limit in any way the right of the Company or an Affiliate of the Company to terminate any Participant's employment, consulting or other service relationship with the Company or the Affiliate at any time, nor confer upon any Participant any right to continue in the capacity in which he or she is employed or otherwise serves the Company or the Affiliate.

Neither an Award nor any benefits arising under the Plan shall constitute part of an employment or service contract with the Company or an Affiliate of the Company, and, accordingly, subject to the terms of the Plan, the Plan may be terminated or modified at any time in the sole and exclusive discretion of the Committee or the Board without giving rise to liability on the part of the Company or its Affiliates for severance payments or otherwise, except as provided in the Plan.

For purposes of the Plan, unless otherwise provided by the Committee, a transfer of employment of a Participant between the Company and an Affiliate or among Affiliates of the Company, shall not be deemed a termination of employment. The Committee may provide, in a Participant's Award Agreement or otherwise, the conditions under which a transfer of employment to an entity that is spun off from the Company or an Affiliate of the Company shall not be deemed a termination of employment for purposes of an Award.

- 11.2 Participation. No Employee or other person eligible to participate in the Plan shall have the right to be selected to receive an Award. No person selected to receive an Award shall have the right to be selected to receive a future Award, or, if selected to receive a future Award, the right to receive such future Award on terms and conditions identical or in proportion in any way to any prior Award.
- 11.3 Rights as a Shareholder. A Participant shall have none of the rights of a shareholder with respect to Shares covered by any Award until the Participant becomes the holder of such Shares.

## **ARTICLE 12 CHANGE OF CONTROL**

- 12.1 Change of Control and Termination of Employment. Subject to section 12.2 and the terms and provisions of any Award Agreement, if there is a Change of Control, any Awards held by a Participant shall automatically vest following such Change of Control, on the Termination Date, if the Participant is an Employee, officer or a Director and their

employment, or officer or Director position is terminated within 12 months following the Change of Control, provided that no acceleration of Awards shall occur in the case of a Participant that was retained to provide Investor Relations Activities unless the approval of the Exchange is either obtained or not required.

- 12.2 Discretion to Board. Notwithstanding any other provision of the Plan, in the event of an actual or potential Change of Control, the Board may, in its sole discretion, without the necessity or requirement for the agreement of any Participant: (i) accelerate, conditionally or otherwise, on such terms as it sees fit (including, but not limited to those set out in (iii) and (iv) below), the vesting date of any Awards; (ii) permit the conditional redemption or exercise of any Awards, on such terms as it sees fit; (iii) otherwise amend or modify the terms of any Awards, including for greater certainty by (1) permitting Participants to exercise or redeem any Awards to assist the Participants to participate in the actual or potential Change of Control, or (2) providing that any Awards exercised or exercised shall be exercisable or redeemed for, in lieu of Shares, such property (including shares of another entity or cash) that shareholders of the Company will receive in the Change of Control; and (iv) terminate, following the successful completion of a Change of Control, on such terms as it sees fit, the Awards not exercised or redeemed prior to the successful completion of such Change of Control. With respect to a U.S. Participant, the treatment of Awards upon a Change of Control shall be provided for in the Award Agreement.
- 12.3 Non-Occurrence of Change of Control. In the event that any Awards are conditionally exercised pursuant to section 12.2 above and the Change of Control does not occur, the Board may, in its sole discretion, determine that any (i) Awards so exercised shall be reinstated as the type of Award prior to such exercise, and (ii) Shares issued be cancelled and any exercise or similar price received by the Company shall be returned to the Participant.
- 12.4 Agreement with Purchaser in a Change of Control. In connection with a Change of Control, the Board may be permitted to condition any acceleration of vesting on the Participant entering into an employment, confidentiality or other agreement with the purchaser as the Board deems appropriate.

### **ARTICLE 13 AMENDMENT AND TERMINATION**

- 13.1 Amendment and Termination. The Board may, at any time, suspend or terminate the Plan. Subject to compliance with any applicable law, including Exchange Policies amend or revise the terms of the Plan and any Award Agreement. No such amendment of the Plan or Award Agreement may be made if such amendment would materially and adversely impair any rights arising from any Awards previously granted to a Participant under the Plan without the consent of the Participant or the representatives of his or her estate, as applicable. Any amendment that would cause an Award held by a Participant that is a U.S. taxpayer to fail to comply with Section 409A of the Code shall be null and void with respect to such Participant.
- 13.2 Reduction of Option Price or Grant Price. If required by Exchange Policies, disinterested shareholder approval shall be obtained for any reduction in the Option Price, to the extent any such reduction is permitted by the Exchange, if the Participant is an Insider of the Company at the time of the proposed amendment.

## **ARTICLE 14 WITHHOLDING**

- 14.1 Withholding. The Company or any of its Affiliates shall have the power and the right to deduct or withhold from any payment owed to the Participant, or require a Participant to remit to the Company or the Affiliate, an amount sufficient to satisfy federal, provincial and local taxes or domestic or foreign taxes required by law or regulation to be withheld with respect to any taxable event arising from or as a result of the Plan or any Award hereunder. The Committee may provide for Participants to satisfy withholding requirements by having the Company withhold and sell Shares or the Participant making such other arrangements, including the sale of Shares, in either case on such conditions as the Committee specifies.
- 14.2 Acknowledgement. Participant acknowledges and agrees that the ultimate liability for all taxes legally payable by Participant is and remains Participant's responsibility and may exceed the amount actually withheld by the Company. Participant further acknowledges that the Company: (a) makes no representations or undertakings regarding the treatment of any taxes in connection with any aspect of the Plan; and (b) does not commit to and is under no obligation to structure the terms of the Plan to reduce or eliminate Participant's liability for taxes or achieve any particular tax result. Further, if Participant has become subject to tax in more than one jurisdiction, Participant acknowledges that the Company may be required to withhold or account for taxes in more than one jurisdiction.

## **ARTICLE 15 SUCCESSORS**

- 15.1 Any obligations of the Company or its Affiliates under the Plan with respect to Awards granted hereunder shall be binding on any successor to the Company or its Affiliates, respectively, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation or otherwise, of all or substantially all of the businesses and/or assets of the Company or the Affiliate, as applicable.

## **ARTICLE 16 GENERAL PROVISIONS**

- 16.1 Delivery of Title. The Company shall have no obligation to issue or deliver evidence of title for Shares issued under the Plan prior to:
- (a) Obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and
  - (b) Completion of any registration or other qualification of the Shares under any applicable law or ruling of any governmental body that the Company determines to be necessary or advisable.

If for any reason Shares cannot be issued to a Participant, the obligation of the Company to issue such Shares shall terminate.

- 16.2 Conflict. To the extent there is any inconsistency or ambiguity between this Plan and any employment contract, the terms of such employment contract shall govern to the extent of such inconsistency or ambiguity, subject only to compliance with applicable law and Exchange Policies.

- 16.3 Investment Representations. The Committee may require each Participant receiving Shares pursuant to an Award under the Plan to represent and warrant in writing that the Participant is acquiring the Shares for investment and without any present intention to sell or distribute such Shares.
- 16.4 Legends and Resale Restrictions. The certificates for Shares may include any legend that the Committee deems appropriate to reflect any restrictions on transfer of such Shares, including, without limitation, any legend required by Exchange Policies.
- 16.5 Uncertificated Shares. To the extent that the Plan provides for issuance of certificates to reflect the transfer of Shares, the transfer of such Shares may be effected on a non-certificated basis to the extent not prohibited by applicable law or Exchange Policies.
- 16.6 No Fractional Shares. No fractional Shares shall be issued or delivered pursuant to the Plan or any Award Agreement. In such an instance, unless the Committee determines otherwise, fractional Shares and any rights thereto shall be forfeited or otherwise eliminated.
- 16.7 Other Compensation and Benefit Plans. Nothing in the Plan shall be construed to limit the right of the Company or an Affiliate of the Company to establish other compensation or benefit plans, programs, policies or arrangements. Except as may be otherwise specifically stated in any other benefit plan, policy, program or arrangement, no Award shall be treated as compensation for purposes of calculating a Participant's rights under any such other plan, policy, program or arrangement.
- 16.8 No Constraint on Corporate Action. Nothing in the Plan shall be construed (i) to limit, impair or otherwise affect the Company's or its Affiliates' right or power to make adjustments, reclassifications, reorganizations or changes in its capital or business structure, or to merge or consolidate, or dissolve, liquidate, sell or transfer all or any part of its business or assets, or (ii) to limit the right or power of the Company or its Affiliates to take any action which such entity deems to be necessary or appropriate.
- 16.9 Compliance with Canadian Securities Laws. All Awards and the issuance of Shares underlying such Awards issued pursuant to the Plan will be issued pursuant to an exemption from the prospectus requirements of Canadian securities laws where applicable.
- 16.10 Compliance with U.S. Securities Laws. All Awards and the issuance of Shares underlying such Awards issued pursuant to the Plan will be issued pursuant to the registration requirements of the U.S. Securities Act of 1933, as amended or an exemption from such registration requirements. If the Awards or Shares are not so registered and no such registration exemption is available, the Company shall not be required to issue any Shares otherwise issuable hereunder.

## **ARTICLE 17 LEGAL CONSTRUCTION**

- 17.1 Gender and Number. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine, the plural shall include the singular, and the singular shall include the plural.

17.2 Severability. In the event any provision of the Plan shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

17.3 Requirements of Law. The granting of Awards and the issuance of Shares under the Plan shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or securities exchanges as may be required. The Company or an Affiliate of the Company shall receive the consideration required by law for the issuance of Awards under the Plan.

The inability of the Company or an Affiliate of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company or the Affiliate to be necessary for the lawful issuance and sale of any Shares hereunder, shall relieve the Company or the Affiliate of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

17.4 Governing Law. The Plan and each Award Agreement shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of the Plan to the substantive law of another jurisdiction.

17.5 Compliance with Section 409A of the Code.

(a) To the extent the Plan is applicable to a particular Participant subject to the Code, it is intended that the Plan and any Awards made hereunder shall not provide for the payment of “deferred compensation” within the meaning of Section 409A of the Code or shall be structured in a manner and have such terms and conditions that would not cause such a Participant to be subject to taxes and interest pursuant to Section 409A of the Code. The Plan and any Awards made hereunder shall be administrated and interpreted in a manner consistent with this intent.

(b) To the extent that any amount or benefit in favour of a Participant who is subject to the Code would constitute “deferred compensation” for purposes of Section 409A of the Code would otherwise be payable or distributable under the Plan or any Award Agreement by reason of the occurrence of a Change of Control or the Participant’s disability or separation from service, such amount or benefit will not be payable or distributable to the Participant by reason of such circumstance unless: (i) the circumstances giving rise to such Change of Control, disability or separation from service meet the description or definition of “change in control event,” “disability,” or “separation from service,” as the case may be, in Section 409A of the Code and applicable proposed or final Treasury regulations thereunder, and (ii) the payment or distribution of such amount or benefit would otherwise comply with Section 409A of the Code and not subject the Participant to taxes and interest pursuant to Section 409A of the Code. This provision does not prohibit the vesting of any Award or the vesting of any right to eventual payment or distribution of any amount or benefit under the Plan or any Award Agreement.

(c) The Committee shall use its reasonable discretion to determine the extent to which the provisions of this section 17.5 will apply to a Participant who is subject to taxation under the ITA.