

STATEMENT OF EXECUTIVE COMPENSATION

Financial information disclosed in this Statement of Executive Compensation is related to the financial years ended December 31, 2022 and 2023 of Spirit Blockchain Capital Inc. (the “Company”).

Definitions

For the purpose of the Circular:

“**CEO**” means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the financial years indicated in this document unless the context requires otherwise;

“**CFO**” means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the financial years indicated in this document unless the context requires otherwise;

“**Named Executive Officer**” or “**NEO**” means each of the following individuals:

- a) a CEO;
- b) a CFO;
- c) the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the financial years indicated in this document unless the context requires otherwise, whose total compensation was more than \$150,000, as determined in accordance with the compensation table below, for that financial year; and
- d) each individual who would be a named executive officer under paragraph (c) above but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year;

“**directors**” means directors of the Company unless the context requires otherwise;

“**RSUs**” means the restricted share units of the Company which can be awarded pursuant to the Company’s Share Compensation Plan;

“**Share Compensation Plan**” means the Company’s share compensation plan effective July 29, 2021; and

“**Stock Options**” means the incentive stock options which can be granted pursuant to the Company’s Share Compensation Plan.

The following information regarding executive compensation is presented in accordance with National Instrument Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*, and sets forth compensation for each of the NEOs and directors.

Director and NEO Compensation, Excluding Compensation Securities

The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each NEO, in any capacity, and each director, in any capacity, during the following financial years:

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 (\$)
Lewis Bateman ⁽¹⁾ CEO and Director	2023	142,500	Nil	Nil	Nil	Nil	142,500
	2022	20,000	Nil	Nil	Nil	Nil	20,000
Erich Perroulaz ⁽²⁾ Former CEO, former acting CFO and current Director	2023	45,000	Nil	Nil	Nil	Nil	45,000
	2022	145,500	Nil	Nil	Nil	Nil	145,500
Raymond O'Neill ⁽³⁾ Director	2023	43,325	Nil	Nil	Nil	Nil	43,325
	2022	97,000	Nil	Nil	Nil	Nil	97,000
Yves La Rose ⁽⁴⁾ Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Margaret Paproski ⁽⁵⁾ Former CFO	2023	12,500	Nil	Nil	Nil	Nil	12,500
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Meetul Patel ⁽⁶⁾ Former CFO	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Anthony Zelen ⁽⁷⁾ Former Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Denis Silva ⁽⁸⁾ Former Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- 1) Mr. Bateman was appointed CEO on November 1, 2022 and appointed a director on March 7, 2023.
- 2) Mr. Perroulaz was appointed CEO and a director on July 29, 2021. He resigned as the CEO on November 1, 2022 but has remained as a director. Mr. Perroulaz was also the acting CFO during the period from May 30, 2024 to January 2, 2025, at which time the Company appointed Joanna Lipfeld as the new CFO.
- 3) Mr. O'Neill was appointed a director on July 29, 2021.
- 4) Mr. La Rose was appointed a director on December 4, 2023.
- 5) Ms. Paproski was appointed CFO on December 18, 2023 and resigned on May 30, 2024. As indicated above, Mr. Perroulaz was the acting CFO after Ms. Paproski's resignation.
- 6) Mr. Patel was appointed CFO on July 29, 2021 and resigned on July 20, 2023.
- 7) Mr. Zelen was appointed a director on July 29, 2021 and resigned on January 26, 2023.
- 8) Mr. Silva was appointed a director on July 29, 2021 and resigned on March 28, 2024.

Stock Options and Other Compensation Securities

Except as disclosed below, no compensation securities were granted or issued to NEOs or directors during the financial years ended December 31, 2023 and 2022:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Lewis Bateman CEO and Director	Stock options	333,333 ⁽¹⁾	January 1, 2023	0.05	0.055	0.055 ⁽²⁾	November 1, 2027
	RSUs	166,667 ⁽³⁾	January 1, 2023	0.35	0.055	0.055 ⁽²⁾	N/A

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Erich Perroulaz Former CEO, former acting CFO and current Director	Stock Options	Nil ⁽⁴⁾	N/A	N/A	N/A	N/A	N/A
	RSUs	Nil ⁽⁵⁾	N/A	N/A	N/A	N/A	N/A
Raymond O'Neill Director	Stock Options	Nil ⁽⁴⁾	N/A	N/A	N/A	N/A	N/A
	RSUs	Nil ⁽⁵⁾	N/A	N/A	N/A	N/A	N/A
Yves La Rose Director	Stock Options	Nil ⁽⁴⁾	N/A	N/A	N/A	N/A	N/A
	RSUs	Nil ⁽⁵⁾	N/A	N/A	N/A	N/A	N/A
Margaret Paproski Former CFO	Stock Options	Nil ⁽⁴⁾	N/A	N/A	N/A	N/A	N/A
	RSUs	Nil ⁽⁵⁾	N/A	N/A	N/A	N/A	N/A
Meetul Patel Former CFO	Stock Options	Nil ⁽⁴⁾	N/A	N/A	N/A	N/A	N/A
	RSUs	Nil ⁽⁵⁾	N/A	N/A	N/A	N/A	N/A
Anthony Zelen Former Director	Stock Options	Nil ⁽⁴⁾	N/A	N/A	N/A	N/A	N/A
	RSUs	Nil ⁽⁵⁾	N/A	N/A	N/A	N/A	N/A
Denis Silva Former Director	Stock Options	Nil ⁽⁴⁾	N/A	N/A	N/A	N/A	N/A
	RSUs	Nil ⁽⁵⁾	N/A	N/A	N/A	N/A	N/A

Notes:

- 1) These 333,333 Stock Options are exercisable into 333,333 Common Shares subject to the vesting criteria as follows: 111,111 Stock Option shall vest on each of January 1, 2024, 2025 and 2026.
- 2) Representing the closing price of the Common Shares as of December 29, 2023, being the last trade day of the month.
- 3) Each RSU can be settled in one Common Share. These 166,667 RSUs are subject to the vesting criteria as follows: 55,555 RSUs vested on November 1, 2023, 55,556 RSUs vested on November 1, 2024 and 55,556 RSUs shall vest on November 1, 2025. As of December 31, 2023, Mr. Bateman held unvested RSUs.
- 4) No Stock Options held by any of the following individuals were cancelled during the financial year ended December 31, 2022. The following table sets out the Stock Options cancelled during the financial year ended December 31, 2023 and the number of Stock Options each of the following individuals held as of December 31, 2023:

Name	Cancelled Options	Total number of Stock Options held as of December 31, 2023
Erich Perroulaz	533,334	266,667
Raymond O'Neill	400,00	200,000
Yves La Rose	N/A	Nil
Margaret Paproski	N/A	Nil
Meetul Patel	33,334	16,667
Anthony Zelen	106,667	53,333
Denis Silva	106,667	53,333

- 5) No RSUs held by any of the following individuals were cancelled during the financial year ended December 31, 2022. The following table sets out the RSUs cancelled during the financial year ended December 31, 2023 and the number of unvested RSUs each of the following individuals held as of December 31, 2023:

Name	Cancelled RSUs	Total number of unvested RSUs held as of December 31, 2023
Erich Perroulaz	N/A	133,333 ⁽¹⁾
Raymond O'Neill	N/A	100,000 ⁽²⁾
Yves La Rose	N/A	Nil

Margaret Paproski	N/A	Nil
Meetul Patel	16,667	Nil
Anthony Zelen	53,334	Nil
Denis Silva	N/A	26,667 ⁽³⁾

(1) Mr. Perroulaz also had 133,333 RSUs that were vested but not converted as at December 31, 2023.

(2) Mr. O'Neill also had 100,000 RSUs that were vested but not converted as at December 31, 2023.

(3) Mr. Silva also had 26,667 RSUs that were vested but not converted as at December 31, 2023.

Exercise of Compensation Securities by Directors and NEOs

No NEO or director exercised their Stock Options in the financial years ended December 2023 and 2022. Vested RSUs were settled in Common Shares, other than as specified herein.

Share Compensation Plan

Effective July 29, 2021, the Company established the Share Compensation Plan, a copy of which has been filed on the Company's SEDAR+ profile at www.sedarplus.com. The Share Compensation Plan is a 10% "evergreen" or "rolling" plan pursuant to which the number of Common Shares which may be issued pursuant to RSUs awarded and Stock Options granted under the Share Compensation Plan is a maximum of 10% of the issued and outstanding Common Shares at the time of the award or grant. The policies of the Canadian Securities Exchange provide that, within three years after institution and within every three years thereafter, a listed issuer must obtain security holder approval for an evergreen plan.

Pursuant to the Share Compensation Plan, the Board may award of RSUs and grant of Stock Options to the directors, officers, employees, and consultants of the Company and of its subsidiaries and affiliates (the "**Eligible Persons**") to acquire Common Shares as a discretionary payment in consideration of past services to the Company or as an incentive for future services.

The purpose of the Share Compensation Plan is to ensure that the Company is to able to provide an incentive program for the Eligible Persons that provides enough flexibility in the structuring of incentive benefits to allow the Company to remain competitive in the recruitment and maintenance of key personnel.

The Share Compensation Plan is administered by the Board or such other persons as may be designed by the Board from time to time (the "**Administrators**"), which shall, without limitation, have full and final authority in its discretion, but subject to the express provisions of the Share Compensation Plan, to adopt rules and regulations for implementing the Share Compensation Plan, determine Eligibility Persons who shall be awarded or granted RSUs and Stock Options, interpret and construe the provisions of the Share Compensation Plan and any agreement or instrument under the Share Compensation Plan, make exceptions to the Share Compensation Plan in circumstances which they determine to be exceptional, and to make all other determinations deemed necessary or advisable for the administration of the Share Compensation Plan, subject to any necessary Shareholder or regulatory approval.

The key features of the Share Compensation Plan are outlined as follows:

~ Administration

The Share Compensation Plan shall be administered by the Administrators. Stock Options and RSUs may be granted and awarded under the Share Compensation Plan to such Eligible Persons as the Administrators may from time to time designate.

~ Common Shares Subject to the Share Compensation Plan

- The total number of Common Shares reserved and available for grant and issuance pursuant to the Share Compensation Plan, and the total number of RSUs that may be awarded pursuant to this Plan, shall not exceed 10% (in the aggregate) of the issued and outstanding Common Shares from time to time.

- The aggregate sales price or amount of the Common Shares issued during any consecutive 12-month period will not exceed the greatest of the following: (i) U.S.\$1,000,000; (ii) 10% of the total assets of the Company, measured at the Company's most recent balance sheet date; or (iii) 10% of the outstanding amount of the Common Shares, measured at the Company's most recent balance sheet date.
- The number of Common Shares issuable pursuant to the exercise of Stock Options within a 12 month period to all Eligible Persons retained to provide investor relations activities shall not, at any time, exceed 1% of the issued and outstanding Common Shares. The Stock Options have a maximum term of 10 years from the date of issue.

~ *RSUs*

- The Administrators shall determine in their sole discretion the vesting criteria applicable to such RSUs.
- The terms and conditions of the RSUs, including the quantity, type of award, grant date, vesting conditions, vesting periods, settlement date and other terms and conditions, shall be set out in the agreement evidencing each award of RSUs.
- All vesting and issuances or payments, as applicable, in respect of an RSU shall be completed no later than December 15 of the third calendar year commencing after the date of award of such RSU.
- Upon vesting of any RSUs awarded under the Share Compensation Plan, the Eligible Person shall be entitled to receive Common Shares, cash (based on the value of a Common Share) or a combination thereof.
- Subject to the achievement of the applicable vesting conditions, the payout of an RSU will generally occur on the settlement date.
- Should the date of vesting of an RSU fall within a blackout period or within nine business days following the expiration of a blackout period, such date of vesting shall be automatically extended without any further act or formality to that date which is the tenth business day after the end of the blackout period, such tenth business day to be considered the date of vesting for such RSU for all purposes under the Share Compensation Plan.
- If an Event of Termination (as such term is defined in the Share Compensation Plan) occurs, any unvested RSUs shall, unless otherwise determined by the Administrators in their discretion, shall be forfeited by the RSU recipients and cancelled, and any vested RSUs shall be issued as soon as practicable after the Event of Termination and in accordance with the applicable vesting schedule.

~ *Stock Options*

- All Stock Options granted under the Share Compensation Plan will have an exercise price determined and approved by the Administrators at the time of the grant, which shall not be less than the closing price of the Common Shares on the Canadian Securities Exchange on the trading day immediately preceding the date of the granting of the Stock Option.
- The Administrators may determine when any Stock Option will become exercisable and may determine if the Stock Options shall be exercisable in instalments or pursuant to a vesting schedule.
- The Stock Options shall be exercisable during a period established by the Administrators which shall not be more than 10 years from the grant of the Stock Option.
- The terms and conditions of the Stock Options, including the quantity, type of grant, grant date, vesting conditions, vesting periods, settlement date and other terms and conditions, shall be set out in the agreement evidencing each grant of Stock Options.

- Should the term of a Stock Option expire on a date that falls within a blackout period or within nine business days following the expiration of a blackout period, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth business day after the end of the blackout period, such tenth business day to be considered the expiration date for such Stock Option for all purposes under the Share Compensation Plan.
- Stock Options that have vested may be exercised to Common Shares. Stock Option recipients may elect a cashless exercise of Stock Options which election will result in all of the Common Shares issuable on the exercise being sold.
- If an Event of Termination has occurred, any unvested Stock Options shall, unless otherwise determined by the Administrators in their discretion, forthwith and automatically be cancelled, terminated and not available for exercise without further consideration or payment to the Stock Option recipient, and any vested Stock Options that are available for exercise may be exercised only before the earlier of the expiry of the Stock Option and six months after the date of the Event of Termination.

~ Termination of the Share Compensation Plan

The Share Compensation Plan may be terminated at any time by the Administrators, but any such termination will not affect or prejudice rights of persons holding RSUs and Stock Options at that time. If the Share Compensation Plan is terminated, outstanding RSUs and Stock Options will continue to be governed by its terms.

Employment, Consulting and Management Agreements

Mr. Bateman is paid for services to the Company as the CEO through an employment agreement effective November 1, 2022. Pursuant to his employment agreement, Mr. Bateman is entitled to a salary of \$120,000 from November 1, 2022 to January 31, 2023 and then \$150,000 per year going forward, and to bonuses based on performance metrics and business milestones. If the Company terminates the agreement without just cause (including termination without cause after a change in control) or Mr. Bateman terminates the agreement for good reason (means any event that would be considered constructive dismissal under applicable law), the Company shall pay Mr. Bateman a lump sum payment equal to six months of his total gross annual compensation including all forms of bonuses, allowances, perquisites, cash and cash equivalents.

Ms. Paproski was paid for services to the Company as the Chief Financial Officer through an employment agreement dated December 5, 2023 and a consulting agreement dated December 5, 2023. Pursuant to the employment agreement, Ms. Paproski was entitled to compensation by the issuance of stock options and RSUs at the discretion of the Company. Pursuant to the consulting agreement, Ms. Paproski was entitled to annual base fees of \$150,000, additional bonuses based on qualitative and quantitative key performance indicators and metrics, and an annual success fee as determined by the Company in its sole discretion. If the consulting agreement is terminated where there is no material breach by Ms. Paproski, the Company shall pay any accrued and unpaid fees up to and including the date of termination. If the employment agreement is terminated without cause, the Company shall pay the compensation required by the employment agreement up to and including the date of termination. Ms. Paproski resigned as CFO May 30, 2024. The Company did not have any contract with Mr. Perroulaz for his services rendered as acting CFO and Mr. O'Neill provides services as an independent contractor.

Oversight and Description of Director and NEO Compensation

The objective of the Company's compensation program is to compensate the executive officers for their services to the Company at a level that is both in line with the Company's fiscal resources and competitive with companies at a similar stage of development.

The Company compensates its executive officers based on their skill, qualifications, experience level, level of responsibility involved in their position, the existing stage of development of the Company, the Company's resources, industry practice and regulatory guidelines regarding executive compensation levels.

The Board has implemented three levels of compensation to align the interests of the executive officers and directors with those of the Shareholders. First, executive officers may be paid a monthly consulting fee or salary. Second, the Board may award executive officers and directors long term incentives in the form of Stock Options or RSUs. Finally, and only in special circumstances, the Board may award executive officers and directors cash or share bonuses for exceptional performance that results in a significant increase in Shareholder value.

Executive compensation is intended to be consistent with the Company's business plans, strategies and goals while taking into account various factors and criteria, including competitive factors and the Company's performance. The Company's executive compensation program is intended to provide an appropriate overall compensation package that permits the Company to attract and retain highly qualified and experienced senior executives and to encourage superior performance by the Company. The Company's compensation policies are intended to motivate individuals to achieve and to award compensation based on corporate and individual results. Compensation for the NEOs is intended to reflect a fair evaluation of overall performance.

The Board has not appointed a compensation committee and the responsibilities relating to executive and director compensation, including reviewing and recommending director compensation, overseeing the Company's compensation program, recommending compensation of the Company's officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives, is performed by the Board as a whole. The Board also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the senior Management. The Board reviews compensation of senior Management on an annual basis.

When determining individual compensation levels for the Company's NEOs, a variety of factors will be considered including: the overall financial and operating performance of the Company, each NEO's individual performance and contribution towards meeting corporate objectives and each NEO's level of responsibility and length of service.

The Board considers the following objectives when reviewing annual compensation: (i) retaining individuals critical to the growth and overall success of the Company; (ii) rewarding achievements of individuals; (iii) providing fair and competitive compensation; and (iv) compensating individuals based on their performance.

The base salary review for each NEO is based on an assessment of factors such as current market conditions and particular skills, including leadership ability and management effectiveness, experience, responsibility and proven or expected performance.

The Company intends to adopt a bonus plan to assist the Company in attracting, retaining and motivating directors, officers, employees, consultants and contractors of the Company and of its affiliates and to closely align the personal interests of such service providers with the interests of the Company and its Shareholders. It is intended that 10% of the Company's profits post-tax will be allocated to the bonus plan.

The Company has adopted the Share Compensation Plan to assist the Company in attracting, retaining and motivating directors, officer, employees, consultants and contractors of the Company and of its affiliates and to closely align the personal interests of such service providers with the interests of the Company and its Shareholders. As of September 30, 2024, the Company had 2,133,711 Stock Options issued and outstanding and 910,222 RSUs outstanding.

The Company is aware that compensation practices can have unintended risk consequences. At the present time, the Board is satisfied that the current executive compensation program does not encourage the executives to expose the business to inappropriate risk.

Pension Plan Benefits

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.