

CYPHERPUNK HOLDINGS INC.



**The Exchange Tower, 130 King Street West, Suite 3680, Box 99
Toronto, Ontario, Canada M5X 1B1**

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual meeting (the “**Meeting**”) of shareholders (“**Shareholders**”) of Cypherpunk Holdings Inc. (the “**Corporation**” or the “**Company**”) will be held at the office of Irwin Lowy LLP Barristers and Solicitors 217 Queen Street West, Suite 401 Toronto, ON M5V 0R2; with conference call telephone access at Local/International: 416-343-0138 or Toll-free North America: 1-866-602-5089 Conference ID: 1714760 on Thursday, May 14, 2020 at 10:00 a.m. (Toronto Time) in order to:

1. receive and consider the audited consolidated financial statements of the Company for the year ended September 30, 2019 and the report of the auditor thereon;
2. elect directors of the Company to hold office until the next annual meeting of Shareholders;
3. confirm the appointment of the auditors and to authorize the directors to fix their remuneration;
4. act upon such other matters, including amendments to the foregoing, as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

A shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his or her duly executed form of proxy with the Company’s transfer agent and registrar, TSX Trust Company (“**TSX Trust**”), Suite 301, 100 Adelaide St. West, Toronto, Ontario, M5H 4H1, not later than 4:30 p.m. (Toronto time) on Tuesday, May 12, 2020 or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned meeting.

Shareholders who are unable to attend the Meeting in person, are requested to date, complete, sign and return the enclosed form of proxy so that as large a representation as possible may be had at the Meeting.

The board of directors of the Company has, by resolution, fixed the close of business on Wednesday, March 25, 2020 as the record date, being the date for the determination of the registered holders of common shares of the Company entitled to receive notice of, and to vote at, the Meeting and any adjournment thereof.

The accompanying Management Information Circular provides additional detailed information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this notice of annual meeting. Additional information about the Company and its consolidated financial statements are also available on the Company’s profile at www.sedar.com.

DATED at Toronto, Ontario this 9th day of April, 2020.

BY ORDER OF THE BOARD

“Marc Henderson” (signed)

Director

Proxies will be counted and tabulated by TSX Trust, the Corporation's registrar and transfer agent, in such a manner as to protect the confidentiality of how a particular shareholder votes except where they contain comments clearly intended for management, in the case of a proxy contest, or where it is necessary to determine the proxy's validity or to permit management and the Board of Directors to discharge their legal obligations to the Corporation or its shareholders.

CYPHERPUNK HOLDINGS INC.



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Toronto, Ontario, Canada M5X 1B1

MANAGEMENT INFORMATION CIRCULAR AND PROXY STATEMENT

This management proxy circular (“**Circular**”) is furnished in connection with the solicitation of proxies by or on behalf of the management of Cypherpunk Holdings Inc. (the “**Corporation**”, the “**Company**” or “**Cypherpunk**”) for use at the annual meeting of shareholders (“**Shareholders**”) of Cypherpunk (the “**Meeting**”) to be held at the office of Irwin Lowy LLP Barristers and Solicitors 217 Queen Street West, Suite 401 Toronto, ON M5V 0R2, with conference call telephone access at Local/International: 416-343-0138 or Toll-free North America: 1-866-602-5089 Conference ID: 1714760 on Thursday, May 14, 2020 at 10:00 a.m. (Toronto Time), and at any adjournment(s) or postponement(s) thereof, for the purposes set forth in the Notice of Meeting.

The solicitation of proxies will be primarily by mail, but proxies may also be solicited personally, by telephone, by email, by internet or other means of communication by regular employees, officers and agents of the Corporation for which no additional compensation will be paid. The cost of preparing, assembling and mailing this Circular, the Notice of Meeting, the proxy form, the voting instruction form and any other material relating to the Meeting and the cost of soliciting proxies has been or will be borne by Cypherpunk. It is anticipated that copies of this Circular, the Notice of Meeting, and accompanying proxy form or voting instruction form will be distributed to shareholders on or about April 14, 2020.

This Circular provides the information that you need to vote at the Meeting.

If you are a registered holder of common shares of Cypherpunk (the “**Common Shares**”), we have enclosed a proxy form that you can use to vote at the Meeting.

- If your Common Shares are held by a nominee, you may receive either a form of proxy or voting instruction form from such nominee and should carefully follow the instructions provided by the nominee in order to have your Common Shares voted at the Meeting.

Unless otherwise indicated, the information in this Circular is given as at April 9, 2020, and all references to financial results are based on our financial statements prepared in accordance with International Financial Reporting Standards (“**IFRS**”). Unless otherwise indicated, all references to “\$” are to Canadian dollars.

These security holder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and Cypherpunk or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, Cypherpunk (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

FINANCIAL INFORMATION

All financial statements and financial data derived therefrom included or incorporated by reference in this Circular pertaining to Cypherpunk have been prepared in accordance with IFRS.

VOTING INFORMATION

Voting Matters

At the Meeting, shareholders are voting on the election of directors and authorization of the board of directors (the “**Board of Directors**” or “**Board**”) to fix their remuneration.

Who Can Vote

The record date for the Meeting is March 25, 2020. Holders of record of Common Shares as of the close of business on March 25, 2020 are entitled to vote at the Meeting. Each Common Share is entitled to one vote on those items of business identified in the Notice of Meeting. With respect to amendments or variations to matters identified in the Notice of Meeting or other matters that may properly come before the Meeting, Common Shares represented by proxy will be voted by the persons so designated in their discretion, whether or not such other amendment, variation or other matter that comes before the Meeting is routine or contested.

Voting your Common Shares

Registered Shareholders

If you are a Registered Shareholder, you may attend and vote in person at the Meeting or give another person authority to represent you and vote your shares at the Meeting, as described below under “*Voting by Proxy*”.

Non-Registered Shareholders (Beneficial Shareholders)

Your Common Shares may not be registered in your name but in the name of a nominee, which is usually a trust company, securities broker or other financial institution. If your Common Shares are registered in the name of a nominee, you are a non-registered shareholder. Your nominee is required to seek your instructions as to how to vote your shares. You may vote your Common Shares through your nominee or in person.

To vote your Common Shares through your nominee, you should carefully follow the instructions of your nominee with respect to the procedures to be followed for voting. Generally, nominees will provide non-registered (beneficial) Shareholders with either: (a) a voting instruction form for completion and execution by you, or (b) a proxy form, executed by the nominee and restricted to the number of shares owned by you, but otherwise uncompleted. These procedures are to permit Beneficial Shareholders to direct the voting of the Common Shares that they beneficially own.

If you are a Non-Registered (Beneficial) Shareholder, to vote your shares in person at the Meeting, you should take the following steps:

- (a) appoint yourself as the proxy holder by writing your own name in the space provided on the voting instruction form or form of proxy; and
- (b) follow the nominee’s instructions for return of the executed form or other method of response.

Do not otherwise complete the form as your vote, or the vote of your designate, will be taken at the Meeting.

Voting by Proxy

If you will not be at the Meeting or do not wish to vote in person, you may still vote by using the enclosed proxy form. A proxy must be in writing and must be executed by you or by your attorney authorized in writing.

Your Proxy Vote

On the proxy form, you can indicate how you want to vote your Common Shares, or you can let your proxy holder decide for you.

All Common Shares represented by properly completed proxies received at the Toronto office of TSX Trust Company, Suite 301, 100 Adelaide St. West, Toronto, Ontario, M5H 4H1, (“**TSX Trust**”) by 4:30 p.m. (Toronto time) on Tuesday, May 12, 2020 or two business days before any adjourned or postponed Meeting will be voted or withheld from voting, in accordance with your instructions as specified in the proxy, on any ballot votes that take place at the Meeting. If you give directions on how to vote your shares, your proxy holder must vote your shares according to your instructions. If you have not specified how to vote on a particular matter, then your proxy holder can vote your shares as he or she sees fit. **If neither you nor your proxy holder gives specific instructions, your Common Shares will be voted as follows:**

- **FOR** the election of the nominees as directors for the ensuing, year;

Appointing a Proxy holder

A proxy holder is the person you appoint to act on your behalf at the Meeting and to vote your shares. **You may choose anyone to be your proxy holder, including someone who is not a shareholder of Cypherpunk.** Simply fill in the name in the blank space provided on the enclosed proxy form. If you leave the space in the proxy form blank, the persons designated in the form, who are officers of Cypherpunk, are appointed to act as your proxy holder.

Your proxy authorizes the proxy holder to vote and act for you at the Meeting, including any continuation after an adjournment or postponement of the Meeting.

Revoking Your Proxy

Only Registered Shareholders have the power to revoke proxies given by them. If you give a proxy, you may revoke it at any time before it is used by:

- depositing an instrument in writing that is signed by the shareholder or by an attorney who is authorized by a document that is signed in writing or by electronic signature;
- transmitting, by telephonic or electronic means, a revocation that is signed by an electronic signature if the means of electronic signature permits a reliable determination that the document was created or communicated by or on behalf of the shareholder or the attorney, as the case may be; or
- in any other manner permitted by law

The instrument or revocation must be received at(i) the registered office of the Company, located at The Exchange Tower, 130 King Street West, Suite 3680, Toronto, Ontario M5X 1B1 or by facsimile at (416) 599-4959, at any time prior to 5:00 p.m. (Eastern time) on the last business day preceding the day of the Meeting or any adjournment thereof or (ii) with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof. .

Non-Registered (Beneficial) Shareholders who wish to change their vote, must in sufficient time in advance of the Meeting, arrange for their respective intermediaries to change their vote and if necessary, revoke their proxy in accordance with the revocation procedures set out above.

ADDITIONAL MATTERS PRESENTED AT THE ANNUAL MEETING

The enclosed proxy form or voting instruction form confers discretionary authority upon the persons named as proxies therein with respect to any amendments or variations to the matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting.

If you sign and return the proxy form for Common Shares and any matter is presented at the Meeting in addition to the matters described in the Notice of Meeting, the Cypherpunk officers named as proxies will vote in their best judgment. When this Circular went to press, management of Cypherpunk was not aware of any matters to be considered at the Meeting other than the matters described in the Notice of Meeting or any amendments or variations to the matters described in such notice.

VOTING SHARES

The Common Shares are the only shares entitled to vote at the Meeting. As of March 25, 2020, the record date for the Meeting, 90,166,482 Common Shares were issued and outstanding. The holders of Common Shares who are holders of record at the close of business of March 25, 2020 are entitled to one vote at the meeting. The holders of Common Shares are entitled to one vote per share.

PRINCIPAL HOLDERS OF VOTING SHARES

To the knowledge of the directors and senior officers of Cypherpunk, no person beneficially owns, directly or indirectly, or exercises control or direction over, directly or indirectly, voting securities carrying ten percent (10%) or more of the voting rights attached to any class of voting securities of the Corporation.

BUSINESS OF THE MEETING

AUDITED FINANCIAL STATEMENTS

The consolidated financial statements for the financial year ended September 30, 2019 and the report of the auditors thereon, which accompany this Circular will be submitted to the Meeting of shareholders. Receipt at such Meeting of the auditors' report and the Corporation's financial statements for this financial period will not constitute approval or disapproval of any matters referred to therein.

ELECTION OF DIRECTORS

It is proposed that the four (4) people listed below be nominated for election as directors of Cypherpunk to hold office until the next annual meeting or until their successors are elected or appointed. Three of the proposed nominees are currently directors of Cypherpunk, and have been so since the respective dates indicated and one is up for election as a new director. The articles of amendment of the Corporation provide for a minimum of one (1) and a maximum of nine (9) directors.

The Board of Directors recommends that shareholders vote for the election of the proposed nominees set out below. Unless otherwise instructed, proxies and voting instructions given pursuant to this solicitation by the management of Cypherpunk will be voted for the election of the proposed nominees. If any proposed nominee is unable to serve as a director, the individuals named in the enclosed form of proxy reserve the right to nominate and vote for another nominee in their discretion.

Nominees for Election as Directors

The following table sets forth for each nominee for election as director: place of residence; present principal occupation and principal occupations held in the last five (5) years, if different; a brief description of the nominee's principal directorships, memberships and education; the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction, directly or indirectly, is exercised; the date the nominee became a director of Cypherpunk; current membership on committees of the Board; and whether or not the Board has determined each nominee to be independent. There are no contracts, arrangements or understandings between any director or executive officer or any other person pursuant to which any of the nominees has been nominated.

Name, province or state and country of residence and position, if any, held in the Company	Principal Occupation	Served as Director of the Company since	Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed at present	Percentage of Voting Shares Owned or Controlled
Marc Henderson ⁽³⁾ Toronto, Ontario, Canada Interim President and Chief Executive Officer, Director	Interim President and Chief Executive Officer of the Company	Director since June 21, 2010	6,500,000	7.21%
Blaise Yerly ⁽²⁾⁽³⁾ London, United Kingdom Director	[IL – include principal occupation] businessman	Director since May 5, 2017	7,500,000	8.32%
Mohammed Adham Ottawa, Ontario, Canada Chief Investment Officer and Director	Chief Executive Officer of Bitaccess Inc.	Director since August 14, 2018	619,000	<1%
Jon Matonis ⁽³⁾ London, United Kingdom Director Nominee	Businessman, Monetary Economist	n/a		

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Compensation Committee.
- (3) The principal occupations of Mr. Matonis, the director nominee who was not previously elected by the shareholders of the Company, during the past five years is as follows: a businessman and monetary economist.

Corporate Cease Trade Orders or Bankruptcies

No director of Cypherpunk is, as at the date hereof, or was within ten (10) years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including Cypherpunk), that: (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Personal Bankruptcies

No director or executive officer of Cypherpunk, or a shareholder holding a sufficient number of securities of Cypherpunk to affect materially the control of Cypherpunk: (a) is, as at the date hereof, or has been within the ten (10) years before the date of this Circular, a director or executive officer of any company (including Cypherpunk) 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; or (b) has, within the ten (10) years before the date of this 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 director, executive officer or shareholder.

Penalties and Sanctions

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

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

The directors or officers of Cypherpunk are, or may become, directors or officers of other companies with businesses which may conflict with the business of Cypherpunk. In accordance with the *Business Corporations Act (Ontario)*, directors are required to act honestly and in good faith with a view to the best interests of Cypherpunk. In addition, directors in a conflict of interest position are required to disclose certain conflicts to Cypherpunk and to abstain from voting in connection with the matter. To the best of Cypherpunk's knowledge, there are no known existing or potential conflicts of interest between Cypherpunk or a subsidiary of Cypherpunk and a director or officer of Cypherpunk or a subsidiary of Cypherpunk as a result of their outside business interests at the date hereof. However, certain of the directors and officers serve as directors and/or officers of other companies including Marc Henderson, who is the President, CEO and a director of Laramide Resources Ltd., a resource company specializing in the acquisition, discovery and development of uranium projects, and one of Cypherpunk's largest shareholders. Accordingly, conflicts of interest may arise which could influence these persons in evaluating possible acquisitions or in generally acting on behalf of Cypherpunk.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Effective corporate governance is a priority for the Board of Directors. In developing Cypherpunk's corporate governance practices, the Board of Directors has taken into account the rules and guidelines adopted by the Canadian Securities Administrators ("CSA") in June 2005 (National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("NI 58-101") and National Policy 58-201 - *Corporate Governance Guidelines* (collectively, the "**CSA Governance Requirements**"), which require Cypherpunk to disclose certain information relating to its corporate governance practices.

The CSA Governance Requirements set out best practices drawn from existing Canadian standards and U.S. regulatory standards. Cypherpunk is required to describe certain aspects of its corporate governance practices in its management information circular, including a discussion of any practices that are inconsistent with the CSA Governance Requirements. This information is set out in Appendix B to this Circular.

The CSA has also enacted rules regarding the composition of audit committees (Multilateral Instrument 52-110 - *Audit Committees*) and the certification of an issuer's disclosure controls and procedures (Multilateral Instrument 52-109 - *Certification of Disclosure in Issuers' Annual and Interim Filings*). Cypherpunk is currently in compliance with these rules. For the year ended September 30, 2019, the Chief Executive Officer and Chief Financial Officer were required to file a certificate to certify that Cypherpunk's annual filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the annual filings and the annual financial statements together with the other financial information included in the annual filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the annual filings.

In this Circular, the term "independent" director has the corresponding meaning given to the term "independent" director in NI 58-101; namely, a director who has no direct or indirect material relationship with the Corporation which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of the Director's independent judgement. A majority of the nominees standing for election as directors are "independent" within the meaning of NI 58-101.

COMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors has established two (2) standing committees: (1) an Audit Committee (the "**Audit Committee**"); and (2) a Compensation Committee (the "**Compensation Committee**"). A brief description of each committee is set out below.

Audit Committee.

The Audit Committee assists the Board in fulfilling its responsibilities for oversight of financial and accounting matters. The Audit Committee recommends the auditors to be nominated and reviews the compensation of the auditors. The Audit Committee is directly responsible for overseeing the work of the auditors, must pre-approve non-audit services, be satisfied that adequate procedures are in place for the review of our public disclosure of financial information extracted or derived from Cypherpunk's financial statements and must establish procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters. The current members of the Audit Committee are Michael Sadhra and Blaise Yerly. Dominic Frisby, a former director of the Company and member of the Audit Committee resigned on March 31, 2020... Michael Sadhra, a current director of the Company will not stand for re-election at the Meeting. Accordingly, following the completion of the Meeting, it is expected that the Audit Committee will consist of Blaise Yerly, Marc Henderson and Dominic Frisby. For additional information concerning the Audit Committee please refer to the section entitled "Audit Committee" below.

Compensation Committee.

The Compensation Committee assists the Board in fulfilling its responsibilities for compensation philosophy and guidelines, and fixing compensation levels for Cypherpunk's executive officers. In addition, the Compensation Committee is charged with reviewing the Plan and proposing changes thereto, approving any awards of options under the Plan and recommending any other employee benefit plans, incentive awards and perquisites with respect to Cypherpunk's executive officers.

Each of the members of the Compensation Committee has direct experience that is relevant to their responsibilities regarding executive compensation of the Corporation. Accordingly, as a result of this collective experience, the Compensation Committee has knowledge of typical day-to-day responsibilities and challenges faced by the Corporation's management team, the role of a Board in reviewing the executive compensation of a reporting issuer, and first-hand knowledge regarding executive compensation policies and practices in the private sector, all of which are beneficial to the committee in the context of its review of the Corporation's compensation policies and practices.

The current members of the Compensation Committee are Marc Henderson and Blaise Yerly.

STATEMENT OF EXECUTIVE COMPENSATION

Introduction

This section of the Circular explains how the Corporation's executive compensation program is designed and operated with respect to the President and Chief Executive Officer (referred to as the "CEO" in the narrative discussion in this section and under the section entitled "Executive Compensation Tables"), Chief Financial Officer ("CFO"), and the three other most highly compensated executive officers included in this reported financial year whose total compensation was, individually, more than \$150,000 (together with the CEO and CFO collectively referred to as the "Named Executive Officers" or "NEOs", and each a "Named Executive Officer" or "NEO"). This section also identifies the objectives and material elements of compensation awarded to the NEOs and the reasons for the compensation. For a complete understanding of the executive compensation program, this Compensation Discussion and Analysis should be read in conjunction with the Summary Compensation Table and other executive compensation-related disclosure included in this Circular.

During the most recently completed financial year ended September 30, 2019, the following individuals were NEOs of the Corporation:

- (a) Marc Henderson, Interim Chairman, President and Chief Executive Officer of the Corporation from May 5, 2017;
- (b) Dennis Gibson, Chief Financial Officer from August 27, 2018;

Director and Named Executive Officer Compensation

Director and named executive officer compensation, excluding compensation securities

The following table sets forth a summary of the compensation paid to the NEOs and the Directors for the two most recently completed financial years:

Table of Compensation Excluding Compensation Securities							
Name and position	Year	Salary, consulting fee, director fee, retainer or commission ⁽⁹⁾ (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Marc Henderson ⁽¹⁾ Interim Chief Executive Officer and Director	2019	15,000	Nil	Nil	Nil	Nil	15,000
	2018	15,000	Nil	Nil	Nil	Nil	15,000
Dennis Gibson ⁽²⁾ Chief Financial Officer	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Michael Sadhra ⁽³⁾ Director	2019	15,000	Nil	Nil	Nil	Nil	15,000
	2018	15,000	Nil	Nil	Nil	Nil	15,000
Blaise Yerly ⁽⁴⁾ Director	2019	15,000	Nil	Nil	Nil	Nil	15,000
	2018	15,000	Nil	Nil	Nil	Nil	15,000
Dominic Frisby ⁽⁵⁾ Former Chief Executive Officer and Director	2019	72,000	Nil	Nil	Nil	Nil	72,000
	2018	30,000	Nil	Nil	Nil	Nil	30,000
Mohammed Adham ⁽⁶⁾ Chief Investment Officer and Director	2019	72,000	Nil	Nil	Nil	Nil	72,000
	2018	30,000	Nil	Nil	Nil	Nil	30,000

Notes:

- (1) Mr. Henderson was appointed as interim CEO of the Corporation on May 5, 2017 and resigned as interim CEO on November 4, 2019 and Dominic Frisby was appointed in his stead.
- (2) Mr. Gibson was appointed as CFO of the Corporation on August 27, 2018.

- (3) Mr. Sadhra was appointed as interim CFO and director of the Corporation on May 5, 2017 and resigned as interim CFO on August 27, 2018. Mr. Sadhra will not stand for re-election at the Meeting.
- (4) Mr. Yerly was appointed as a director of the Corporation on May 5, 2017.
- (5) Mr. Frisby was appointed as a director of the Corporation on June 6, 2018 and as CEO of the Company on November 4, 2019. Mr. Frisby resigned as a director and the CEO of the Company on March 31, 2020.
- (6) Mr. Adham was appointed as Chief Investment Officer on June 28, 2018 and a director of the Corporation on August 14, 2018.

Outstanding Share-Based Awards and Option-Based Awards

Stock Options and Other Compensation Securities

No compensation securities were granted or issued to any NEO and to any director of the Corporation during the most recently completed financial year of the Corporation for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries.

None of the NEO's or directors of the Corporation exercised any compensation securities during the most recently completed financial year of the Corporation.

The following table sets out for each NEO and Director of the Corporation all compensation securities held by each NEO and Director:

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
Marc Henderson Interim Chief Executive Officer and Director	Stock Options	900,000	June 11, 2018	\$0.10	\$0.09	\$0.07	June 1, 2023
Dennis Gibson Chief Financial Officer	Stock Options	300,000	June 6, 2018	\$0.10	\$0.09	\$0.07	June 1, 2023
Michael Sadhra Director	Stock Options	900,000	June 6, 2018	\$0.10	\$0.09	\$0.07	June 1, 2023
Blaise Yerly Director	Stock Options	900,000	June 11, 2018	\$0.10	\$0.09	\$0.07	June 1, 2023
Dominic Frisby Former Director and CEO	Stock Options	900,000	June 11, 2018	\$0.10	\$0.09	\$0.07	June 1, 2023

Mohammed Adham Director and Chief Investment Officer	Stock Options	900,000	June 11, 2018	\$0.10	\$0.09	\$0.07	June 1, 2023
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Compensation Discussion and Analysis

Objectives of the Compensation Program

The objectives of the Corporation’s executive compensation program are:

- (a) to reward individual contributions in light of overall business results;
- (b) to be competitive with the companies with whom the Corporation competes for talent;
- (c) to align the interests of the executives with the interests of the shareholders; and
- (d) to attract and retain executives who can help the Corporation achieve its objectives.

Elements of Executive Compensation

Total direct compensation (“**Total Direct Compensation**”) represents the combined value of fixed compensation and performance-based variable incentive compensation, comprising: base salary, short-term incentive compensation in the form of an annual cash bonus, and long-term incentive compensation in the form of stock options.

The allocation of Total Direct Compensation value to these different compensation elements is not based on a formula, but rather is intended to reflect the Compensation Committee’s discretionary assessment of an executive officer’s past contribution and ability to contribute to future short and long-term business results, all consistent with the circumstances of the Corporation.

Base Salary

The base salary of each NEO is reviewed annually and is the fixed portion of each NEO’s Total Direct Compensation and is designed to provide income certainty consistent with the circumstances of the Corporation.

Short-term Incentives

The annual cash bonus is a short-term incentive that is intended to reward each executive officer for their yearly individual contribution in the context of overall annual corporate performance.

Long-term Incentives

Long-term incentive compensation is provided through the granting of stock options. This incentive arrangement is designed to motivate executives to achieve longer-term business results, align their interests with those of the shareholders and to attract and retain executives. Participants benefit only if the market value of the Corporation’s Common Shares at the time of a stock option exercise is greater than the exercise price of the stock options at the time of the relevant grant. Stock options generally vest at the date of the grant, or as otherwise determined by the Board. Other than the Plan described below, the Corporation does not have a share-based awards plan or long-term incentive plan.

Determination of Compensation

Rather than strictly applying formulas and weightings to forward-looking performance objectives, which may lead to unintended consequences for compensation purposes, the Compensation Committee exercises its discretion and uses

sound judgment in making compensation determinations. For this reason, the Compensation Committee does not measure performance using any pre-set formulas in determining compensation awards for NEOs.

The Board does not feel it is necessary to assess the effectiveness of individual board members. Each board member has considerable experience which is sufficient to meet the needs of the Corporation. On an annual basis, however, the Board assesses the contributions of each of the individual directors, and of the Board as a whole, in order to determine whether each is functioning effectively.

Stock Options

Stock Option Granting Process

Generally, stock option grants are determined annually. The CEO makes recommendations to the Compensation Committee and the Board regarding individual stock option awards for all recipients. The CEO does not engage in discussions with the Compensation Committee or the Board regarding his own stock option grants. The Compensation Committee and the Board deliberate and consider relevant market data and other information in order to determine the CEO's stock option grant.

The Compensation Committee and the Board review the appropriateness of the stock option grant recommendations from the CEO for all eligible employees and accepts or adjusts these recommendations. The Compensation Committee and the Board are responsible for approving all individual stock option grants, including grants that are awarded outside the annual compensation deliberation process for such things as promotions or new hires.

In the fiscal year ended September 30, 2019, 5,900,000 stock options were granted to consultants and directors.

Stock Option Plan

On May 21, 2004, the Corporation introduced the Plan, which was subsequently amended on January 9, 2009 and re-approved on January 13, 2012 by the Board and most recently obtained shareholder approval on February 16, 2012. Further housekeeping and clerical revisions to the Plan were approved by the Board on January 10, 2013 to reflect the Corporation's migration to the CSE. The CSE does not require annual approval by the shareholders of the Plan. The purpose of the Plan is to advance the interests of the Corporation and its subsidiaries by encouraging the directors, officers, employees and consultants (including the directors, officers and employees of such consultants) (each a "Participant") of the Corporation and its subsidiaries to acquire Common Shares, thereby (a) increasing the proprietary interests of such persons in the Corporation, (b) aligning the interests of such person with the interests of the Corporation's shareholders generally, (c) encouraging such persons to remain associated with the Corporation, and (d) furnishing such persons with an additional incentive in their efforts on behalf the Corporation.

According to the provisions of the Plan, the Board is authorized to provide for the granting, exercise and method of exercise of options, all on such terms as it shall determine including the delegation of the administration and operation of the Plan, in whole or in part, to a committee of the Board, subject to the terms of the Plan and applicable stock exchange rules. Under the Plan, the aggregate number of shares reserved for issuance may not exceed the greater of 5,000,000 Common Shares or 10% of the total number of issued and outstanding Common Shares at the time of any option grant, being 9,016,648 Common Shares as of the date of this Circular. As of the date hereof, there were no options outstanding under the Plan. Accordingly, the Corporation may grant 9,016,648 options under the Plan (representing 10% of the issued and outstanding Common Shares), calculated based on 10% of the number of Common Shares issued and outstanding as of the date of this Circular.

The number of Common Shares that may be acquired under an option granted to a Participant is determined by the Board, provided that the aggregate number of Common Shares reserved for issuance in any twelve (12) month period to any one Participant shall not exceed 5% of the Corporation's then issued and outstanding Common Shares unless the Corporation has obtained prior shareholder approval. In addition, no more than 2% of the Corporation's then issued and outstanding Common Shares may be granted to any one consultant or to any one employee in any twelve (12) month period.

Within any twelve (12) month period, the number of Common Shares issued to insiders of the Corporation under the Plan and any other security based compensation arrangement, may not exceed 10% of the Corporation's then issued and outstanding Common Shares and nor may the number of Common Shares reserved for issuance to insiders of the Corporation under the Plan at any time exceed 10% of the Corporation's then issued and outstanding Common Shares.

The exercise price of any options granted under the Plan will be fixed by the Board at the time of the grant, provided that the options shall not be less than the closing price of the Common Shares on the business day immediately prior to the date of the grant as quoted on the CSE.

The period during which an option may be exercised shall also be determined by the Board at the time the option is granted, provided that no option shall be exercisable for a period exceeding five (5) years from the date it was granted and subject to any vesting limitations imposed by the Board in its sole unfettered discretion at the time of the grant. Generally, options expire within ninety (90) days of a Participant ceasing to be a Participant, or if the Participant is engaged to provide investor relations activities to the Corporation, thirty (30) days after the optionee ceases to be employed to provide such investor relations activities or immediately if the Participant is terminated for cause. In the event of death or permanent disability of a Participant, any option previously granted to such Participant shall be exercisable until the end of the option period or until the date that is not later than one year after the date of death or permanent disability of such Participant, whichever is earlier unless otherwise determined by the Board. All options granted pursuant to the Plan are personal to the grantee and are not assignable or otherwise transferable except for a limited right of assignment to allow: (a) the exercise of options by a Participant's legal representative in the event of death or incapacity, or (b) the transfer of an option to a corporation wholly owned by the Participant or certain trusts, of which the Participant is the sole beneficiary.

The Plan or any option thereunder may be amended at any time, subject to the approval of the Board and the shareholders of the Corporation, as well as any requisite regulatory approvals, in order to: (i) increase the maximum number (or percentage) of Common Shares issuable under the Plan, (ii) increase the maximum number of Common Shares issuable under the Plan to insiders, (iii) make any amendment that would reduce the exercise price of any outstanding option (including a cancellation or reissue of an option constituting a reduction of the exercise price), (iv) extend the term of any option granted under the Plan beyond the original expiry date, (v) increase the maximum term of any option permitted under the Plan, (vi) expand the categories of individuals eligible to participate under the Plan, (vii) allow options to be transferred or assigned other than as provided under the Plan (and described above), or (viii) to amend the amendment provisions of the Plan.

Without limiting the scope of the foregoing, the Plan provides that, for greater certainty, the Board may at any time and for any reason, make the following amendments to the Plan or any option thereunder without shareholder approval (provided that a Participant's consent to such action is required unless the Board determines that the action would not materially and adversely affect the existing rights of such Participant): (i) amendments of a housekeeping or clerical nature, as well as any clarifying amendment to the provisions of the Plan, (ii) amendments to the eligibility criteria and limits for participation in the Plan, (iii) a change to the termination provisions of an option or of the Plan, provided that the change does not entail an extension beyond an option's original expiry date, (iv) additions and amendments to or deletions from the Plan in order to comply with legislation governing the Plan or the requirements of a regulatory body or stock exchange, and (v) amendments to the provisions relating to the administration of the Plan.

Other Compensation

Executive officers may receive other benefits that the Corporation believes are reasonable and consistent with its overall executive compensation program. Benefits may include traditional health programs, bonus payments and limited executive perquisites.

How the Corporation Determines Compensation

The Role of the Compensation Committee

The Compensation Committee approves, or recommends for approval, all compensation to be awarded to the NEOs. The Compensation Committee reviews various materials in its deliberations before considering or rendering decisions.

The Compensation Committee has full discretion to adopt or alter management recommendations or to consult its own external advisors.

The Compensation Committee believes it is important to follow appropriate governance practices in carrying out its responsibilities with respect to the development and administration of executive compensation and benefit programs. Governance practices followed by the Compensation Committee include holding in-camera sessions without management present and, when necessary, obtaining advice from external consultants.

The Role of Management

Management has direct involvement in and knowledge of the business goals, strategies, experiences and performance of the Corporation. As a result, management plays an important role in the compensation decision-making process. The Compensation Committee engages in active discussions with the CEO concerning the determination of performance objectives.

The CEO makes recommendations to the Compensation Committee regarding the amount and type of compensation awards for other members of executive management. The CEO does not engage in discussions with the Compensation Committee regarding his own Total Direct Compensation. The Compensation Committee is provided with relevant market data and other information as requested, in order to support the Compensation Committee's deliberations regarding the CEO's Total Direct Compensation and subsequent recommendation to the Board.

Performance Assessment

Rather than strictly applying formulas and weightings to forward-looking performance objectives, which may lead to unintended consequences for compensation purposes, the Compensation Committee exercises its discretion and uses sound judgment in making compensation determinations. For this reason, the Compensation Committee does not measure performance using any pre-set formulas in determining compensation awards for NEOs.

Corporate Performance

In recent years, the Corporation has had objectives primarily related to the collection of the international arbitration award, the distribution of any collected funds to its shareholders in a timely and tax efficient manner, and operating the Corporation in a cost effective manner. These objectives are utilized by the Compensation Committee as a reference when making compensation decisions.

Individual Performance

The Compensation Committee, in consultation with the CEO, reviews the achievements and overall contribution of each individual executive officer who reports to the CEO. The Compensation Committee has in-camera discussions to complete an independent assessment of the performance of the CEO.

Previously Awarded Compensation

The Compensation Committee approves or recommends compensation awards which are not contingent on the number, term or current value of other outstanding compensation previously awarded to the individual. The Compensation Committee believes that reducing or limiting current stock option grants or other forms of compensation because of prior gains realized by an executive officer would unfairly penalize the officer and reduce the motivation for continued high achievement. Similarly, the Compensation Committee does not purposely increase long-term incentive award values in a given year to offset less-than-expected returns from previous grants.

During the annual Total Direct Compensation deliberations, the Compensation Committee is provided with summaries of the history of each executive officer's previously awarded Total Direct Compensation. These summaries help the Compensation Committee to track changes in an executive officer's Total Direct Compensation from year to year and to remain aware of the historical compensation for each individual.

Decisions Related to Executive Compensation That Were Taken After Year End

There were no decisions related to executive compensation that were taken after the year ended September 30, 2019.

Pension Plan Benefits

The Corporation does not have any pension plans that provide for payments or benefits at, following, or in connection with retirement or provide for retirement or deferred compensation plans.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth information with respect to all compensation plans of the Company under which equity securities are authorized for issue as of September 30, 2019:

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (#) ⁽¹⁾	Weighted-average exercise price of outstanding options, warrants and rights (\$)	Number of securities remaining available for future issue under equity compensation plans (#)
Equity compensation plans approved by securityholders	5,900,000		
Equity compensation plans not approved by securityholders			
Total	5,900,000		

Notes:

- (1) The Plan is a "rolling" stock option plan whereby the maximum number of Common Shares that may be reserved for issue may not exceed 10% of the number of outstanding Common Shares at the time of the stock option grant. As at the date of this Circular, 5,900,000 stock options may be issued under the Plan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as otherwise disclosed in this Circular, no informed person or proposed director of the Company, or associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction since the commencement of the most recently completed financial year of the Company or in any proposed transaction which has materially affected or would materially affect the Company.

DIRECTORS' AND OFFICERS' INSURANCE AND INDEMNIFICATION

In accordance with the provisions of the *Business Corporations Act* (Ontario), Cypherpunk's by-laws provide that Cypherpunk will indemnify a director or officer, a former director or officer, or a person who acts or acted at the Corporation's request as a director or officer of a body corporate of which Cypherpunk is or was a shareholder or creditor, and his or her heirs and legal representatives, against all costs, charges and expenses, including amounts paid to settle an action or to satisfy a judgment, reasonably incurred in respect of any civil, criminal or administrative action or proceeding to which he or she was made a party by reason of being or having been a director or officer of Cypherpunk or such other company if he or she acted honestly and in good faith with a view to the best interests of the Corporation and, in the case of a criminal or administrative action or proceeding that is enforced by monetary penalty, he or she had reasonable grounds to believe that his or her conduct was lawful. If Cypherpunk becomes liable under the terms of its by-laws, the insurance coverage will extend to its liability; however, each claim will be subject to a deductible.

APPOINTMENT OF AUDITORS

The Board of Directors proposes that Davidson & Company LLP (the “**Auditors**”) be appointed as the auditors of the Corporation to hold office until the close of the next annual meeting of shareholders and that the Board of Directors be authorized to fix the remuneration of the Auditors. The Auditors were first appointed as auditors of Cypherpunk on July 9, 2019 replacing RSM Canada LLP, who were first appointed as auditors of Cypherpunk on July 28, 2014.

External Auditor Service Fees

The following fees were incurred by Cypherpunk for the financial years ended September 30, 2018 and 2019 for professional services rendered to the Corporation:

Fees	2018	2019
Audit Fees ⁽¹⁾	\$23,100	\$60,732
Audit-Related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	\$13,021	Nil
All Other Fees ⁽⁴⁾	Nil	Nil

Notes:

- (2) Audit Fees are the aggregate fees billed or accrued, as the case may be, by the auditor of the Corporation for the applicable period in each of the last two fiscal years for audit services. Included in these aggregate fees are the amounts for the audit of the annual consolidated financial statements.
- (3) Audit-Related Fees are the aggregate fees billed or accrued, as the case may be, by the auditor of the Corporation for the applicable period in each of the last two fiscal years for assurance and related services by the current or former auditor, as applicable, that are reasonably related to the performance of the audit or review of Cypherpunk’s financial statements and are not Audit Fees, including for consultations on accounting developments and the accounting for potential corporate transactions.
- (4) Tax Fees are the aggregate fees billed or accrued, as the case may be, for the applicable period in each of the last two fiscal years for professional services rendered, as applicable, for tax compliance, tax advice, and tax planning.
- (5) All Other Fees are the aggregate fees billed or accrued, as the case may be, by the auditor of the Corporation for the applicable period in each of the last two fiscal years for products and services provided by the current or former auditor, as applicable, other than Audit Fees, Audit-Related Fees or Tax Fees.

The Board of Directors recommends that shareholders vote for the appointment of Davidson & Company LLP as auditor and the authorization of the Board to fix their remuneration.

AUDIT COMMITTEE INFORMATION REQUIRED IN THE INFORMATION CIRCULAR OF A VENTURE ISSUER

National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”) requires that certain information regarding the Audit Committee of a “venture issuer” (as that term is defined in NI 52-110) be included in the management information circular sent to shareholders in connection with the issuer’s annual meeting. The Company is a “venture issuer” for the purposes of NI 52-110.

Audit Committee Charter

The full text of the charter of the Company’s Audit Committee is attached hereto as Appendix B (the “**Audit Committee Charter**”).

Composition of the Audit Committee

The current members of the Audit Committee are Michael Sadhra and Blaise Yerly. Dominic Frisby, a former director of the Company and member of the Audit Committee resigned on March 31, 2020. Michael Sadhra, a current director of the Company will not stand for re-election at the Meeting. Accordingly, following the completion of the Meeting, it is expected that the Audit Committee will consist of Blaise Yerly, Marc Henderson and Jon Matonis.

Each proposed member of the Audit Committee is a director and financially literate and, is "independent" in accordance with NI 52-110.

Relevant Education and Experience

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

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

Mr. Yerly, Director: Mr. Yerly is an experienced business man who has served on the boards of public companies in the capacity of board and audit committee members for over the past 20 years.

Marc Henderson, Director: Similarly, Mr. Henderson, has served as the Chief Executive Officer of multiple companies over the last 20 years, as well as serving as a director and a member of the audit committee over the past 20 years.

Audit Committee Oversight

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

Reliance on Exemptions in NI 52-110

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

1. the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 (which exempts all non-audit services provided by the Company's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to the Company, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit);
2. the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*) of NI 52-110 (an exemption from the requirement that a majority of the members of the Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company if a circumstance arises that affects the business or operations of the Company and a reasonable person would conclude that the circumstance can be best addressed by a member of the Audit Committee becoming an executive officer or employee of the Company);

3. the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*) (an exemption from the requirement that a majority of the members of the Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company if an Audit Committee member becomes a control person of the Company or of an affiliate of the Company for reasons outside the member's reasonable control);
4. the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*) (an exemption from the requirement that a majority of the members of the Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company if a vacancy on the Audit Committee arises as a result of the death, incapacity or resignation of an Audit Committee member and the Board was required to fill the vacancy); or
5. an exemption from the requirements of NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (*Exemptions*) of NI 52-110.

The Company is a "venture issuer" for the purposes of NI 52-110. Accordingly, the Company is relying upon the exemption in section 6.1 of NI 52-110 providing that the Company is exempt from the application of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

Review of Effectiveness of Auditors

Pursuant to a report released in May, 2013 by Chartered Professional Accountants of Canada and the Canadian Public Accountability Board entitled *Enhancing Audit Quality: Canadian Perspectives*, the Corporation has adopted the recommendations of the report with respect to the review of the effectiveness of the Corporation's auditors as follows:

- (a) Having the Audit Committee perform a periodic comprehensive review of the audit firm at least every five years, resulting in a recommendation to retain or replace the audit firm, is the preferred approach to address any institutional familiarity threats potentially created by audit firm tenure and to focus on audit quality.
- (b) The mandatory rotation of audit firms or mandatory re-tendering of the audit would not contribute to the enhancement of audit quality.
- (c) A report summarizing the results, findings and conclusions of the comprehensive review should be included in an entity's public disclosures in the year the comprehensive review is carried out.

In order to comply with the recommendations noted above, the Audit Committee will conduct a comprehensive review every five (5) years with the first one occurring in 2019, which is five years after the appointment of the current auditor.

Yearly Review

The Audit Committee shall every year:

- (a) Monitor the effectiveness of the financial reporting environment;
- (b) Oversee the annual work of the auditors;
- (c) Review the audit plan;
- (d) Consider the impact of business risk on the audit plan;
- (e) Assess reasonableness of the audit fee;

- (f) Monitor the execution of the audit plan, with emphasis on the more complex and risky areas of the audit;
- (g) Review and evaluate the audit findings; and
- (h) Conduct an annual assessment of the performance of the external auditors.

In carrying out its annual assessment, the Audit Committee concluded that the auditor's performance of its duties to the Corporation were satisfactory, providing a high degree of confidence in the effectiveness of the yearly audit. The Audit Committee recommended that the incumbent auditor be retained.

ADDITIONAL INFORMATION

Interest of Certain Persons or Companies in Matters to be Acted Upon

Except as otherwise disclosed in this Circular, no person who has been a director or executive officer of Cypherpunk since the beginning of the last financial year and no associate or affiliate of any such director or executive officer has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

Interest of Informed Persons in Material Transactions

Other than as stated elsewhere in this Circular, no informed person, director, executive officer, nominee for director, any person who beneficially owns, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding shares of Cypherpunk, nor any associated or affiliate of such persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or any proposed transaction which has materially affected or would materially affect Cypherpunk.

Other Business

Management of Cypherpunk knows of no matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if matters not now known to management should come before the Meeting, Common Shares represented by proxies solicited by management will be (i) on each such matter in accordance with the best judgment of the nominees voting same.

AVAILABILITY OF DISCLOSURE DOCUMENTS

Additional information relating to Cypherpunk is available on SEDAR at www.sedar.com, the CSE's website at www.thecse.com under Cypherpunk's corporate profile and on Cypherpunk's website at www.Cypherpunkholdings.com. Financial information about Cypherpunk is provided in the Corporation's comparative financial statements and management's discussion and analysis of financial and operating results for the financial year ended September 30, 2019.

A copy of this Circular has been sent to each director of Cypherpunk, to the applicable regulatory authorities, to each shareholder entitled to receive notice of the Meeting and to the auditors of Cypherpunk. If you would like to obtain, at no cost to you, a copy of the following documents:

- (a) the comparative financial statements and MD&A of Cypherpunk for the year ended September 30, 2019 together with the accompanying report of the auditors' thereon or any interim financial statements or MD&A of Cypherpunk for periods subsequent to September 30, 2019, or
- (b) this Circular,

Please send your request to:

Cypherpunk Holdings Inc.
The Exchange Tower
130 King Street West
Suite 3680, P.O. Box 99
Toronto, Ontario, Canada
M5X 1B1

Telephone: (416) 599-8547
Attention: Marc Henderson

APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Circular and the sending of it to the Shareholders, to each director of Cypherpunk, to Cypherpunk's auditors and to the appropriate governmental agencies have been approved by the Board.

Unless otherwise noted, the information contained herein is given as of April 9, 2020.

DATED at Toronto, Ontario this 9th day of April, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

"Marc Henderson" (signed)
Director

APPENDIX A
CORPORATE GOVERNANCE DISCLOSURE

Cypherpunk believes that effective corporate governance practices are fundamental to the overall success of a company. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires the Corporation to disclose its corporate governance practices by providing in the Circular the disclosure required by Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)* (“**Form 58-101F2**”). National Instrument 58-201 – *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. The Corporation’s disclosure of corporate governance practices pursuant to NI 58-101 is set out below in the form required by Form 58-101F2:

	Governance Disclosure Guidelines under <u>NI 58-101</u>	<u>Comments</u>
1.	Board of Directors	
	Disclose how the board of directors (the “Board”) facilitates its exercise of independent supervision over management, including:	The Board is responsible for the stewardship of the Corporation and for the supervision of management to protect shareholder interests. The Board oversees the development of the Corporation’s strategic plan and the ability of management to continue to deliver on the corporate objectives.
	(i) the identity of directors who are independent; and	As at September 30, 2019, the following directors were independent: Dominic Frisby, Michael Sadhra and Blaise Yerly.
	(ii) the identity of directors who are not independent, and the basis for that determination.	As at September 30, 2019, the following directors were not independent: Marc Henderson and Mohammed Adham.
2.	Directorships	
	If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	Marc Henderson is a director of Laramide Resources Ltd. and Treasury Metals Inc. Michael Sadhra is a director of Growmax Resources Corp., Algernon Pharmaceuticals Inc., Karam Minerals Inc. and Cairo Resources Inc. Dominic Frisby is a director of Frazdom Ltd. Mohammed Adham is a director of Bitaccess Inc. and zkSNACKs. Jon Matonis is a director of UAB Nexpay and RACE-CAP, Inc.
3.	Orientation and Continuing Education	
	Briefly describe what steps, if any, the Board takes to orient new board members, and describe any measures the board takes to provide continuing education for directors.	The Board recognizes the importance of providing new directors with an orientation upon election to the Board and with continuing education in the business of the

	Governance Disclosure Guidelines under <u>NI 58-101</u>	<u>Comments</u>
		<p>Corporation. The Board takes measures to ensure that appropriate orientation and education programs are in place for new directors and committee members.</p> <p>Upon becoming a member of the Board, an individual will be provided with copies of the Corporation's principal continuous disclosure documents and a series of interviews or meetings with senior personnel in order to be informed on various business, operational and organizational aspects of the Corporation. Orientation will also include such things as:</p> <ul style="list-style-type: none"> ● organized visits to the Corporation's facilities; ● familiarization with the service providers and partners; ● company history and other relevant data; ● information concerning mission, goals, strategy, philosophy and major policies of the Corporation; ● review of recent analyst reports; ● information pertaining to personal liability and insurance coverage; ● rules for purchasing and selling securities of the Corporation; and ● rules regarding insider information.
		<p>Continuing education could include: reports from the Chief Executive Officer on industry developments to the Board of Directors at each meeting. Directors are also regularly provided with copies of the Corporation's ongoing continuous disclosure documents, and receive management presentations and information and presentations from the Corporation's external advisors and experts, as appropriate, from time to time.</p>
4.	Ethical Business Conduct	
	Describe what steps, if any, the board takes to encourage and promote a culture of ethical business conduct.	<p>The Board of Directors has a written disclosure policy aimed at informative, timely and broadly disseminated disclosure of material information to the market, in accordance with applicable securities legislation.</p> <p>The Board has also established a written insider trading policy which is intended as a guideline to eliminate any transaction by an insider which would not be in full compliance with applicable securities legislation or which, by implication, might suggest trading by insiders was carried out when they were in possession of privileged or material information not yet disclosed to the public.</p>

	Governance Disclosure Guidelines under <u>NI 58-101</u>	<u>Comments</u>
5.	Nomination of Directors	
	<p>Disclose what steps, if any, are taken to identify new candidates for board nomination, including:</p> <p>(i) who identifies new candidates; and</p> <p>(ii) the process of identifying new candidates.</p>	<p>The directors of Cypherpunk are encouraged to submit names of potential directors. Candidates' names are also obtained through analysis of other corporate boards and through reviews of senior corporate executives in other types of enterprises. Shareholders are also welcome to submit names for consideration. Potential director candidates are reviewed by the Board on a regular basis as needed.</p> <p>The Board reviews the size, structure and composition of the Board from time to time so that when a vacancy occurs, the most appropriate candidate can be readily identified. When a vacancy occurs, the Board reviews and selects suitable candidates.</p>
		<p>Once the Board agrees on the best candidate, an approach is made to that person in a manner deemed most appropriate by the Board. The approach would be followed by personal interviews with the prospective director involving the Chairman of the Board and other Board members as circumstances warrant.</p> <p>If there is agreement to serve as a director, a Board orientation process is then carried out by the Chairman of the Board. After appointment or election, as the case may be, orientation with management is carried out.</p>
6.	Compensation	
	<p>Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including:</p> <p>(i) who determines compensation; and</p> <p>(ii) the process of determining compensation.</p>	<p>The Compensation Committee is charged with developing, for recommendation to the Board, a compensation philosophy and guidelines for the CEO and other executive officers of the Corporation. It recommends to the Board the level of compensation for the CEO and other executive officers of the Corporation. The Compensation Committee also considers and, if deemed appropriate, makes recommendations to the Board about any option or benefit plans to be established for the CEO and other executive officers of the Corporation.</p> <p>The Compensation Committee is also charged with developing, for recommendation to the Board, a compensation philosophy and guidelines for the directors. It recommends the level of compensation for the directors based on a review of compensation paid by other public companies of the same size as the Corporation and in the same industry as the Corporation.</p> <p>Further details are also set out in the Circular under the heading "Compensation Discussion and Analysis".</p>

	Governance Disclosure Guidelines under <u>NI 58-101</u>	<u>Comments</u>
7.	Other Board Committees	
	If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.	Other than the Audit Committee and the Compensation Committee, there are no other standing committees of the Board. Further details are also set out in the Circular under the heading “Committees of the Board of Directors”.
8.	Assessments	
	Disclose what steps, if any, that the board takes to satisfy itself that the board, the committees and its individual directors are performing effectively.	The Board conducts annually an evaluation of the effectiveness of the Board and its committees. In such evaluation, the Board assesses the effectiveness of the Board and its committees, the adequacy of information provided to directors, communication processes between the Board and management, agenda planning for Board and committee meetings and strategic planning.

APPENDIX B

AUDIT COMMITTEE CHARTER

Name

There shall be a committee of the Board of Directors (the “Board”) of Cypherpunk Holdings Inc. (the “Company”) known as the Audit Committee (the “Committee”).

Purpose

The Committee has been established to assist the Board in fulfilling its oversight responsibilities and fiduciary obligations, in contemplation that the increasing regulatory focus on governance is principally employing audit committees as the instrumentality of the regulations. The primary functions and areas of responsibility of the Committee are to:

Ensure the financial statements of the Company accurately reflect the financial condition of the Company;

Review as well as report and provide recommendations to the Board on the annual and interim consolidated financial statements and related Management’s Discussion and Analysis (“MD&A”);

Identify and monitor the management of the principal risks that could impact the financial reporting of the Company;

Ensure the Company has a disaster recovery plan in the case that any of the principal risks become realized;

Make recommendations to the Board regarding the appointment, terms of engagement and compensation of the external auditor;

Monitor the integrity of the Company’s financial reporting process and system of internal controls regarding financial reporting and accounting compliance;

Oversee the work of the external auditors engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company;

Resolve disagreements between management and the external auditor regarding financial reporting;

Receive the report of the external auditors, who must report directly to the Committee;

Review and approve all external communication in respect of the Company’s financial press releases; and

Provide an avenue of communication among the Company’s external auditors, management, the internal accounting department and the Board.

Composition and Qualifications

All Committee members shall meet all applicable requirements prescribed under the Business Corporations Act (Ontario), as well as any requirements or guidelines prescribed from time to time under applicable securities legislation, including National Instrument 52-110 as amended, restated or superseded. The Committee shall be comprised of not less than three directors as determined from time to time by the Board. Each member shall be an independent director who is free from any direct or indirect relationship that would, in the view of the Board, reasonably interfere with the exercise of the member’s independent judgment. While it is not necessary for members to have a comprehensive knowledge of generally accepted accounting principles and standards, all members of the Committee shall be “financially literate” so as to be able to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the issues raised by

the Company's financial statements. A director who is not financially literate may be appointed to the Committee by the Board provided that such director becomes financially literate within a reasonable period following his or her appointment, and provided that the Board has determined that such appointment will not materially adversely affect the ability of the Committee to act independently.

Committee members shall be appointed by the Board on recommendation by the Nomination Committee. The Board shall designate the Chair of the Committee and in so doing shall consider any recommendation of the Corporate Governance Committee. If a Chair is not designated or present at any meeting, the members of the Committee may designate a Chair by majority vote. The Chair shall have responsibility for ensuring that the Committee fulfills its mandate and duties effectively.

Each member of the Committee shall continue to be a member until a successor is appointed, unless the member resigns, is removed or ceases to be a director. The Board, following consultation with the Corporate Governance Committee, may fill a vacancy at any time.

Meetings

The Committee shall meet at least four times annually, or more frequently as circumstances dictate as determined by the Chair, and at least once in each fiscal quarter. A schedule for each of the meetings shall be prepared and disseminated to Committee members by the Chief Financial Officer prior to the start of each fiscal year.

A majority of the members of the Committee shall constitute a quorum for meetings.

An agenda shall be prepared by the Chair of the Committee as far in advance of each meeting as reasonably practicable. Minutes of all meetings of the Committee shall be prepared as soon as possible following the meeting and submitted for approval at or prior to the next following meeting.

The Committee should meet privately at least once per year with senior management of the Company, the director of the internal accounting department of the Company, the Company's external auditors, and as a committee to discuss any matters that the Committee or any of these groups believe should be discussed.

Specific Responsibilities and Duties

Specific responsibilities and duties of the Committee shall include, without limitation, the following:

General Review Procedures

1. Review and reassess the adequacy of this Charter at least annually and submit any proposed amendments to the Board for approval.
2. Review the Company's annual audited financial statements, related MD&A, and other documents prior to filing or distribution of such documents or issuing a press release in respect of the financial statements and MD&A. Review should include discussion with management and external auditors of significant issues regarding accounting principles, practices, and significant management estimates and judgments.
3. Annually, in consultation with management, external auditors, and internal auditors, consider the integrity of the Company's financial reporting processes and controls. Discuss significant financial risk exposures and the steps management has taken to monitor, control and report such exposures. Review significant findings prepared by the external auditors and the internal auditing department together with management's responses.
4. Review the effectiveness of the overall process for identifying the principal risks affecting financial reporting and provide the Committee's views to the Board of Directors.

Review with financial management and the external auditors the Company's quarterly financial results, related MD&A and other documents prior to the filing or distribution of such documents or issuing a press release in respect of the financial statements and MD&A. Discuss any significant changes to the Company's accounting principles. The Chair of the Committee may represent the entire Committee for purposes of this review.

External Auditors

6. The external auditors are ultimately accountable to the Committee, as representatives of the shareholders. The external auditors must report directly to the Committee, who shall review the independence and performance of the auditors and annually recommend to the Board the appointment of the external auditors or approve any discharge of auditors when circumstances warrant. The Committee shall approve the compensation of the external auditors.

The Committee must pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the auditors, unless such non-audit services are reasonably expected to constitute not more than five (5) percent of the total fees paid by the Company to the external auditor during the particular fiscal year, or if the Company did not recognize such services as non-audit services at the time of engagement. The pre-approval requirement will be satisfied if such non-audit services are promptly brought to the attention of the Committee prior to the completion of the audit and approved by the Committee, or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee. In addition, the Committee may satisfy the pre-approval requirement by adopting specific and detailed policies and procedures for the engagement of non-audit services, so long as the Committee is informed of each non-audit service and such procedures do not include delegation of the Committee's responsibilities to management.

8. On an annual basis, the Committee should review and discuss with the external auditors all significant relationships they have with the Company that could impair the auditors' independence.

9. Review the external auditors' audit plan and discuss and approve the audit scope, staffing, locations, reliance upon management, and internal audit and general audit approach.

Prior to releasing the year-end earnings, discuss the results of the audit with the external auditors. Discuss any matters that are required to be communicated to audit committees in accordance with the standards established by the Canadian Institute of Chartered Accountants.

Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in the Company's financial reporting.

Internal Audit Department and Legal Compliance

12. Review and approve management's decisions related to the need for internal auditing.

13. Review the mandate, budget, plan, changes in plan, activities, organizational structure and qualifications of the internal audit department, as needed.

14. Review the appointment, performance and replacement of the senior internal audit executive.

15. Review significant reports prepared by the internal audit department together with management's response and follow-up to these reports.

Other Miscellaneous Responsibilities

16. Annually assess the effectiveness of the Committee against its Mandate and report the results of the assessment to the Board.

17. Prepare and disclose a summary of the Mandate to shareholders.

Perform any other activities consistent with this Mandate, the Company's by-laws and governing law, as the Committee or the Board deems necessary or appropriate.

Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company.

APPENDIX A AUTHORITY

The Committee shall have the authority to:

Delegate approval-granting authority to pre-approve non-audit services by the external auditor to one or more of its members;

Engage independent counsel and other advisors as it determines necessary to carry out its duties;

Set and pay the compensation for any advisors employed by the Committee;

Communicate directly with the internal and external auditors;

Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding internal accounting controls, or auditing matters and the confidential, anonymous submission by employees of the Company regarding questionable accounting or auditing matters.

REPORTING

The Committee shall report its deliberations and discussions regularly to the Board and shall submit to the Board the minutes of its meetings.

RESOURCES

The Committee shall have full and unrestricted access to all of the Company's books, records, facilities and personnel as well as the Company's external auditors and shall have the authority, in its sole discretion, to conduct any investigation appropriate to fulfilling its responsibilities. The Committee shall further have the authority to retain, at the Company's expense, such special legal, accounting or other consultants or experts as it deems necessary in the performance of its duties and to request any officer or employee of the Company or the Company's external counsel or auditors to attend a meeting of the Committee.

Limitation on the Oversight Role of the Committee

Nothing in this Charter is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all members of the Board are subject.

Each member of the Committee shall be entitled, to the fullest extent permitted by law, to rely on the integrity of those persons and organizations within and outside the Company from whom he or she receives information, and the accuracy of the information provided to the Corporation by such persons or organizations.

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and in accordance with generally accepted accounting principles and applicable rules and regulations, each of which is the responsibility of management and the Company's external auditors.

