

**FORM 51-102F3  
NATIONAL INSTRUMENT 51-102**

**MATERIAL CHANGE REPORT UNDER SECTION 7.1 OF NI 51-102**

**FILED VIA SEDAR**

**Item 1.        Name and Address of Company**

GreenBank Capital Inc. (the "Company")  
208 Queens Quay West, Suite 2506  
Toronto, Ontario M5J 2Y5

**Item 2.        Date of Material Change**

A material change took place on March 27, 2014

**Item 3.        News Release**

On March 27, 2014 a news release was released through the facilities of Newsfile Corp.

**Item 4.        Summary of Material Change**

The Company announced that it had modified its proposed Bitcoin investment plans, and provided additional disclosures in relation thereto.

**Item 5.        Full Description of Material Change**

The material change is more fully described in the Company's news release of March 27, 2014 which is attached hereto as Schedule "A" and is incorporated herein.

The Company has previously announced its intention to make Bitcoin related investments through its subsidiaries Bitcoin Canada Investments Inc. ("Bitcoin Canada") and Bitcoin Angel Capital Inc. ("Bitcoin Angel"). The Ontario Securities Commission ("OSC") advised the Company on March 3, 2014 that, amongst other things, additional disclosures should be made and such disclosures are being addressed in this Material Change Report.

Attached hereto as "Schedule B" are the Company's original Bitcoin marketing materials, investor presentation, and the original Bitcoin Debenture private placement documents. Such previous materials and disclosures by the Company concerning the planned listing of securities of Bitcoin Canada or Bitcoin Angel on the CSE was not intended to be a representation that the securities of Bitcoin Canada or Bitcoin Angel will be listed on the CSE or that application has been or will be made to list the securities of Bitcoin Canada and Bitcoin Angel on the CSE. None of the Company, Bitcoin Canada nor Bitcoin Angel has applied to list the securities of Bitcoin Canada or Bitcoin Angel on the CSE. Any future application by the Company, Bitcoin Canada or Bitcoin Angel to list the securities of Bitcoin Canada or Bitcoin Angel on the CSE will be subject to the approval of the CSE, and there is no assurance that the CSE will approve such

application for listing.

Following discussions with the OSC, the Company has now determined that the proposed business of Bitcoin Canada would likely require registration of Bitcoin Canada as an investment fund manager. The Company believes that at present such registration would not be in the interests of the Company and has therefore decided that the proposed business of Bitcoin Canada will not proceed. Accordingly, the proposed Debenture private placement of Bitcoin Canada will not now take place.

Securities regulatory authorities in Canada, including the OSC, have yet to determine the impact of an investment product that invests in Bitcoin or other cryptocurrencies, including whether or not Bitcoin and other cryptocurrencies constitute a suitable asset class for retail investors. The Company or its subsidiaries will not invest directly in Bitcoin or in any other cryptocurrencies.

The business of Bitcoin Angel is intended to be investing in early stage Bitcoin and other cryptocurrency focused companies. The Company intends that Bitcoin Angel will comply with all regulatory guidelines with respect to making investments in such early stage businesses. Due to the current uncertain regulatory framework and presently evolving regulatory guidelines, the Company will continue discussions with the OSC and other regulators to establish more clarity with respect to the regulations under which Bitcoin Angel will be operating under.

In the opinion of management, prior to implementation of its business plan Bitcoin Angel would benefit from a greater understanding of the Bitcoin regulatory framework that might impact its operations. In that regard a delay of approximately three months is anticipated. The proposed private placement of Bitcoin Angel Debentures will now be delayed accordingly. As previously disclosed it is the intention of the Company to spin off in due course Bitcoin Angel to the Company's shareholders by way of a plan of arrangement. Such a plan of arrangement is intended to occur on or before December 2015. The terms and timing of such a plan of arrangement have not yet been determined. Any plan of arrangement would require approval from the Company's shareholders and the Supreme Court of British Columbia. If appropriate approvals were obtained, Bitcoin Angel plans to be listed on the CSE however Bitcoin Angel has not applied to list its securities on the CSE. Any future application by Bitcoin Angel to list the securities of Bitcoin Angel on the CSE will be subject to the approval of the CSE, and there is no assurance that the CSE will approve such application for listing.

The Company has agreed to manage the Bitcoin investment portfolio of Bitcoin Angel for a fee equal to 10% of the portfolio appreciation. Such a fee is not subject to a high water-mark. The Company will also receive a 3% administration fee from Bitcoin Angel for providing administrative services.

The Company does not believe that the structure and activities of Bitcoin Angel will result in Bitcoin Angel being required to register as an advisor, investment fund manager, and/or dealer however circumstances may arise when Bitcoin Angel or any person or company that provides services to Bitcoin Angel may be required to comply with certain securities regulatory requirements including certain registration requirements such as registration as an advisor, investment fund manager and/or dealer and there is no assurance that such registration applications if made will be approved.

The material risk factors of investing in Bitcoin and other cryptocurrency related businesses as previously disclosed in the materials attached hereto as "Schedule B" are hereby revised and updated as detailed below:-

## **Risk Factors Related to Bitcoin and the Bitcoin Network**

**The further development and acceptance of Cryptocurrency and the Bitcoin Network is subject to a variety of factors that are difficult to evaluate. The slowing or stopping of the development or acceptance of Cryptocurrency and the Bitcoin Network may adversely affect an investment in Bitcoin Angel.**

Cryptocurrency such as bitcoin may be used, among other things, to buy and sell goods and services which is a new and rapidly evolving industry subject to a high degree of uncertainty. The factors affecting the further development of the cryptocurrency industry, as well as the Bitcoin Network, include:

- Continued worldwide growth in the adoption and use of bitcoin and other cryptocurrency;
- Government and quasi-government regulation of bitcoin and other cryptocurrency and their use, or restrictions on or regulation of access to and operation of the Bitcoin Network or other cryptocurrency systems;
- Changes in consumer demographics and public tastes and preferences;
- The availability and popularity of other forms or methods of buying and selling goods and services, including new means of using fiat currencies; and
- General economic conditions and the regulatory environment relating to cryptocurrency.

A decline in the popularity or acceptance of the Bitcoin Network would harm the price of Bitcoin Angel.

**Currently, there is relatively small use of bitcoin in the retail and commercial marketplace in comparison to relatively large use by speculators, thus contributing to price volatility that could adversely affect an investment in Bitcoin Angel.**

Bitcoin and other cryptocurrency have not been widely adopted as a means of payment for goods and services by many major retail and commercial outlets. Conversely, a significant portion of bitcoin demand is generated by speculators and investors seeking to profit from holding of bitcoin. The relative lack of acceptance of bitcoin in the retail and commercial marketplace limits the ability of end-users to pay for goods and services with bitcoin. A lack of expansion by bitcoin into retail and commercial markets, or a contraction of such use, may result in increased volatility which could adversely impact an investment in Bitcoin Angel.

**Amendments to the Bitcoin Network's protocols and software could adversely affect an investment in Bitcoin Angel.**

The Bitcoin Network is based on a math-based protocol that governs the peer-to-peer interactions between computers connected to the Bitcoin Network. The code that sets forth the protocol is informally managed by a development team known as the Core Developers that was initially appointed by the Bitcoin Network's purported creator, Satoshi Nakamoto. The Core Developers can propose amendments to the Bitcoin Network's source code through one or more software upgrades that alter the protocols and software that govern the Bitcoin Network

and the properties of bitcoin, including the irreversibility of transactions and limitations on the mining of new bitcoin. To the extent that a significant majority of the users and bitcoin miners on the Bitcoin Network install such software upgrades the Bitcoin Network would be subject to new protocols and software that may adversely affect an investment in Bitcoin Angel.

**If a malicious actor or botnet obtains control in excess of 50 percent of the processing power active on the Bitcoin Network, it is possible that such actor or botnet could manipulate the Blockchain in a manner that adversely affects an investment in Bitcoin Angel.**

If a malicious actor or botnet (a volunteer or hacked collection of computers controlled by networked software coordinating the actions of the computers) obtains a majority of the processing power dedicated to mining on the Bitcoin Network, it may be able to alter the Blockchain on which the Bitcoin Network and all bitcoin transactions rely. In such circumstances the malicious actor or botnet could control, exclude or modify the ordering of transactions, though it could not generate new bitcoins or transactions using such control. The malicious actor or botnet could double spend its own bitcoin and prevent the confirmation of other users' transactions for so long as it maintains control. To the extent that such malicious actor or botnet does not yield its majority control of the processing power on the Bitcoin Network or the Bitcoin community does not reject the fraudulent blocks as malicious, reversing any changes made to the Blockchain may not be possible. Such changes could adversely affect an investment in Bitcoin Angel.

**If the award of bitcoin for solving transaction blocks and transaction fees for recording transactions are not sufficiently high to incentivize bitcoin miners, bitcoin miners may cease expending processing power to solve transaction blocks and confirmations of transactions on the Blockchain could be slowed temporarily. A reduction in the processing power expended by bitcoin miners on the Bitcoin Network could increase the likelihood of a malicious actor or botnet obtaining control in excess of 50 percent of the processing power active on the Bitcoin Network or the Blockchain, potentially permitting such actor or botnet to manipulate the Blockchain in a manner that adversely affects an investment in Bitcoin Angel.**

If the award of new bitcoin for solving transaction blocks declines and transaction fees are not sufficiently high, bitcoin miners may not have an adequate incentive to continue mining and may cease their mining operations. Bitcoin miners ceasing operations would reduce the collective processing power on the Bitcoin Network, which would adversely affect the confirmation process for transactions by decreasing the speed at which transaction blocks are added to the Blockchain until the next scheduled adjustment in difficulty for transaction block solutions and make the Bitcoin Network more vulnerable to a malicious actor or botnet obtaining control in excess of 50 percent of the processing power on the Bitcoin Network. Any reduction in confidence in the confirmation process or processing power of the Bitcoin Network may adversely impact an investment Bitcoin Angel.

**As the number of bitcoin awarded for solving a transaction block in the Blockchain decreases over time, the incentive for bitcoin miners to continue to contribute processing power to the Bitcoin Network will transition from a set reward to transaction fees. Either the requirement from bitcoin miners of higher transaction fees in exchange for recording transactions in the Blockchain or a software upgrade that automatically charges fees for all transactions may decrease demand for bitcoin and prevent the expansion of the Bitcoin Network to retail merchants and commercial businesses,**

**resulting in a reduction in the price of bitcoin that could adversely impact an investment in Bitcoin Angel.**

In order to incentivize bitcoin miners to continue to contribute processing power to the Bitcoin Network, the Bitcoin Network may either formally or informally transition from a set reward to transaction fees earned upon solving for a transaction block. This transition could be accomplished either by bitcoin miners independently electing to record on the transaction blocks they solve only those transactions that include payment of a transaction fee or by the Bitcoin Network adopting software upgrades that require the payment of a minimum transaction fee for all transactions. If transaction fees paid for bitcoin transactions become too high, the marketplace may be reluctant to accept bitcoin as a means of payment and existing users may be motivated to switch from bitcoin to another cryptocurrency or back to fiat currency. Decreased use and demand for bitcoin may adversely impact an investment in Bitcoin Angel.

**To the extent that any bitcoin miners cease to record transactions in solved transaction blocks, transactions that do not include the payment of a transaction fee will not be recorded on the Blockchain until a transaction block is solved by a bitcoin miner who does not require the payment of transaction fees. Any widespread delays in the recording of bitcoin transactions could result in a loss of confidence in the Bitcoin Network, which could adversely impact an investment in Bitcoin Angel.**

To the extent that any bitcoin miners cease to record transactions in solved transaction blocks, such transactions will not be recorded on the Blockchain. Currently, there are no known incentives for bitcoin miners to elect to exclude the recording of transactions in solved transaction blocks; however, to the extent that any such incentives arise the actions of bitcoin miners solving a significant number of transaction blocks could delay the recording and confirmation of transactions on the Blockchain. Any systemic delays in the recording and confirmation of transactions on the Blockchain could adversely impact an investment in Bitcoin Angel.

**The acceptance of Bitcoin Network software patches or upgrades by a significant, but not overwhelming, percentage of the users and bitcoin miners in the Bitcoin Network could result in a “fork” in the Blockchain, resulting in the operation of two separate networks until such time as the forked Blockchains are merged. The temporary or permanent existence of forked Blockchains could adversely impact an investment in Bitcoin Angel.**

Bitcoin is an open source project and, there is no official developer or group of developers that formally controls the Bitcoin Network. Any individual can download the Bitcoin Network software and make any desired modifications, which are proposed to users and bitcoin miners on the Bitcoin Network through software downloads and upgrades. However, bitcoin miners and users must consent to those software modifications by downloading the altered software or upgrade implementing the changes; otherwise, the changes do not become a part of the Bitcoin Network. Since the Bitcoin Network's inception, changes to the Bitcoin Network have been accepted by the vast majority of users and bitcoin miners, ensuring that the Bitcoin Network remains a coherent economic system. However, a developer or group of developers could potentially propose a modification to the Bitcoin Network that is not accepted by a vast majority of bitcoin miners and users, but that is nonetheless accepted by a substantial number of participants in the Bitcoin Network. In such a case, a fork in the Blockchain could develop and two separate Bitcoin Networks could result, one running the pre-modification software program and the other running the modified version. Such a fork in the Blockchain typically would be addressed by community-led efforts to merge the forked Blockchains, and several prior forks have been so

merged. This kind of split in the Bitcoin Network could materially and adversely affect Bitcoin Angel.

**Intellectual property rights claims may adversely affect the operation of the Bitcoin Network.**

Third parties may assert intellectual property claims relating to the holding and transfer of cryptocurrency and their source code. Regardless of the merit of any intellectual property or other legal action, any threatened action that reduces confidence in the Bitcoin Network's long-term viability or the ability of end-users to hold and transfer bitcoin may adversely affect an investment in Bitcoin Angel. Additionally, intellectual property claims could prevent Bitcoin Angel and other end-users from accessing the Bitcoin Network or holding or transferring bitcoin. As a result, an intellectual property claim against Bitcoin Network participants could adversely affect an investment in Bitcoin Angel.

**Regulatory agencies could shut down or restrict the use of platforms or exchanges that use virtual currencies.**

Regulatory agencies could shut down or restrict the use of platforms or exchanges that use virtual currencies. This could lead to a loss of any investment made in Bitcoin Angel and may trigger regulatory action by the Ontario Securities Commission or other regulators.

**The ability to use virtual currency is limited by the willingness of others to accept it**

The ability to use Bitcoin and other virtual currency is limited by the willingness of others to accept it as no law requires companies or individuals to accept them as a form of payment for goods and services. In the event that no company or individual is willing to accept Bitcoin or other virtual currencies they will not have any value.

**Platforms that buy and sell Bitcoin, as well as digital wallets, can be hacked**

Platforms that buy and sell Bitcoin and other virtual currency, as well as digital wallets, can be hacked. In the event that trading platforms and digital wallets are hacked, this could lead to a loss of any investment made in Bitcoin Angel.

**Transactions using Bitcoin or other virtual currency are not covered by deposit insurance**

Transactions using Bitcoin or other virtual currency are not covered by deposit insurance, unlike banks and credit unions that provide guarantees or safeguards.

**There is an increased risk of fraud related to virtual currencies, payment platforms and related businesses**

There is an increased risk of fraud related to virtual currencies, payment platforms and related businesses. If fraud occurs this could lead to a loss of any investment made in Bitcoin Angel.

**Risk Factors Related to the Bitcoin Exchange Market**

**Fluctuations in the price of bitcoin could adversely affect an investment in Bitcoin Angel.**

There is no assurance that bitcoin will maintain long-term value in terms of purchasing power in the future or that the acceptance of bitcoin payments by mainstream retail merchants and commercial businesses will continue to grow. In the event that the price of bitcoin declines, the value of an investment in Bitcoin Angel will likely decline. The price of bitcoin has fluctuated

widely over the past three years. Several factors may affect the price of bitcoin, including, but not limited to:

- Global bitcoin supply;
- Global bitcoin demand, which is influenced by the growth of retail merchants' and commercial businesses' acceptance of bitcoins as payment for goods and services, the security of online Bitcoin Exchanges and digital wallets that hold bitcoins, the perception that the use and holding of bitcoins is safe and secure, and the lack of regulatory restrictions on their use;
- Investors' expectations with respect to the rate of inflation;
- Interest rates;
- Currency exchange rates, including the rates at which bitcoins may be exchanged for fiat currencies;
- Fiat currency withdrawal and deposit policies of Bitcoin Exchanges and liquidity on such Bitcoin Exchanges;
- Interruptions in service from or failures of major Bitcoin Exchanges
- Investment and trading activities of large investors that may directly or indirectly invest in bitcoin;
- Monetary policies of governments, trade restrictions, currency devaluations and revaluations;
- Regulatory measures, if any, that restrict the use of bitcoin as a form of payment or the purchase of bitcoin on the Bitcoin Market;
- Global or regional political, economic or financial events and situations;
- Expectations among Bitcoin economy participants that the value of bitcoin will soon change.

**The value of bitcoin may be subject to momentum pricing whereby the current value may account for speculation regarding future appreciation in value. Momentum pricing of bitcoin may subject bitcoin to greater volatility and adversely affect an investment in Bitcoin Angel.**

Momentum pricing typically is associated with assets whose valuation, as determined by the investing public, accounts for anticipated future appreciation in value. Momentum pricing of bitcoin may result in speculation regarding future appreciation in the value of bitcoin. As a result, changing investor confidence in bitcoin could adversely affect an investment in Bitcoin Angel.

**Pricing on any Bitcoin Exchange in the Bitcoin Exchange Market can be volatile and can adversely affect an investment in Bitcoin Angel.**

The price of bitcoin on public Bitcoin Exchanges has a limited history. Bitcoin Exchanges have been subject to influence by many factors including the levels of liquidity on Bitcoin Exchanges. Even the largest Bitcoin Exchanges have been subject to operational interruption or collapse, the most recent being the bankruptcy of Mt. Gox. The collapse of any Bitcoin Exchange may limit the liquidity of bitcoin and result in volatile prices and a reduction in confidence in the Bitcoin Network and the Bitcoin Exchange Market. The price of bitcoin on Bitcoin Exchanges may also be impacted by policies on or interruptions in the deposit or withdrawal of fiat currency into or out of Bitcoin Exchanges. Bitcoin Exchange users may buy or sell bitcoin for fiat currency or transfer bitcoins to other wallets. Operational limits (including regulatory, exchange policy or

technical or operational limits) on the size or settlement speed of fiat currency deposits by users into Bitcoin Exchanges may reduce demand on such Bitcoin Exchanges, resulting in a reduction in the bitcoin price on such Bitcoin Exchange. An investment in Bitcoin Angel may be adversely affected by pricing on any Bitcoin Exchange.

**The Bitcoin Exchanges which trade bitcoin are relatively new and, in most cases, largely unregulated and may therefore be more exposed to fraud and failure than established, regulated exchanges for other products. To the extent that the Bitcoin Exchanges representing a substantial portion of the volume in bitcoin trading are involved in fraud or experience security failures or other operational issues, such Bitcoin Exchanges' failures may adversely affect an investment in Bitcoin Angel.**

The Bitcoin Exchanges trading bitcoin are new and, in most cases, largely unregulated. Over the past three years, several Bitcoin Exchanges have been closed due to fraud, failure or security breaches. In many of these instances, the customers of such Bitcoin Exchanges were not compensated or made whole for the partial or complete losses of their account balances in such Bitcoin Exchanges. While smaller Bitcoin Exchanges are less likely to have the infrastructure and capitalization that make larger Bitcoin Exchanges more stable, larger Bitcoin Exchanges are more likely to be appealing targets for hackers and "malware" (i.e., software used or programmed by attackers to disrupt computer operation, gather sensitive information or gain access to private computer systems). A lack of stability in the Bitcoin Exchange Market and the closure or temporary shutdown of Bitcoin Exchanges due to fraud, business failure, hackers or malware, or government-mandated regulation may reduce confidence in the Bitcoin Network. These potential consequences of a Bitcoin Exchange's failure could adversely affect an investment in Bitcoin Angel.

**An investment in Bitcoin Angel may be adversely affected by competition from other methods of investing in bitcoin related startup companies.**

Bitcoin Angel will compete with other entities that invest in bitcoin related startup companies and other potential bitcoin vehicles. Market and financial conditions, and other conditions beyond Bitcoin Angel's control, may make it more attractive to invest in other financial vehicles or to invest in bitcoin startups directly, which could adversely impact Bitcoin Angel.

#### **Risk Factors Related To Bitcoin Angel**

**As the Management of Bitcoin Angel have no history of operating an investment vehicle like Bitcoin Angel, their experience may be inadequate or unsuitable to manage Bitcoin Angel.**

Neither the management of Bitcoin Angel or the management of its parent company GreenBank Capital, which has agreed to manage the investment portfolio of Bitcoin Angel, has any history of past performance in managing a company like Bitcoin Angel. The past performances of management in other positions are no indication of their ability to manage Bitcoin Angel. If the experience of management is inadequate or unsuitable to manage Bitcoin Angel, the operations of Bitcoin Angel may be adversely affected.

**Bitcoin Angel may be required to terminate and liquidate at a time that is disadvantageous to Shareholders.**

If Bitcoin Angel is required to terminate and liquidate its bitcoin assets, such termination and liquidation could occur at a time that is disadvantageous to investors in Bitcoin Angel. In such a case the resulting proceeds will reflect the prevailing value of Bitcoin Angel at the time of sale.



**Extraordinary expenses resulting from unanticipated events may become payable by Bitcoin Angel, adversely affecting an investment in Bitcoin Angel.**

Any incurring of extraordinary expenses by Bitcoin Angel could adversely affect an investment in Bitcoin Angel.

### **Risk Factors Related to the Regulation of Bitcoin Angel**

**The tax consequences to an investor of an investment in Bitcoin Angel could differ from the investor's expectations.**

The tax rules applicable to bitcoin are complex, and no statutory, judicial, or administrative authority directly addresses the characterization of an investment in bitcoin. The tax consequences to an investor of an investment in Bitcoin Angel could differ from the investor's expectations.

**Regulatory changes or actions may alter the nature of an investment in Bitcoin Angel or restrict the use of bitcoin or the operation of the Bitcoin Network in a manner that adversely affects an investment in Bitcoin Angel.**

Until recently, little or no regulatory attention has been directed toward bitcoin and the Bitcoin Network by Canada federal and provincial governments, foreign governments and self-regulatory agencies. As bitcoin have grown in popularity and in market size, certain Canadian legislative bodies and agencies have begun to examine the operations of the Bitcoin Network, Bitcoin users and the Bitcoin Exchange Market. Regulatory authorities in Canada, including the Ontario Securities Commission, have yet to determine the regulatory impact of Bitcoin, the Bitcoin Network and cryptocurrencies in general. There is a possibility of future regulatory change altering, perhaps to a material extent, the nature of an investment in Bitcoin Angel or the ability of Bitcoin Angel to continue to operate. To the extent that a Canadian or foreign government or quasi-governmental agency exerts regulatory authority over the Bitcoin Network or bitcoin trading and ownership, then Bitcoin Angel may be adversely affected. To the extent that future regulatory actions or policies limit the ability to exchange bitcoin or utilize them for payments, the demand for bitcoin will be reduced. Furthermore, regulatory actions may limit the ability of end-users to convert bitcoin into fiat currency (e.g., Canadian Dollars) or use bitcoin to pay for goods and services. Such regulatory actions or policies could adversely affect an investment in Bitcoin Angel. Bitcoin currently faces an uncertain regulatory landscape in not only Canada, but also in many foreign jurisdictions. While certain governments such as Germany, which has declared bitcoin to be a form of private money that is recognized as a unit of account but not recognized in the same manner as fiat currency, have issued guidance as to how to treat bitcoin, most regulatory bodies have not yet issued official statements regarding intention to regulate or determinations on regulation of bitcoin. Among those for which preliminary guidance has been issued in some form, Canada and Taiwan have labeled bitcoin as a digital or virtual currency, distinct from fiat currency, while Sweden and Norway are among those to categorize bitcoin as a form of virtual asset or commodity. In China, a recent government notice classified bitcoin as legal and "virtual commodities;" however, the same notice restricted the banking and payment industries from using bitcoin, creating uncertainty and limiting the ability to use bitcoin. Conversely, regulatory bodies in some countries such as India have declined to exercise regulatory authority when afforded the opportunity. Various foreign jurisdictions may, in the near future, adopt laws, regulations or directives that affect the Bitcoin Network and its users, particularly Bitcoin Exchanges and service providers that fall within such jurisdictions' regulatory scope. Such laws, regulations or directives may negatively impact the acceptance of bitcoin by users, merchants and service providers and may therefore impede the growth of the

Bitcoin economy. The effect of any future regulatory change on Bitcoin Angel is impossible to predict, but such change could be substantial and adverse to Bitcoin Angel.

**It may be illegal now, or in the future, to acquire, own, hold, sell or use bitcoins in one or more countries, and subject to sanction.**

Although currently bitcoin is not regulated or is lightly regulated in most countries, including Canada, one or more countries such as China may take regulatory actions in the future that severely restricts the right to acquire, own, hold, sell or use bitcoin or to exchange bitcoin for fiat currency. Such a restriction may adversely affect an investment in Bitcoin Angel.

**Regulatory changes or interpretations of Bitcoin Angel's activities may require Bitcoin Angel to register and comply with such regulations and the required registrations and regulatory compliance steps may result in extraordinary, non-recurring expenses to Bitcoin Angel.**

Bitcoin Angel may be required to comply with regulations that may cause Bitcoin Angel to incur extraordinary expenses, possibly affecting an investment in Bitcoin Angel in a material and adverse manner. Compliance with such regulations may result in extraordinary and non recurring expenses that may be disadvantageous to an investor in Bitcoin Angel.

#### **Risk Factors Related to Potential Conflicts of Interest**

**Potential conflicts of interest may arise among Bitcoin Angel Management and Bitcoin Angel.**

Generally, Bitcoin Angel directors and management are not prohibited from engaging in other businesses or activities, including those that might be in direct competition with Bitcoin Angel, however there may be circumstances where Bitcoin Angel's directors and officers are also directors and officers of a registrant and as a result may be prohibited from engaging in certain businesses or activities.

**Debenture holders may be adversely affected by lack of regular shareholder meetings and no voting rights.**

Under the Bitcoin Angel Subscription Documents, Debenture holders have no voting rights and lack of voting rights gives all control to the Management of Bitcoin Angel. The management of Bitcoin Angel may take actions in the operation of Bitcoin Angel that may be adverse to the interests of Debenture holders.

#### **Item 6. Reliance on Section 7.1(2) of National Instrument 51-102**

The report is not being filed on a confidential basis in reliance on section 7.1(2) of National Instrument 51-102.

#### **Item 7. Omitted Information**

No significant information has been omitted from this Material Change Report.

**Item 8. Executive Officer**

For further information, contact Daniel Wettreich, CEO, at 416-628-9879.

**Item 9. Date of Report**

This report is dated at Toronto this 27<sup>th</sup> day of March, 2014.

**GREENBANK CAPITAL INC.**

*/s/ Danny Wettreich*

Per: \_\_\_\_\_  
Danny Wettreich, CEO

SCHEDULE A

This news release is not for distribution or dissemination in the United States of America



208 Queens Quay West, Suite 2506, Toronto, Ontario, M5J 2Y5  
Phone: (647) 931 9768

### **GREENBANK UPDATES BITCOIN PLANS**

Toronto, Ontario, March 27, 2014 – GreenBank Capital Inc. (CSE: GBC) ("GreenBank" or "the Company"), announces that further to its press release dated March 17, 2014 it has today filed on SEDAR a Material Change Report containing additional disclosure with regard to its proposed Bitcoin investments. Such additional disclosure includes, amongst other things, further risk factors regarding Bitcoin and copies of the Company's original Bitcoin marketing materials, investor presentation, and the original Bitcoin Debenture private placement documents. The Material Change Report is remedying a previous non-filing.

The Company has previously announced its intention to make Bitcoin related investments through its subsidiaries Bitcoin Canada Investments Inc. ("Bitcoin Canada") exclusively investing in Bitcoin, and Bitcoin Angel Capital Inc. ("Bitcoin Angel") investing in early stage Bitcoin and other cryptocurrency companies. Following discussions with the Ontario Securities Commission ("OSC"), the Company has now determined that the proposed business of Bitcoin Canada would likely require registration of Bitcoin Canada as an investment fund manager. The Company believes that at present such registration would not be in the interests of the Company and has therefore decided that the proposed business of Bitcoin Canada will not proceed. Accordingly, the proposed Debenture private placement of Bitcoin Canada will not now take place.

Securities regulatory authorities in Canada, including the OSC, have yet to determine the impact of an investment product that invests in Bitcoin or other cryptocurrencies, including whether or not Bitcoin and other cryptocurrencies constitute a suitable asset class for retail investors. The Company or its subsidiaries will not invest directly in Bitcoin or in any other cryptocurrencies.

The business of Bitcoin Angel is intended to be investing in early stage Bitcoin and other cryptocurrency focused companies. The Company intends that Bitcoin Angel will comply with all regulatory guidelines with respect to making investments in such early stage businesses. Due

to the current uncertain regulatory framework and presently evolving regulatory guidelines, the Company will continue discussions with the OSC and other regulators to establish more clarity with respect to the regulations under which Bitcoin Angel will be operating under.

In the opinion of management, prior to implementation of its business plan Bitcoin Angel would benefit from a greater understanding of the Bitcoin regulatory framework that might impact its operations. In that regard a delay of approximately three months is anticipated. The proposed private placement of Bitcoin Angel Debentures will now be delayed accordingly. As previously disclosed it is the intention of the Company to spin off in due course Bitcoin Angel to the Company's shareholders by way of a plan of arrangement. Such a plan of arrangement is intended to occur on or before December 2015. The terms and timing of such a plan of arrangement have not yet been determined. Any plan of arrangement would require approval from the Company's shareholders and the Supreme Court of British Columbia. If appropriate approvals were obtained, Bitcoin Angel plans to be listed on the CSE however Bitcoin Angel has not applied to list its securities on the CSE. Any future application by Bitcoin Angel to list the securities of Bitcoin Angel on the CSE will be subject to the approval of the CSE, and there is no assurance that the CSE will approve such application for listing.

## **About GreenBank**

GreenBank is a corporate finance investment business focusing on investing in Canadian small cap companies. GreenBank is the first public company seeking to make Bitcoin investments. For more information please see [www.GreenBankCapitalinc.com](http://www.GreenBankCapitalinc.com) or contact Danny Wettreich at (647) 931 9768 or [dw@GreenBankCapitalinc.com](mailto:dw@GreenBankCapitalinc.com)

**Forward-Looking Information:** This press release may include forward-looking information within the meaning of Canadian securities legislation, concerning the business and trading in the common stock of GreenBank Capital Inc. The forward-looking information is based on certain key expectations and assumptions made by the company's management. Although the company believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because the company can give no assurance that they will prove to be correct. These forward-looking statements are made as of the date of this press release and the company disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

The CSE has not reviewed, approved or disapproved the content of this press release

## **SCHEDULE B**

# GREENBANK CAPITAL INC

BITCOIN ANGEL CAPITAL INC

&

BITCOIN CANADA INVESTMENTS INC

US FIRST PRIVATE INVESTMENT COMPANY (WWW.FIRSTPRIVATEBITCOIN.COM)

\$5,000,000 PRIVATE PLACEMENT TO ACCREDITED INVESTORS OF  
SECURED CONVERTIBLE DEBENTURES

**"WE BELIEVE SCENARIOS EXIST BY WHICH A  
BITCOIN COULD BE WORTH 10-100X ITS CURRENT  
PRICE"** WEDBUSH EQUITY RESEARCH, DECEMBER 1, 2013



# WHAT IS A BITCOIN ?

- ▣ **BITCOIN IS A CRYPTOCURRENCY-** a form of digital currency, created and held electronically. Bitcoins aren't printed, like dollars or euros; they're produced by a worldwide computer network using software that solves mathematical problems.
- ▣ **HOW IS BITCOIN CREATED-** A software developer called Satoshi Nakamoto created the Bitcoin software in 2009 in order to produce an independent currency. Each bitcoin is created or 'mined' digitally by the Bitcoin network's computing power, and a public database known as the Block Chain keeps a sequential record of all transactions.
- ▣ **BITCOIN IS LIMITED IN NUMBER-** Central banks simply print more paper currency to cover the national debt, thereby devaluing the currency. In contrast, the Bitcoin protocol limits the number of Bitcoin to 21 million and currently there are 12 million in circulation.





# WHAT IS A BITCOIN-continued

- ▣ **BITCOIN IS DECENTRALIZED-** No central authority controls it, so governments or central banks cannot devalue it.
- ▣ **NO BANK ACCOUNTS ARE NEEDED -** No questions, no disclosures required.
- ▣ **ANONYMOUS-** No user identifying information.
- ▣ **TRANSPARENT-** Each transaction is stored anonymously but transparently in addresses on the block chain.
- ▣ **TINY TRANSACTION FEES-** No bank fees or wire transfer charges.
- ▣ **FAST TRANSACTIONS-** Payments can be made worldwide in minutes.
- ▣ **NO CURRENCY CONTROLS-** No government subjects Bitcoin to currenc



## Bitcoin Independent Research Reports

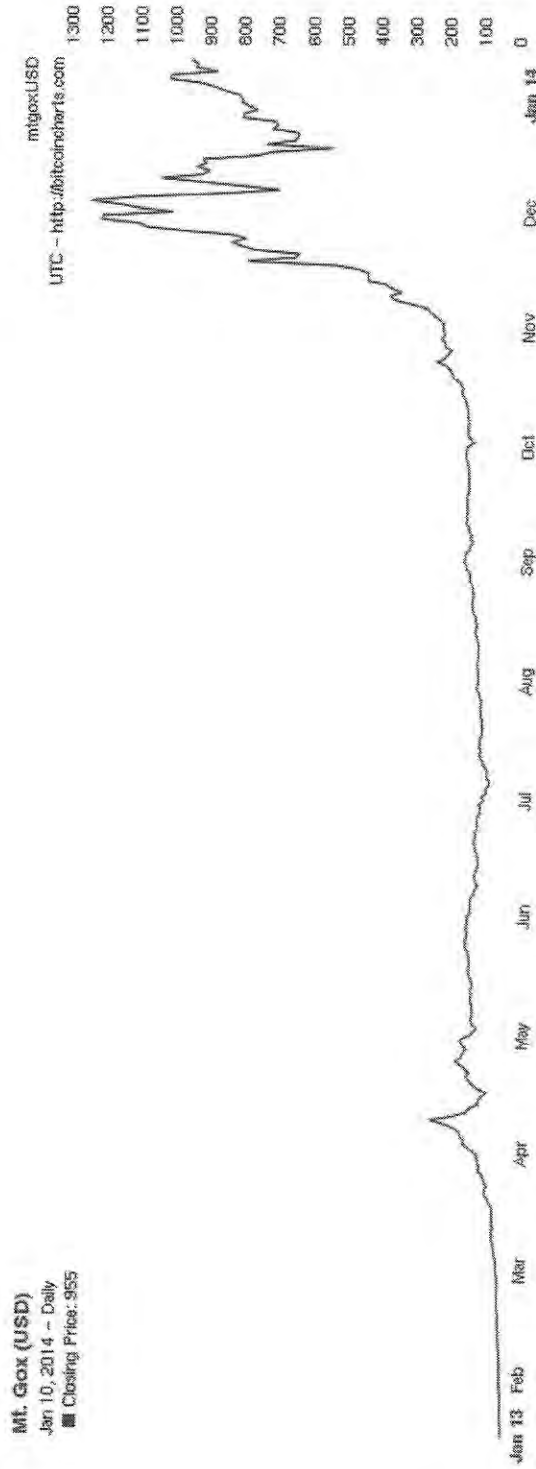
- *“We believe Bitcoin can become a major means of payment for e-commerce and may emerge as a serious competitor to traditional money transfer providers”* Bank of America Merrill Lynch  
research report December 5, 2013

- **“WE BELIEVE SCENARIOS EXIST BY WHICH A BITCOIN COULD BE WORTH 10-100X ITS CURRENT PRICE”** Wedbush Equity  
Research, December 1, 2013



# GreenBank Capital Inc. – What Is Bitcoin Worth?

## Bitcoin Price History From Jan. 2013 to Present (in USA \$)\*



\*Source: [www.MtGox.com](http://www.MtGox.com) . Mt Gox is the world's largest and most established BitCoin Exchange website as of January 2014

\*\*Chart source: <http://bitcoincharts.com> Data is from January 10, 2013 to January 10, 2014



# WHAT ARE THE SOURCES OF BITCOIN DEMAND?

WEDBUSH EQUITY RESEARCH, DECEMBER 1, 2013

- **A Disruptive Payment Network**

We believe the lynch pin of demand is the functionality of cryptocurrency technology in facilitating payment transactions, especially cross border. The foreign currency reserves supporting cross border trade are around \$7.5 trillion.

- **An Alternative Uncorrelated Asset Class**

Current Bitcoin prices reflect a peak penetration of 1% of total potential demand in 10 years. As an uncorrelated alternative asset class we believe Bitcoin may succeed in replacing some demand for gold, which represents total financial holdings of \$1.9 trillion.

- **A Safe Haven Currency**

As a currency of refuge, we believe the demand represents a way for consumers in high inflationary countries to preserve the value of their income, an opportunity that could represent an additional \$4.3 trillion of demand.



# BITCOIN IS ATTRACTING VENTURE CAPITAL FUNDS

- ▣ In the fourth quarter of 2013 Bitcoin Startup Investments became mainstream with investments by Andreessen Horowitz, Founders Fund, Accel, etc.
- ▣ itBit- Bitcoin trading platform \$3.25M
- ▣ BTC China- Bitcoin exchange \$5M
- ▣ 21E6- Bitcoin mining hardware \$5.05M
- ▣ Circle Internet Financial- Bitcoin software \$9M
- ▣ Coinbase- Bitcoin payment processor \$31.7M



**GREENBANK IS FOCUSED ON BITCOIN  
ANGEL INVESTING NOT VENTURE CAPITAL**

- ▣ **We believe that venture capital funding in the Bitcoin space is “overkill”.**
- ▣ **We do not see the need to throw \$30M into a fledgling startup to make that business succeed.**
- ▣ **What is needed is Angel investing in smaller increments appropriate to the actual growth needs of the startups.**
- ▣ **Bitcoin startups will benefit from the participation of GreenBank business expertise in managing their business development.**



# WHO IS GREENBANK CAPITAL?

- ▣ GreenBank Capital Inc. (CSE:GBC) is a public company listed on the Canadian Securities Exchange or CSE (previously known as the CNSX).
- ▣ We are a corporate finance investment business investing in Canadian small cap publicly listed companies, and now in Bitcoin.
- ▣ We have special expertise in creating and listing companies on the CSE, quickly and inexpensively. Five affiliates of GreenBank have listed over the last 18 months.



## WHO IS GREENBANK - continued

- ▣ We have an investment portfolio of public company mining stocks....  
Zara Resources Inc (CSE:ZRI) (35% owned) Thunder Bay (ON) --gold  
and copper  
Hadley Mining Inc (CSE:HM) (49% owned) Sachigo (ON)- nickel  
Leo Resources Inc (CSE:LEO) (49% owned) Ring of Fire (ON)- nickel
- ▣ We have two Bitcoin subsidiaries-  
Bitcoin Canada Investments investing in Bitcoin and  
Bitcoin Angel Capital investing in early stage Bitcoin companies.
- ▣ We intend to spin off the Bitcoin companies to Debenture investors and  
GreenBank shareholders by
- ▣ (a) converting the Debentures into common shares of the Bitcoin  
companies and
- ▣ (b) making applications to list them on the CSE





# WHO IS DANNY WETTREICH?

Chairman and CEO of GreenBank and its Bitcoin companies

- ❖ A merchant banker for over 40 years, with expertise in creating, investing and managing small public companies in Canada, the USA and the UK.
- ❖ Created 6 CSE listed public companies in natural resources and corporate finance
- ❖ Recognized the Bitcoin phenomenon and established the world's first publicly listed company investing in cryptocurrencies.
- ❖ Previously a director of public companies on worldwide exchanges Nasdaq, the American Stock Exchange, the London Stock Exchange, the AIM Market of the London Stock Exchange, and the Vancouver Stock Exchange, a predecessor to the TSX Venture Exchange.
- ❖ These public companies have been in diverse businesses in internet technologies, oil and gas, retailing, telecommunications, media, and real estate.
- ❖ Facilitated 13 reverse takeover transactions of public companies in Canada, the USA and England.



## WHO WILL VET THE BITCOIN INVESTMENTS?

- ▣ EXPERIENCED INVESTMENT COMMITTEE ESTABLISHED
- ▣ JEREMY WALKER, CEO of Iota Computing Inc. (developers of internet architecture components). Seasoned Silicon Valley and international technology executive.
- ▣ HOWARD PAKOSH, Director of Bitcoin Alliance of Canada, and CEO of Chip Start LLC (semiconductors). Serial technology entrepreneur.
- ▣ BRADLEY ROTTER, Executive Chairman of AirPatrol Corporation (homeland security technology). Legendary Hedge Fund Manager and Silicon Valley technology investor.



# WHAT BITCOIN INVESTMENTS WILL BE MADE?

❖ **50/50 DIVERSIFIED PORTFOLIO** – Half the funds will be invested in Bitcoin and half will be invested in a number of Bitcoin startups.

❖ **BITCOIN CANADA INVESTMENTS** – Investing exclusively in Bitcoin for long term investment.



&



❖ **BITCOIN ANGEL CAPITAL** Investing in early stage Bitcoin and other cryptocurrency companies.

❖ **INVESTORS WILL ACHIEVE A DIVERSIFIED BITCOIN PORTFOLIO WITH ONE UNIT INVESTMENT.**



## BITCOIN ANGEL CAPITAL HAS MADE ITS FIRST INVESTMENT- SOVEREIGN BITCOIN EXCHANGE



- Bitcoin Angel acquired 20% of Sovereign Exchange International for the issuance of 100,000 \$1 Convertible Debentures.
- Exchange to be renamed Sovereign Bitcoin Exchange.
- Sovereign Bitcoin Exchange is the issuer of the Sovereign virtual trade currency-which is 100% secured by investment grade bullion.
- Sovereigns are tendered between exchange members to achieve discounted business services.
- Sovereigns can be used to claim physical gold or silver.
- Sovereign Bitcoin Exchange earns commission by-  
-being a clearing house for the trading activity  
-providing a "bullion window" to deposit/withdraw bullion.

## WHAT CHANGES WILL BE MADE TO SOVEREIGN BITCOIN EXCHANGE ?

- ▣ Management continuity with Steven Merrill as President, and enhanced with Danny Wettreich as Chairman.
- ▣ Sovereign Bitcoin Exchange will facilitate the conversion of physical gold or silver into Bitcoin.
- ▣ A marketing campaign to the bullion and cryptocurrency communities to explain how positions can be taken in gold, silver or Bitcoin by exchanging Sovereigns or Bitcoin.



## WHAT CHANGES WILL BE MADE TO SOVEREIGN BITCOIN EXCHANGE-continued

- ▣ Improvements to the Exchange website at [www.sovereignize.net](http://www.sovereignize.net)
- ▣ Exchange will provide a Bitcoin/Sovereign exchange rate to facilitate transactions.
- ▣ *"The new expanded Exchange can enable Bitcoin/Gold/Silver transactions without silver or gold ever entering the public domain. A conversion to fiat money is not required, and the commissions are paid in Sovereigns, not in cash"* Steven Merrill, President, Sovereign Bitcoin Exchange



## WHAT IS THE GREENBANK DEBENTURE OFFERING ?

- ▣ Private Placement to Accredited Investors.
- ▣ Up to 2,500,000 Units at \$2 per Unit.
- ▣ Each Unit consists of a \$1 Convertible Secured Debenture of Bitcoin Angel Capital and \$1 Convertible Secured Debenture of Bitcoin Canada Investments.



## WHAT IS THE GREENBANK DEBENTURE OFFERING-continued

- ▣ Each Debenture is secured on the Bitcoin investments and yields 90% of the net profits from the sale of the Bitcoin investments.
- ▣ The Debentures will convert on or before December 2015 into 4 shares of each of the two Bitcoin companies (being 90% of the common shares) simultaneous with listing of the shares of the two companies on the CSE.
- ▣ **GREENBANK WILL ACCEPT BITCOIN IN SETTLEMENT FOR UNITS IN THE PRIVATE PLACEMENT- THE FIRST PUBLIC COMPANY IN THE WORLD TO DO THIS**





## WHAT IS THE VALUE PROPOSITION OF THE BITCOIN OFFERING ?

- ▣ Rather than being locked up in a private equity deal, the GreenBank Bitcoin Offering is structured to provide liquidity to the Bitcoin investor when the Debentures convert into public stock.
- ▣ GreenBank offers skilled management which will identify, analyse, monitor and incubate small Bitcoin companies.



## WHAT IS THE VALUE PROPOSITION OF THE BITCOIN OFFERING-continued

- Bitcoin investors currently are faced with a minimum learning curve of opening individual Bitcoin wallets and dealing with Bitcoin/Currency Exchanges... but the Debenture Units remove those challenges *and* provide an instantly diversified Bitcoin portfolio comprising 50% in Bitcoin and 50% in Bitcoin startups.
- Debentures are secured on the Bitcoin assets and receive 90% of the profits from any asset sales until liquidity is achieved, when the Debentures convert into 90% of two independent public companies



## THE VALUE PROPOSITION IS FURTHER ENHANCED BY GREENBANK

- ▣ GreenBank's special expertise with creating and listing small companies on the CSE quickly and inexpensively will provide the opportunity for the most successful of the Bitcoin startups to become publicly listed entities.
- ▣ Young and inexperienced management of Bitcoin startups will be guided to success by a team of advisors and mentors established by GreenBank.
- ▣ GreenBank's public company profile attracts Bitcoin business proposals worldwide.



# WHAT IS THE BOTTOM LINE?

The GreenBank Bitcoin Private Placement offers a...

- ▣ SECURED
- ▣ MANAGED
- ▣ LIQUID
- ▣ INSTANTLY DIVERSIFIED
- ▣ UNIQUE AND INNOVATIVE

**Bitcoin investment.**

**NO OTHER BITCOIN INVESTMENT OFFERS  
THIS VALUE PROPOSITION COMBINATION**



## WHAT IS GREENBANK'S INTEREST IN THE BITCOIN INVESTMENTS?

- ▣ GreenBank will receive a fee of 10% of portfolio appreciation for managing the Bitcoin investment portfolio, and a 3% administration fee.
- ▣ GreenBank will retain a 5% investment in common shares of Bitcoin Angel Capital and Bitcoin Canada Investments after they are spun off upon CSE listing.
- ▣ GreenBank shareholders will receive a 5% dividend of common shares of Bitcoin Angel Capital and Bitcoin Canada Investments when they are spun off upon CSE listing.



## WHAT IS GREENBANK'S INTEREST IN THE BITCOIN INVESTMENTS-continued

- GreenBank will take public some Bitcoin startups that are in the portfolio and retain equity positions in those companies.

*It behooves that Bitcoin is in the early stages of becoming a revolutionary payment medium, and GreenBank intends to be actively involved as a Bitcoin investor and investor.* **Danny Wettreich, CEO of GreenBank**



# IF I AM NOT AN ACCREDITED INVESTOR HOW CAN I PARTICIPATE?

- GreenBank common shares are listed on the CSE under the symbol GBC.
- Non Accredited Investors can participate in GreenBank's Bitcoin investments by acquiring freely trading GreenBank shares on the CSE.
- By owning GreenBank shares, investors will indirectly participate in the Bitcoin portfolio.
- When the Bitcoin companies are spun off and listed on the CSE, GreenBank shareholders will benefit from Bitcoin dividend distributions.



# GreenBank Capital Inc.

## CONTACT INFO

Copies of the Debenture Subscription Agreements can be downloaded from the GreenBank website or contact

**Danny Wettreich, Chairman & CEO**



Corporate Office:  
208 Queens Quay West, #2506  
Toronto, Ontario, M5J 2Y5

Phone: (647) 931 - 9768  
Email: [dw@GreenBankCapitalInc.com](mailto:dw@GreenBankCapitalInc.com)  
Web: [www.GreenBankCapitalInc.com](http://www.GreenBankCapitalInc.com)







**BITCOIN**

CANADA INVESTMENTS

**"We believe scenarios exist by which a bitcoin could be worth 10-100x its current price"**

Wedbush Equity Research, 12.01.2013



**BITCOIN**  
ANGEL CAPITAL

**Investing in early stage bitcoin startups**



# THE FIRST PUBLIC COMPANY INVESTING IN **BITCOIN**

GreenBank Capital Inc. (CSE:GBC) is a corporate finance investment business with special expertise in listing companies on the CSE

Two subsidiaries, Bitcoin Canada Investments, and Bitcoin Angel Capital investing in Bitcoin

*"Bitcoin is in the early stages of becoming a revolutionary payment medium, and GreenBank intends to be actively involved as a Bitcoin incubator and investor"*

Danny Wettreich, CEO of GreenBank

\$5M Private Placement of debentures to accredited investors offers a Bitcoin investment that is...

- secured
- managed
- liquid
- instantly diversified
- unique
- innovative

208 Queens Quay West  
Suite 2506  
Toronto, Ontario M5J 2Y5

Telephone: (647) 931-9768  
dw@GreenBankCapitalInc.com  
www.GreenBankCapitalInc.com

**PRIVATE PLACEMENT OFFERING TO ACCREDITED INVESTORS**

**OF UP TO 2,500,000 UNITS AT \$2 PER UNIT OF**

**BITCOIN CANADA INVESTMENTS INC**

**AND**

**BITCOIN ANGEL CAPITAL INC**

**Each Unit Comprising of**

**One \$1 Convertible Debenture of Bitcoin Canada Investments Inc**

**and**

**One \$1 Convertible Debenture of Bitcoin Angel Capital Inc**

**Bitcoin Canada Investments Inc will invest exclusively in Bitcoins. Bitcoin Angel Capital Inc will invest in early stage Bitcoin and other cryptocurrency focused companies.**

**Each of the Debentures are secured on all the assets of the respective companies, yield 90% of the net profits from the sale of Bitcoins or Bitcoin investments, as applicable, and will be converted on or before December 31, 2015 simultaneous with the listing of the companies on the Canadian National Stock Exchange into four common shares of each company respectively.**

**GreenBank Capital Inc,**

**208 Queens Quay West, Suite 250,**

**Toronto, Ontario, Canada M5J 2Y5 Tel: (647) 931 9768 email: [dw@GreenBankCapitalInc.com](mailto:dw@GreenBankCapitalInc.com)**

## PRIVATE PLACEMENT OF CONVERTIBLE DEBENTURE UNITS TO ACCREDITED INVESTORS

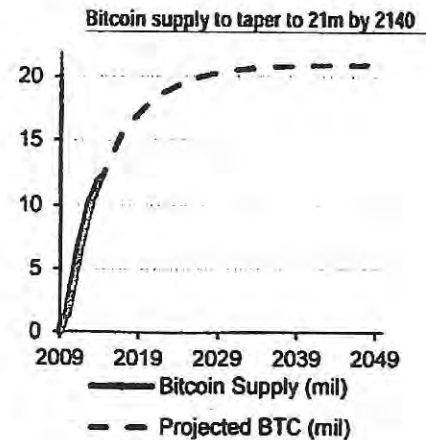
*This document is provided to accredited investors only and gives an overview of Bitcoins and a summary of the private placement. It is intended for information purposes only and is not intended for general distribution. This document is not a prospectus within the meaning of the Securities Laws. Any decision to subscribe for Units should be based solely upon the Subscription Agreement.*

Bitcoin Canada Investments Inc (“Bitcoin Canada”) and Bitcoin Angel Capital Inc (“Bitcoin Angel”), (together the “Companies”) were formed in 2013 as subsidiaries of GreenBank Capital Inc (CNSX:GBX) (“GreenBank”) a public investment company listed on the Canadian National Stock Exchange (“CNSX”). Bitcoin Canada will invest exclusively in Bitcoins and Bitcoin Angel will invest in early stage Bitcoin and other cryptocurrency focused companies. The private placement comprises up to \$5,000,000 of Convertible Debenture Units at a price of \$2 per Unit (the “Units”). Each Unit consists of a \$1 convertible secured debenture of Bitcoin Canada and a \$1 convertible secured debenture of Bitcoin Angel. Each of the Debentures are secured on all the assets of the respective companies, yield 90% of the net profits from the sale of Bitcoins or Bitcoin investments, as applicable, and will be converted on or before December 31, 2015 simultaneous with the listing of the Companies on the CNSX into four common shares of Bitcoin Canada and four common shares of Bitcoin Angel respectively. GreenBank has entered into management agreements with the Companies to manage the investment portfolio of the Companies.

*“We believe Bitcoin can become a major means of payment for e-commerce and may emerge as a serious competitor to traditional money transfer providers.”*  
*Bank of America Merrill Lynch research report 5 December, 2013*

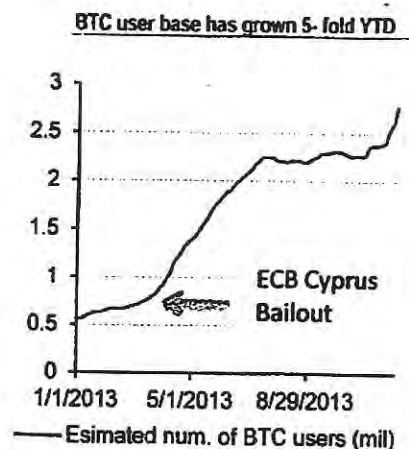
Bitcoin is the world’s first completely decentralized digital currency. A Bitcoin is an open source peer-to-peer electronic money and payment cryptocurrency that became operational in early 2009 . Bitcoins are digital commodities that are not issued by any government, bank or central organization. Bitcoins are hosted on a public transaction ledger, known as the Blockchain, which contains the software source code that provides the rules for Bitcoins and the peer-to-peer computer network. The Bitcoin software source code includes protocols that govern the creation of Bitcoins and a cryptography system that secures and verifies transactions in Bitcoins. Bitcoins themselves have no physical existence beyond the record of transactions on the Blockchain. The public history of all transactions is continuously updated and verified by “miners” who gather batches of new transactions into block and attach these blocks to the end of the Blockchain. The Blockchain serves as a public record of the chain of custody of all Bitcoins and registers all Bitcoin transactions, as well as providing evidence of the existence of Bitcoins in any user’s digital wallet. Bitcoin digital wallets are accessed and may be used to receive or send Bitcoins through a digital address together with a public key and private key that are part of the Bitcoin network’s cryptographic security mechanism. Exchanges allow the conversion between fiat currencies and Bitcoin. Users must have an internet connection and Bitcoin software to make payments to another account. In order to make a payment using Bitcoins, a user transfers an amount of bitcoins from a digital wallet into the account of the recipient, and then the transaction is validated by the Bitcoin network and recorded in the Blockchain.

**“As a medium of exchange, Bitcoin has clear potential for growth, in our view.”** *Bank of America Merrill Lynch research report 5 December, 2013*



There is a computational task for each block of transactions added to the Blockchain, which task has a high degree of difficulty designed to constrain the increase in the supply of Bitcoin. Based on the underlying software code, the total amount of Bitcoin in circulation will increase predictably until reaching a cap of 21 million Bitcoins in 2140. The current supply is approximately 12 million Bitcoins.

During 2013, mainstream services such as Virgin, OkCupid, Reddit, Humble Bundle and Fodler began accepting Bitcoins as payment for transactions. The price of a Bitcoin increased from pennies in its early days to over \$1,000 during 2013, with an estimated current market capitalization of \$12 billion. Although Bitcoin fluctuations in value could have a negative effect on its ability to function as a currency, rather than as an investment, this volatility has little effect on Bitcoin utility as a medium of value transfer as during a transfer from one currency to another currency the value fluctuations are minor.



The advantages of Bitcoin can be summarized as follows:

- *Very low transaction costs*
- *Finite supply makes it a store of value which avoids the infinite supply of fiat currencies*
- *Anonymity avoids capital controls, taxes and confiscation*
- *Increasing acceptance and popularity makes it a viable alternative to fiat currencies*
- *Substantial price appreciation makes it an investment medium*
- *Attractive e-commerce medium of exchange*

**Bitcoin Canada** will hold Bitcoins for investment purposes. Funds raised from the Offering, less any expenses, will be used to purchase Bitcoins which will be held as an investment. Bitcoin Canada and GreenBank believe that, for many accredited investors, the Debentures and the common shares into which the Debentures can be converted will represent a cost-effective and convenient means to access exposure to Bitcoins. Bitcoin Canada may hold its Bitcoins as long term investments or some or all may be sold to take advantage of fluctuations in the price of Bitcoins. Until conversion into common shares, 90% of the net profits, if any, from the sale of Bitcoins by Bitcoin Canada will be paid quarterly to holders of the Debentures. A quarterly administration fee in the annual amount of 3% of the investment portfolio will be paid to GreenBank. Bitcoin Canada has entered into a management agreement with GreenBank whereby GreenBank will manage the investment portfolio of Bitcoin Canada for a fee equal to 10% of the quarterly appreciation, if any, from the Bitcoin Canada portfolio. GreenBank intends to list the common shares of Bitcoin Canada on the CNSX by way of a plan of arrangement spin off on or before December 2015, at which time each \$1 Debenture will be converted into four common shares of Bitcoin Canada. Upon conversion, there will be 11,111,111 common shares of Bitcoin Canada issued and outstanding, of which GreenBank and its shareholders will own 10% and the former debenture owners will own 90%.

The investment objective of Bitcoin Canada is for the Debentures and the common shares into which the Debentures will convert, to reflect the performance of Bitcoins, less the expenses of operations. The investment is designed for accredited investors seeking a cost-effective and convenient means to gain exposure to Bitcoins, together with the potential benefits of a CNSX public company listing. Bitcoin Canada and GreenBank are of the opinion that this is the first Bitcoin investment in Canada with an exposure to publicly traded stock.

**Bitcoin Angel** will invest in early stage Bitcoin and other cryptocurrency focused companies. Bitcoin Angel is intended to be an incubator business dedicated to startup companies in the Bitcoin industry. It will seek to make multiple small "angel investor" type Bitcoin investments, thereby spreading the risk of any one investment by diversifying into a portfolio of companies providing Bitcoin services. Along with funding support, Bitcoin Angel will provide mentorship and managerial support with the goal of creating an environment that will assist these startups to make Bitcoin more mainstream. Bitcoin Angel may hold its investments as long term investments or some or all may be sold to take advantage of market conditions. Until conversion into common shares, 90% of the net profits, if any, from the sale of Bitcoin Angel investments will be paid quarterly to holders of the Debentures.

A quarterly administration fee in the annual amount of 3% of the investment portfolio will be paid to GreenBank. Bitcoin Angel has entered into a management agreement with GreenBank whereby GreenBank will manage the investment portfolio of Bitcoin Angel for a fee equal to 10% of the quarterly appreciation, if any, from the Bitcoin Angel portfolio. GreenBank intends to list the common shares of Bitcoin Angel on the CNSX by way of a plan of arrangement spin off on or before December 2015, at which time each \$1 Debenture will be converted into four common shares of Bitcoin Angel. Upon conversion, there will be 11,111,111 common shares of Bitcoin Angel issued and outstanding, of which GreenBank and its shareholders will own 10% and the former debenture owners will own 90%.

The investment objective of Bitcoin Angel is for the Debentures and the common Debentures into which the Debentures can convert, to reflect the performance of multiple Bitcoin "angel investor" type investments, less the expenses of operations. The investment is designed for accredited investors seeking a cost-effective and convenient means to gain exposure to a diversified portfolio of startup Bitcoin companies, together with with the potential benefits of a CNSX public company listing. Bitcoin Angel and GreenBank are of the opinion that this is the first Bitcoin "angel investor" investment in Canada with an exposure to publicly traded stock.

#### **Corporate Structure and Use of Proceeds**

The Debenture Offering is intended to raise up to \$5,000,000, less expenses, of which \$2,500,000 less expenses will be invested by Bitcoin Canada into Bitcoins, and \$2,500,000 less expenses will be invested by Bitcoin Angel into early stage startup companies in the Bitcoin industry. A finders fee of up to 8% may be paid in connection with the Offering on some of the funds raised.

Upon closing of the offering, the corporate structure of each of Bitcoin Canada and Bitcoin Angel will each comprise of 2,500,000 \$1 Convertible Debentures owned by the investors subscribing to this offering, and 1,111,111 common shares owned by GreenBank.

On or before December 31, 2015 GreenBank intends to list the common shares of each of Bitcoin Canada and Bitcoin Angel on the CNSX by way of a plan of arrangement spin off to GreenBank shareholders. At that time, conditional on the public listing, each Bitcoin Canada \$1 Debenture will be converted into 4 Bitcoin Canada common shares, and each Bitcoin Angel \$1 Debenture will be converted into 4 Bitcoin Angel common shares. This will result in two public companies, Bitcoin Canada and Bitcoin Angel, each with 11,111,111 common shares issued and outstanding, of which the former debenture owners will own 90% of each public company. GreenBank and its shareholders will own 10% of each public company.

For more information on GreenBank see [www.GreenBankCapitalInc.com](http://www.GreenBankCapitalInc.com) and on the Companies see [www.BitcoinCanadaInv.com](http://www.BitcoinCanadaInv.com) and [www.BitcoinAngelCapital.com](http://www.BitcoinAngelCapital.com)

## **Management**

GreenBank has entered into management agreements with the Companies to manage the investment portfolio of the Companies.

The Directors and Management of Bitcoin Canada and Bitcoin Angel are as follows:-

**Daniel Wettreich** is a director and the Chairman and CEO of Bitcoin Canada and Bitcoin Angel. He is also a director and CEO of GreenBank, and of Zara Resources Inc, CNRP Mining Inc, Winston Resources Inc, Hadley Mining Inc., and Leo Resources Inc, all of which are public companies listed on the CNSX. He has more than 40 years of experience in venture capital, private equity, and management of publicly traded companies. He has been Chairman and CEO of Churchill Venture Capital LP, a Dallas, Texas private equity business, for more than 20 years, and is Managing Partner of Churchill Natural Resource Partners, LP, which invests in small cap mining companies. He has been a director of public companies listed on NASDAQ, the American Stock Exchange, the London Stock Exchange, the AIM Market of the London Stock Exchange, and the Vancouver Stock Exchange, a predecessor to the TSX Venture Exchange. These public companies have been in diverse businesses in internet technologies, oil and gas, retailing, telecommunications, media, and real estate. He has facilitated 12 reverse takeover transactions. He is a graduate of the University of Westminster with a BA in Business.

**Mark Wettreich** is a director and Vice President of Administration and Corporate Secretary of Bitcoin Canada and Bitcoin Angel. He is also a director of GreenBank, and of Zara Resources Inc, CNRP Mining Inc, Winston Resources Inc, Hadley Mining Inc., and Leo Resources Inc. He is Vice President of Churchill Venture Capital LP and of Churchill Natural Resource Partners, LP which invests in small cap mining companies. Previously, he was President of European Art Gallery, fine art dealers in London, England, and Dallas, Texas. He is a B.A. graduate of the University of Texas.

**Peter D. Wanner** is a director and member of the Audit Committee of Bitcoin Canada and Bitcoin Angel. He is the Managing Director of IG Aviation Tax Services Inc. providing accounting services to the aviation industry. He is also a director of GreenBank, and of Zara Resources Inc, CNRP Mining Inc, Winston Resources Inc, Hadley Mining Inc., and Leo Resources Inc. Mr. Wanner is a director and CEO of Triumph Ventures II Corp. He is a director and CEO of First National Energy Corp, a public company on the OTC in the USA and has been a director and officer of a number of public companies. Peter received his Certified General Accountant designation in 1981 and after working in public accounting he became VP & Controller of Worldways Canada – then Canada's 3rd largest airline. He has 25 years of experience in accounting and financial consulting, and has worked with companies in Canada, the United States, Mexico and the United Kingdom.

**Paul Cullingham** is a director and member of the Audit Committee of Bitcoin Canada and Bitcoin Angel. He has been in the investment industry since 1986 specializing in the resource and financial sectors, where he has worked for both large and medium-size Canadian companies as well as a large Wall Street firm. He is President and CEO of Ubique Minerals Inc a private

mining exploration company, and of MrBayStreet.com an online information portal for public company investors. He is a Senior Investment Advisor at Global Maxfin Capital Inc, and was previously the President and CEO of Celtic Minerals Inc a public minerals company.

## **Risk Factors**

*You should consider carefully the risks described below before making an investment decision*

### **Risk Factors Related to the Bitcoin network and Bitcoins**

The loss or destruction of a private key required to access a Bitcoin may be irreversible. The Companies's loss of access to its private keys or its experience of a data loss relating to the Companies's Bitcoins could adversely affect an investment in the Debentures. Any loss of private keys relating to digital wallets used to store the Companies's Bitcoins could adversely affect an investment in the Debentures. The slowing or stopping of the development or acceptance of the Bitcoin network may adversely affect an investment in the Debentures. Currently, there is relatively small use of Bitcoins in the retail and commercial marketplace in comparison to relatively large use by speculators, thus contributing to price volatility that could adversely affect an investment in the Debentures. A reduction in the processing power on the Bitcoin network could increase the likelihood of a malicious actor obtaining control in excess of 50 percent of the processing power active on the Blockchain, permitting such actor to manipulate the source code of the Bitcoin network in a manner that adversely affects an investment in the Debentures or the ability of the Companies to operate

### **Risk Factors Related to the Bitcoin Market**

The value of the Debentures relates directly to the value of the Bitcoins and the Bitcoin startup investments held by the Companies, and fluctuations in the price of Bitcoins could adversely affect an investment in the Debentures. The price of Bitcoins has fluctuated widely over the past three years. Several factors may affect the Bitcoin market price, including, but not limited to (a) the Bitcoin supply, (b) the Bitcoin demand, which is influenced by the growth of retail merchants' and commercial businesses' acceptance of Bitcoins as payment for goods and services, the security of online Bitcoin Exchanges and digital wallets that hold Bitcoins, the perception that the use and holding of Bitcoins is safe and secure, and the lack of regulatory restrictions on their use (c) currency exchange rates, including the rates at which Bitcoins may be exchanged for fiat currencies (d) trading activities of large investors that may directly or indirectly invest in Bitcoins (e) policies of governments, trade restrictions, currency devaluations and revaluations (f) regulatory measures, if any, that restrict the use of Bitcoins as a form of payment. Over the past three years, many Bitcoin exchanges have been closed due to fraud, failure or security breaches. In many of these instances, the customers of such Bitcoin Exchanges were not compensated or made whole for the partial or complete losses of their account balances in such Bitcoin Exchanges. As an alternative to fiat currencies that are backed by central governments, Bitcoins, which are relatively new, are subject to supply and demand forces based upon the desirability of an alternative, decentralized means of buying and selling goods and services, and it is unclear how such supply and demand will be impacted by geopolitical event



### Risk Factors Related to the Companies and the Debentures

As GreenBank and its management have no history of operating an investment vehicle like the Companies, their experience may be inadequate or unsuitable to manage the Companies and as such the operations of the Companies may be adversely affected. The value of the Debentures could decrease if unanticipated operational or trading problems arise. The Companies's ability to adopt technology in response to changing security needs or trends poses a challenge to the safekeeping of the Companies's Bitcoins and may have adverse implications for the startup investments made by Bitcoin Angel. Any security breach caused by hacking, which involves efforts to gain unauthorized access to information or systems, or to cause intentional malfunctions or loss or corruption of data, software, hardware or other computer equipment, and the inadvertent transmission of computer viruses, could harm the Companies's business operations or result in loss of the Companies's assets. If the Bitcoins owned by Bitcoin Canada are lost, stolen or destroyed, the responsible party may not have the financial resources sufficient to satisfy the claim of Bitcoin Canada. There is no market for the Debentures, and there can be no assurance that an active trading market for the Debentures or the common shares into which the Debentures can be converted will be developed or maintained.

### Risk Factors Related to the Regulation of the Companies and the Debentures

Regulatory bodies in Canada have declined to exercise regulatory authority over Bitcoins. Various foreign jurisdictions may, in the near future, adopt laws, regulations or directives that affect the Bitcoin Network and its users, particularly Bitcoin Exchanges and service providers that fall within such jurisdictions' regulatory scope. Such laws, regulations or directives may negatively impact the acceptance of Bitcoins by users, merchants and service providers and may therefore impede the growth of the Bitcoin economy. The effect of any future regulatory change on the Companies or Bitcoins is impossible to predict, but such change could be substantial and adverse to the Companies or the value of the Debentures. The Debentures have no voting rights until they are converted into common shares and the Companies will not have regular Shareholder meetings. The lack of voting rights gives all control of the Companies to GreenBank until the Debentures are converted into common shares of the Companies.

**For many accredited investors the Debentures, and the common shares into which the Debentures will convert, represent a cost-effective and convenient means to obtain exposure to Bitcoins and a Bitcoin investment portfolio**

- **Convertible Debentures are secured on the Bitcoin assets**
- **Debentures yield 90% of the Bitcoin profits**
- **Investors will have access to liquidity upon conversion and CNSX listing**
- **Diversified Bitcoin investment portfolio with two companies investing directly in (a) Bitcoins and (b) various early stage cryptocurrency focused companies**

**BITCOIN CANADA INVESTMENTS INC & BITCOIN ANGEL CAPITAL INC  
SUBSCRIPTION AGREEMENT FOR UNITS**

**TO: BITCOIN CANADA INVESTMENTS INC & BITCOIN ANGEL CAPITAL INC.**

The undersigned (the "Subscriber") hereby irrevocably subscribes for and agrees to purchase from Bitcoin Canada Investments Inc ("Bitcoin Canada" and Bitcoin Angel Capital Inc ("Bitcoin Angel") (collectively the "Corporation") that number of units of the Corporation (the "Units") set forth below at a price of \$2 per Unit (the "Aggregate Subscription Amount"). Each Unit is comprised of: (1) a \$1 convertible secured debenture of Bitcoin Canada (the "Bitcoin Canada Debenture") and (2) a \$1 convertible secured debenture of Bitcoin Angel (the "Bitcoin Angel Debenture") in the total amount of the Subscription Price (the "Loan Amount") set forth below. Each of the Bitcoin Canada Debenture and Bitcoin Angel Debenture are secured on all the assets of the Corporation, yield 90% of the net profits from the sale of Bitcoins or Bitcoin investments, as applicable, and are convertible on or before December 31, 2015 simultaneous with the listing of the Corporation on the Canadian National Stock Exchange ("CNSX") into four common shares of Bitcoin Canada and four common shares of Bitcoin Angel respectively. Bitcoin Canada and Bitcoin Angel are subsidiaries of GreenBank Capital Inc (CNSX:GBC) ("GreenBank") which is listed on the CNSX and is a reporting issuer under the securities laws of the provinces of Alberta, British Columbia and Ontario. A quarterly administration fee in the annual amount of 3% of the Corporation investment portfolio will be paid to GreenBank. The Corporation has entered into a management agreement with GreenBank whereby GreenBank will manage the investment portfolio of the Corporation for a fee equal to 10% of the quarterly appreciation, if any, from the Corporation investment portfolio. GreenBank management intends to list the common shares of the Corporation on the CNSX by way of a plan of arrangement spin off on or before December 2015, at which time each Bitcoin Canada Debenture and Bitcoin Angel Debenture will be converted into four common shares of Bitcoin Canada and Bitcoin Angel respectively. Upon conversion, there will be 11,111,111 common shares each of Bitcoin Canada and Bitcoin Angel issued and outstanding, of which GreenBank and its shareholders will own 10% and the former debenture owners will own 90%.

The Subscriber agrees to be bound by the terms and conditions set forth in the attached "Terms and Conditions of Subscription for Units ." including, without limitation, the representations, warranties and covenants set forth in the applicable schedules attached hereto. The Subscriber further agrees, without limitation, that the Corporation may rely upon the Subscriber's representations, warranties and covenants contained therein.

**SUBSCRIPTION AND SUBSCRIBER INFORMATION**

_____	
(Name of Subscriber – please print)	
By: _____	
(Authorized Signature)	
_____	
Official Capacity or Title - please print)	
_____	
(Please print name of individual whose signature appears above if different than the name of the subscriber printed above.)	
_____	
(Subscriber's Address)	
_____	
_____	_____
(Telephone Number)	(E-mail Address)
_____	
(Social Insurance Number or Tax Identification Number – required)	

Number of Units: _____	x\$2
Aggregate Subscription Amount (\$): _____	
<p>If the Subscriber is signing as agent for a principal and is not deemed to be acting as principal pursuant to National Instrument 45-106, complete the following and, if applicable, ensure that Schedule I is completed on behalf of such principal:</p>	
_____	
(Name of Principal)	
_____	_____
(Principal's Address)	(E-mail Address)
_____	
(Social Insurance Number or Tax Identification Number)	

**Register the securities as set forth below:**

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Account reference, if applicable)

\_\_\_\_\_  
(Address)

**Present Ownership of Securities**

The Subscriber [CHECK APPROPRIATE ITEM]:

\_\_\_\_\_ does not own, directly or indirectly, or exercise control or direction over, any common shares of the Corporation or securities convertible into common shares of the Corporation (excluding the securities subscribed for herein);

\_\_\_\_\_ owns directly or indirectly, or exercises control or direction over, \_\_\_\_\_ common shares of the Corporation and convertible securities entitling the Subscriber to acquire an additional \_\_\_\_\_ common shares of the Corporation (excluding the securities subscribed for herein);

**Delivery Instructions:**

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Account reference, if applicable)

\_\_\_\_\_  
(Contact Name)

\_\_\_\_\_  
(Address)

**Insider Status**

The Subscriber either [CHECK APPROPRIATE ITEM]:

\_\_\_\_\_ is not an Insider of the Corporation.

\_\_\_\_\_ is an Insider of the Corporation.

"Insider" means:

- (a) a director or senior officer of the Corporation;
- (b) a director or senior officer of a person that is itself an insider or subsidiary of the Corporation; or
- (c) a person that has:
  - (i) direct or indirect beneficial ownership of;
  - (ii) control or direction over; or
  - (iii) a combination of direct or indirect beneficial ownership of and control or direction over;

securities of the Corporation carrying more than 10% of the voting rights attached to all the outstanding voting securities of the Corporation, excluding, for the purpose of the calculation of the percentage held, any securities held by the person as agent in the course of a distribution.

**ACCEPTANCE:** The Corporation hereby accepts the subscription as set forth above on the terms and conditions contained in this Subscription Agreement and the Corporation agrees with the Subscriber that the representations and warranties made by the Corporation are true and correct in all material respects as of the Closing Date (as hereinafter defined).

\_\_\_\_\_, 2014.

**BICOIN CANADA INVESTMENTS INC.**

Per: \_\_\_\_\_  
Authorized Signatory

**BICOIN ANGEL CAPITAL INC.**

Per: \_\_\_\_\_  
Authorized Signatory

**TERMS AND CONDITIONS OF SUBSCRIPTION FOR  
UNITS**

**ARTICLE 1 - INTERPRETATION**

**1.1 Definitions**

Whenever used in this Subscription Agreement (as hereinafter defined), unless there is something in the subject matter or context inconsistent therewith, the following words and phrases shall have the respective meanings ascribed to them as follows:

“**Accredited Investor**” shall have the meaning as set out in NI 45-106

“**Business Day**” means a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in Toronto are not open for business.

“**Closing**” shall have the meaning ascribed to such term in Section 4.1.

“**Closing Date**” shall have the meaning ascribed to such term in Section 4.1.

“**CNSX**” means the Canadian National Stock Exchange.

“**Common Shares**” means the common shares in the capital of Corporation

“**Control Person**” means a person, company or combination of persons or companies described in clause (c) of the definition of “distribution” in subsection 1(1) of the *Securities Act* (Ontario).

“**Corporation**” means Bitcoin Canada Investments Inc., and Bitcoin Angel Capital Inc

“**CSA**” means the Canadian Securities Administrators

“**Debenture**” shall have the meaning ascribed to such term on the face page of this Subscription Agreement, being collectively the Bitcoin Canada Debenture and the Bitcoin Angel Debenture

“**Designated Provinces**” means each of the provinces and territories of Canada to the extent that any Subscribers are resident therein

“**Insider**” means (a) a director or senior officer of the Corporation, (b) any person who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both carrying more than 10% of the voting rights attached to all voting securities of the Corporation for the time being outstanding or (c) an insider of a person described in (a) or (b) above.

“**Jurisdiction**” means all the provinces of Canada where the Subscribers reside.

“**Loan Amount**” shall have the meaning ascribed to such term on the face page of this Subscription Agreement.

“**NI 45-106**” means National Instrument 45-106 - *Prospectus and Registration Exemptions* of the Canadian Securities Administrators.

“**Offering**” means the private placement of Units for the aggregate subscription amount of \$5,000,000.

**“person”** means any individual (whether acting as an executor, trustee administrator, legal representative or otherwise), corporation, firm, partnership, sole proprietorship, syndicate, joint venture, trustee, trust, unincorporated organization or association and every other form of legal and business entity of whatever nature or kind, and pronouns have a similar extended meaning.

**“Proceeds”** means the aggregate gross proceeds of the Offering.

**“Public Record”** means the Corporation’s financial statements, management’s discussion and analysis, information circulars, material change reports, press releases and all other documents issued and filed publicly by the Corporation on or during the twelve (12) months preceding the date hereof.

**“Securities Laws”** means, as applicable, the securities laws, regulations, rules, rulings and orders in each of the provinces of Canada, the applicable policy statements issued by the securities regulators in each of the provinces of Canada and the rules of the CNSX.

**“Subscriber”** means the subscriber for the Units as set out on the face page of this Subscription Agreement.

**“Subscription Agreement”** means this subscription agreement (including any schedules hereto) and any instrument amending this Subscription Agreement; **“hereof”**, **“hereto”**, **“hereunder”**, **“herein”** and similar expressions mean and refer to this Subscription Agreement and not to a particular Article or Section; and the expression **“Article”** or **“Section”** followed by a number means and refers to the specified Article or Section of this Subscription Agreement.

**“United States”** means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

**“Units”** shall have the meaning ascribed to such term on the face page of this Subscription Agreement.

**“U.S. Person”** as that term is defined in Rule 902(k) of Regulation S under the U.S. Securities Act.

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

## **1.2 Gender and Number**

Words importing the singular number only shall include the plural and vice versa, words importing the masculine gender shall include the feminine gender and words importing persons shall include firms and corporations and vice versa.

## **1.3 Currency**

Unless otherwise specified, all dollar amounts in this Subscription Agreement, including the symbol **“\$”**, are expressed in Canadian dollars.

#### **1.4 Subdivisions, Headings and Table of Contents**

The division of this Subscription Agreement into Articles, Sections, Schedules and other subdivisions, the inclusion of headings and the provision of a table of contents are for convenience of reference only and shall not affect the construction or interpretation of this Subscription Agreement. The headings in this Subscription Agreement are not intended to be full or precise descriptions of the text to which they refer. Unless something in the subject matter or context is inconsistent therewith, references herein to an Article, Section, Subsection, paragraph, clause or Schedule are to the applicable article, section, subsection, paragraph, clause or schedule of this Subscription Agreement.

### **ARTICLE 2 - SCHEDULES**

#### **2.1 Description of Schedules**

The following are the Schedules attached to and incorporated in this Subscription Agreement by reference and deemed to be a part hereof:

Schedule "A"	-	Certification of Investor
Schedule "B"	-	Acknowledgement- Personal Information
Schedule "C"		Term Sheet
Schedule "D"		Bitcoin Canada Investments Inc Debenture & General Security Agreement
Schedule "E"		Bitcoin Angel Capital Inc Debenture & General Security Agreement

### **ARTICLE 3 - SUBSCRIPTION FOR UNITS**

#### **3.1 Subscription for Units**

The Subscriber hereby irrevocably subscribes for and offers to purchase the Units from Corporation, on and subject to the terms and conditions set out in this Subscription Agreement for the Aggregate Subscription Amount, which is payable as described in Article 4 hereto.

#### **3.2 Terms of the Offering**

The Subscriber acknowledges (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) that this Subscription Agreement is irrevocable, subject to the right of the Corporation to terminate the Offering (as herein defined) and subject to rejection or allotment by the Corporation in whole or in part.

Each Unit consists of (1) a \$1 convertible secured debenture of Bitcoin Canada (the "Bitcoin Canada Debenture") and (2) a \$1 convertible secured debenture of Bitcoin Angel (the "Bitcoin Angel Debenture"). Each of the Bitcoin Canada Debenture and Bitcoin Angel Debenture are convertible on or before December 31, 2015 simultaneous with the listing of Bitcoin Canada and Bitcoin Angel on the CNSX, into four common shares of Bitcoin Canada and four common shares of Bitcoin Angel respectively.

The Subscriber acknowledges and agrees that the Corporation reserves the right, in its absolute discretion, to reject this subscription for Units, in whole or in part, at any time prior to the Closing Time. If this subscription is rejected in whole, any cheques or other forms of payment delivered to the Corporation representing the Aggregate Subscription Amount will be promptly returned to the Subscriber without interest or deduction. If this subscription is accepted only in part, a cheque representing any

refund of the Aggregate Subscription Amount for that portion of the subscription for the Units which is not accepted, will be promptly delivered to the Subscriber without interest or deduction.

The Units subscribed for by the Subscriber hereunder form part of a non-brokered offering of Units to be placed by Corporation, the details of which are summarized in the term sheet attached hereto as Schedule C.

In connection with the Offering, Corporation may pay certain party's finder's fees equal to up to 8% of the aggregate gross proceeds of the Units sold pursuant to the Offering, which fees may be payable in cash or in a number of Units equal to the aggregate fee payable divided by \$2

There is no minimum amount to be raised under the Offering and Corporation is entitled to use the entire subscription proceeds from any closing as soon as Closing has occurred.

#### **ARTICLE 4 - CLOSING**

##### **4.1 Closing**

Delivery and sale of the Units and payment of the Aggregate Subscription Amount will be completed in multiple tranches (the "Closing") at the offices of Corporation at such date or time as Corporation may determine (the "Closing Date").

##### **4.2 Conditions of Closing**

The Subscriber acknowledges and agrees that the obligations of the Corporation hereunder are conditional on the accuracy of the representations and warranties of the Subscriber contained in this Subscription Agreement as of the date of this Subscription Agreement, and as of the Closing Date, with all documentation being emailed to [dw@GreenBankCapitalInc.com](mailto:dw@GreenBankCapitalInc.com), or to the Corporation mailing address at 208 Queens Quay West # 2506, Toronto, Ontario, Canada M5J 2Y5, and the fulfillment of the following additional conditions as soon as possible before the Closing Date:

- (a) payment by the Subscriber of the Aggregate Subscription Amount by wire transfer in Canadian dollars as follows

Bank Account# 80002 05021 11

Account name: GreenBank Capital Inc

Address: 208 Queens Quay West # 2506, Toronto, Ontario, Canada M5J 2Y5

Transit # 80002

Bank ID# 002

Swift Code: NOSCCATT

ABA# 0026002532

Bank: Bank of Nova Scotia, 44 King Street West, Toronto, Ontario, M5H 1H1, Canada

Reference: Debenture subscription

- (b) the Subscriber having properly completed, signed and delivered this Subscription Agreement to the Corporation and
- (c) the Subscriber having properly completed, signed and delivered Schedules "A", "B", "D" and "E".

## **ARTICLE 5 - REPRESENTATIONS AND WARRANTIES OF THE CORPORATION**

### **5.1 Representations, Warranties and Covenants of the Corporation**

The Corporation hereby represents, warrants and covenants to the Subscriber as follows and acknowledges that the Subscriber is relying on such representations, warranties and covenants in connection with the transaction contemplated herein (which representations, warranties and covenants shall survive the issuance of the Units to the Subscriber).

- (a) the Corporation is a valid and subsisting corporation duly incorporated and in good standing under the laws of the jurisdiction in which it was organized or continued;
- (b) the Corporation has complied or will comply, with all applicable corporate and securities laws and regulations in connection with the Offering;
- (c) the Corporation has full corporate power and authority to undertake the Offering contemplated hereby;
- (d) the creation, issuance and sale of the Units of the Corporation pursuant to the Offering do not and will not conflict with and do not and will not result in a breach of any of the terms, conditions or provisions of its constating documents or any agreement or instrument to which the Corporation is a party;
- (e) the Common Shares, upon conversion of the Debenture, will have been duly allotted and reserved for issuance upon the conversion of the Debenture, and will upon the conversion of the Debenture be issued as fully paid and non-assessable Common Shares;
- (f) the Corporation is not a party to any actions, suits or proceedings which could materially affect business or financial condition, and to the best of the Corporation's knowledge, no such actions, suits or proceedings have been threatened as at the date hereof;
- (g) at the Closing, every consent, approval, authorization or order that is required for the transactions herein contemplated to occur at Closing will have been obtained and will have been in effect.

## **ARTICLE 6 - ACKNOWLEDGEMENTS, COVENANTS, REPRESENTATIONS AND WARRANTIES OF THE SUBSCRIBER**

### **6.1 Representations, Warranties and Covenants of Subscribers**

The Subscriber, on its own behalf and if applicable, on behalf of others for whom it is acting hereunder, hereby represents, warrants and covenants to the Corporation as follows and acknowledges that the Corporation is relying on such representations, warranties and covenants in connection with the transaction contemplated herein (which representations, warranties and covenants shall survive the issuance of the Units to the Subscriber):

- (a) the Subscriber has properly completed, executed and delivered to the Corporation, within the applicable time period, the certificate (dated as of the date hereof) set forth in Schedule "A" and the information contained therein is true and correct;
- (b) the representations, warranties and covenants contained herein and in Schedule "A" will be true and correct both as of the date of execution of this Subscription Agreement and as of the Closing Date;



- (c) the execution and delivery of this Subscription Agreement, the performance and compliance with the terms hereof, the subscription for the Units and the completion of the transactions described herein by the Subscriber will not result in any material breach of, or be in conflict with or constitute a material default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a material default under any term or provision of the constating documents, by-laws or resolutions of the Subscriber, the Securities Laws or any other laws applicable to the Subscriber, any agreement to which the Subscriber is a party, or any judgment, decree, order, statute, rule or regulation applicable to the Subscriber;
- (d) the Subscriber is subscribing for the Units as principal for its own account and not for the benefit of any other person (within the meaning of applicable Securities Laws) and not with a view to resale or distribution of all or any of the Units or if it is not subscribing as principal, it acknowledges that the Corporation may be required by law to disclose to certain regulatory authorities the identity of each beneficial Subscriber for the Units for whom it is acting;
- (e) in the case of a subscription for the Units by the Subscriber acting as trustee or agent (including, for greater certainty, a portfolio manager or comparable adviser) for a principal, the Subscriber is duly authorized to execute and deliver this Subscription Agreement and all other necessary documentation in connection with such subscription on behalf of each such principal, each of whom is subscribing as principal for its own account, not for the benefit of any other person and not with a view to the resale or distribution of the Debentures and Common Shares, and this Subscription Agreement has been duly authorized, executed and delivered by or on behalf of and constitutes a legal, valid and binding agreement of, such principal, and the Subscriber acknowledges that the Corporation may be required by law to disclose the identity of each principal for whom the Subscriber is acting;
- (f) in the case of a subscription for the Units by the Subscriber acting as principal, this Subscription Agreement has been duly authorized, executed and delivered by, and constitutes a legal, valid and binding agreement of the Subscriber. This Subscription Agreement is enforceable in accordance with its terms against the Subscriber and any beneficial purchasers on whose behalf the Subscriber is acting;
- (g) if the Subscriber, or (if applicable) any beneficial purchaser for whom the Subscriber is acting hereunder, is:
  - (i) a corporation, the Subscriber is duly incorporated and is validly subsisting under the laws of its jurisdiction of incorporation and has all requisite legal and corporate power and authority to execute and deliver this Subscription Agreement, to subscribe for the Units as contemplated herein and to carry out and perform its obligations under the terms of this Subscription Agreement;
  - (ii) a partnership, syndicate or other form of unincorporated organization, the Subscriber has the necessary legal capacity and authority to execute and deliver this Subscription Agreement and to observe and perform its covenants and obligations hereunder and has obtained all necessary approvals in respect thereof; or
  - (iii) an individual, the Subscriber is of the full age of majority and is legally competent to execute this Subscription Agreement and to observe and perform his or her covenants and obligations hereunder;

- (h) if required by applicable Securities Laws or the Corporation, the Subscriber will execute, deliver and file or assist the Corporation in filing such reports, undertakings and other documents with respect to the issue of the Debenture or Common Shares as may be required by any securities commission, stock exchange or other regulatory authority;
- (i) the Subscriber, and each beneficial person for whom it is acting hereunder, has been advised to consult its own legal advisors with respect to trading in the Debenture, and the Common Shares and with respect to the resale restrictions imposed by the Securities Laws of the jurisdiction in which the Subscriber resides and the Subscriber is solely responsible (and the Corporation is not in any way responsible) for compliance with applicable resale restrictions and the Subscriber is aware that it (or beneficial persons for whom it is acting hereunder) may not be able to resell such securities except in accordance with limited exemptions under the Securities Laws and other applicable securities laws;
- (j) the Subscriber has not received or been provided with a prospectus within the meaning of the Securities Laws, or advertising literature in connection with the Offering and the Subscriber's decision to subscribe for the Units was not based upon, and the Subscriber has not relied upon, any verbal or written representations as to fact made by or on behalf of the Corporation. The Subscriber's decision to subscribe for the Units was based solely upon this Subscription Agreement;
- (k) the Subscriber is not purchasing Units with knowledge of material information concerning the Corporation which has not been generally disclosed;
- (l) no person has made any written or oral representations:
  - (i) that any person will resell or repurchase the Debenture or Common Shares;
  - (ii) that any person will refund the Aggregate Subscription Amount or Loan Amount;  
or
  - (iii) as to the future price or value of the Debenture or Common Shares;
- (m) the subscription for the Units has not been made through or as a result of, and the distribution of the Debentures are not being accompanied by any advertisement, including without limitation in printed public media, radio, television or telecommunications, including electronic display, or as part of a general solicitation;
- (n) there are risks associated with the purchase of and investment in the Debentures and the Subscriber, and each beneficial person for whom it is acting hereunder, is knowledgeable, sophisticated and experienced in business and financial matters and is capable of evaluating the merits and risks of an investment in the Debentures, fully understands the restrictions on resale of the Debenture and the Common Shares and is able to bear the economic risk of an investment in the Debenture and Common Shares; and
- (o) the funds representing the Aggregate Subscription Amount that will be advanced by the Subscriber to the Corporation hereunder, as applicable, will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) (the "PCMLTFA") and the Subscriber acknowledges that the

Corporation, the Agents or their respective advisors may in the future be required by law to disclose the Subscriber's name and other information relating to this Subscription Agreement and the Subscriber's subscription hereunder, on a confidential basis, pursuant to the PCMLTFA. To the best of its knowledge (a) none of the Aggregate Subscription Amount to be provided by the Subscriber (i) has been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States of America, or any other jurisdiction, or (ii) is being tendered on behalf of a person or entity who has not been identified to the Subscriber, and (b) it shall promptly notify the Corporation if the Subscriber discovers that any of such representations ceases to be true, and to provide the Corporation with appropriate information in connection therewith.

- (p) the Subscriber understands that the Units are being offered for sale only on a "private-placement" basis and that the sale and delivery of the Units subscribed for under the Offering is conditional upon such sale being exempt from the dealer registration and prospectus requirements or delivery of an offering memorandum pursuant to applicable securities laws or upon the issuance of such orders, consents or approvals as may be required to permit such sale without the dealer registration or delivery of a prospectus or an offering memorandum;

## **6.2 Acknowledgments and Covenants of the Subscriber**

The Subscriber, on its own behalf and, if applicable, on behalf of others for whom it is acting hereunder, acknowledges, covenants and agrees as follows:

- (a) no securities commission, agency, governmental authority, regulatory body, stock exchange or other regulatory body has reviewed or passed on the merits of the Debentures or the Common Shares;
- (b) the Debentures and Common Shares may be, subject to statutory resale restrictions under the Securities Laws of the jurisdiction in which the Subscriber resides and under other applicable securities laws, and the Subscriber covenants that it will not resell the Debentures or Common Shares except in compliance with such laws and the Subscriber acknowledges that it is solely responsible (and the Corporation is not in any way responsible) for such compliance;
- (c) the Subscriber's ability to transfer the Debentures and Common Shares is limited by, among other things, applicable Securities Laws and by the provisions of the Debentures
- (d) the Subscriber satisfies one of clauses (d) below:
  - (i) if the Subscriber is resident in Canada and is, or is deemed to be, purchasing the Units as principal for its own account or for the account of a beneficial purchaser resident in Canada as set forth in this Subscription Agreement as the "Disclosed Principal" and not for the benefit of any other person and not with a view to the resale and distribution of all or any of the Units and such resident Canadian is either:
    - (A) purchasing the Units for an Aggregate Subscription Amount of not less than CDN\$150,000 pursuant to the prospectus and registration exemption under section 2.10 of NI 45-106,
    - (B) an "affiliate" of the Corporation as defined in NI 45-106, or
    - (C) an "Accredited Investor" as defined in NI 45-106

and has executed and delivered to the Corporation a Certificate of Investor in the form attached hereto as Schedule "A" (with the schedule initialled as indicated) indicating that the Subscriber fits within one of the categories of investor set forth therein, OR

(ii) if the Subscriber is resident in a jurisdiction outside of North America:

- (D) the execution of this Subscription Agreement and the final decision by the Subscriber to acquire the Units, together with all acts of solicitation and negotiation, were made outside of North America,
  - (E) the Subscriber is not purchasing the Units for the benefit of any citizen or resident of Canada, or a corporation, partnership or other entity created in or organized under the laws of Canada or any province or territory of Canada, or any U.S. Person,
  - (F) the Subscriber is purchasing the Units for investment only and not with a view to the resale or distribution of all or any of the Units,
  - (G) the purchase and sale of the Units as contemplated in this Subscription Agreement does not contravene any of the applicable securities laws in the Subscriber's jurisdiction of residence and does not trigger:
    - (I) any obligation on the part of the Corporation to prepare and file a prospectus, an offering memorandum or similar document, or any other ongoing reporting requirements with respect to such purchase or otherwise, or
    - (II) any registration or other obligation on the part of the Corporation and the Subscriber will provide such evidence of compliance with all such matters as the Corporation may request prior to Closing, and
  - (H) the Subscriber has executed and delivered to the Corporation a Certificate of Investor in the form annexed hereto as Schedule "A" (with the schedule initialled as indicated) indicating that the Subscriber fits within one of the categories of investor as if the Subscriber were a resident of a province or territory of Canada,
- (e) the certificates representing the Debentures and the Common Shares, will bear, as of the Closing Date, a legend substantially in the following form and with the necessary information inserted:
- "UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THE SECURITIES SHALL NOT TRADE THE SECURITIES BEFORE [DATE THAT IS FOUR MONTHS AND ONE DAY AFTER THE CLOSING DATE]"**
- (f) the Subscriber, and each beneficial person for whom it is acting hereunder, shall execute, deliver, file and otherwise assist the Corporation with filing all documentation required by the applicable Securities Laws to permit the subscription for the Units and the issuance of the Debentures and the Common Shares;

- (g) the Corporation is relying on the representations, warranties and covenants contained herein and in the applicable Schedules attached hereto to determine the Subscriber's eligibility to subscribe for Units under applicable Securities Laws and the Subscriber agrees to indemnify the Corporation and each of its directors, officers, employees, agents and representatives against all losses, claims, costs, expenses, damages or liabilities which any of it may suffer or incur as a result of or arising from reliance thereon. The Subscriber undertakes to immediately notify the Corporation of any change in any statement or other information relating to the Subscriber set forth in such applicable Schedules which takes place prior to the Closing Time;
- (h) the Corporation is relying on an exemption from the requirement to provide the Subscriber with a prospectus under the Securities Laws and, as a consequence of acquiring the Debentures and Common Shares pursuant to such exemption, certain protections, rights and remedies provided by the Securities Laws, including statutory rights of rescission or damages, will not be available to the Subscriber;
- (h) the Debenture and Common Shares have not been and will not be registered under the U.S. Securities Act or any applicable state securities laws, and may not be offered or sold in the United States or to U.S. Persons unless registered under such act or an exemption from the registration requirements of such Act is available;
- (i) the Subscriber, and each beneficial person for whom it is acting hereunder, is responsible for obtaining such legal and tax advice as it considers appropriate in connection with the execution, delivery and performance of this Subscription Agreement and the transactions contemplated under this Subscription Agreement;
- (j) there is no government or other insurance covering the Debentures or the Common Shares;
- (k) there are risks associated with the purchase of the Debentures and Common Shares;
- (l) the Subscriber acknowledges that it has not purchased the Units as a result of any general solicitation or general advertising;
- (p) the Subscriber understands and acknowledges that there may be material tax consequences to the Subscriber of an acquisition or disposition of the Debentures, or Common Shares;
- (q) the Subscriber acknowledges that this Subscription Agreement requires the Subscriber to provide certain personal information to the Corporation. Such information is being collected by the Corporation for the purposes of completing the sale of the Units, which includes, without limitation, determining the Subscriber's eligibility to purchase the Units under applicable securities legislation, preparing and registering certificates representing the Debentures and Common Shares to be issued to the Subscriber and completing filings required by the CNSX and applicable securities regulatory authorities. The Subscriber's personal information may be disclosed by the Corporation to: (a) the CNSX; (b) the securities regulatory authorities; (c) the Corporation's registrar and transfer agent; and (d) any of the other parties involved in the offering of the Units, including legal counsel to the Corporation, and may be included in record books in connection with the Offering. By executing this Subscription Agreement, the Subscriber is deemed to be consenting to the foregoing collection, use and disclosure of the Subscriber's personal information. The Subscriber also consents to the filing of copies or originals of any of the Subscriber's

documents provided hereunder or in connection with the Offering as may be required to be filed with the securities regulatory authority in connection with the transactions contemplated hereby. If the Subscriber is a resident of or otherwise subject to applicable securities laws of Ontario, the Subscriber acknowledges that it has been notified by the Corporation (a) of the delivery to the Ontario Securities Commission (the "OSC") of the full name, residential address and telephone number of the Subscriber, the number and type of securities purchased, the total purchase price, the exemption relied upon and the date of distribution; (b) that this information is being collected indirectly by the OSC under the authority granted to it in securities legislation; (c) that this information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario; and (d) that the Administrative Support Clerk can be contacted at Suite 1903, Box 55, 20 Queen Street West, Toronto, Ontario, M5H 3S8 or at (416) 593-8122 regarding any questions about the OSC's indirect collection of this information.

- (r) The Subscriber is not a "U.S. Person" and is not acquiring the Units for the account or benefit of a U.S. Person or a person in the United States.

## **6.2 Reliance on Representations, Warranties, Covenants and Acknowledgements**

The Subscriber acknowledges and agrees that the foregoing representations and warranties and those made in the certificate executed by the Subscriber, attached as Schedule "A" are made by it with the intention that they may be relied upon by Corporation and its counsel in determining its eligibility to purchase the Units under applicable securities laws and rules. The Subscriber further agrees that by accepting delivery of the Debentures comprising the Units, it shall be representing and warranting that the foregoing representations and warranties are true and correct as at that date with the same force and effect as if they had been made by the Subscriber at that date and that they shall survive the purchase by the Subscriber of the Units and still continue in full force and effect notwithstanding any subsequent disposition by the Subscriber of Debentures or Common Shares. Corporation and its counsel shall be entitled to rely on the representations and warranties of the Subscriber contained in this paragraph and Schedule "A" and the Subscriber shall indemnify and hold harmless the Corporation, its counsel and each of their directors and officers for any loss, costs, claims, expenses or damages any of them may suffer as a result of any misrepresentations of the undersigned. The Subscriber undertakes to immediately notify Corporation of any change in any statement or other information relating to the Subscriber set forth herein which takes place prior to the Closing Date.

## **ARTICLE 7 - SURVIVAL OF REPRESENTATIONS, WARRANTIES AND COVENANTS**

### **7.1 Survival of Representations, Warranties and Covenants of the Corporation**

The representations, warranties and covenants of the Corporation contained in this Subscription Agreement shall survive the Closing and, notwithstanding such Closing or any investigation made by or on behalf of the Subscriber with respect thereto, shall continue in full force and effect for the benefit of the Subscriber.

### **7.2 Survival of Representations, Warranties and Covenants of the Subscriber**

The representations, warranties and covenants of the Subscriber contained in this Subscription Agreement shall survive the Closing and, notwithstanding such Closing or any investigation made by or on behalf of the Corporation with respect thereto and notwithstanding any subsequent disposition by the Subscriber of any of the Debentures or Common Shares, and shall continue in full force and effect for the benefit of the Corporation.

## ARTICLE 8 - MISCELLANEOUS

### 8.1 Further Assurances

Each of the parties hereto upon the request of each of the other parties hereto, whether before or after the Closing Date, shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all such further acts, deeds, documents, assignments, transfers, conveyances, powers of attorney and assurances as may reasonably be necessary or desirable to complete the transactions contemplated herein.

### 8.2 Notices

- (a) Any notice, direction or other instrument required or permitted to be given to any party hereto shall be in writing and shall be sufficiently given if delivered personally, or transmitted by facsimile tested prior to transmission to such party, as follows:

- (i) in the case of the Corporation, to:

Bitcoin Canada Investments Inc. & Bitcoin Angel Investments Inc  
208 Queens Quay West,  
Suite 2506  
Toronto, Ontario  
M5J 2Y5

Attention: Chief Executive Officer  
Email: [dw@GreenBankCapitalInc.com](mailto:dw@GreenBankCapitalInc.com)

- (ii) in the case of the Subscriber, at the address specified on the face page hereof.

- (b) Any such notice, direction or other instrument, if delivered personally, shall be deemed to have been given and received on the day on which it was delivered, provided that if such day is not a Business Day then the notice, direction or other instrument shall be deemed to have been given and received on the first Business Day next following such day and if transmitted by email, shall be deemed to have been given and received on the day of its transmission, provided that if such day is not a Business Day or if it is transmitted or received after the end of normal business hours then the notice, direction or other instrument shall be deemed to have been given and received on the first Business Day next following the day of such transmission.
- (c) Any party hereto may change its address for service from time to time by notice given to each of the other parties hereto in accordance with the foregoing provisions.

### 8.3 Time of the Essence

Time shall be of the essence of this Subscription Agreement and every part hereof.

### 8.4 Costs and Expenses

All costs and expenses (including, without limitation, the fees and disbursements of legal counsel) incurred in connection with this Subscription Agreement and the transactions herein contemplated shall be paid and borne by the party incurring such costs and expenses.

## **8.5 Applicable Law**

This Subscription Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the Province of Ontario and the laws of Canada applicable therein. Any and all disputes arising under this Subscription Agreement, whether as to interpretation, performance or otherwise, shall be subject to the non-exclusive jurisdiction of the courts of the Province of Ontario and each of the parties hereto hereby irrevocably attorns to the jurisdiction of the courts of such Province.

## **8.6 English Language**

Each of the parties hereby acknowledges that it has consented and requested that all documents evidencing or relating in any way to the Units and this Subscription Agreement be drawn in the English language only. **LES PARTIES RECONNAISSENT PAR LES PRÉSENTES AVOIR CONSENTI ET DEMANDÉ QUE TOUS LES DOCUMENTS FAISANT FOI OU SE RAPPORTANT DE QUELQUE MANIÈRE À LA PRÉSENTE CONVENTION ET À LA VENTE DES ACTIONS ORDINAIRES SOIENT RÉDIGÉS EN ANGLAIS SEULEMENT.**

## **8.7 Entire Agreement**

This Subscription Agreement, including the Schedules hereto, constitutes the entire agreement between the parties with respect to the transactions contemplated herein and cancels and supersedes any prior understandings, agreements, negotiations and discussions between the parties. There are no representations, warranties, terms, conditions, undertakings or collateral agreements or understandings, express or implied, between the parties hereto other than those expressly set forth in this Subscription Agreement or in any such agreement, certificate, affidavit, statutory declaration or other document as aforesaid. This Subscription Agreement may not be amended or modified in any respect except by written instrument executed by each of the parties hereto.

## **8.8 Counterparts**

This Subscription Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same Subscription Agreement. Counterparts may be delivered either in original or faxed form and the parties adopt any signature received by a receiving fax machine as original signatures of the parties.

## **8.9 Assignment**

This Subscription Agreement may not be assigned by either party except with the prior written consent of the other party hereto.

## **8.10 Enurement**

This Subscription Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, successors (including any successor by reason of the amalgamation or merger of any party), administrators and permitted assigns.



**SCHEDULE "A"**

**CERTIFICATION OF INVESTOR**

**TO: BITCOIN CANADA INVESTMENTS INC. AND BITCOIN ANGEL CAPITAL INC (the "Corporation")**

**RE: SUBSCRIPTION FOR SECURITIES OF CORPORATION**

In connection with the proposed purchase of Units of the Corporation as described in the annexed Subscription for Units, the undersigned represents and warrants that the undersigned has read the following definitions of "affiliate" and "Accredited Investor" as defined in National Instrument 45-106 *Prospectus and Registration Exemptions* ("NI 45-106") and certifies that the undersigned is resident in a province or territory of Canada or is otherwise subject to the laws of a province or territory of Canada and (a) is purchasing the Units as principal for its own account and not for the benefit of any other person and is (i) an affiliate, (ii) an Accredited Investor or (iii) the Aggregate Subscription Amount equals CDNS\$150,000 or more as indicated below or (b) is purchasing the Units as agent or trustee for a beneficial purchaser, each such beneficial purchaser is purchasing as principal for its own account and not for the benefit of any other person and each such beneficial purchaser is (i) an affiliate, (ii) an Accredited Investor or (iii) the Aggregate Subscription Amount equals CDNS\$150,000 or more as indicated below:

Aggregate Subscription Amount equal to or greater than CDNS\$150,000;

an "affiliate" of the Corporation; or

an "Accredited Investor" as indicated below [initial one or more]:

- \_\_\_\_\_ 1. A Canadian financial institution, or a Schedule III bank.
- \_\_\_\_\_ 2. The Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada).
- \_\_\_\_\_ 3. A subsidiary of any person referred to in paragraphs 1 or 2, if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary.
- \_\_\_\_\_ 4. A person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer, other than a person registered solely as a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador).
- \_\_\_\_\_ 5. An individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph 4.
- \_\_\_\_\_ 6. The Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada.
- \_\_\_\_\_ 7. A municipality, public board or commission in Canada and a metropolitan community, school board, the *Comité de gestion de la taxe scolaire de l'île de Montréal* or an intermunicipal management board in Quebec.
- \_\_\_\_\_ 8. Any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government.

- \_\_\_\_\_ 9. A pension fund that is regulated by the Office of the Superintendent of Financial Institutions (Canada), a pension commission or similar regulatory authority of a jurisdiction of Canada.
- \*\*Note** If individual Accredited Investors wish to purchase through wholly-owned holding companies or similar entities, such purchasing entities must qualify under sections 13 or 20, below, which must be checked.
- \_\_\_\_\_ 10. An individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds CDN\$1,000,000.
- \_\_\_\_\_ 11. An individual whose net income before taxes exceeded CDN\$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded CDN\$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year.
- \_\_\_\_\_ 12. An individual who, either alone or with a spouse, has net assets of at least CDN\$5,000,000.
- \_\_\_\_\_ 13. A person, other than an individual or investment fund, that has net assets of at least CDN\$5,000,000 as shown on its most recently prepared financial statements.
- \_\_\_\_\_ 14. An investment fund that distributes or has distributed its securities only to:
- (i) a person that is or was an Accredited Investor at the time of the distribution,
  - (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 (Minimum amount investment), or 2.19 (Additional investment in investment funds) of NI 45-106, or
  - (iii) a person described in clause 14(i) or (ii) that acquires or acquired securities under section 2.18 (Investment fund reinvestment) of NI 45-106.
- \_\_\_\_\_ 15. An investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Quebec, the securities regulatory authority, has issued a receipt.
- \_\_\_\_\_ 16. A trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada (other than Prince Edward Island) or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be.
- \_\_\_\_\_ 17. A person acting on behalf of a fully managed account managed by that person, if that person:
- (i) is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction, and
  - (ii) in Ontario, is purchasing a security that is not a security of an investment fund.
- \_\_\_\_\_ 18. A registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded.
- \_\_\_\_\_ 19. An entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs 1 to 4 or paragraph 9 in form and function.
- \_\_\_\_\_ 20. A person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are Accredited Investors.

- \_\_\_\_\_ 21. An investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser.
- \_\_\_\_\_ 22. A person that is recognized or designated by the securities regulatory authority or, except in Ontario and Quebec, the regulator as an accredited investor.

For the purposes of this Certificate, the following definitions apply:

**“bank”** means a bank named in Schedule I or II of the *Bank Act* (Canada);

**“Canadian financial institution”** means:

- (a) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act, or
- (b) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;

**“director”** means:

- (a) a member of the board of directors of a company or an individual who performs similar functions for a company, and
- (b) with respect to a person that is not a company, an individual who performs functions similar to those of a director of a company;

**“eligibility adviser”** means:

- (a) a person that is registered as an investment dealer or in an equivalent category of registration under the securities legislation of the jurisdiction of a purchaser and authorized to give advice with respect to the type of security being distributed, and
- (b) in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not:
  - (i) have a professional, business or personal relationship with the issuer, or any of its directors, executive officers, founders, or control persons, and
  - (ii) have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months;

**“EVCC”** means an employee venture capital corporation that does not have a restricted constitution, and is registered under Part 2 of the *Employee Investment Act* (British Columbia), and whose business objective is making multiple investments;

**“financial assets”** means (i) cash, (ii) securities, or (iii) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;

**“founder”** means, in respect of an issuer, a person who:

- (a) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and
- (b) at the time of the trade is actively involved in the business of the issuer;

**“fully managed account”** means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client’s express consent to a transaction;

**“investment fund”** means a mutual fund or a non-redeemable investment fund, and, for greater certainty in British Columbia, includes an EVCC and a VCC;

**“non-redeemable investment fund”** means an issuer:

- (a) whose primary purpose is to invest money provided by its securityholders,
- (b) that does not invest (i) for the purpose of exercising or seeking to exercise control of an issuer, other than an issuer that is a mutual fund or a non-redeemable investment fund, or (ii) for the purpose of being actively involved in the management of any issuer in which it invests, other than an issuer that is a mutual fund or a non-redeemable investment fund, and
- (c) that is not a mutual fund;

**“person”** includes (i) an individual, (ii) a corporation, (iii) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and (iv) an individual or other person in that person’s capacity as a trustee, executor, administrator or personal or other legal representative;

**“related liabilities”** means liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets, or liabilities that are secured by financial assets;

**“Schedule III bank”** means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);

**“spouse”** means an individual who:

- (a) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual,
- (b) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or
- (c) in Alberta, is an individual referred to in paragraph (a) or (b), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta);

**“subsidiary”** means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary; and

**“VCC”** means a venture capital corporation registered under Part 1 of the *Small Business Venture Capital Act* (British Columbia), whose business objective is making multiple investments.

For the purposes of this Certificate, an issuer is an **“affiliate”** of another issuer if:

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same person.

For the purposes of this Certificate, a person (first person) is considered to **“control”** another person (second person) if:

- (a) the first person, directly or indirectly, beneficially owns or exercises control or direction over securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless that first person holds the voting securities only to secure an obligation,
- (b) the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interests of the partnership, or
- (c) the second person is a limited partnership and the general partner of the limited partnership is the first person.

The foregoing representation and warranty is true and accurate as of the date of this Certificate and will be true and accurate as of the Closing Date of the offering of Units as set out in the Subscription Agreement to which this schedule is annexed. If any such representation or warranty will not be true and accurate prior to the Closing Date, the undersigned will give immediate written notice of such fact to the Corporation.

DATED at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Name of Subscriber (please print)

\_\_\_\_\_  
Signature of individual (if Subscriber is an individual)

\_\_\_\_\_  
Authorized signatory (if Subscriber is not an individual)

\_\_\_\_\_  
Name of authorized signatory (please print)

\_\_\_\_\_  
Official capacity of authorized signatory (please print)

**SCHEDULE "B"**

**ACKNOWLEDGEMENT - PERSONAL INFORMATION**

**"Personal Information" means any information about an identifiable individual, and includes information provided by the Subscriber on the cover page and in the forms, schedules and appendices forming part of this Subscription Agreement.**

The undersigned Subscriber acknowledges that it has been notified of and provides its written authorization and consent to:

1. the disclosure of Personal Information by Corporation to the Regulators (as defined below); and
2. the collection (including indirectly), use and disclosure of Personal Information by the Regulators for the purposes described below or as otherwise identified by the Regulators, from time to time.

Dated at \_\_\_\_\_ on \_\_\_\_\_.

\_\_\_\_\_  
Signature of individual (if Subscriber is an individual)

\_\_\_\_\_  
Authorized signatory (if Subscriber is not an individual)

\_\_\_\_\_  
Name of Subscriber (please print)

\_\_\_\_\_  
Name of authorized signatory (please print)

\_\_\_\_\_  
Official capacity of authorized signatory (please print)

TMX Group Inc., TSX Inc., TSX Venture Exchange Inc. and their respective affiliates, authorized agents, subsidiaries and divisions, including the Toronto Stock Exchange and the TSX Venture Exchange, the CNSX, the Ontario Securities Commission, other securities commissions as well as various other regulatory authorities (collectively referred to as the "Regulators") directly or indirectly collect Personal Information pursuant to the authority granted to them in certain forms that are submitted by the individual and/or by an issuer or applicant and use it for the following purposes:

- to conduct background checks,
- to verify the Personal Information that has been provided about each individual,
- to consider the suitability of the individual to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of the issuer or applicant,
- to consider the eligibility of the issuer or applicant to list on a stock exchange,
- to provide disclosure to market participants as to the security holdings of directors, officers, other insiders and promoters of the issuer, or its associates or affiliates,
- to conduct enforcement proceedings, and
- to perform other investigations as required by and to ensure compliance with all applicable rules, policies, rulings and regulations of the Regulators and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.

As part of this process, the Regulators also collect additional Personal Information from other sources, including but not limited to, securities regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, regulations services providers and each of their subsidiaries, affiliates, regulators and authorized agents, to ensure that the purposes set out above can be accomplished.

The Personal Information the Regulators collect may also be disclosed:

- to the agencies and organizations in the preceding paragraph, or as otherwise permitted or required by law, and they may use it in their own investigations for the purposes described above; and
- on the Regulators' websites or through printed materials published by or pursuant to the directions of the Regulators.

The Regulators may from time to time use third parties to process information and/or provide other administrative services. In this regard, the Regulators may share the information with such third party service providers.

Any inquiries regarding the collection and use of Personal Information may be addressed directly to the Regulator in question. The following is a list of the addresses of certain of the Canadian Regulators:

**British Columbia Securities Commission**  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, British Columbia V7Y 1L2  
Telephone: (604) 899-6500  
Toll Free in British Columbia and Alberta: 1 800 373-6393  
Facsimile: (604) 899-6506

**Nova Scotia Securities Commission**  
2nd Floor, Joseph Howe Building  
1690 Hollis Street  
Halifax, Nova Scotia B3J 3J9  
Telephone: (902) 424-7768  
Facsimile: (902) 424-4625

**Alberta Securities Commission**  
4th Floor, 300 – 5th Avenue SW  
Calgary, Alberta T2P 3C4  
Telephone: (403) 297-6454  
Facsimile: (403) 297-6156

**Prince Edward Island Securities Office**  
95 Rochford Street, 4<sup>th</sup> Floor Shaw Building  
P.O. Box 2000  
Charlottetown, Prince Edward Island C1A 7N8  
Telephone: (902) 368-4569  
Facsimile: (902) 368-5283

**Saskatchewan Financial Services Commission**  
Suite 601-1919 Saskatchewan Drive  
Regina, Saskatchewan S4P 4H2  
Telephone: (306) 787-5879  
Facsimile: (306) 787-5899

**Government of Newfoundland and Labrador**  
Financial Services Regulation Division  
P.O. Box 8700, Confederation Building  
2<sup>nd</sup> Floor, West Block  
Prince Philip Drive  
St. John's, Newfoundland A1B 4J6



**The Manitoba Securities Commission**  
500 – 400 St. Mary Avenue  
Winnipeg, Manitoba R3C 4K5  
Telephone: (204) 945-2548  
Toll Free in Manitoba: 1 (800) 655-5244  
Facsimile: (204) 945-0330

**Ontario Securities Commission**  
Suite 1903, Box 55

20 Queen Street West

Toronto, Ontario M5H 3S8

Telephone: (416) 593-8314

Toll Free in Canada: 1 (877) 785-1555

Facsimile: (416) 593-8122

Public official contact regarding indirect collection of  
information:

Administrative Support Clerk

Telephone: (416) 593-3684

**Autorité des marchés financiers**  
800 Square Victoria, 22e étage  
C.P. 246, Tour de la Bourse  
Montréal, Québec H4Z 1G3  
Telephone: (514) 395-0337  
or 1 (877) 525-0337  
Facsimile: (514) 873-6155 (For filing purposes only)  
Facsimile: (514) 864-6381 (For privacy requests only)

**New Brunswick Securities Commission**  
85 Charlotte Street, Suite 300

Saint John, New Brunswick E2L 2J2

Telephone: (506) 658-3060

Toll Free in New Brunswick 1 (866) 933-2222

Facsimile: (506) 658-3059

Attention: Director of Securities  
Telephone: (709) 729-4189  
Facsimile: (709) 729-6187

**Government of Yukon**  
Department of Community Services  
Law Centre, 3rd Floor  
2130 Second Avenue  
Whitehorse, YT Y1A 5H6  
Telephone: (867) 667-5314  
Facsimile: (867) 393-6251

**Government of Northwest Territories**  
Office of the Superintendent of Securities  
P.O. Box 1320  
Yellowknife, Northwest Territories X1A 2L9  
Attention: Deputy Superintendent, Legal &  
Enforcement  
Telephone: (867) 920-8984  
Facsimile: (867) 873-0243

**Government of Nunavut**  
Department of Justice  
Legal Registries Division  
P.O. Box 1000, Station 570  
1st Floor, Brown Building  
Iqaluit, Nunavut X0A 0H0  
Telephone: (867) 975-6590  
Facsimile: (867) 975-6594

**TMX Group Inc.**  
Montreal Office  
Suite 1100  
1000 Sherbrooke Street West  
Montreal, Quebec H3A 3G4

**TMX Group Inc.**  
Toronto Office  
P.O. Box 450  
3<sup>rd</sup> Floor, 130 King Street W.  
Toronto, Ontario M5X 1J2

**TMX Group Inc.**  
Vancouver Office  
P.O. Box 11633  
#2700, 650 West Georgia St.  
Vancouver, British Columbia

V6B 4N9

**TSX Inc.**  
Telephone: (514) 788-2451  
(877) 590-7555  
Facsimile: (514) 788-2421

**TSX Inc.**  
Telephone: (416) 947-4670  
(888) 873-8392  
Facsimile: (416) 947-4662

**TSX Venture Exchange Inc.**  
Telephone: (604) 689-3334  
(877) 883-2369  
Facsimile: (604) 688-6051

**TSX Venture Exchange Inc.**  
Telephone: (514) 788-2423  
(866) 881-2369  
Facsimile: (514) 788-2421

**TSX Venture Exchange Inc.**  
Telephone: (416) 365-2200  
(877) 421-2369  
Facsimile: (416) 365-2224

**TMX Group Inc.**  
Calgary Office  
10<sup>th</sup> Floor, 300 -5 Avenue SW  
Calgary, Alberta T2P 3C4

**TMX Group Inc.**  
Winnipeg Office  
#600, One Lombard Place  
Winnipeg, Manitoba R3B 0X3

**CNSX Markets Inc.**  
220 Bay Street, 9th Floor

Toronto, Ontario, M5J 2W4

**TSX Venture Exchange Inc.**  
Telephone: (403) 218-2800  
(877) 884-2369  
Facsimile: (403) 237-0450

**TSX Venture Exchange Inc.**  
Telephone: (204) 927 2369  
Facsimile: (204) 927-2368

**SCHEDULE "C"**

**BITCOIN CANADA INVESTMENTS INC & BITCOIN ANGEL CAPITAL INC**

**TERM SHEET**

<b>Instrument:</b>	<b>Units</b>
<b>Number of Units</b>	<b>2,500,000</b>
<b>Price per Unit</b>	<b>\$2</b>
<b>Underlying Securities</b>	<b>One \$1 Convertible Secured Debenture of Bitcoin Canada Investments Inc and One \$1 Convertible Secured Debenture of Bitcoin Angel Capital Inc</b>
<b>Closing Date</b>	<b>Multiple Closings as determined by the Corporation</b>
<b>Debenture</b>	<b>Debenture Amount : Up to \$5,000,000</b>
<b>Term:</b>	<b>December 31, 2015</b>
<b>Yield:</b>	<b>90% of the net profits as defined</b>
<b>Payment of Yield:</b>	<b>Quarterly</b>
<b>Convertible:</b>	<b>Convertible into 4 common shares of each respective company simultaneous with CNSX public listing on or before December 31, 2015</b>
<b>Security:</b>	<b>All the assets of the respective companies</b>

**SCHEDULE "D"**

**BITCOIN CANADA INVESTMENTS INC**

**CONVERTIBLE SECURED DEBENTURE**

**AND**

**GENERAL SECURITY AGREEMENT**

# BITCOIN CANADA INVESTMENTS INC

## CDN. \$1 CONVERTIBLE SECURED DEBENTURE

Cdn. \$ \_\_\_\_\_, 2014

FOR VALUE RECEIVED BITCOIN CANADA INVESTMENTS INC., a corporation under the laws of British Columbia (the "Corporation") hereby acknowledges itself indebted to, and promises to pay to \_\_\_\_\_ (the "Holder"), in lawful money of Canada, the amount of Cdn.\$ \_\_\_\_\_, in accordance with the terms of this secured debenture (the "Debenture").

### 1. Interpretation

Whenever used in this Debenture, the following words and terms have the meanings set out below:

"Act" means the *Business Corporations Act* (British Columbia);

"Affiliate" has the meaning given to that term in the Act;

"Articles" means the articles of incorporation of the Corporation issued under the Act, including any articles of amendment issued in respect thereof, as such may be amended, modified or supplemented from time to time;

"Business Day" means any day, other than Saturday, Sunday or a statutory holiday in Toronto, Ontario;

"Event of Default" has the meaning ascribed thereto in Section 8;

"General Security Agreement" means the general security agreement granting a security interest over the assets of the Corporation in favour of the Holder dated the date hereof;

"Maturity Date" means December 31, 2015

"Obligations" means, at any time, the outstanding principal amount of this Debenture together with accrued yield thereon.

"Conversion Rate" means the right to convert each \$1 Debenture into four common shares of the Corporation at the time of listing of the common shares of the Corporation on the Canadian National Stock Exchange ("CNSX")

"Yield" means the right to receive 90% of the net profits after all expenses from the sale of Bitcoins owned by the Corporation

2. **Maturity**

Unless earlier repaid or converted at the Conversion Rate as provided in Section 3 or demanded as provided in Section 8, the Obligations will be due and payable in full by the Corporation on the Maturity Date.

3. **Prepayment and Conversion**

- (a) Amounts owing under this Debenture may be prepaid by the Corporation, in whole or in part, with no penalty, at any time prior to the Maturity Date by providing the Holder with five (5) days prior written notice (the "Prepayment Notice"). Any such prepayment may apply to part of the outstanding principal amount of this Debenture together with accrued interest thereon.
- (b) Notwithstanding the foregoing, the Corporation shall be entitled to prepay any amounts owing under this Debenture if the Holder: (i) makes or agrees to make an assignment for the benefit of its creditors; (ii) institutes proceedings to be adjudged a bankrupt; (iii) is declared a bankrupt or makes an assignment in respect thereof; or (iv) otherwise takes any action in respect of the settlement of claims of its creditors.
- (c) Each Cdn.\$1 Debenture will be converted at the Conversion Rate simultaneous with the public listing of the common shares of the Corporation on the CNSX on or before the Maturity Date. Upon conversion at the Conversion Rate and the issuance of common shares relating thereto, this Debenture shall be surrendered to the Corporation for cancellation, and if not so surrendered will no longer be an obligation of the Corporation.

4. **Payment**

- (a) All payments made hereunder shall be made in lawful money of Canada at such place as the Holder may from time to time designate in writing to the Corporation. All payments made hereunder shall be applied first to accrued and unpaid interest or fees and then to outstanding principal.
- (b) Upon payment in full in accordance with this Debenture of all of the Obligations, this Debenture shall be surrendered to the Corporation for cancellation.
- (c) The Corporation waives presentment, protest, presentation of the Debenture and any other condition precedent to payment to the Holder.
- (d) All payments made hereunder shall be made unconditionally, indefeasibly and in full without deduction, setoff, recoupment, counterclaim or other defence, all of which are hereby waived to the maximum extent permitted by applicable law.

5. **Yield**

The Obligations outstanding from time to time hereunder shall bear a Yield as defined herein, commencing on the date hereof. Such Yield, if any, shall be calculated and payable quarterly on the last day of March, June, September and December in each year.

6. **Debenture is Non-Transferable**

This Debenture, may not be sold, assigned or transferred without the prior written consent of the Corporation and the Corporation shall not be liable for any additional costs that may be associated or incurred in connection with any such transfer, including without limitation any withholding taxes.

7. **Events of Default**

The occurrence of any one or more of the following events shall constitute an event of default under this Debenture if the Corporation has not cured such default within ten (10) days of receipt of written notice of such default from the Holder (each an "Event of Default"):

- (a) the Corporation fails to pay when due, after any applicable grace periods, any outstanding principal amount hereunder or any accrued Yield on such principal amount;
- (b) the Corporation shall not have complied with its covenants under this Debenture;  
or
- (c) the occurrence of an Event of Default (as defined in the General Security Agreement) under the General Security Agreement.

8. **Rights and Remedies**

At any time after an Event of Default has occurred, the Holder may, at its option: (a) declare the Obligations to be immediately due and payable; and/or (b) exercise any or all other rights and remedies available to the Holder under the Debenture, the General Security Agreement or applicable law. In addition, the Corporation shall pay all reasonable costs and expenses, including solicitor fees and court costs, of collecting the outstanding principal amount, interest, fees and expenses due under the Debenture and of exercising the Holder's rights and remedies with respect to any and all pledges, liens and security interests in favour of the Holder relating to the Debenture and any other reasonable costs and expenses incurred by the Holder in enforcing and preserving its rights hereunder regardless of whether an Event of Default shall have been declared.

9. **Security**

As security for the due and punctual payment of all of its obligations to the Holder, the Corporation shall execute the General Security Agreement contemporaneously with the delivery of this Debenture to the Holder.

10. **Governing Law**

This Debenture and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

11. **Notices**

Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be given by facsimile or by delivery as hereinafter provided. Any such notice or other communication, if sent by facsimile, shall be deemed to have been received on the Business Day following the sending, or, if delivered by hand or courier, shall be deemed to have been received at the time it is delivered to the applicable address noted below either to the individual designated below or to an individual at such address having apparent authority to accept deliveries on behalf of the addressee. Notice of change of address shall also be governed by this section. Notice and other communications shall be addressed as follows:

(a) if to the Corporation:

Bitcoin Canada Investments Inc.  
208 Queens Quay West, Suite 2506  
Toronto, Ontario  
M5J 2Y5

Attention: Daniel Wettreich, Chairman and Chief Executive  
Officer

Email: [dw@GreenBankCapitalInc.com](mailto:dw@GreenBankCapitalInc.com)

(b) if to the Holder:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

12. **Waiver**

No failure or delay on the part of the Holder in exercising any right, power or remedy provided herein may be, or may be deemed to be a waiver thereof; nor any single or partial exercise of any right, power or remedy preclude any other or further exercise of such right power or remedy or any other right, power or remedy.

13. **Severability**

If any provision (or any part of any provision) contained in this Debenture shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision (or remaining part of the affected provision) of the Debenture, but the Debenture shall be construed as if such invalid, illegal or unenforceable provision (or part thereof) had never been contained herein but only to the extent such provision (or part thereof) is invalid, illegal or unenforceable.



14. **Enurement**

The rights and obligations of the Corporation and the Holder under this Debenture shall be binding upon and enure to their respective permitted successors, assigns, heirs, administrators and transferees.

15. **No Impairment**

The Corporation will not, through any reorganization, consolidation, merger or dissolution, sale of assets or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of the Debenture. Nothing contained herein shall restrict or otherwise prevent the Corporation from implementing any reorganization, consolidation, amalgamation, merger or dissolution, sale of assets or any other voluntary action which is not of the nature contemplated in the foregoing sentence.

16. **Counterparts and Facsimile**

This Debenture may be executed in two or more counterparts and by facsimile, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

**[The next page is the signature page.]**

**IN WITNESS WHEREOF** the Corporation has caused this Debenture to be signed in its name as of the date first written above.

**BITCOIN CANADA INVESTMENTS INC.**

By: \_\_\_\_\_  
Name: Daniel Wettriech  
Title: Chairman and Chief Executive Officer

Agreed to and accepted as of the date first written above.

\_\_\_\_\_  
  
By: \_\_\_\_\_

## GENERAL SECURITY AGREEMENT

THIS AGREEMENT is made as of the \_\_\_ day of \_\_\_\_\_, 2014

BETWEEN:

\_\_\_\_\_  
\_\_\_\_\_  
(collectively the "Holder")

- and -

**BITCOIN CANADA INVESTMENTS INC**  
(the "Corporation")

THEREFORE, the parties agree as follows:

### ARTICLE 1 DEFINITIONS

#### 1.1 Defined Terms

Unless the context otherwise requires or unless otherwise specified, all the terms used in this Agreement without initial capitals which are defined in the *Personal Property Security Act* (Ontario), as it may be amended, supplemented, re-enacted or succeeded by successor legislation of comparable effect (the "PPSA"), have the same meanings in this Agreement as in the PPSA.

#### 1.2 Definitions

In this Agreement, the following terms shall have the meanings set out below:

**"Account Debtor"** means the party required to pay or perform obligations due to the Corporation under the Accounts, Chattel Paper, Contracts or Instruments and **"Account Debtors"** means, collectively, all of them;

**"Accounts"** means all debts, accounts, claims, rents, monies and choses in action which are now or which may at any time hereafter be due and owing to or owned by the Corporation or in which the Corporation now or hereafter has any other interest, or any part thereof;

**"Agreement"** means this agreement including any recitals and schedules hereto, as may be amended, supplemented or restated in writing from time to time;

**"Chattel Paper"** means all chattel paper in which the Corporation now or hereafter has an interest, and any part of such interest;

**“Contracts”** means any contracts, agreements, indentures, licences, commitments, entitlements, engagements or other arrangements, whether written or unwritten, to which the Corporation is now or hereafter a party or has a benefit, right or in which the Corporation now or hereafter has an interest;

**“Debenture”** means the secured debenture issued by the Corporation to the Holder dated with even date herewith;

**“Documents of Title”** means all documents of title, whether negotiable or non-negotiable, including all warehouse receipts and bills of lading, in which the Corporation now or hereafter has an interest, and any part thereof;

**“Equipment”** means all goods in which the Corporation now or hereafter has an interest (other than Inventory or consumer goods) and any part thereof, including all equipment, tools, apparatus, fixtures, plant, machinery, furniture and vehicles, and all other personal property, of whatever nature or kind and wherever situate, and accessions thereto, on or under the Mineral Claims, in whatever state and wherever situate;

**“Event of Default”** has the meaning ascribed thereto in Section 6.1;

**“Facility”** has the meaning ascribed thereto in section 3.1(a);

**“Bitcoin Property”** consists of all the Bitcoins owned by the Corporation

**“Instruments”** means all letters of credit, advices of credit and all other instruments in which the Corporation now or hereafter has an interest, and any part thereof;

**“Intangibles”** means all intangible property of whatever kind in which the Corporation now or hereafter has an interest, (a) including all of the Corporation’s rights under Contracts, Intellectual Property Rights, Technical Information and Permits and (b) related to its mining operations on or under the Mining Claims which the Corporation is or becomes possessed of or entitled to or which may be hereafter acquired by the Corporation, and all books, records and titled deeds, and all revenues, Accounts, accounts receivable and book debts, including related to or derived from the sale of ore and minerals (including refined or partly refined) produced by the Corporation’s mining operations on the Mining Claims, in whatever state or wherever situate;

**“Intellectual Property Rights”** means all trade-marks, trade-names, brands, trade dress, business names, uniform resource locators (“URL”), domain names, tag lines, designs, graphics, logos and other commercial symbols and indicia of origin, goodwill, patents and inventions, copyrights, industrial designs and other intellectual property rights, whether registered or not or the subject of a pending application for registration, that are owned by or licensed to the Corporation;

**“Inventory”** means all inventory of whatever kind and wherever situate in which the Corporation now or hereafter has an interest, including all goods, merchandise, raw materials, goods in process, finished goods and other tangible personal property held for sale, lease, resale or exchange or furnished or to be furnished under contracts for service or that are used or consumed in the business of the Corporation, and any part thereof,

including without limitation all present and hereafter acquired inventory of ore and minerals (including refined and partly refined) produced from the Corporation's mining operations on or under the Mining Claims, in whatever state and wherever situate;

**"Money"** means all money in which the Corporation now or hereafter has an interest, and any part thereof;

**"Obligations"** has the meaning ascribed thereto in Section 3.1;

**"Place of Business"** means collectively the Corporation's places of business at (a) 208 Queens Quay West, Suite 2506, Toronto, Ontario, M5J 2Y5 and (b) the Mining Claims;

**"Proceeds"** means all proceeds and personal property in any form derived directly or indirectly from any dealing with the Bitcoin Property or any part thereof and any insurance or payment that indemnifies or compensates for such property lost, damaged or destroyed, and proceeds of proceeds and any part thereof;

**"Secured Property"** means the property, assets, rights and undertaking of the Corporation, including all Bitcoins, personal property, Accounts, Chattel Paper, Contracts, Documents of Title, Equipment, Intangibles, Instruments, Intellectual Property Rights, Inventory, Money, Permits, Securities, Technical Information, Proceeds, together with all increases, additions and accessions thereto and all substitutions or any replacements thereof;

**"Securities"** means all shares, limited partnership units, trust units, stock, warrants, bonds, debentures, debenture stock and other securities in which the Corporation now or hereafter has an interest, and any part thereof;

**"Security Interest"** means the security interest granted under Section 2.1; and

**"Technical Information"** means all know-how and information owned by or licensed to the Corporation, confidential or otherwise, including any information of a scientific, technical, financial or business nature regardless of its form.

### 1.3 Inclusion

Where the word "including" or "includes" is used in this Agreement it means "including (or includes) without limitation".

## ARTICLE 2 SECURITY INTERESTS

### 2.1 Security Interest

As continuing security for the repayment and the performance of each of the Obligations, the Corporation hereby charges by way of a floating charge, and grants to the Holder a security interest in, all of the Corporation's property, assets, rights and undertaking of every nature and kind, now or hereafter acquired and at any time and from time to time existing or in which the Corporation has or acquires an interest, wherever situate, including all of the Secured Property.

## **2.2 Nature of Security Interests**

The Security Interest is intended to operate as a floating charge of all of the Secured Property presently existing and, with respect to all future Secured Property, to operate as a floating charge of such future Secured Property.

## **2.3 Attachment**

The Corporation acknowledges that value has been given. The Security Interest is intended to attach, as to all of the Secured Property, upon execution by the Corporation of this Agreement.

## **2.4 Leases**

The last day of any term reserved by any lease, written or unwritten, or any agreement to lease, now held or hereafter acquired by the Corporation is hereby excepted out of the Security Interest. As further security for the payment of the Obligations, the Corporation agrees that it will stand possessed of the reversion of such last day of the term and shall hold it in trust for the Holder for the purpose of this Agreement. The Corporation shall assign and dispose of the same in such manner as the Holder may from time to time direct in writing, without cost or expense to the Holder. Upon any sale, assignment, sublease or other disposition of such lease or agreement to lease, the Holder shall, for the purpose of vesting the residue of any such term in any purchaser, assignee, sublessee or such other acquirer of the lease, agreement to lease or any interest therein, be entitled by deed or other written instrument to assign to such other person, the residue of any such term in place of the Corporation and to vest the residue freed and discharged from any obligation whatsoever respecting the same.

## **2.5 Consent**

Nothing herein shall constitute an assignment or attempted assignment of any contract or agreement which, by the provisions thereof or by law, is not assignable or which requires the consent of a third party to its assignment unless such consent has been obtained. In each such case, the Corporation shall, unless the Holder otherwise agrees in writing, forthwith, upon written request by the Holder, attempt to obtain the consent of any necessary third party to its assignment hereby and to its further assignment by the Holder to any third party who may acquire same as a result of the exercise by the Holder of remedies after demand. Upon such consent being obtained or waived, this Agreement shall apply to the applicable contract or agreement without regard to this section and without the necessity of any further assurance to effect the assignment thereof. Unless and until the consent to assignment is obtained as provided above, the Corporation shall, to the extent it may do so by law or pursuant to the provisions of the document or interest referred to therein, hold all benefit to be derived from the applicable contracts or agreements in trust for the Holder (including the Corporation's beneficial interest in any contract or agreement which may be held in trust for the Corporation by a third party) as additional security for payment of Obligations and shall deliver up all such benefit to the Holder, forthwith upon demand by the Holder.

## **2.6 Licences and Permits**

The mortgage, charge and security interest granted hereby do not and shall not extend to any rights, licence, permit or certificate of approval (the "rights") to which the Corporation is a party

or of which the Corporation has the benefit, to the extent that the grant of such mortgage, charge or security interest herein would constitute a breach of the terms of or permit any person to terminate such rights, but the Corporation shall hold its interest therein in trust for the Holder and upon the occurrence of an Event of Default the Holder shall be entitled to the benefit of such rights held by the Corporation..

### ARTICLE 3 OBLIGATIONS SECURED

#### 3.1 Obligations

The Secured Property constitutes and will constitute continuing security for the following obligations (the "Obligations") of the Corporation to the Holder:

- (a) **Indebtedness** - The prompt payment, as and when due and payable, of all amounts now or hereafter owing by the Corporation to the Holder, including by way of guarantee or indemnity, whether now existing or hereafter incurred, matured or unmatured, direct, indirect or contingent, including any amendments, restatements, supplements, extensions, renewals and replacements thereof and including without limiting the generality of the foregoing all amounts now or hereafter owing by the Corporation to the Holder under the Debenture and under this Agreement.
  
- (b) **Performance of Agreements** - The strict performance and observance by the Corporation of all agreements, warranties, representations, covenants and conditions of the Corporation made pursuant to this Agreement or any other agreement between the Corporation and the Holder (including the Debenture), in each case as now in effect or as hereafter entered into, amended, restated, supplemented, renewed, extended or replaced from time to time.

### ARTICLE 4 CORPORATION'S REPRESENTATIONS, WARRANTIES AND COVENANTS

#### 4.1 Covenants

Unless compliance with the following covenants is waived by the Holder in writing or unless non-compliance with any such covenants is otherwise consented to by the Holder in writing, the Corporation covenants and agrees that:

- (a) **Continued Existence** - The Corporation shall maintain its corporate existence in good standing and shall ensure that it has, at all times, full power and corporate authority to carry on the activities conducted by it and to perform its obligations under this Agreement;
  
- (b) **Good Repair** - The Corporation shall keep the Secured Property in good order, condition and repair, under the laws of the Province of Ontario;

- (c) **Compliance with Agreements and Laws** - The Corporation shall not use the Secured Property in violation of this Agreement or any other agreement relating to the Secured Property or any policy insuring the Secured Property or any applicable statute, law, by-law, rule, regulation, court order or ordinance;
- (d) **Notification to Holder** -The Corporation shall promptly notify the Holder of:
  - (i) **Claims and Liens** - any claim, lien, charge, security interest or other encumbrance made or asserted against any of the Secured Property, except any Permitted Encumbrance; and
  - (ii) **Proceedings** - any suit, action or proceeding affecting any of the Secured Property or which could affect the Corporation,and the Corporation shall, at its own expense, defend the Secured Property against any and all such claims, liens, charges, security interests or other encumbrances and against any and all such suits, actions or proceedings;
- (e) **No Accessions or Fixtures** - The Corporation shall prevent the Secured Property from becoming an accession to any property other than the Secured Property or from becoming a fixture;
- (f) **Marking the Secured Property** - The Corporation shall, at the request of the Holder, mark or otherwise take appropriate steps to identify the Secured Property to indicate clearly that it is subject to the Security Interest;
- (g) **Disposition** - The Corporation will not transfer, assign, sell, lease or otherwise dispose of the Secured Property or any interest therein without the prior written consent of the Holder;
- (h) **Changes and Other Names** - The Corporation shall not: (i) carry on business or use any name or style other than the names specified in this Agreement; (ii) change the location of its Place of Business, chief executive office, or the records in respect thereof; or (iii) change its name, in each case without giving to the Holder twenty (20) days prior written notice of such change;
- (i) **Servicing of Payables** - The Corporation shall pay in accordance with normal trade practices all amounts which are payable by it howsoever arising, including all rents, charges, taxes, rates, levies, assessments, fees and duties and, upon request, shall provide the Holder with evidence of such payment;
- (j) **Notice of Loss** - The Corporation shall give immediate written notice to the Holder of:
  - (i) all loss or damage to or loss of possession of the Secured Property or any part thereof otherwise than by disposition in accordance with the terms of this Agreement; and
  - (ii) any failure of any Account Debtor in payment or performance of obligations due to the Corporation which may affect the Secured Property;



- (k) **Conduct of Business** - The Corporation shall carry on and conduct business in a proper and efficient manner so as to protect and preserve the Secured Property, including retaining full possession of Equipment, Intangibles and Permits and explore, operate, manage, develop, use and enjoy the same and every part thereof in the ordinary course of business;
- (l) **Maintenance of Secured Property and Books** - The Corporation shall at all times keep accurate and complete records of the Secured Property as well as proper books of account for its business, all in accordance with generally accepted accounting principles, consistently applied, and shall maintain the currency of registration of its Intellectual Property Rights.
- (m) **Examination of Books and Records** - On seven (7) days notice by the Holder to the Corporation, the Holder or its agents shall have the right to examine the books of accounts, financial records and reports of the Corporation wherever and however such data may be stored.. All expenses relating to or arising out of such audits and inspections shall be borne by the Holder;
- (n) **Delivery of Documents** - The Corporation shall deliver to the Holder promptly upon request:
  - (i) **Books of Account** - all books of account and all records, ledgers, and reports, for the purpose of inspecting, auditing or copying the same;
  - (ii) **Financial Statements** - all financial statements prepared by or for the Corporation regarding the Corporation's business for the purpose of inspecting, auditing or copying the same;
  - (iii) **Policies of Insurance** - all policies and certificates of insurance relating to the Secured Property for the purpose of inspecting, auditing or copying the same;
  - (iv) **Contracts and Agreements** - all Contracts and all other agreements, licenses, permits and consents relating to the Secured Property and the Corporation's business for the purpose of inspecting, auditing or copying the same; and
- (o) **Risk and Insurance** - The Corporation bears the sole risk of any loss, damage, destruction or confiscation of or to the Secured Property during the Corporation's possession thereof or otherwise. Wherever possible and subject to a reasonable expense, the Corporation shall insure the Secured Property with insurers against loss or damage by fire, theft or other insurable perils customarily insured against by persons having an interest in such Secured Property for the full insurable value thereof with the Holder as an additional named insured and with loss payable to the Holder as its interest may appear. The Corporation shall also seek to obtain wherever possible and subject to a reasonable expense such other insurance coverage as the Holder may reasonably require from time to time. All such policies of insurance shall provide that the insurance coverage provided

thereunder shall not be changed or cancelled except on thirty (30) days' notice to the Holder; and

- (p) **No Amalgamation** - The Corporation shall not change the nature of its business or amalgamate or otherwise merge with any person, or change its incorporating jurisdiction, or permit all of or a substantial portion of its property to become the property of any other person (whether in one or a series of transactions) and the Corporation shall not do any act or thing that would materially adversely affect its business, property, prospects or financial condition and shall not permit any corporation of which it is the majority shareholder to do any of the foregoing.

## **ARTICLE 5 RIGHT TO DEAL**

### **5.1 Corporation's Rights before Default**

Until the occurrence of an Event of Default and subject to the terms of this Agreement, the Corporation is entitled to deal with the Secured Property in the ordinary course of business, provided, however, that no such action shall be taken which would impair the effectiveness of the Security Interest created by this Agreement or the value of the Secured Property or which would be inconsistent with or violate the provisions of this Agreement or any other written agreement between the Holder and the Corporation.

### **5.2 Securities**

Until the occurrence of an Event of Default and subject to the terms of this Agreement, the Corporation is entitled to receive dividends or other distributions, vote the Securities and give consents, waivers and ratifications in respect thereof, provided however that no such action shall be taken which would impair the effectiveness of the Security Interest created hereby or the value of the Securities or which would be inconsistent with or violate the provisions of this Agreement or any other written agreement between the Holder and the Corporation.

## **ARTICLE 6 DEFAULT**

### **6.1 Default**

The Corporation shall be in default under this Agreement upon the occurrence of any of the following events if the Corporation has not cured such default within seven (7) days of receipt of written notice of such default from the Holder (individually an "Event of Default" and, collectively, "Events of Default"):

- (a) **Performance of Obligations** - The Corporation defaults in payment or performance of any of the Obligations;
- (b) **Cease to Carry on Business** - The Corporation ceases or threatens to cease to carry on business;

- (c) **Event of Insolvency** - The occurrence or threat of any one of the following events:
- (i) **Dissolution** - The Corporation is wound up, dissolved or liquidated under any law or otherwise, becomes subject to the provisions of the *Winding-Up and Restructuring Act* (Canada), has its existence terminated or passes any resolution in connection therewith;
  - (ii) **Insolvency** - The Corporation makes a general assignment for the benefit of its creditors, acknowledges its insolvency, is declared or becomes bankrupt or insolvent or otherwise fails in its business;
  - (iii) **Act of Bankruptcy** - The Corporation commits an act of bankruptcy under the *Bankruptcy and Insolvency Act* (Canada);
  - (iv) **Bankruptcy Proposal** - Any filing of a proposal or notice of intention to make a proposal is made or a notice of intention to enforce security is issued in respect of the Corporation under the *Bankruptcy and Insolvency Act* (Canada);
  - (v) **Protection from Creditors** - Any filing is made or a proceeding is commenced in respect of the Corporation seeking any stay of proceedings, protection from creditors, moratorium, reorganization, arrangement, composition, re-adjustment or any other relief under any present or future law of any jurisdiction relative to bankruptcy, insolvency or other relief for debtors, including the *Companies' Creditors Arrangement Act* (Canada);
  - (vi) **Appointment of Trustee or Receiver** - Any trustee in bankruptcy, interim receiver, receiver, receiver and manager, custodian, sequestrator, administrator, monitor or liquidator or any other person with similar powers shall be appointed in respect of the Corporation, the Secured Property or any part thereof;
  - (vii) **Enforcement Against Secured Property** - Any holder of any security interest, mortgage, lien, charge, claim or encumbrance enforces against, delivers any notices relating to its rights or its intention to enforce against, or becomes entitled to enforce against or otherwise takes possession, management or control of the Secured Property or the interest of the Corporation therein, or any part thereof; or
  - (viii) **Seizure** - A distress, execution, warrant, garnishment, attachment, sequestration, levy, writ or any similar process is issued or enforced upon or against the Secured Property or any part thereof, or any third party demand is issued by the Crown, governmental agency, administrative body or any taxation authority in respect of the Corporation or any of the

Secured Property, or any other seizure is made by any such authorities on any part of the Secured Property.

- (d) **Sale in Bulk** - The Corporation makes or proposes to make any sale of its assets in bulk, other than in the ordinary course of business;
- (e) **Destruction** – A more than 90% portion of the Secured Property is damaged or destroyed;
- (f) **Encumbrances** - Except for the Permitted Encumbrances, and other than the Debentures, the Corporation shall create, assume or suffer to exist any mortgage, hypothec, charge, pledge, security interest, claim, lien, charge or other encumbrance in, of or on any of the Secured Property except in the ordinary course of business; or
- (g) **Event of Default under the Debenture** – an event of default by the Corporation pursuant to section 8 of the Debenture.

## 6.2 Security Enforceable

The fact that this Agreement provides for Events of Default and rights of acceleration shall not derogate from the nature of any Obligation which is payable on demand.

## ARTICLE 7 REMEDIES

### 7.1 Holder's Rights and Remedies

Upon the occurrence of an Event of Default, all of the Obligations shall, at the Holder's option and without notice to the Corporation, become immediately due and payable and the Holder may, at its option, proceed to enforce payment and performance of the Obligations and to exercise any or all of the rights and remedies contained in this Agreement (including the signification and collection of the Corporation's Accounts) or otherwise afforded by law, in equity or otherwise. The Holder shall have the right to enforce one or more remedies successively or concurrently in accordance with applicable law and the Holder expressly retains all rights and remedies not inconsistent with the provisions in this Agreement, including all the rights it may have under the PPSA. Without limiting the generality of the foregoing, the Holder may, upon the occurrence of any Event of Default and to the extent permitted by applicable law:

- (a) **Appointment of Receiver** - Appoint by instrument in writing a receiver (which term shall include a receiver and manager or agent) of the Corporation and of all or any part of the Secured Property and remove or replace such receiver from time to time or may institute proceedings in any court of competent jurisdiction for the appointment of a receiver. Any such receiver appointed by the Holder, with respect to responsibility for its acts, shall, to the extent permitted by applicable law, be deemed the agent of the Corporation and not of the Holder. Where the Holder is referred to in this Article, the reference includes, where the context permits, any receiver so appointed and the officers, employees, servants or agents of such receiver;

- (b) **Enter and Repossess** - Immediately and without notice enter the Corporation's premises and repossess, disable or remove the Secured Property;
- (c) **Retain the Collateral** - Retain and administer the Secured Property in the Holder's sole and unfettered discretion, which discretion the Corporation hereby acknowledges is commercially reasonable;
- (d) **Dispose of the Collateral** - Dispose of any Secured Property by public auction, private tender or private contract, with or without notice, advertising or any other formality, all of which are hereby waived by the Corporation to the extent permitted by law. The Holder may, to the extent permitted by law, at its discretion establish the terms of such disposition, including terms and conditions as to credit, upset, reserve bid or price. All payments made pursuant to such dispositions shall be credited against the Obligations only as they are actually received. The Holder may, to the extent permitted by law, enter into, rescind or vary any contract for the disposition of any Secured Property and may dispose of any Secured Property again without being answerable for any loss occasioned thereby. Any such disposition may take place whether or not the Holder has taken possession of the Secured Property;
- (e) **Securities** -
  - (i) **Disposal** - Without limiting the generality of Section 7.1(d), the Corporation hereby acknowledges that, when disposing of any Securities, the Holder may be unable to effect a public sale of any or all of the Securities, or to sell any or all of the Securities as a control block sale at more than a stated premium to the "market price" of any shares, stock, instruments, warrants, bonds, debenture stock and other securities forming part of the Securities, by reason of certain prohibitions contained in the *Securities Act* (Ontario) and applicable laws of other jurisdictions, but may be compelled to resort to one or more private sales to a restricted group of purchasers who may be obliged to agree, among other things, to acquire such Securities as principal and to comply with other resale restrictions provided for in the *Securities Act* (Ontario) and other applicable laws. The Corporation acknowledges and agrees that any such private sale may result in prices and other terms less favourable to the seller than if such sale were a public sale or a control block sale and, notwithstanding such circumstances, agrees that any such private sale shall not be deemed to have been made in a commercially unreasonable manner solely by reason of its being a private sale. The Holder shall be under no obligation to delay a sale of any of the Securities for the period of time necessary to permit the issuer of such securities to qualify such Securities for public sale under the *Securities Act* (Ontario) or under applicable securities laws of other jurisdictions, even if the issuer would agree to do so, or to permit a prospective purchaser to make a formal offer to all or substantially all holders of any class of securities forming any part of the Securities;
  - (ii) **Exercise of Rights** - Elect by written notice to the Corporation and to an officer of the issuer of the Securities, that all or part of the rights of the

Corporation in the Securities including the right to vote, give consents, waivers or ratifications and take other actions and receive dividends or other distributions, shall cease and upon such election all such rights shall become vested in the Holder or as it may direct;

- (iii) **Registration** - Require that the Securities be registered in the name of the Holder or as it may direct and the Holder may thereafter, without notice, exercise any and all voting and corporate rights at any meeting of the issuer(s) thereof and exercise any and all rights, privileges or options pertaining to the Securities as if it were the absolute owner, including the right to exchange, at its discretion, any and all of the Securities upon the amalgamation, merger, consolidation, reorganization, recapitalization or other readjustment of the issuer thereof or upon the exercise by the issuer thereof of any right, privilege or option pertaining to any of the Securities and, in connection therewith, to deposit and deliver any and all of the Secured Property with any committee, depository, transfer agent, registrar or other designated agency upon such terms and conditions as it may determine;
- (f) **Foreclosure** - Foreclose upon the Secured Property;
- (g) **Collection of Accounts** - On its own account or through a receiver, receiver-manager or agent and whether alone or in conjunction with the exercise of all or any other remedies contemplated by this Agreement, notify and direct Account Debtors to make all payments to the Holder and hold all amounts acquired from any Account Debtors and any Proceeds as part of the Secured Property. Upon the occurrence and during the continuance of an Event of Default, any payments received by the Corporation shall be held by the Corporation in trust for the Holder in the same medium in which received, shall not be commingled with any assets of the Corporation and shall, at the request of the Holder, be turned over to the Holder not later than the next business day following the day of their receipt;
- (h) **Carry on Business** - Carry on or concur in the carrying on of all or any part of the business of the Corporation and may, in any event, to the exclusion of all others, including the Corporation, enter upon, occupy and use all premises of or occupied or used by the Corporation and use any of the personal property (which shall include fixtures) of the Corporation for such time and for such purposes as the Holder sees fit. The Holder shall not be liable to the Corporation for any neglect in so doing or in respect of any rent, costs, charges, depreciation or damages in connection therewith;
- (i) **Payment of Encumbrances** - Pay any encumbrance, lien, claim or charge that may exist or be threatened against the Secured Property. Any amount so paid together with costs, charges and expenses incurred in connection therewith shall be added to the Obligations;

- (j) **Payment of Deficiency** - Sue the Corporation to collect the amount of any deficiency resulting from the insufficiency of the Proceeds of realization to satisfy all monetary Obligations (which deficiency the Corporation is under a duty to forthwith pay or cause to be paid to the Holder); and
- (k) **Dealing with Secured Property** - Subject to applicable law, seize, collect, realize, borrow money on the security of, release to third parties, sell (by way of public or private sale), lease or otherwise deal with the Secured Property in such manner, upon such terms and conditions, at such time or times and place or places and for such consideration as may seem to the Holder advisable and without notice to the Corporation. The Holder may charge on its own behalf and pay to others sums for expenses incurred and for services rendered (expressly including legal, consulting, broker, management, receivership and accounting fees) in or in connection with seizing, collecting, realizing, borrowing on the security of, selling or obtaining payment of the Secured Property and may add all such sums to the Obligations.

## **7.2 Power of Attorney**

The Corporation hereby constitutes and appoints, upon the occurrence and during the continuance of an Event of Default, any officer or trustee of the Holder from time to time, or any receiver appointed by the Corporation as provided for in this Agreement, as the true and lawful attorney of the Corporation irrevocably with full power of substitution to do, make and execute all such documents, acts, matters or things with the right to use the name of the Corporation whenever and wherever it may be deemed necessary or expedient in connection with the exercise of its rights and remedies set forth in this Agreement. Without limiting the generality of the foregoing, the Holder or its agent is authorized to sign any financing statements and similar forms which may be necessary or desirable to perfect the Security Interest in any jurisdiction on behalf of the Corporation. The Corporation hereby declares that the irrevocable power of attorney granted hereby, being coupled with an interest, is given for valuable consideration.

## **7.3 Assemble the Secured Property**

Upon the occurrence, and during the continuance of, an Event of Default, to assist the Holder in the implementation of its rights and remedies hereunder, the Corporation will, at its own risk and expense and immediately upon the Holder's request, assemble and prepare for removal such items of the Secured Property as are selected by the Holder as shall, in the Holder's sole judgment, have a value sufficient to cover all the Obligations.

## **7.4 Allocation of Proceeds**

All monies collected or received by the Holder in respect of the Secured Property may be held by the Holder and may be applied on account of such parts of the Obligations at the sole discretion of the Holder.

## **7.5 Waivers and Extensions**

The Holder may waive default or any breach by the Corporation of any of the provisions contained in this Agreement. No waiver shall extend to a subsequent breach or default, whether

or not the same as or similar to the breach or default waived, and no act or omission of the Holder shall extend to or be taken in any manner whatsoever to affect any subsequent breach or default of the Corporation or the rights of the Holder resulting therefrom. Any such waiver must be in writing and signed by the Holder to be effective.

The Holder may also grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, release the Secured Property to third parties and otherwise deal with the Corporation's guarantors or sureties and others and with the Secured Property and other securities as the Holder may see fit without prejudice to the liability of the Corporation to the Holder, or the Holder's rights, remedies and powers under this Agreement. No extension of time, forbearance, indulgence or other accommodation now, heretofore or hereafter given by the Holder to the Corporation shall operate as a waiver, alteration or amendment of the rights of the Holder or otherwise preclude the Holder from enforcing such rights.

#### **7.6 Effect of Possession or Receiver**

Following an Event of Default, as soon as the Holder takes possession of any Secured Property or appoints a receiver, all powers, functions, rights and privileges of the Corporation and the directors and officers of the Corporation with respect to the Secured Property shall cease, unless specifically continued by the written consent of the Holder or the receiver.

#### **7.7 Indemnity**

The Corporation shall indemnify and save harmless the Holder from any and all costs, expenses, liabilities and damages which may be incurred by the Holder in connection with:

- (a) the Secured Property;
- (b) the occurrence of an Event of Default; and
- (c) the enforcement of its rights under this Agreement.



## **7.8 Limitation of Liability**

The Holder shall not be liable or accountable:

- (a) by reason of any entry into or taking possession of any of the Secured Property hereby charged or intended so to be or any part thereof, to account as mortgagee in possession or for anything except actual receipts, or for any loss on realization or any act or omission for which a secured party in possession might be liable; or
- (b) for any failure to exercise its remedies, take possession of, seize, collect, realize, sell, lease or otherwise dispose of or obtain payment for the Secured Property and shall not be bound to institute proceedings for such purposes or for the purpose of preserving any rights, remedies or powers of the Holder, the Corporation or any other person in respect of same.

The Holder shall not by virtue of these presents be deemed to be a mortgagee in possession of the Secured Property. The Corporation hereby releases and discharges the Holder and any receiver from every claim of every nature, whether sounding in damages or not, which may arise or be caused to the Corporation or any person claiming through or under the Corporation by reason or as a result of anything done by the Holder or any successor or assign claiming through or under the Holder or any receiver under the provisions of this Agreement unless such claim be the result of dishonesty or gross neglect.

## **ARTICLE 8 MISCELLANEOUS**

### **8.1 Costs**

The Corporation shall reimburse the Holder on demand for all interest, commissions, costs of realization (which for the purposes of this Agreement shall include any loans or advances made by the Holder to a receiver, receiver-manager or agent) and other costs and expenses (including legal fees and expenses on a solicitor and client basis) incurred by the Holder or any receiver in connection with the preparation, execution, perfection, protection, enforcement of and advice with respect to this Agreement, including, without limitation, those arising in connection with the realization, disposition, retention, protection or collection of any Secured Property and the protection or enforcement of the rights, remedies and powers of the Holder or any receiver and those incurred for perpetual registration of any financing statement registered in connection with the Security Interests. All amounts for which the Corporation is required under this Agreement to reimburse the Holder or any receiver shall, from the date of disbursement until the date the Holder or the receiver receives reimbursement, be deemed advanced to the Corporation by the Holder, shall be deemed to be Obligations secured hereby and shall bear interest at the highest rate per annum charged by the Holder on any of the other Obligations.

## **8.2 Entire Agreement**

This Agreement contains the entire agreement between the parties relating to the Security Interest granted herein. No modification of this Agreement shall be binding unless in writing and signed by the Holder and the Corporation. There are no representations, warranties, covenants or acknowledgements affecting, or relied upon in connection with entering into, this Agreement or any Secured Property other than as expressed in this Agreement in writing.

## **8.3 Severability**

Any provision of this Agreement prohibited by law or otherwise ineffective shall be ineffective only to the extent of such prohibition or ineffectiveness and shall be severable without invalidating or otherwise affecting the remaining provisions of this Agreement.

## **8.4 Continuing Security**

The rights, remedies and powers conferred by this Agreement are cumulative and are in addition to, and not in substitution for, any other rights, remedies or powers the Holder may have under this Agreement, by contract, at law, in equity or by or under the PPSA or any other statute. The Holder may proceed by way of any action, suit or other proceeding at law, in equity or by contract, and no right, remedy or power of the Holder shall be exclusive of or dependent on any other. The Holder may exercise any of its rights, remedies or powers separately or in combination and at any time.

## **8.5 Security Interests Effective Immediately**

Neither the execution of, nor any filing with respect to, this Agreement shall obligate the Holder to make any advance or loan or further advance, or bind the Holder to grant or extend any credit to the Corporation, but the Security Interest shall take effect forthwith upon the execution of this Agreement by the Corporation.

## **8.6 Statutory Waivers**

To the fullest extent permitted by law, the Corporation waives all of the rights, benefits and protections given by the provisions of any existing or future statute which imposes limitations upon the powers, rights or remedies of the Holder or upon the methods of realization of security, including any seize or sue or anti-deficiency statute or any similar provisions of any other statute.

## **8.7 Reasonableness**

The Corporation acknowledges that the provisions of this Agreement and, in particular, those respecting rights, remedies and powers of the Holder and any receiver against the Corporation, its business and any Secured Property upon the occurrence of an Event of Default, are commercially reasonable and not manifestly unreasonable.

## **8.8 Further Assurances**

The Corporation shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all such further acts, deeds, transfers, assignments, security agreements and assurances as the Holder may reasonably require in order to give effect to the

provisions of this Agreement and for the better granting, transferring, assigning, charging, setting over, assuring, confirming or perfecting the Security Interest and the priority accorded to it by law or under this Agreement. The Corporation further agrees that a carbon, photographic, photostatic or other reproduction of this Agreement or of a financing statement is sufficient as a financing statement.

### 8.9 Notices

Unless otherwise provided in this Agreement, any demand, notice or communication given or required to be given to a party under this Agreement shall be in writing and shall be personally delivered or given by transmittal by facsimile transmission addressed to the respective parties at its address or facsimile number set forth below or to such other address or facsimile number as such party may designate by notice in writing to the other party hereto:

- (a) if to the Corporation, at:

Bitcoin Canada Investments Inc.  
208 Queen's Quay West, Suite 2506  
Toronto, Ontario  
M5J 2Y5

Attention: Daniel Wettreich, Chairman and Chief Executive Officer  
Email: [dw@GreenBankCapitalInc.com](mailto:dw@GreenBankCapitalInc.com)

- (b) if to the Holder, at:

\_\_\_\_\_  
\_\_\_\_\_

Any demand, notice or communication made by or given by personal delivery shall be conclusively deemed to have been made or given on the day of actual delivery thereof and, if made or given by facsimile, on the first day other than a Saturday, Sunday or a statutory holiday in Ontario following the transmittal thereof.

### 8.10 Discharge

Upon payment and performance by the Corporation of the Obligations, the Holder shall, upon the Corporation's written request, deliver up this Agreement to the Corporation and shall, at the expense of the Corporation, cancel and discharge the Security Interest and execute and deliver to the Corporation such documents as shall be requisite to discharge the Security Interest hereby constituted.

### 8.11 Headings

All headings and titles in this Agreement are for reference only and are not to be used in the interpretation of the terms of this Agreement.

**8.12 Binding Effect**

This Agreement shall be binding on the Corporation and its successors, heirs, administrators and executors and shall enure to the benefit of the Holder and its successors and assigns.

**8.13 Assignment**

This Agreement may not be assigned by the Holder.

**8.14 Applicable Law**

This Agreement shall be construed and enforceable under and in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. The Corporation hereby irrevocably attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario for the purpose of any legal or equitable suit, action or proceeding in connection with this Agreement.

**8.15 Delivery of Copy**

The Corporation hereby acknowledges receiving a copy of this Agreement.

**8.16 Counterparts**

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to constitute one and the same instrument.

**8.17 Facsimile**

The Corporation and the Holder agree that this Agreement or any counterpart thereto may be executed by one party and forwarded to the other party by facsimile transmission and that receipt by facsimile transmission of a copy of this Agreement or a counterpart thereto executed by a party will bind that party.

**[The next page is the signature page.]**

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement as of the date first above written.

**BITCOIN CANADA INVESTMENTS INC**

By: \_\_\_\_\_  
Name: Daniel Wettreich  
Title: Chairman and Chief Executive Officer

Agreed to and accepted as of the date first written above.

\_\_\_\_\_  
By: \_\_\_\_\_  
Name: \_\_\_\_\_

**SCHEDULE "A"**  
**PERMITTED ENCUMBRANCES**

1. Any Lien created by, or arising under any statute or regulation or common law (in contrast with Liens voluntarily granted) in connection with, without limiting the foregoing, workers' compensation, unemployment insurance, employers' health tax or other social security or statutory obligations that secure amounts that are not yet due or which are being contested in good faith by proper proceedings diligently pursued and as to which adequate reserves have been established on the Corporation's books and records and a stay of enforcement of the Lien is in effect.
2. Any Lien for taxes not due or being contested in good faith by appropriate proceedings diligently pursued and as to which adequate reserves have been established on the Corporation's books and records and a stay of enforcement of the Lien is in effect.
3. Restrictions, easements, rights-of-way, servitudes or other similar rights in land (including rights-of-way and servitudes for railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light and power and telephone or telegraph or cable television conduits, poles, wires and cables) granted to or reserved by other Persons which in the aggregate do not materially impair the usefulness, in the operation of the business of the Corporation, of the real property subject to the restrictions, easements, rights-of-way, servitudes or other similar rights in land granted to or reserved by other Persons and, in each case, which do not impair the Holder's rights and remedies in respect of the Obligations or this Agreement.
4. The reservations, limitations, provisos and conditions, if any, expressed in any original grants from the Crown

**SCHEDULE "E"**

**BITCOIN ANGEL CAPITAL INC**

**CONVERTIBLE SECURED DEBENTURE**

**AND**

**GENERAL SECURITY AGREEMENT**

# BITCOIN ANGEL CAPITAL INC

## CDN. \$1 CONVERTIBLE SECURED DEBENTURE

Cdn. \$ \_\_\_\_\_, 2014

FOR VALUE RECEIVED BITCOIN ANGEL CAPITAL INC ., a corporation under the laws of British Columbia (the "Corporation") hereby acknowledges itself indebted to, and promises to pay to \_\_\_\_\_ (the "Holder"), in lawful money of Canada, the amount of Cdn.\$ \_\_\_\_\_, in accordance with the terms of this secured debenture (the "Debenture").

### 1. Interpretation

Whenever used in this Debenture, the following words and terms have the meanings set out below:

"Act" means the *Business Corporations Act* (British Columbia);

"Affiliate" has the meaning given to that term in the Act;

"Articles" means the articles of incorporation of the Corporation issued under the Act, including any articles of amendment issued in respect thereof, as such may be amended, modified or supplemented from time to time;

"Business Day" means any day, other than Saturday, Sunday or a statutory holiday in Toronto, Ontario;

"Event of Default" has the meaning ascribed thereto in Section 8;

"General Security Agreement" means the general security agreement granting a security interest over the assets of the Corporation in favour of the Holder dated the date hereof;

"Maturity Date" means December 31, 2015

"Obligations" means, at any time, the outstanding principal amount of this Debenture together with accrued yield thereon.

"Conversion Rate" means the right to convert each \$1 Debenture into four common shares of the Corporation at the time of listing of the common shares of the Corporation on the Canadian National Stock Exchange ("CNSX")

"Yield" means the right to receive 90% of the net profits after all expenses from the sale of Bitcoin Angel investments owned by the Corporation



2. **Maturity**

Unless earlier repaid or converted at the Conversion Rate as provided in Section 3 or demanded as provided in Section 8, the Obligations will be due and payable in full by the Corporation on the Maturity Date.

3. **Prepayment and Conversion**

- (a) Amounts owing under this Debenture may be prepaid by the Corporation, in whole or in part, with no penalty, at any time prior to the Maturity Date by providing the Holder with five (5) days prior written notice (the "Prepayment Notice"). Any such prepayment may apply to part of the outstanding principal amount of this Debenture together with accrued interest thereon.
- (b) Notwithstanding the foregoing, the Corporation shall be entitled to prepay any amounts owing under this Debenture if the Holder: (i) makes or agrees to make an assignment for the benefit of its creditors; (ii) institutes proceedings to be adjudged a bankrupt; (iii) is declared a bankrupt or makes an assignment in respect thereof; or (iv) otherwise takes any action in respect of the settlement of claims of its creditors.
- (c) Each Cdn.\$1 Debenture will be converted at the Conversion Rate simultaneous with the public listing of the common shares of the Corporation on the CNSX on or before the Maturity Date. Upon conversion at the Conversion Rate and the issuance of common shares relating thereto, this Debenture shall be surrendered to the Corporation for cancellation, and if not so surrendered will no longer be an obligation of the Corporation.

4. **Payment**

- (a) All payments made hereunder shall be made in lawful money of Canada at such place as the Holder may from time to time designate in writing to the Corporation. All payments made hereunder shall be applied first to accrued and unpaid interest or fees and then to outstanding principal.
- (b) Upon payment in full in accordance with this Debenture of all of the Obligations, this Debenture shall be surrendered to the Corporation for cancellation.
- (c) The Corporation waives presentment, protest, presentation of the Debenture and any other condition precedent to payment to the Holder.
- (d) All payments made hereunder shall be made unconditionally, indefeasibly and in full without deduction, setoff, recoupment, counterclaim or other defence, all of which are hereby waived to the maximum extent permitted by applicable law.

5. **Yield**

The Obligations outstanding from time to time hereunder shall bear a Yield as defined herein, commencing on the date hereof. Such Yield, if any, shall be calculated and payable quarterly on the last day of March, June, September and December in each year.

6. **Debenture is Non-Transferable**

This Debenture, may not be sold, assigned or transferred without the prior written consent of the Corporation and the Corporation shall not be liable for any additional costs that may be associated or incurred in connection with any such transfer, including without limitation any withholding taxes.

7. **Events of Default**

The occurrence of any one or more of the following events shall constitute an event of default under this Debenture if the Corporation has not cured such default within ten (10) days of receipt of written notice of such default from the Holder (each an "Event of Default"):

- (a) the Corporation fails to pay when due, after any applicable grace periods, any outstanding principal amount hereunder or any accrued Yield on such principal amount;
- (b) the Corporation shall not have complied with its covenants under this Debenture; or
- (c) the occurrence of an Event of Default (as defined in the General Security Agreement) under the General Security Agreement.

8. **Rights and Remedies**

At any time after an Event of Default has occurred, the Holder may, at its option: (a) declare the Obligations to be immediately due and payable; and/or (b) exercise any or all other rights and remedies available to the Holder under the Debenture, the General Security Agreement or applicable law. In addition, the Corporation shall pay all reasonable costs and expenses, including solicitor fees and court costs, of collecting the outstanding principal amount, interest, fees and expenses due under the Debenture and of exercising the Holder's rights and remedies with respect to any and all pledges, liens and security interests in favour of the Holder relating to the Debenture and any other reasonable costs and expenses incurred by the Holder in enforcing and preserving its rights hereunder regardless of whether an Event of Default shall have been declared.

9. **Security**

As security for the due and punctual payment of all of its obligations to the Holder, the Corporation shall execute the General Security Agreement contemporaneously with the delivery of this Debenture to the Holder.

10. **Governing Law**

This Debenture and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

11. **Notices**

Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be given by facsimile or by delivery as hereinafter provided. Any such notice or other communication, if sent by facsimile, shall be deemed to have been received on the Business Day following the sending, or, if delivered by hand or courier, shall be deemed to have been received at the time it is delivered to the applicable address noted below either to the individual designated below or to an individual at such address having apparent authority to accept deliveries on behalf of the addressee. Notice of change of address shall also be governed by this section. Notice and other communications shall be addressed as follows:

(a) if to the Corporation:

Bitcoin Angel Capital Inc.  
208 Queens Quay West, Suite 2506  
Toronto, Ontario  
M5J 2Y5

Attention: Daniel Wettreich, Chairman and Chief Executive Officer

Email: [dw@GreenBankCapitalInc.com](mailto:dw@GreenBankCapitalInc.com)

(b) if to the Holder:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

12. **Waiver**

No failure or delay on the part of the Holder in exercising any right, power or remedy provided herein may be, or may be deemed to be a waiver thereof; nor any single or partial exercise of any right, power or remedy preclude any other or further exercise of such right power or remedy or any other right, power or remedy.

13. **Severability**

If any provision (or any part of any provision) contained in this Debenture shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision (or remaining part of the affected provision) of the Debenture, but the Debenture shall be construed as if such invalid, illegal or unenforceable provision (or part thereof) had never been contained herein but only to the extent such provision (or part thereof) is invalid, illegal or unenforceable.

14. **Enurement**

The rights and obligations of the Corporation and the Holder under this Debenture shall be binding upon and enure to their respective permitted successors, assigns, heirs, administrators and transferees.

15. **No Impairment**

The Corporation will not, through any reorganization, consolidation, merger or dissolution, sale of assets or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of the Debenture. Nothing contained herein shall restrict or otherwise prevent the Corporation from implementing any reorganization, consolidation, amalgamation, merger or dissolution, sale of assets or any other voluntary action which is not of the nature contemplated in the foregoing sentence.

16. **Counterparts and Facsimile**

This Debenture may be executed in two or more counterparts and by facsimile, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

**[The next page is the signature page.]**

**IN WITNESS WHEREOF** the Corporation has caused this Debenture to be signed in its name as of the date first written above.

**BITCOIN ANGEL CAPITAL INC.**

By: \_\_\_\_\_  
Name: Daniel Wettriech  
Title: Chairman and Chief Executive Officer

Agreed to and accepted as of the date first written above.

\_\_\_\_\_

By: \_\_\_\_\_

## GENERAL SECURITY AGREEMENT

THIS AGREEMENT is made as of the \_\_\_ day of \_\_\_\_\_, 2014

BETWEEN:

\_\_\_\_\_  
\_\_\_\_\_  
(collectively the "Holder")

- and -

BITCOIN ANGEL CAPITAL INC.  
(the "Corporation")

THEREFORE, the parties agree as follows:

### ARTICLE 1 DEFINITIONS

#### 1.1 Defined Terms

Unless the context otherwise requires or unless otherwise specified, all the terms used in this Agreement without initial capitals which are defined in the *Personal Property Security Act* (Ontario), as it may be amended, supplemented, re-enacted or succeeded by successor legislation of comparable effect (the "PPSA"), have the same meanings in this Agreement as in the PPSA.

#### 1.2 Definitions

In this Agreement, the following terms shall have the meanings set out below:

**"Account Debtor"** means the party required to pay or perform obligations due to the Corporation under the Accounts, Chattel Paper, Contracts or Instruments and **"Account Debtors"** means, collectively, all of them;

**"Accounts"** means all debts, accounts, claims, rents, monies and choses in action which are now or which may at any time hereafter be due and owing to or owned by the Corporation or in which the Corporation now or hereafter has any other interest, or any part thereof;

**"Agreement"** means this agreement including any recitals and schedules hereto, as may be amended, supplemented or restated in writing from time to time;

**"Chattel Paper"** means all chattel paper in which the Corporation now or hereafter has an interest, and any part of such interest;

**“Contracts”** means any contracts, agreements, indentures, licences, commitments, entitlements, engagements or other arrangements, whether written or unwritten, to which the Corporation is now or hereafter a party or has a benefit, right or in which the Corporation now or hereafter has an interest;

**“Debenture”** means the secured debenture issued by the Corporation to the Holder dated with even date herewith;

**“Documents of Title”** means all documents of title, whether negotiable or non-negotiable, including all warehouse receipts and bills of lading, in which the Corporation now or hereafter has an interest, and any part thereof;

**“Equipment”** means all goods in which the Corporation now or hereafter has an interest (other than Inventory or consumer goods) and any part thereof, including all equipment, tools, apparatus, fixtures, plant, machinery, furniture and vehicles, and all other personal property, of whatever nature or kind and wherever situate, and accessions thereto, on or under the Mineral Claims, in whatever state and wherever situate;

**“Event of Default”** has the meaning ascribed thereto in Section 6.1;

**“Facility”** has the meaning ascribed thereto in section 3.1(a);

**“Bitcoin Property”** consists of all the Bitcoin investments owned by the Corporation

**“Instruments”** means all letters of credit, advices of credit and all other instruments in which the Corporation now or hereafter has an interest, and any part thereof;

**“Intangibles”** means all intangible property of whatever kind in which the Corporation now or hereafter has an interest, (a) including all of the Corporation’s rights under Contracts, Intellectual Property Rights, Technical Information and Permits and (b) related to its mining operations on or under the Mining Claims which the Corporation is or becomes possessed of or entitled to or which may be hereafter acquired by the Corporation, and all books, records and titled deeds, and all revenues, Accounts, accounts receivable and book debts, including related to or derived from the sale of ore and minerals (including refined or partly refined) produced by the Corporation’s mining operations on the Mining Claims, in whatever state or wherever situate;

**“Intellectual Property Rights”** means all trade-marks, trade-names, brands, trade dress, business names, uniform resource locators (“URL”), domain names, tag lines, designs, graphics, logos and other commercial symbols and indicia of origin, goodwill, patents and inventions, copyrights, industrial designs and other intellectual property rights, whether registered or not or the subject of a pending application for registration, that are owned by or licensed to the Corporation;

**“Inventory”** means all inventory of whatever kind and wherever situate in which the Corporation now or hereafter has an interest, including all goods, merchandise, raw materials, goods in process, finished goods and other tangible personal property held for sale, lease, resale or exchange or furnished or to be furnished under contracts for service or that are used or consumed in the business of the Corporation, and any part thereof,

including without limitation all present and hereafter acquired inventory of ore and minerals (including refined and partly refined) produced from the Corporation's mining operations on or under the Mining Claims, in whatever state and wherever situate;

**"Money"** means all money in which the Corporation now or hereafter has an interest, and any part thereof;

**"Obligations"** has the meaning ascribed thereto in Section 3.1;

**"Place of Business"** means collectively the Corporation's places of business at (a) 208 Queens Quay West, Suite 2506, Toronto, Ontario, M5J 2Y5 and (b) the Mining Claims;

**"Proceeds"** means all proceeds and personal property in any form derived directly or indirectly from any dealing with the Bitcoin Property or any part thereof and any insurance or payment that indemnifies or compensates for such property lost, damaged or destroyed, and proceeds of proceeds and any part thereof;

**"Secured Property"** means the property, assets, rights and undertaking of the Corporation, including all Bitcoin investments, personal property, Accounts, Chattel Paper, Contracts, Documents of Title, Equipment, Intangibles, Instruments, Intellectual Property Rights, Inventory, Money, Permits, Securities, Technical Information, Proceeds, together with all increases, additions and accessions thereto and all substitutions or any replacements thereof;

**"Securities"** means all shares, limited partnership units, trust units, stock, warrants, bonds, debentures, debenture stock and other securities in which the Corporation now or hereafter has an interest, and any part thereof;

**"Security Interest"** means the security interest granted under Section 2.1; and

**"Technical Information"** means all know-how and information owned by or licensed to the Corporation, confidential or otherwise, including any information of a scientific, technical, financial or business nature regardless of its form.

### 1.3 Inclusion

Where the word "including" or "includes" is used in this Agreement it means "including (or includes) without limitation".

## ARTICLE 2 SECURITY INTERESTS

### 2.1 Security Interest

As continuing security for the repayment and the performance of each of the Obligations, the Corporation hereby charges by way of a floating charge, and grants to the Holder a security interest in, all of the Corporation's property, assets, rights and undertaking of every nature and kind, now or hereafter acquired and at any time and from time to time existing or in which the Corporation has or acquires an interest, wherever situate, including all of the Secured Property.



## **2.2 Nature of Security Interests**

The Security Interest is intended to operate as a floating charge of all of the Secured Property presently existing and, with respect to all future Secured Property, to operate as a floating charge of such future Secured Property.

## **2.3 Attachment**

The Corporation acknowledges that value has been given. The Security Interest is intended to attach, as to all of the Secured Property, upon execution by the Corporation of this Agreement.

## **2.4 Leases**

The last day of any term reserved by any lease, written or unwritten, or any agreement to lease, now held or hereafter acquired by the Corporation is hereby excepted out of the Security Interest. As further security for the payment of the Obligations, the Corporation agrees that it will stand possessed of the reversion of such last day of the term and shall hold it in trust for the Holder for the purpose of this Agreement. The Corporation shall assign and dispose of the same in such manner as the Holder may from time to time direct in writing, without cost or expense to the Holder. Upon any sale, assignment, sublease or other disposition of such lease or agreement to lease, the Holder shall, for the purpose of vesting the residue of any such term in any purchaser, assignee, sublessee or such other acquirer of the lease, agreement to lease or any interest therein, be entitled by deed or other written instrument to assign to such other person, the residue of any such term in place of the Corporation and to vest the residue freed and discharged from any obligation whatsoever respecting the same.

## **2.5 Consent**

Nothing herein shall constitute an assignment or attempted assignment of any contract or agreement which, by the provisions thereof or by law, is not assignable or which requires the consent of a third party to its assignment unless such consent has been obtained. In each such case, the Corporation shall, unless the Holder otherwise agrees in writing, forthwith, upon written request by the Holder, attempt to obtain the consent of any necessary third party to its assignment hereby and to its further assignment by the Holder to any third party who may acquire same as a result of the exercise by the Holder of remedies after demand. Upon such consent being obtained or waived, this Agreement shall apply to the applicable contract or agreement without regard to this section and without the necessity of any further assurance to effect the assignment thereof. Unless and until the consent to assignment is obtained as provided above, the Corporation shall, to the extent it may do so by law or pursuant to the provisions of the document or interest referred to therein, hold all benefit to be derived from the applicable contracts or agreements in trust for the Holder (including the Corporation's beneficial interest in any contract or agreement which may be held in trust for the Corporation by a third party) as additional security for payment of Obligations and shall deliver up all such benefit to the Holder, forthwith upon demand by the Holder.

## **2.6 Licences and Permits**

The mortgage, charge and security interest granted hereby do not and shall not extend to any rights, licence, permit or certificate of approval (the "rights") to which the Corporation is a party

or of which the Corporation has the benefit, to the extent that the grant of such mortgage, charge or security interest herein would constitute a breach of the terms of or permit any person to terminate such rights, but the Corporation shall hold its interest therein in trust for the Holder and upon the occurrence of an Event of Default the Holder shall be entitled to the benefit of such rights held by the Corporation..

### **ARTICLE 3 OBLIGATIONS SECURED**

#### **3.1 Obligations**

The Secured Property constitutes and will constitute continuing security for the following obligations (the "Obligations") of the Corporation to the Holder:

- (a) **Indebtedness** - The prompt payment, as and when due and payable, of all amounts now or hereafter owing by the Corporation to the Holder, including by way of guarantee or indemnity, whether now existing or hereafter incurred, matured or unmatured, direct, indirect or contingent, including any amendments, restatements, supplements, extensions, renewals and replacements thereof and including without limiting the generality of the foregoing all amounts now or hereafter owing by the Corporation to the Holder under the Debenture and under this Agreement.
  
- (b) **Performance of Agreements** - The strict performance and observance by the Corporation of all agreements, warranties, representations, covenants and conditions of the Corporation made pursuant to this Agreement or any other agreement between the Corporation and the Holder (including the Debenture), in each case as now in effect or as hereafter entered into, amended, restated, supplemented, renewed, extended or replaced from time to time.

### **ARTICLE 4 CORPORATION'S REPRESENTATIONS, WARRANTIES AND COVENANTS**

#### **4.1 Covenants**

Unless compliance with the following covenants is waived by the Holder in writing or unless non-compliance with any such covenants is otherwise consented to by the Holder in writing, the Corporation covenants and agrees that:

- (a) **Continued Existence** - The Corporation shall maintain its corporate existence in good standing and shall ensure that it has, at all times, full power and corporate authority to carry on the activities conducted by it and to perform its obligations under this Agreement;
  
- (b) **Good Repair** - The Corporation shall keep the Secured Property in good order, condition and repair, under the laws of the Province of Ontario;

- (c) **Compliance with Agreements and Laws** - The Corporation shall not use the Secured Property in violation of this Agreement or any other agreement relating to the Secured Property or any policy insuring the Secured Property or any applicable statute, law, by-law, rule, regulation, court order or ordinance;
- (d) **Notification to Holder** -The Corporation shall promptly notify the Holder of:
  - (i) **Claims and Liens** - any claim, lien, charge, security interest or other encumbrance made or asserted against any of the Secured Property, except any Permitted Encumbrance; and
  - (ii) **Proceedings** - any suit, action or proceeding affecting any of the Secured Property or which could affect the Corporation,and the Corporation shall, at its own expense, defend the Secured Property against any and all such claims, liens, charges, security interests or other encumbrances and against any and all such suits, actions or proceedings;
- (e) **No Accessions or Fixtures** - The Corporation shall prevent the Secured Property from becoming an accession to any property other than the Secured Property or from becoming a fixture;
- (f) **Marking the Secured Property** - The Corporation shall, at the request of the Holder, mark or otherwise take appropriate steps to identify the Secured Property to indicate clearly that it is subject to the Security Interest;
- (g) **Disposition** - The Corporation will not transfer, assign, sell, lease or otherwise dispose of the Secured Property or any interest therein without the prior written consent of the Holder;
- (h) **Changes and Other Names** - The Corporation shall not: (i) carry on business or use any name or style other than the names specified in this Agreement; (ii) change the location of its Place of Business, chief executive office, or the records in respect thereof; or (iii) change its name, in each case without giving to the Holder twenty (20) days prior written notice of such change;
- (i) **Servicing of Payables** - The Corporation shall pay in accordance with normal trade practices all amounts which are payable by it howsoever arising, including all rents, charges, taxes, rates, levies, assessments, fees and duties and, upon request, shall provide the Holder with evidence of such payment;
- (j) **Notice of Loss** - The Corporation shall give immediate written notice to the Holder of:
  - (i) all loss or damage to or loss of possession of the Secured Property or any part thereof otherwise than by disposition in accordance with the terms of this Agreement; and
  - (ii) any failure of any Account Debtor in payment or performance of obligations due to the Corporation which may affect the Secured Property;

- (k) **Conduct of Business** - The Corporation shall carry on and conduct business in a proper and efficient manner so as to protect and preserve the Secured Property, including retaining full possession of Equipment, Intangibles and Permits and explore, operate, manage, develop, use and enjoy the same and every part thereof in the ordinary course of business;
- (l) **Maintenance of Secured Property and Books** - The Corporation shall at all times keep accurate and complete records of the Secured Property as well as proper books of account for its business, all in accordance with generally accepted accounting principles, consistently applied, and shall maintain the currency of registration of its Intellectual Property Rights.
- (m) **Examination of Books and Records** - On seven (7) days notice by the Holder to the Corporation, the Holder or its agents shall have the right to examine the books of accounts, financial records and reports of the Corporation wherever and however such data may be stored.. All expenses relating to or arising out of such audits and inspections shall be borne by the Holder;
- (n) **Delivery of Documents** - The Corporation shall deliver to the Holder promptly upon request:
  - (i) **Books of Account** - all books of account and all records, ledgers, and reports, for the purpose of inspecting, auditing or copying the same;
  - (ii) **Financial Statements** - all financial statements prepared by or for the Corporation regarding the Corporation's business for the purpose of inspecting, auditing or copying the same;
  - (iii) **Policies of Insurance** - all policies and certificates of insurance relating to the Secured Property for the purpose of inspecting, auditing or copying the same;
  - (iv) **Contracts and Agreements** - all Contracts and all other agreements, licenses, permits and consents relating to the Secured Property and the Corporation's business for the purpose of inspecting, auditing or copying the same; and
- (o) **Risk and Insurance** - The Corporation bears the sole risk of any loss, damage, destruction or confiscation of or to the Secured Property during the Corporation's possession thereof or otherwise. Wherever possible and subject to a reasonable expense, the Corporation shall insure the Secured Property with insurers against loss or damage by fire, theft or other insurable perils customarily insured against by persons having an interest in such Secured Property for the full insurable value thereof with the Holder as an additional named insured and with loss payable to the Holder as its interest may appear. The Corporation shall also seek to obtain wherever possible and subject to a reasonable expense such other insurance coverage as the Holder may reasonably require from time to time. All such policies of insurance shall provide that the insurance coverage provided

thereunder shall not be changed or cancelled except on thirty (30) days' notice to the Holder; and

- (p) **No Amalgamation** - The Corporation shall not change the nature of its business or amalgamate or otherwise merge with any person, or change its incorporating jurisdiction, or permit all of or a substantial portion of its property to become the property of any other person (whether in one or a series of transactions) and the Corporation shall not do any act or thing that would materially adversely affect its business, property, prospects or financial condition and shall not permit any corporation of which it is the majority shareholder to do any of the foregoing.

## **ARTICLE 5 RIGHT TO DEAL**

### **5.1 Corporation's Rights before Default**

Until the occurrence of an Event of Default and subject to the terms of this Agreement, the Corporation is entitled to deal with the Secured Property in the ordinary course of business, provided, however, that no such action shall be taken which would impair the effectiveness of the Security Interest created by this Agreement or the value of the Secured Property or which would be inconsistent with or violate the provisions of this Agreement or any other written agreement between the Holder and the Corporation.

### **5.2 Securities**

Until the occurrence of an Event of Default and subject to the terms of this Agreement, the Corporation is entitled to receive dividends or other distributions, vote the Securities and give consents, waivers and ratifications in respect thereof, provided however that no such action shall be taken which would impair the effectiveness of the Security Interest created hereby or the value of the Securities or which would be inconsistent with or violate the provisions of this Agreement or any other written agreement between the Holder and the Corporation.

## **ARTICLE 6 DEFAULT**

### **6.1 Default**

The Corporation shall be in default under this Agreement upon the occurrence of any of the following events if the Corporation has not cured such default within seven (7) days of receipt of written notice of such default from the Holder (individually an "Event of Default" and, collectively, "Events of Default"):

- (a) **Performance of Obligations** - The Corporation defaults in payment or performance of any of the Obligations;
- (b) **Cease to Carry on Business** - The Corporation ceases or threatens to cease to carry on business;

- (c) **Event of Insolvency** - The occurrence or threat of any one of the following events:
- (i) **Dissolution** - The Corporation is wound up, dissolved or liquidated under any law or otherwise, becomes subject to the provisions of the *Winding-Up and Restructuring Act* (Canada), has its existence terminated or passes any resolution in connection therewith;
  - (ii) **Insolvency** - The Corporation makes a general assignment for the benefit of its creditors, acknowledges its insolvency, is declared or becomes bankrupt or insolvent or otherwise fails in its business;
  - (iii) **Act of Bankruptcy** - The Corporation commits an act of bankruptcy under the *Bankruptcy and Insolvency Act* (Canada);
  - (iv) **Bankruptcy Proposal** - Any filing of a proposal or notice of intention to make a proposal is made or a notice of intention to enforce security is issued in respect of the Corporation under the *Bankruptcy and Insolvency Act* (Canada);
  - (v) **Protection from Creditors** - Any filing is made or a proceeding is commenced in respect of the Corporation seeking any stay of proceedings, protection from creditors, moratorium, reorganization, arrangement, composition, re-adjustment or any other relief under any present or future law of any jurisdiction relative to bankruptcy, insolvency or other relief for debtors, including the *Companies' Creditors Arrangement Act* (Canada);
  - (vi) **Appointment of Trustee or Receiver** - Any trustee in bankruptcy, interim receiver, receiver, receiver and manager, custodian, sequestrator, administrator, monitor or liquidator or any other person with similar powers shall be appointed in respect of the Corporation, the Secured Property or any part thereof;
  - (vii) **Enforcement Against Secured Property** - Any holder of any security interest, mortgage, lien, charge, claim or encumbrance enforces against, delivers any notices relating to its rights or its intention to enforce against, or becomes entitled to enforce against or otherwise takes possession, management or control of the Secured Property or the interest of the Corporation therein, or any part thereof; or
  - (viii) **Seizure** - A distress, execution, warrant, garnishment, attachment, sequestration, levy, writ or any similar process is issued or enforced upon or against the Secured Property or any part thereof, or any third party demand is issued by the Crown, governmental agency, administrative body or any taxation authority in respect of the Corporation or any of the

Secured Property, or any other seizure is made by any such authorities on any part of the Secured Property.

- (d) **Sale in Bulk** - The Corporation makes or proposes to make any sale of its assets in bulk, other than in the ordinary course of business;
- (e) **Destruction** – A more than 90% portion of the Secured Property is damaged or destroyed;
- (f) **Encumbrances** - Except for the Permitted Encumbrances, and other than the Debentures, the Corporation shall create, assume or suffer to exist any mortgage, hypothec, charge, pledge, security interest, claim, lien, charge or other encumbrance in, of or on any of the Secured Property except in the ordinary course of business; or
- (g) **Event of Default under the Debenture** – an event of default by the Corporation pursuant to section 8 of the Debenture.

## 6.2 Security Enforceable

The fact that this Agreement provides for Events of Default and rights of acceleration shall not derogate from the nature of any Obligation which is payable on demand.

## ARTICLE 7 REMEDIES

### 7.1 Holder's Rights and Remedies

Upon the occurrence of an Event of Default, all of the Obligations shall, at the Holder's option and without notice to the Corporation, become immediately due and payable and the Holder may, at its option, proceed to enforce payment and performance of the Obligations and to exercise any or all of the rights and remedies contained in this Agreement (including the signification and collection of the Corporation's Accounts) or otherwise afforded by law, in equity or otherwise. The Holder shall have the right to enforce one or more remedies successively or concurrently in accordance with applicable law and the Holder expressly retains all rights and remedies not inconsistent with the provisions in this Agreement, including all the rights it may have under the PPSA. Without limiting the generality of the foregoing, the Holder may, upon the occurrence of any Event of Default and to the extent permitted by applicable law:

- (a) **Appointment of Receiver** - Appoint by instrument in writing a receiver (which term shall include a receiver and manager or agent) of the Corporation and of all or any part of the Secured Property and remove or replace such receiver from time to time or may institute proceedings in any court of competent jurisdiction for the appointment of a receiver. Any such receiver appointed by the Holder, with respect to responsibility for its acts, shall, to the extent permitted by applicable law, be deemed the agent of the Corporation and not of the Holder. Where the Holder is referred to in this Article, the reference includes, where the context permits, any receiver so appointed and the officers, employees, servants or agents of such receiver;

- (b) **Enter and Repossess** - Immediately and without notice enter the Corporation's premises and repossess, disable or remove the Secured Property;
- (c) **Retain the Collateral** - Retain and administer the Secured Property in the Holder's sole and unfettered discretion, which discretion the Corporation hereby acknowledges is commercially reasonable;
- (d) **Dispose of the Collateral** - Dispose of any Secured Property by public auction, private tender or private contract, with or without notice, advertising or any other formality, all of which are hereby waived by the Corporation to the extent permitted by law. The Holder may, to the extent permitted by law, at its discretion establish the terms of such disposition, including terms and conditions as to credit, upset, reserve bid or price. All payments made pursuant to such dispositions shall be credited against the Obligations only as they are actually received. The Holder may, to the extent permitted by law, enter into, rescind or vary any contract for the disposition of any Secured Property and may dispose of any Secured Property again without being answerable for any loss occasioned thereby. Any such disposition may take place whether or not the Holder has taken possession of the Secured Property;
- (e) **Securities** -
  - (i) **Disposal** - Without limiting the generality of Section 7.1(d), the Corporation hereby acknowledges that, when disposing of any Securities, the Holder may be unable to effect a public sale of any or all of the Securities, or to sell any or all of the Securities as a control block sale at more than a stated premium to the "market price" of any shares, stock, instruments, warrants, bonds, debenture stock and other securities forming part of the Securities, by reason of certain prohibitions contained in the *Securities Act* (Ontario) and applicable laws of other jurisdictions, but may be compelled to resort to one or more private sales to a restricted group of purchasers who may be obliged to agree, among other things, to acquire such Securities as principal and to comply with other resale restrictions provided for in the *Securities Act* (Ontario) and other applicable laws. The Corporation acknowledges and agrees that any such private sale may result in prices and other terms less favourable to the seller than if such sale were a public sale or a control block sale and, notwithstanding such circumstances, agrees that any such private sale shall not be deemed to have been made in a commercially unreasonable manner solely by reason of its being a private sale. The Holder shall be under no obligation to delay a sale of any of the Securities for the period of time necessary to permit the issuer of such securities to qualify such Securities for public sale under the *Securities Act* (Ontario) or under applicable securities laws of other jurisdictions, even if the issuer would agree to do so, or to permit a prospective purchaser to make a formal offer to all or substantially all holders of any class of securities forming any part of the Securities;
  - (ii) **Exercise of Rights** - Elect by written notice to the Corporation and to an officer of the issuer of the Securities, that all or part of the rights of the



Corporation in the Securities including the right to vote, give consents, waivers or ratifications and take other actions and receive dividends or other distributions, shall cease and upon such election all such rights shall become vested in the Holder or as it may direct;

- (iii) **Registration** - Require that the Securities be registered in the name of the Holder or as it may direct and the Holder may thereafter, without notice, exercise any and all voting and corporate rights at any meeting of the issuer(s) thereof and exercise any and all rights, privileges or options pertaining to the Securities as if it were the absolute owner, including the right to exchange, at its discretion, any and all of the Securities upon the amalgamation, merger, consolidation, reorganization, recapitalization or other readjustment of the issuer thereof or upon the exercise by the issuer thereof of any right, privilege or option pertaining to any of the Securities and, in connection therewith, to deposit and deliver any and all of the Secured Property with any committee, depository, transfer agent, registrar or other designated agency upon such terms and conditions as it may determine;
- (f) **Foreclosure** - Foreclose upon the Secured Property;
- (g) **Collection of Accounts** - On its own account or through a receiver, receiver-manager or agent and whether alone or in conjunction with the exercise of all or any other remedies contemplated by this Agreement, notify and direct Account Debtors to make all payments to the Holder and hold all amounts acquired from any Account Debtors and any Proceeds as part of the Secured Property. Upon the occurrence and during the continuance of an Event of Default, any payments received by the Corporation shall be held by the Corporation in trust for the Holder in the same medium in which received, shall not be commingled with any assets of the Corporation and shall, at the request of the Holder, be turned over to the Holder not later than the next business day following the day of their receipt;
- (h) **Carry on Business** - Carry on or concur in the carrying on of all or any part of the business of the Corporation and may, in any event, to the exclusion of all others, including the Corporation, enter upon, occupy and use all premises of or occupied or used by the Corporation and use any of the personal property (which shall include fixtures) of the Corporation for such time and for such purposes as the Holder sees fit. The Holder shall not be liable to the Corporation for any neglect in so doing or in respect of any rent, costs, charges, depreciation or damages in connection therewith;
- (i) **Payment of Encumbrances** - Pay any encumbrance, lien, claim or charge that may exist or be threatened against the Secured Property. Any amount so paid together with costs, charges and expenses incurred in connection therewith shall be added to the Obligations;

- (j) **Payment of Deficiency** - Sue the Corporation to collect the amount of any deficiency resulting from the insufficiency of the Proceeds of realization to satisfy all monetary Obligations (which deficiency the Corporation is under a duty to forthwith pay or cause to be paid to the Holder); and
- (k) **Dealing with Secured Property** - Subject to applicable law, seize, collect, realize, borrow money on the security of, release to third parties, sell (by way of public or private sale), lease or otherwise deal with the Secured Property in such manner, upon such terms and conditions, at such time or times and place or places and for such consideration as may seem to the Holder advisable and without notice to the Corporation. The Holder may charge on its own behalf and pay to others sums for expenses incurred and for services rendered (expressly including legal, consulting, broker, management, receivership and accounting fees) in or in connection with seizing, collecting, realizing, borrowing on the security of, selling or obtaining payment of the Secured Property and may add all such sums to the Obligations.

## **7.2 Power of Attorney**

The Corporation hereby constitutes and appoints, upon the occurrence and during the continuance of an Event of Default, any officer or trustee of the Holder from time to time, or any receiver appointed by the Corporation as provided for in this Agreement, as the true and lawful attorney of the Corporation irrevocably with full power of substitution to do, make and execute all such documents, acts, matters or things with the right to use the name of the Corporation whenever and wherever it may be deemed necessary or expedient in connection with the exercise of its rights and remedies set forth in this Agreement. Without limiting the generality of the foregoing, the Holder or its agent is authorized to sign any financing statements and similar forms which may be necessary or desirable to perfect the Security Interest in any jurisdiction on behalf of the Corporation. The Corporation hereby declares that the irrevocable power of attorney granted hereby, being coupled with an interest, is given for valuable consideration.

## **7.3 Assemble the Secured Property**

Upon the occurrence, and during the continuance of, an Event of Default, to assist the Holder in the implementation of its rights and remedies hereunder, the Corporation will, at its own risk and expense and immediately upon the Holder's request, assemble and prepare for removal such items of the Secured Property as are selected by the Holder as shall, in the Holder's sole judgment, have a value sufficient to cover all the Obligations.

## **7.4 Allocation of Proceeds**

All monies collected or received by the Holder in respect of the Secured Property may be held by the Holder and may be applied on account of such parts of the Obligations at the sole discretion of the Holder.

## **7.5 Waivers and Extensions**

The Holder may waive default or any breach by the Corporation of any of the provisions contained in this Agreement. No waiver shall extend to a subsequent breach or default, whether

or not the same as or similar to the breach or default waived, and no act or omission of the Holder shall extend to or be taken in any manner whatsoever to affect any subsequent breach or default of the Corporation or the rights of the Holder resulting therefrom. Any such waiver must be in writing and signed by the Holder to be effective.

The Holder may also grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, release the Secured Property to third parties and otherwise deal with the Corporation's guarantors or sureties and others and with the Secured Property and other securities as the Holder may see fit without prejudice to the liability of the Corporation to the Holder, or the Holder's rights, remedies and powers under this Agreement. No extension of time, forbearance, indulgence or other accommodation now, heretofore or hereafter given by the Holder to the Corporation shall operate as a waiver, alteration or amendment of the rights of the Holder or otherwise preclude the Holder from enforcing such rights.

#### **7.6 Effect of Possession or Receiver**

Following an Event of Default, as soon as the Holder takes possession of any Secured Property or appoints a receiver, all powers, functions, rights and privileges of the Corporation and the directors and officers of the Corporation with respect to the Secured Property shall cease, unless specifically continued by the written consent of the Holder or the receiver.

#### **7.7 Indemnity**

The Corporation shall indemnify and save harmless the Holder from any and all costs, expenses, liabilities and damages which may be incurred by the Holder in connection with:

- (a) the Secured Property;
- (b) the occurrence of an Event of Default; and
- (c) the enforcement of its rights under this Agreement.

## **7.8 Limitation of Liability**

The Holder shall not be liable or accountable:

- (a) by reason of any entry into or taking possession of any of the Secured Property hereby charged or intended so to be or any part thereof, to account as mortgagee in possession or for anything except actual receipts, or for any loss on realization or any act or omission for which a secured party in possession might be liable; or
- (b) for any failure to exercise its remedies, take possession of, seize, collect, realize, sell, lease or otherwise dispose of or obtain payment for the Secured Property and shall not be bound to institute proceedings for such purposes or for the purpose of preserving any rights, remedies or powers of the Holder, the Corporation or any other person in respect of same.

The Holder shall not by virtue of these presents be deemed to be a mortgagee in possession of the Secured Property. The Corporation hereby releases and discharges the Holder and any receiver from every claim of every nature, whether sounding in damages or not, which may arise or be caused to the Corporation or any person claiming through or under the Corporation by reason or as a result of anything done by the Holder or any successor or assign claiming through or under the Holder or any receiver under the provisions of this Agreement unless such claim be the result of dishonesty or gross neglect.

## **ARTICLE 8 MISCELLANEOUS**

### **8.1 Costs**

The Corporation shall reimburse the Holder on demand for all interest, commissions, costs of realization (which for the purposes of this Agreement shall include any loans or advances made by the Holder to a receiver, receiver-manager or agent) and other costs and expenses (including legal fees and expenses on a solicitor and client basis) incurred by the Holder or any receiver in connection with the preparation, execution, perfection, protection, enforcement of and advice with respect to this Agreement, including, without limitation, those arising in connection with the realization, disposition, retention, protection or collection of any Secured Property and the protection or enforcement of the rights, remedies and powers of the Holder or any receiver and those incurred for perpetual registration of any financing statement registered in connection with the Security Interests. All amounts for which the Corporation is required under this Agreement to reimburse the Holder or any receiver shall, from the date of disbursement until the date the Holder or the receiver receives reimbursement, be deemed advanced to the Corporation by the Holder, shall be deemed to be Obligations secured hereby and shall bear interest at the highest rate per annum charged by the Holder on any of the other Obligations.

## **8.2 Entire Agreement**

This Agreement contains the entire agreement between the parties relating to the Security Interest granted herein. No modification of this Agreement shall be binding unless in writing and signed by the Holder and the Corporation. There are no representations, warranties, covenants or acknowledgements affecting, or relied upon in connection with entering into, this Agreement or any Secured Property other than as expressed in this Agreement in writing.

## **8.3 Severability**

Any provision of this Agreement prohibited by law or otherwise ineffective shall be ineffective only to the extent of such prohibition or ineffectiveness and shall be severable without invalidating or otherwise affecting the remaining provisions of this Agreement.

## **8.4 Continuing Security**

The rights, remedies and powers conferred by this Agreement are cumulative and are in addition to, and not in substitution for, any other rights, remedies or powers the Holder may have under this Agreement, by contract, at law, in equity or by or under the PPSA or any other statute. The Holder may proceed by way of any action, suit or other proceeding at law, in equity or by contract, and no right, remedy or power of the Holder shall be exclusive of or dependent on any other. The Holder may exercise any of its rights, remedies or powers separately or in combination and at any time.

## **8.5 Security Interests Effective Immediately**

Neither the execution of, nor any filing with respect to, this Agreement shall obligate the Holder to make any advance or loan or further advance, or bind the Holder to grant or extend any credit to the Corporation, but the Security Interest shall take effect forthwith upon the execution of this Agreement by the Corporation.

## **8.6 Statutory Waivers**

To the fullest extent permitted by law, the Corporation waives all of the rights, benefits and protections given by the provisions of any existing or future statute which imposes limitations upon the powers, rights or remedies of the Holder or upon the methods of realization of security, including any seize or sue or anti-deficiency statute or any similar provisions of any other statute.

## **8.7 Reasonableness**

The Corporation acknowledges that the provisions of this Agreement and, in particular, those respecting rights, remedies and powers of the Holder and any receiver against the Corporation, its business and any Secured Property upon the occurrence of an Event of Default, are commercially reasonable and not manifestly unreasonable.

## **8.8 Further Assurances**

The Corporation shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all such further acts, deeds, transfers, assignments, security agreements and assurances as the Holder may reasonably require in order to give effect to the

provisions of this Agreement and for the better granting, transferring, assigning, charging, setting over, assuring, confirming or perfecting the Security Interest and the priority accorded to it by law or under this Agreement. The Corporation further agrees that a carbon, photographic, photostatic or other reproduction of this Agreement or of a financing statement is sufficient as a financing statement.

### 8.9 Notices

Unless otherwise provided in this Agreement, any demand, notice or communication given or required to be given to a party under this Agreement shall be in writing and shall be personally delivered or given by transmittal by facsimile transmission addressed to the respective parties at its address or facsimile number set forth below or to such other address or facsimile number as such party may designate by notice in writing to the other party hereto:

- (a) if to the Corporation, at:

Bitcoin Angel Capital Inc.  
208 Queen's Quay West, Suite 2506  
Toronto, Ontario  
M5J 2Y5

Attention: Daniel Wettreich, Chairman and Chief Executive Officer  
Email: [dw@GreenBankCapitalInc.com](mailto:dw@GreenBankCapitalInc.com)

- (b) if to the Holder, at:

\_\_\_\_\_  
\_\_\_\_\_

Any demand, notice or communication made by or given by personal delivery shall be conclusively deemed to have been made or given on the day of actual delivery thereof and, if made or given by facsimile, on the first day other than a Saturday, Sunday or a statutory holiday in Ontario following the transmittal thereof.

### 8.10 Discharge

Upon payment and performance by the Corporation of the Obligations, the Holder shall, upon the Corporation's written request, deliver up this Agreement to the Corporation and shall, at the expense of the Corporation, cancel and discharge the Security Interest and execute and deliver to the Corporation such documents as shall be requisite to discharge the Security Interest hereby constituted.

### 8.11 Headings

All headings and titles in this Agreement are for reference only and are not to be used in the interpretation of the terms of this Agreement.

**8.12 Binding Effect**

This Agreement shall be binding on the Corporation and its successors, heirs, administrators and executors and shall enure to the benefit of the Holder and its successors and assigns.

**8.13 Assignment**

This Agreement may not be assigned by the Holder.

**8.14 Applicable Law**

This Agreement shall be construed and enforceable under and in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. The Corporation hereby irrevocably attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario for the purpose of any legal or equitable suit, action or proceeding in connection with this Agreement.

**8.15 Delivery of Copy**

The Corporation hereby acknowledges receiving a copy of this Agreement.

**8.16 Counterparts**

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to constitute one and the same instrument.

**8.17 Facsimile**

The Corporation and the Holder agree that this Agreement or any counterpart thereto may be executed by one party and forwarded to the other party by facsimile transmission and that receipt by facsimile transmission of a copy of this Agreement or a counterpart thereto executed by a party will bind that party.

**[The next page is the signature page.]**

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement as of the date first above written.

**BITCOIN ANGEL CAPITAL INC**

By: \_\_\_\_\_  
Name: Daniel Wettreich  
Title: Chairman and Chief Executive Officer

Agreed to and accepted as of the date first written above.

\_\_\_\_\_  
By: \_\_\_\_\_  
Name:



**SCHEDULE "A"**  
**PERMITTED ENCUMBRANCES**

1. Any Lien created by, or arising under any statute or regulation or common law (in contrast with Liens voluntarily granted) in connection with, without limiting the foregoing, workers' compensation, unemployment insurance, employers' health tax or other social security or statutory obligations that secure amounts that are not yet due or which are being contested in good faith by proper proceedings diligently pursued and as to which adequate reserves have been established on the Corporation's books and records and a stay of enforcement of the Lien is in effect.
2. Any Lien for taxes not due or being contested in good faith by appropriate proceedings diligently pursued and as to which adequate reserves have been established on the Corporation's books and records and a stay of enforcement of the Lien is in effect.
3. Restrictions, easements, rights-of-way, servitudes or other similar rights in land (including rights-of-way and servitudes for railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light and power and telephone or telegraph or cable television conduits, poles, wires and cables) granted to or reserved by other Persons which in the aggregate do not materially impair the usefulness, in the operation of the business of the Corporation, of the real property subject to the restrictions, easements, rights-of-way, servitudes or other similar rights in land granted to or reserved by other Persons and, in each case, which do not impair the Holder's rights and remedies in respect of the Obligations or this Agreement.
4. The reservations, limitations, provisos and conditions, if any, expressed in any original grants from the Crown