These materials are important and require your immediate attention. You have an important decision to make with respect to Banxa Holdings Inc. If you are in any doubt as to how to deal with it, you should consult with your investment dealer, broker, lawyer or other professional advisor. This document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. If you have any questions or require more information with regard to voting your securities, you may contact Banxa Holdings Inc.'s proxy solicitation agent and shareholder communications advisor, Laurel Hill Advisory Group, at 1-877-452-7184 toll free in North America, or at 1-416-304-0211 outside of North America, or by email at assistance@laurelhill.com.

BANXA HOLDINGS INC.

NOTICE OF MEETING

AND

INFORMATION CIRCULAR

for the Special Meeting of

Securityholders

to be held on February 25, 2025

RECOMMENDATION TO SECURITYHOLDERS:

THE BOARD OF DIRECTORS OF BANXA HOLDINGS INC. UNANIMOUSLY RECOMMENDS THAT SECURITYHOLDERS VOTE

FOR

THE ARRANGEMENT RESOLUTION

Dated as of January 30, 2025

Neither the TSX Venture Exchange nor any securities regulatory authority has in any way passed upon the merits of the plan of arrangement described in this management information circular.

LETTER TO SECURITYHOLDERS

January 30, 2025

Dear Securityholders,

On behalf of the Board of Directors (the "**Board**") of Banxa Holdings Inc. ("**Banxa**" or the "**Company**"), we invite you to attend a special meeting of the holders of common shares (the "**Shareholders**"), the holders of options (the "**Optionholders**") and the holders of warrants (the "**Warrantholders**" and, collectively with the Shareholders and Optionholders, the "**Securityholders**") of Banxa which will be held at 15th Floor, 1111 West Hastings Street, Vancouver, British Columbia, on February 25, 2025, at 10:00 a.m. (Vancouver time) (the "**Meeting**").

THE TRANSACTION

At the Meeting, Securityholders will vote to approve a plan of arrangement (the "**Plan of Arrangement**") under Division 5 of Part 9 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") between the Company and 1493819 B.C. Ltd. (the "**Purchaser**"), whereby the Purchaser will acquire all of the issued and outstanding common shares (the "**Shares**") of the Company (the "**Transaction**"), other than those Shares held by shareholders comprised of certain directors and executive officers of the Company as well as other persons (such shareholders, collectively, the "**Continuing Shareholders**") for cash consideration of C$1.00 per Share (the "**Consideration**"). The Consideration represents a 33% premium to the closing price of the Shares on the TSX Venture Exchange (the "**TSXV**") on December 18, 2024, the last trading day immediately prior to the announcement of the Transaction, and a 16% and 54% premium, respectively, to the 30-day and 60-day average trading prices of the Shares ending on December 18, 2024.

The Purchaser is a related party (within the meaning of applicable Canadian securities laws) of the Company.

REASONS FOR THE ARRANGEMENT

A special committee of the board of directors (the "**Special Committee**") and the board of directors (the "**Board**", with Zafer Qureshi and Holger Arians abstaining from voting due to their participation in the Transaction as Continuing Shareholders and as principals of the Purchaser) have both unanimously recommended that Securityholders vote FOR the Transaction. In reaching their respective conclusions and formulating their unanimous recommendations, the Special Committee and the Board considered a number of factors including the following, among others:

- **Compelling Value and Immediate Liquidity** – The Consideration provides shareholders with immediate value and is of particular benefit given the limited trading volume, the financial challenges facing the Company and the lack of liquidity in the Shares. The Consideration represents a 33% premium to the closing price of the Shares on the TSXV on December 18, 2024, the last trading day immediately prior to the announcement of the Arrangement, and a 16% and 54% premium, respectively, to the 30-day and 60-day average trading prices of the Shares ending

on December 18, 2024. Additionally, the Consideration represents a 190% premium to the closing price of the Shares on the day prior to which the original offer was made.

- **All Cash Consideration** – The Consideration to be received by the Shareholders pursuant to the Arrangement is comprised entirely of cash, which allows such Shareholders to crystalize the favourable premium discussed above while achieving certainty of value and liquidity without ongoing exposure to the risks which the Company faces on a standalone basis.

- **Strategic Process and Negotiated Transaction** – The Transaction was the result of a lengthy strategic review process that included several other potential acquirors and a comprehensive negotiation process with the Purchaser (which was undertaken by the Special Committee and its legal and financial advisors), all of which ultimately secured for the Company the best offer available to Securityholders, in the circumstances.

- **Management** – The management of the Company will continue to be led by Holger Arians, the Company's current Chairman and Co-Chief Executive Officer, and Zafer Qureshi, the Company's current Executive Director and Co-Chief Executive Officer, ensuring stability and continuity in the vision and business plan which is already being capably executed by them.

- **Other Factors –** The Special Committee and the Board also considered the Arrangement with reference to the financial condition and results of operations of the Company, as well as its prospects, strategic alternatives and competitive position, including the risks involved in achieving those prospects and pursuing those alternatives in light of current market conditions, and the Company's financial position, including the Company's ability to continue as a going concern and otherwise execute on its business strategies.

REQUIRED APPROVALS AND SHAREHOLDER SUPPORT

In order to become effective, the Arrangement Resolution must be approved by not less than: (i) 66⅔% of votes cast by Shareholders present in person or represented by proxy at the Meeting; (ii) 66⅔% of votes cast by Securityholders (being, the Shareholders, Optionholders and Warrantholders) present in person or represented by proxy at the Meeting, voting together as members of a single class; and (iii) a majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting, excluding for this purpose votes attached to the Excluded Shares (as defined in the accompanying management information circular) and any Shares beneficially owned, directly or indirectly by any other persons described in items (a) through (d) of Section 8.1(2) of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*.

Each of the Continuing Shareholders and certain other shareholders have entered into voting support agreements, pursuant to which they have agreed to, among other things, vote their Shares, representing an aggregate of 24,181,439 Shares (or approximately 53% of the total issued and outstanding Shares), in favour of the Transaction at the Meeting.

SHAREHOLDER QUESTIONS

Securityholders who have questions or need assistance with voting their securities should contact Laurel Hill Advisory Group Company by telephone at by telephone at 1-877-452-7184 (toll-free in North America) or 416-304-0211 (collect outside North America) or by email at assistance@laurelhill.com.

Your participation at the Meeting is important to us, regardless of the number of securities that you own. We encourage you to read the enclosed management information circular (the "**Circular**") and to exercise your right to vote on the Transaction at the Meeting. If you are unable to attend the Meeting, we encourage you to complete and return your form of proxy or voting instruction form in accordance with the instructions in the Circular to ensure that your votes are counted.

THANK YOU

On behalf of the Board, thank you for your continued support and engagement and we look forward to your participation at the Meeting.

(signed) "Richard Wells"

Richard Wells
Director and Chairman of the Special Committee

BANXA HOLDINGS INC.
1111 West Hastings Street, 15th Floor
Vancouver, British Columbia
Canada, V6E 2J3

NOTICE OF SPECIAL MEETING

NOTICE IS HEREBY GIVEN THAT a special meeting (the "**Meeting**") of the holders of common shares (the "**Shareholders**"), the holders of options (the "**Optionholders**") and the holders of warrants (the "**Warrantholders**" and, collectively with the Shareholders and Optionholders, the "**Securityholders**") of **BANXA HOLDINGS INC.** (the "**Company**") will be held at 15th Floor, 1111 West Hastings Street, Vancouver, British Columbia, on February 25, 2025, at the hour of 10:00 a.m., Vancouver Time, for the following purposes:

1. to consider and, if thought advisable, to pass, with or without variation, a special resolution (the "**Arrangement Resolution**"), the full text of which is set forth in Appendix "A" to the accompanying management information circular of the Company dated January 30, 2025 (the "**Circular**"), approving a plan of arrangement (the "**Plan of Arrangement**") under Division 5 of Part 9 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") between the Company and 1493819 B.C. Ltd. (the "**Purchaser**"), whereby the Purchaser will acquire all of the issued and outstanding common shares (the "**Shares**") of the Company for cash consideration of $1.00 per Share (the "**Consideration**"), all as more particularly described in the Circular (the "**Arrangement**"); and

2. to transact such further or other business as may properly come before the Meeting and any postponement or adjournment thereof.

The accompanying Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice.

The board of directors of the Company (the "**Board**") has set the close of business on December 27, 2024 as the record date (the "**Record Date**") for the Meeting, for determining those Securityholders entitled to receive notice of, and to vote at, the Meeting and any postponement or adjournment of the Meeting. Only persons shown on the applicable register of securityholders at the close of business on the Record Date, or their duly appointed proxyholders, will be entitled to attend the Meeting and vote on the Arrangement Resolution. Shareholders as at the Record Date are entitled to one vote per Share held, Optionholders at the Record Date are entitled to one vote per option held and Warrantholders at the Record Date are entitled to one vote per Warrant held, in each case at the Meeting in respect of the Arrangement Resolution.

All Securityholders are entitled to attend and vote at the Meeting in person or by proxy. Securityholders should read, complete, sign and date the enclosed form of proxy and return the same in the enclosed return envelope provided for that purpose within the time and to the location set out in the form of proxy accompanying this notice.

DATED this 30th day of January, 2025.

BY ORDER OF THE BOARD

(signed) "Richard Wells"
Richard Wells
Director and Chairman of the Special Committee

BANXA HOLDINGS INC.
1111 West Hastings Street, 15th Floor
Vancouver, British Columbia
Canada, V6E 2J3

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Q&A ON THE ARRANGEMENT, VOTING RIGHTS AND SOLICITATION OF PROXIES

The following is a summary of certain information contained in or incorporated by reference into this Circular, together with some of the questions that you, as a Securityholder, may have, together with our answers to those questions. Capitalized terms in this summary have the meanings set out in the Glossary. You are urged to read the remainder of this Circular, the attached Appendices and the form of proxy carefully, because the information contained below is of a summary nature, and is qualified in its entirety by, the more detailed information contained elsewhere in or incorporated by reference into this Circular, the attached Appendices and the form of proxy, all of which are important and should be reviewed carefully.

Does the Board support the Arrangement?

A: **Yes.** The Board has (i) unanimously determined that the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Continuing Shareholders) and the Arrangement is in the best interests of Banxa, and (ii) unanimously (with Conflicted Directors abstaining from voting) determined to recommend that Securityholders vote FOR the Arrangement Resolution.

The Board established the Special Committee of independent directors of the Board formed to consider the Arrangement and make recommendations to the Board with respect thereto.

The Special Committee has unanimously determined that the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Continuing Shareholders) and is in the best interests of Banxa. The Special Committee then unanimously recommended that the Board approve the proposed Arrangement and that the Board recommend that Securityholders approve the Arrangement.

In making its recommendation, each of the Board and the Special Committee considered a number of factors, as described in this Circular under the heading, "*Background to the Arrangement – Purposes and Reasons for the Recommendation*", including the Fairness Opinion, which determined that the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Continuing Shareholders).

See "*Background to the Arrangement*" and "*Background to the Arrangement — Purposes and Reasons for the Recommendation*".

Q: When will the Arrangement become effective?

A: Subject to obtaining Court and any required regulatory approvals, if Securityholders approve the Arrangement Resolution, it is anticipated that the Arrangement will be completed in late February 2025.

Q: What will I receive for my Shares under the Arrangement?

A: If the Arrangement is completed, each holder of Shares at the Effective Time (other than the Continuing Shareholders and Dissenting Shareholders) will receive the Consideration (of $1.00 per Share) less any applicable withholding taxes.

Q: How will my Options and Warrants be treated following the Arrangement?

A: <u>*Options*</u>

Each Company In-the-Money Option, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Option, deemed to be surrendered, assigned and transferred by the holder thereof to the Company in exchange for, subject to any withholding taxes, the Company In-the-Money Option Consideration.

Each Company Out-of-the-Money Option, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Option, cancelled without any payment therefor.

See "The Arrangement – Exchange of Securities", for certain important information with respect to the procedures to be followed by Optionholders for the timely receipt of the Company In-the-Money Option Consideration (if any) to which they may be entitled.

<u>*Warrants*</u>

Each Company In-the-Money Warrant held by a Non-Continuing Securityholder, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable and shall be, without any further action by or on behalf of the holder of such Warrant, deemed to be surrendered, assigned and transferred by the holder thereof to the Company in exchange for, subject to withholding taxes, the Company In-the-Money Warrant Consideration.

Each Company Out-of-the-Money Warrant held by a Non-Continuing Securityholder, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable and shall be, without any further action by or on behalf of the holder of such Warrant, cancelled without any payment therefor.

See "The Arrangement – Exchange of Securities", for certain important information with respect to the procedures to be followed by Warrantholders for the timely receipt of the Company In-the-Money Warrant Consideration (if any) to which they may be entitled.

<u>*Debentures*</u>

In accordance with the terms of the certificates evidencing the Debentures, each Debenture outstanding immediately prior to the Effective Time shall, without any further action by or on behalf of the holder of such Debentures, be surrendered by such holder to the Company in consideration for either: (a) a cash payment at the Effective Time from the Company equal to the aggregate principal amount of such Debenture, together with the accrued and unpaid interest thereon; or (b) in the sole discretion of the holder of the Debenture, the conversion into Shares immediately prior to the Effective Time of the aggregate principal amount of such Debentures, together with the accrued and unpaid interest thereon, at the applicable conversion price thereon, such Shares then to be cashed out at the Effective Time for the Consideration.

See "*The Arrangement – Treatment of Convertible Securities*".

Q: What will happen to Banxa if the Arrangement is completed?

A: If the Arrangement is completed, the Purchaser will acquire all of the issued and outstanding Shares (other than those held by Continuing Shareholders and by Dissenting Shareholders) at the Effective Time. Shortly after consummation of the Arrangement, the Shares will cease to be listed on the TSXV and

trading of the Shares in the public market will no longer be possible. Following the Effective Time, it is expected that the Purchaser will cause the Company to apply to cease to be a reporting issuer under Canadian securities Laws in each of the provinces and territories in Canada under which it is currently a reporting issuer (or the equivalent) or take or cause to be taken such other measures as may be appropriate to ensure that the Company is not required to prepare and file continuous disclosure documents.

Q: Who is entitled to vote on the Arrangement Resolution at the Meeting and how will votes be counted?

A: Securityholders as of the close of business on the Record Date, being December 27, 2024, are entitled to vote on the Arrangement Resolution at the Meeting. TSX Trust will count the votes. Only votes attached to the Shares, Options and Warrants are entitled to vote on the Arrangement Resolution.

Q: What approvals are required to be given by Securityholders at the Meeting in respect of the Arrangement?

A: In order to become effective, the Arrangement Resolution must be approved by not less than: (i) 66⅔% of votes cast by Shareholders present in person or represented by proxy at the Meeting; (ii) 66⅔% of votes cast by Securityholders (being, the Shareholders, Optionholders and Warrantholders) present in person or represented by proxy at the Meeting, voting together as members of a single class; and (iii) a majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting, excluding for this purpose votes attached to the Excluded Shares and any Shares beneficially owned, directly or indirectly by any other persons described in items (a) through (d) of Section 8.1(2) of MI 61-101.

See "*The Arrangement – Procedure for the Arrangement to become Effective*" and "*Securities Laws Considerations - Canadian Securities Laws Considerations.*"

Q: How many Shares, Options and Warrants are entitled to vote?

A: As of December 27, 2024, there were 45,587,056 Shares outstanding, 2,223,750 Options outstanding and 2,847,013 Warrants outstanding and entitled to vote at the Meeting. Shareholders as at the Record Date are entitled to one vote per Share held, Optionholders at the Record Date are entitled to one vote per Option held and Warrantholders at the Record Date are entitled to one vote per Warrant held.

Q: Are the Shareholders entitled to Dissent Rights?

A: Registered Shareholders as of the close of business on the Record Date are entitled to Dissent Rights on the Arrangement Resolution if they strictly follow the procedures specified in the BCBCA, as modified by the Interim Order, the Plan of Arrangement and any further Order of the Court. If you are a registered Shareholder and wish to exercise Dissent Rights, you must ensure that a written notice is received by Banxa not later than 5:00 p.m. (Vancouver time) on February 21, 2025 (or by 5:00 p.m. on the second business day immediately preceding the date that any adjourned or postponed Meeting is reconvened), and must otherwise strictly comply with the dissent procedures set forth in Sections 237 to 247 of the BCBCA, as modified by the Interim Order and the Plan of Arrangement, which are attached to this Circular as Appendices "E", "C" and "B", respectively, and summarized in this Circular. If you wish to

exercise Dissent Rights, it is recommended that you read these procedures carefully and consult with independent legal counsel.

Failure to strictly comply with the requirements set forth in sections 237 to 247 of the BCBCA, as modified by the Interim Order and the Plan of Arrangement, may result in the loss of a registered Shareholder's Dissent Rights.

See "*Rights of Dissenting Shareholders*".

Q: Are the Optionholders and Warrantholders entitled to Dissent Rights?

A: No. Optionholders and Warrantholders are not entitled to exercise any dissent rights in respect of the Arrangement Resolution.

Q: What other conditions must be satisfied to complete the Arrangement?

A: In addition to the applicable approvals by Securityholders at the Meeting, the Arrangement is conditional upon, among other things, the receipt of the Final Order from the Court and acceptance of the TSXV.

See "*The Arrangement Agreement – Conditions Precedent to the Arrangement*".

Q: What will happen if the Arrangement Resolution is not approved or the Arrangement is not completed for any reason?

A: If the Arrangement Resolution is not approved at the Meeting or if the Arrangement is not completed for any other reason, Shareholders will not receive any consideration for their Shares in connection with the Arrangement. Instead, Banxa will remain a public company and the Shares will continue to be listed and traded on the TSXV, OTCQX and FSE. There can be no assurance as to the effect of future risks and opportunities on the future trading price or value of the Shares. The Board would continue to evaluate and review, among other things, the performance of Banxa's business and the capitalization of Banxa and would make such changes as are deemed appropriate.

See "*The Arrangement Agreement — Termination of the Arrangement Agreement*".

Q: What do I need to do now in order to vote at the Meeting?

A: You should carefully read and consider the information contained in this Circular. Registered Shareholders, Optionholders and Warrantholders should then complete, sign and date the enclosed Proxy and return the form in the enclosed return envelope as indicated in the Notice of Meeting as soon as possible so that your securities may be represented at the Meeting, whether or not you intend to attend the Meeting. To be eligible for voting at the Meeting, the Proxy must be returned by mail to TSX Trust not later than 10:00 a.m. (Vancouver time) on February 21, 2025, or 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment or postponement thereof. Additionally, Shareholders, Optionholders and Warrantholders may vote using the internet. The deadline for the deposit of proxies may be waived or extended by the Chair of the Meeting at his discretion, without notice.

Non-Registered Holders whose Shares are held in the name of a nominee, bank, broker or other financial intermediary should follow the instructions provided by your nominee on your voting instruction form to ensure your vote is counted at the Meeting.

See "*The Meeting and General Proxy Information*".

Q: How do I attend the Meeting in person?

A: Registered Shareholders, Optionholders and Warrantholders who wish to attend the Meeting in person may do so by attending at DuMoulin Black LLP, 15th Floor of 1111 West Hastings Street, Vancouver, British Columbia on February 25, 2025, at 10:00 a.m. (Vancouver time). If you intend to attend the Meeting and vote in person, you do not need to complete a Proxy; however, you are encouraged to complete a proxy even if you intend to attend the Meeting in person and vote, to ensure your vote is recorded in the event that you are unable to attend the Meeting in person.

Non-Registered Holders (being Shareholders who beneficially own shares that are registered in the name of an intermediary, such as a bank, trust corporation, securities broker or other nominee, or in the name of a depositary of which the intermediary is a participant) must appoint themselves as proxyholder in order to attend and vote at the Meeting in person. Non-Registered Holders who have not duly appointed themselves as proxyholder will be able to attend the Meeting as guests, but guests will not be able to vote or ask questions at the Meeting.

Q: If my Shares are held by my broker, will my broker vote my Shares for me?

A: A broker will vote Shares held by you only if you provide instructions to your broker on how to vote. Without instructions, those Shares may not be voted. Non-Registered Holders should instruct their brokers to vote their Shares by following the directions provided to them on their voting instruction form.

See "*The Meeting and General Proxy Information - Non-Registered Holders*".

Q: Should I send in my proxy now?

A: Yes. To ensure that your vote is counted, registered Shareholders, Optionholders and Warrantholders should complete and submit the enclosed Proxy as soon as possible to ensure your securities are counted at the Meeting. You may vote in any of the following ways:

VOTING METHODS	BENEFICIAL HOLDERS securities held with a broker, bank or other nominee.	REGISTERED HOLDERS securities held in own name and represented by a physical certificate or DRS.
	www.proxyvote.com	**ONLINE:** www.voteproxyonline.com **EMAIL:** tsxtrustproxyvoting@tmx.com
	Call the toll-free number listed on your Voting Instruction Form (VIF) and vote using the control number provided therein.	**FAX:** 416-595-9593
	Complete, date and sign the voting instruction form and return it in the enclosed postage paid envelope.	Complete, date and sign Management's form of proxy and return it in the enclosed postage paid envelope to: *TSX Trust Company*

		100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1

See "*The Meeting and General Proxy Information*".

Q: Can I revoke my proxy after I have voted by proxy?

A: Yes. A registered Shareholder, Optionholder or Warrantholder executing the enclosed Proxy has the right to revoke it at any time prior to the Meeting or at the Meeting or any adjournment or postponement thereof.

In addition to revocation in any other manner permitted by law, a proxy may be revoked by:

(a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered Shareholder, Optionholder or Warrantholder or such holders' authorized attorney in writing, or, if such a holder is a corporation, under its corporate seal by an officer or duly authorized attorney, and by delivering the proxy bearing a later date to TSX Trust at 301 - 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, Attention: Proxy Department or to the address of the registered office of Banxa at any time up to and including the last Business Day that precedes the day of the Meeting or, if the Meeting is adjourned, the last Business Day that precedes any reconvening thereof, or to the Chair of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or

(b) personally attending the Meeting and voting the Shares, Options or Warrants, as applicable.

Upon such deposit, the proxy is revoked. A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

If you are a beneficial Shareholder, please contact your Intermediary for instructions on how to revoke your voting instructions. The change or revocation of voting instructions by a beneficial Shareholder can take several days or longer to complete and, accordingly, any such action should be completed well in advance of the deadline given in the proxy or voting instruction form by the Intermediary or its service company to ensure it is effective.

Q: Has the Company received a Fairness Opinion in connection with the Arrangement?

A: **Yes.** The Special Committee received a fairness opinion from E&E, which provides that, as of the date of the Fairness Opinion, and subject to the assumptions, limitations and qualifications described in the Fairness Opinion, the Consideration to be received by Shareholders (other than the Continuing Shareholders) is fair, from a financial point of view, to such Shareholders.

See "*The Arrangement – Fairness Opinion*".

Q: What are the Canadian income tax consequences of the Arrangement to Shareholders?

A: For a summary of certain material Canadian income tax consequences of the Arrangement to Shareholders, see "*Certain Canadian Federal Income Tax Considerations*". **This summary is not intended to be legal or tax advice to any particular Shareholder.**

Tax matters are complicated, and the income tax consequences of the Arrangement to you will depend on your particular circumstances. Because individual circumstances may differ, you should consult with your tax advisor as to the specific tax consequences of the Arrangement to you.

This Circular does not address the tax consequences of the Arrangement to holders of Warrants, Options, the Debentures or any other employment-related equity award. Such holders should consult their own tax advisors in this regard.

Q: Are there risks I should consider in deciding whether to vote for the Arrangement Resolution?

A: **Yes**. Securityholders should carefully consider the risk factors relating to the Arrangement. Some of these risks include, but are not limited to: the Arrangement not being completed; the regulatory consents and approvals required for the Arrangement not being obtained, or, if obtained, not being obtained on a favourable basis or in a timely manner; the Arrangement potentially diverting the attention of Banxa's management; the restrictions on Banxa's ability to pursue business opportunities while the Arrangement is pending completion; the costs associated with the Arrangement, even if the Arrangement is not completed; and Banxa, and the directors and officers of Banxa, having potentially different interests than the Securityholders.

See "*Risk Factors*".

Q. How will I know when the Arrangement will be implemented?

A: The Effective Date will occur upon satisfaction or waiver of all of the conditions to the completion of the Arrangement. If the Required Securityholder Approval is obtained at the Meeting, the Effective Date is expected to occur in late February 2025. On the Effective Date, Banxa will publicly announce that the conditions are satisfied or waived and that the Arrangement has been completed.

Q. **Who can help answer my questions?**

A: If you have any questions regarding the information contained in this Information Circular or require assistance in completing your form of proxy or voting instruction form, please contact Laurel Hill, the Company's proxy solicitation agent and shareholder communications advisor, by telephone at 1-877-452-7184 (toll free in North America) or at 1-416-304-0211 (outside of North America), or by email at assistance@laurelhill.com.

Copies of this Circular and the Meeting materials may be found on Banxa's website at https://investor.banxa.com/ or under the Company's profile on SEDAR+ at www.sedarplus.ca.

SUMMARY

This summary should be read together with, and is qualified in its entirety by, the more detailed information and financial data and statements contained elsewhere in this Circular, including the appendices hereto and documents incorporated into this Circular by reference. Capitalized terms in this summary have the meanings set out in the Glossary. Copies of this Circular and the Meeting materials may also be found on Banxa's website at https://investor.banxa.com/ or under the Company's profile on SEDAR+ at www.sedarplus.ca.

The Meeting

Date, Time and Place of Meeting

The Meeting will be held at the office of DuMoulin Black LLP, 15th Floor of 1111 West Hastings Street, Vancouver, British Columbia on February 25, 2025, at 10:00 a.m. (Vancouver time).

The Record Date

The Record Date for determining Securityholders entitled to receive notice of and to vote at the Meeting is December 27, 2024. Only Securityholders of record as of the close of business on the Record Date are entitled to receive notice of, and to vote at, the Meeting.

Purpose of the Meeting

At the Meeting, Banxa will ask Securityholders to consider and, if deemed advisable, to pass, with or without variation, the Arrangement Resolution to approve the Arrangement.

Effect of the Arrangement

Treatment of Shares

If the Arrangement is completed, the Purchaser will acquire all of the outstanding Shares, other than the Shares held by Dissenting Shareholders and the Continuing Shareholders, in exchange for the Consideration (of $1.00 per Share) for each Share.

Treatment of Convertible Securities

Each Company In-the-Money Option, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Option, deemed to be surrendered, assigned and transferred by the holder thereof to the Company in exchange for, subject to any withholding taxes, the Company In-the-Money Option Consideration.

Each Company Out-of-the-Money Option, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Option, cancelled without any payment therefor.

Each Company In-the-Money Warrant held by a Non-Continuing Securityholder, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable and shall be, without any further action by or on behalf of the holder of such Warrant, deemed

to be surrendered, assigned and transferred by the holder thereof to the Company in exchange for, subject to withholding taxes, the Company In-the-Money Warrant Consideration.

Each Company Out-of-the-Money Warrant held by a Non-Continuing Securityholder, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable and shall be, without any further action by or on behalf of the holder of such Warrant, cancelled without any payment therefor.

See "The Arrangement – Exchange of Securities", for certain important information with respect to the procedures to be followed by Optionholders and Warrantholders for the timely receipt of the Company In-the-Money Option Consideration (if any) and the Company In-the-Money Warrant Consideration (if any), respectively, to which they may be entitled.

In accordance with the terms of the certificates evidencing the Debentures, each Debenture outstanding immediately prior to the Effective Time shall, without any further action by or on behalf of the holder of such Debentures, be surrendered by such holder to the Company in consideration for either: (a) a cash payment at the Effective Time from the Company equal to the aggregate principal amount of such Debenture, together with the accrued and unpaid interest thereon; or (b) in the sole discretion of the holder of the Debenture, the conversion into Shares immediately prior to the Effective Time of the aggregate principal amount of such Debentures, together with the accrued and unpaid interest thereon, at the applicable conversion price thereon, such Shares then to be cashed out at the Effective Time for the Consideration.

Required Securityholder Approval

In order to become effective, the Arrangement Resolution must be approved by not less than: (i) 66⅔% of votes cast by Shareholders present in person or represented by proxy at the Meeting; (ii) 66⅔% of votes cast by Securityholders present in person or represented by proxy at the Meeting, voting together as members of a single class; and (iii) a majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting, excluding for this purpose votes attached to the Excluded Shares and any Shares beneficially owned, directly or indirectly by any other persons described in items (a) through (d) of Section 8.1(2) of MI 61-101.

The Arrangement Resolution must be passed in order for Banxa to seek the Final Order and implement the Arrangement on the Effective Date.

Only votes attached to Shares, Options and Warrants are entitled to vote on the Arrangement Resolution.

See "*The Arrangement – Procedure for the Arrangement to become Effective*" and "*Securities Laws Considerations - Canadian Securities Laws Considerations.*"

The Arrangement

Commencing at the Effective Time, each of the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at five-minute intervals starting at the Effective Time:

(a) each outstanding Share held by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised shall be deemed to have been transferred without any further act or

formality by the holder thereof to the Purchaser (free and clear of all Liens), and:

(i) such Dissenting Shareholder shall cease to have any rights as a Shareholder, other than the right to be paid the fair value of its Shares by the Purchaser in accordance with Article 5 of the Plan of Arrangement;

(ii) the name of such holder shall be removed from the register of holders of Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be recorded on the register of holders of Shares maintained by or on behalf of the Company as the holder of the Shares so transferred and shall be deemed to be the legal and beneficial owner thereof (free and clear of all Liens);

(b) each outstanding Share (other than: (a) Shares held by any Dissenting Shareholder who has validly exercised such holder's Dissent Rights; (b) Shares held by the Purchaser; and (c) Excluded Shares) shall be transferred without any further act or formality by the holder thereof to the Purchaser (free and clear of all Liens) in exchange for the Consideration, and:

(i) the holder of such Share shall cease to have any rights as a Shareholder other than the right to be paid the Consideration per Share in accordance with the Plan of Arrangement;

(ii) the name of such holder shall be removed from the register of holders of Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be recorded on the register of holders of Shares maintained by or on behalf of the Company as the holder of the Shares so transferred and shall be deemed to be the legal and beneficial owner thereof (free and clear of all Liens);

(c) notwithstanding the terms of the Plan, the applicable Option Agreement and any other instrument or document governing an Option:

(i) each Company In-the-Money Option, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Option, deemed to be surrendered, assigned and transferred by the holder thereof to the Company in exchange for, subject to Section 6.4 of the Plan of Arrangement, the Company In-the-Money Option Consideration;

(ii) each Company Out-of-the-Money Option, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Option, cancelled without any payment therefor;

(iii) with respect to each Option surrendered, assigned and transferred under Section 2.3(3)(a) of the Plan of Arrangement or cancelled under Section 2.3(3)(b) of the Plan of Arrangement, as of the effective time of such surrender, assignment and transfer or cancellation thereof, as applicable:

i. the holder thereof shall cease to be the holder of such Option;

ii. the holder thereof shall cease to have any rights as a holder in respect of such Option, or under the Plan or Option Agreement, other than the right to receive the consideration, if any, to which such holder is entitled pursuant to Section 2.3(3) of the Plan of Arrangement;

iii. such holder's name shall be removed from the applicable register of Options; and

iv. all agreements, grants and similar instruments relating thereto (including the Plan) shall be cancelled and terminated;

(d) subject to Article 3 of the Plan of Arrangement, notwithstanding the terms of the applicable Warrant Certificate and any other instrument or document governing a Warrant:

(i) each Company In-the-Money Warrant held by a Non-Continuing Securityholder, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Warrant, deemed to be surrendered, assigned and transferred by the holder thereof to the Company in exchange for, subject to Section 6.4 of the Plan of Arrangement, the Company In-the-Money Warrant Consideration;

(ii) each Company Out-of-the-Money Warrant held by a Non-Continuing Securityholder, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Warrant, cancelled without any payment therefor;

(iii) with respect to each Warrant surrendered, assigned and transferred under Section 2.3(4)(a) of the Plan of Arrangement or cancelled under Section 2.3(4)(b) of the Plan of Arrangement, as of the effective time of such surrender, assignment and transfer or cancellation thereof, as applicable:

i. the holder thereof shall cease to be the holder of such Warrant;

ii. the holder thereof shall cease to have any rights as a holder in respect of such Warrant, or under the Warrant Certificate, other than the right to receive the consideration, if any, to which such holder is entitled pursuant to Section 2.3(4) of the Plan of Arrangement;

iii. such holder's name shall be removed from the applicable register of Warrants; and

iv. all agreements, grants and similar instruments relating thereto (including the applicable Warrant Certificate) shall be cancelled and terminated; and

(e) the exchanges and cancellations provided for in Section 2.3 of the Plan of Arrangement will be deemed to occur on the Effective Date, notwithstanding that certain of the procedures related thereto are not completed until after the Effective Date.

See: *"The Arrangement – Principal Steps of the Arrangement."*

See also "The Arrangement – Exchange of Securities", for certain important information with respect to the procedures to be followed by Optionholders and Warrantholders for the timely receipt of the Company In-the-Money Option Consideration (if any) and the Company In-the-Money Warrant Consideration (if any), respectively, to which they may be entitled.

Conditions to Completion of the Arrangement

The recommendations of the Special Committee set forth below under the heading "*The Arrangement – Recommendations*", and the approval by the Board of the Arrangement, are subject to a number of customary conditions. If any such conditions are not fulfilled or performed on or prior to the Effective Time, the Special Committee may, on behalf of the Board, determine to terminate the Arrangement or waive, in its discretion, the applicable condition in whole or in part.

See "*The Arrangement – Conditions Precedent to the Arrangement*".

Recommendation of the Special Committee

The Special Committee, having undertaken a thorough review of, and having carefully considered the terms of the Arrangement and the Arrangement Agreement, and after consulting with its financial and legal advisors, including having received and taken into account the Fairness Opinion, and such other matters as it considered necessary and relevant, including the factors set out below under the heading "*Background to the Arrangement – Purposes and Reasons for the Recommendation*", unanimously determined that the Arrangement is in the best interests of the Company and that the Arrangement is fair and reasonable to the Shareholders (other than the Continuing Shareholders) and unanimously recommended to the Board that the Board approve the Arrangement and the entering into by the Company of the Arrangement Agreement and recommend that the Securityholders approve the Arrangement Resolution.

See "*Background to the Arrangement – Fairness Opinion".*

Recommendation of the Board

The Board, having undertaken a thorough review of, and having carefully considered the terms of the Arrangement and the Arrangement Agreement, and after consulting with its financial and legal advisors, including having received and taken into account the unanimous recommendation of the Special Committee (having received and taken into account the Fairness Opinion) and such other matters as it considered necessary and relevant, including the factors set out below under the heading "*Background to the Arrangement – Purposes and Reasons for the Recommendation*", unanimously determined that the Arrangement is in the best interests of the Company and that the Arrangement is fair and reasonable to Shareholders. **Accordingly, the Board has unanimously approved the Arrangement and the entering into by the Company of the Arrangement Agreement and unanimously (with Conflicted Directors abstaining) recommends that Securityholders vote FOR the Arrangement Resolution.**

See "*Background to the Arrangement - Recommendation of the Board*" and "*Background to the Arrangement – Purposes and Reasons for the Recommendation"*.

Purposes and Reasons for the Recommendation

In making the determination to unanimously recommend to the Board the approval of the Arrangement Agreement, and in resolving to approve the Arrangement Agreement, the Special Committee and the Board, respectively, carefully considered all aspects of the Arrangement and received advice from financial and legal advisors. The following is a summary of the principal reasons for the Special Committee's determination to unanimously recommend approval of the Arrangement to the Board, and in the Board's determination to approve the Arrangement Agreement:

- **Compelling Value and Immediate Liquidity** – The Consideration provides shareholders with immediate value and is of particular benefit given the limited trading volume, the financial challenges facing the Company and the lack of liquidity in the Shares. The Consideration represents a 33% premium to the closing price of the Shares on the TSXV on December 18, 2024, the last trading day immediately prior to the announcement of the Arrangement, and a 16% and 54% premium, respectively, to the 30-day and 60-day average trading prices of the Shares ending on December 18, 2024. Additionally, the Consideration represents a 190% premium to the closing price of the Shares on the day prior to which the original offer was made.

- **All Cash Consideration**. The Consideration to be received by the Shareholders pursuant to the Arrangement is comprised entirely of cash, which allows such Shareholders to crystalize the favourable premium discussed above while achieving certainty of value and liquidity without ongoing exposure to the risks which the Company faces on a standalone basis.

- **Strategic Process and Negotiated Transaction.** The Arrangement Agreement was the result of a lengthy strategic review process that included several other potential acquirors and a comprehensive negotiation process with the Purchaser (which was undertaken by the Special Committee and its legal and financial advisors), all of which ultimately secured for the Company the best offer available to Securityholders, in the circumstances.

- **Management** – The management of the Company will continue to be led by Holger Arians, the Company's current Chairman and Co-Chief Executive Officer, and Zafer Qureshi, the Company's current Executive Director and Co-Chief Executive Officer, ensuring stability and continuity in the vision and business plan which is already being capably executed by them.

- **Other Factors**. The Special Committee and the Board also considered the Arrangement with reference to the financial condition and results of operations of the Company, as well as its prospects, strategic alternatives and competitive position, including the risks involved in achieving those prospects and pursuing those alternatives in light of current market conditions, and the Company's financial position, including the Company's ability to continue as a going concern and otherwise execute on its business strategies.

In making its determinations and recommendations, the Special Committee and the Board also observed that a number of procedural safeguards were in place and present to permit the Special Committee and the Board to protect the interests of the Company, its Shareholders (other than the Continuing Shareholders) and other Company stakeholders. These procedural safeguards included, among others:

- **Special Committee and Board Oversight**. The Arrangement and the Arrangement Agreement are the result of a robust negotiation process that was undertaken with the oversight and participation of the Special Committee, as advised by independent and highly qualified legal and

financial advisors, which resulted in an agreement with terms and conditions that provide the Shareholders (other than the Continuing Shareholders) with significant, immediate and certain value, on terms that are reasonable in the judgment of the Special Committee and the Board (with Conflicted Directors abstaining).

- **Fairness Opinion** – The Special Committee obtained a fairness opinion from E&E, which opinion concluded that, as of December 19, 2024, based upon and subject to the assumptions made, procedures followed, matters considered and the limitations and qualifications set out therein, the Consideration to be received by Shareholders (other than the Continuing Shareholders) pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders. The fees payable to E&E for the Fairness Opinion were not contingent upon the conclusion reached by E&E being favourable to the Arrangement. See "*The Arrangement – Fairness Opinion*", and Appendix "F" to this Circular.

- **Go-Shop Provision** – The Arrangement Agreement includes a go-shop provision, which permits the Company with the assistance of its financial advisor, Architect Partners, LLC, to actively solicit, evaluate and enter into negotiations with third parties that have expressed an interest in acquiring the Company during for a forty-three (43) day period ending January 31, 2025. During the Go-Shop Period, the Company has the ability to solicit, initiate, encourage or otherwise engage or participate in discussions or negotiations which could result in an Acquisition Proposal. As of the date of this Circular, the go-shop process has not resulted in any Superior Proposals relative to the Arrangement.

- **Ability to Respond to Superior Proposals**. The Arrangement Agreement permits the Board, in the exercise of its fiduciary duties, to respond, prior to the Meeting, to certain Acquisition Proposals that are or could reasonably be expected to constitute or lead to a Superior Proposal.

- **Support for the Transaction** – Each of the Continuing Shareholders and certain other shareholders have entered into voting support agreements, pursuant to which they have agreed to, among other things, vote their Shares, representing an aggregate of 24,181,439 Shares (or approximately 53% of the total issued and outstanding Shares), in favour of the Arrangement Resolution at the Meeting.

- **Reasonable Break Fee** – The break fee payable by the Company, being C$911,741 where the Arrangement Agreement is terminated due to a Go-Shop Fee Event, or C$1,823,482 where the Arrangement Agreement is terminated in certain other circumstances, is reasonable and payable only in customary and limited circumstances. In the view of the Special Committee and the Board, the break fee would not preclude a third party from potentially making a Superior Proposal. See "*The Arrangement Agreement – Termination Fees and Expenses*".

- **Shareholder and Court Approval**. The Arrangement is subject to shareholder and court approvals, which protect Shareholders, and confirms that the Arrangement treats all stakeholders of the Company (other than the Continuing Shareholders) equitably and fairly.

- **Dissent Rights**. Registered Shareholders who oppose the Arrangement may, upon compliance with certain conditions, exercise Dissent Rights and, if ultimately successful, receive fair value for their Shares and the Purchaser cannot terminate the Arrangement Agreement unless Shareholders holding at least 5% of the Shares dissent.

The Special Committee and the Board also considered a number of potential risks and potential negative factors relating to the Arrangement, including the following:

- **Risk of Non-Completion**. The risks to the Company if the Arrangement is not completed, including the costs to the Company in pursuing the Arrangement (whether or not it is completed), the diversion of management's attention away from conducting the Company's day-to-day business in the ordinary course and the potential impact on the Company's current business relationships (including with future and prospective employees, customers, suppliers and partners).

- **No Longer a Public Company**. If the Arrangement is successfully completed, it is anticipated that the Company will no longer exist as an independent public corporation and the consummation of the Arrangement will eliminate the opportunity for Shareholders (other than the Continuing Shareholders) to participate in potential longer-term benefits of the business of the Company that might result from future growth and the potential achievement of the Company's long-term plans to the extent that those benefits, if any, exceed the benefits reflected in the Consideration and with the understanding that there is no assurance that any such long-term benefits will in fact materialize.

- **Non-Satisfaction of Closing Conditions**. The closing conditions contained in the Arrangement Agreement that may not be forthcoming or satisfied, and the right of the Purchaser to terminate the Arrangement Agreement in certain limited circumstances.

- **Non-Solicitation Covenants**. Subject to the go-shop provision, the customary limitations contained in the Arrangement Agreement on the Company's ability to solicit additional interest from third parties, the Purchaser's right under the Arrangement Agreement to match a Superior Proposal and that the quantum of the Termination Fee may discourage other parties from making a Superior Proposal.

- **Taxable Transaction**. The fact that the Arrangement will be a taxable transaction for Canadian federal income tax purposes and, as a result, Shareholders (other than the Continuing Shareholders) will generally be required to pay taxes on any gains that result from the disposition of their Shares pursuant to the Arrangement.

The foregoing summary of information, factors and risks considered by the Special Committee and the Board is not intended to be exhaustive of all matters considered in arriving at a conclusion and making the recommendations incorporated herein. See "*Background to the Arrangement – Purposes and Reasons for the Recommendation*".

Voting Support Agreements

In connection with the Arrangement, the Purchaser entered into certain Voting Support Agreements with Supporting Shareholders, such Shareholders, as a group, collectively holding, directly or indirectly, or

exercising control or direction over, an aggregate of 24,181,439 Shares, representing approximately 53% of the issued and outstanding Shares as of the Record Date (calculated on a non-diluted basis).

See *"Background to the Arrangement – Voting Support Agreements"*.

Fairness Opinion

In determining to approve the Arrangement and in making its recommendation to Securityholders, the Board considered a number of factors described in this Circular, including the Fairness Opinion delivered by E&E. The Fairness Opinion concludes that, as of the date of such opinion and based upon and subject to the assumptions, limitations and qualifications set out therein, the Consideration to be received by Shareholders pursuant to the Arrangement is fair, from a financial point of view, to Shareholders (other than the Continuing Shareholders). The Fairness Opinion is attached as Appendix "F" to this Circular. You are encouraged to read the Fairness Opinion in its entirety. See "*The Arrangement – Fairness Opinion*".

E&E provided the Fairness Opinion for the information and assistance of the Special Committee and the Board and in connection with its consideration and evaluation of the Arrangement. The Fairness Opinion is not intended to be, and does not constitute, a recommendation to the Special Committee, the Board, or any Securityholder as to whether Securityholders, should vote in favour of the Arrangement or any other matter.

See "*Background to the Arrangement – Fairness Opinion*" in this Circular and Appendix "F".

Letter of Transmittal

For each registered Securityholder (other than the Continuing Shareholders), there is a Letter of Transmittal accompanying this Circular. In order for a registered Securityholder to receive the consideration to which it is entitled under the Arrangement, such registered Securityholder must deposit with the Depositary the Letter of Transmittal, properly completed and duly executed in respect of his, her or its Shares (or, in the case of an Optionholder or a Warrantholder, the Shares underlying his, her or its Options or Warrants, respectively, as if the Optionholder or Warrantholder were a registered Shareholders), and if applicable, the certificate(s) representing his, her or its Shares. The Letter of Transmittal, properly completed and duly executed, together with all other documents and instruments referred to in the Letter of Transmittal or reasonably requested by the Depositary, must accompany all certificates for Shares deposited for payment pursuant to the Arrangement.

Any Shareholder whose Shares are registered in the name of a broker, investment dealer, bank, trust corporation, trustee or other nominee should contact that nominee for assistance in depositing such Shares and should follow the instructions of such nominee in order to deposit such Shares with the Depositary.

HOLDERS OF OPTIONS AND WARRANTS ARE REQUESTED TO CONTACT THE COMPANY BY E-MAIL AT mujir@pallettvalo.com, PRIOR TO COMPLETING THE LETTER OF TRANSMITTAL, FOR ADDITIONAL INFORMATION AND INSTRUCTIONS.

See "*The Arrangement – Exchange of Securities*".

Court Approval

The Arrangement requires approval by the Court pursuant to Section 291 of the BCBCA. Prior to the mailing of this Circular, Banxa obtained the Interim Order, providing for the calling and holding of the Meeting, the Dissent Rights and other procedural matters. A copy of the Interim Order is attached hereto as Appendix "C". Copies of the Notice of Hearing and Petition in respect of Banxa's application for the Final Order are attached hereto as Appendix "D".

If the Arrangement Resolution is approved at the Meeting, Banxa intends to apply to the Court for the Final Order. The hearing of Banxa's application for the Final Order is expected to take place at the courthouse of the Court at 800 Smithe Street, Vancouver, British Columbia on or about February 27, 2025 at 9:45 a.m. (Vancouver time) or as soon thereafter as counsel may be heard. Please see the Notice of Hearing and Petition, attached as Appendix "D" to this Circular, with respect to the hearing of the application for the Final Order for further information on participating or presenting evidence at the hearing for the Final Order. At the hearing, the Court will consider, among other things, the fairness and reasonableness of the terms and conditions of the Arrangement. Any Securityholder who wishes to participate, appear, to be represented, and to present evidence or arguments at the hearing must file and serve a Response to Petition and satisfy the other requirements of the Court, as directed in the Interim Order appended hereto as Appendix "C" and as the Court may direct in the future. In the event that the hearing is postponed, adjourned or rescheduled then, subject to further direction of the Court, only those Persons having previously served a Response to Petition in compliance with the Interim Order will be given notice of the new date. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit.

See "*The Arrangement – Court Approval*".

Interests of Certain Directors and Executive Officers of Banxa in the Arrangement

In considering the recommendation of the Board, Securityholders should be aware that certain members of the Board and the executive officers of Banxa have interests in the Arrangement or may receive benefits that may differ from, or be in addition to, the interests of Securityholders generally. The Board and the Special Committee are aware of these interests and considered them along with other matters described herein.

See "*Background to the Arrangement - Interests of Certain Persons in the Arrangement*".

Dissent Rights

Pursuant to the Interim Order, registered Shareholders as at the close of business on the Record Date have been granted Dissent Rights in connection with the Arrangement Resolution and, if the Arrangement becomes effective, to be paid the fair value of the Shares in accordance with the provisions of Sections 237 to 247 of the BCBCA, as may be modified by the Interim Order and the Plan of Arrangement, copies of which are attached as Appendix "E", Appendix "C" and Appendix "B", respectively, to this Circular, and as may be modified by any further Order of the Court. **A registered Shareholder as at the close of business on the Record Date who wishes to exercise his, her or its Dissent Rights must ensure that a written notice is sent to Banxa c/o DuMoulin Black LLP, Attn: Justin Kates, 15th Floor, 1111 West Hastings Street, Vancouver, British Columbia, V6E 2J3, or jkates@dumoulinblack.com not later than 5:00 p.m. (Vancouver time) on February 21, 2025 (or by 5:00 p.m. on the second business day immediately preceding the date that any adjourned or postponed Meeting is reconvened), and must**

otherwise strictly comply with the requirements of Sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement, the Interim Order and any further Order of the Court, and failure to do so may result in the loss of such registered Shareholder's Dissent Rights. Accordingly, each registered Shareholder who might desire to exercise Dissent Rights should carefully consider and comply with Sections 237 to 247 of the BCBCA, as may be modified by the Plan of Arrangement, the Interim Order and any further Order of the Court, and consult his, her or its independent legal advisor.

Optionholders and Warrantholders are not entitled to exercise any dissent rights in respect of the Arrangement Resolution.

See "*Rights of Dissenting Shareholders*".

Stock Exchange Delisting and Reporting Issuer Status

Following closing of the Arrangement, the Purchaser and Banxa will take steps for Banxa to cease to be a reporting issuer and to have the Shares delisted from the TSXV (with delisting expected to be effective two or three Business Days following the Effective Date), the OTCQX and the FSE.

See "*Arrangement Agreement – Effect of Arrangement".*

Risk Factors

If the Arrangement Resolution is not approved or the Arrangement is not completed for any reason, there may be certain risks to the Company. The risk factors described under "*Risk Factors*" should be carefully considered by Securityholders.

MI 61-101 Requirements

Banxa is subject to MI 61-101. MI 61-101 regulates transactions which raise the potential for conflicts of interest and is intended to ensure that all Shareholders are treated in a manner that is fair and that is perceived to be fair with respect to these types of transactions. Banxa has determined that the Arrangement is a "business combination" (as defined in MI 61-101) and, accordingly, the requirements of MI 61-101 apply, including the requirements to obtain majority approval of the Arrangement from minority Shareholders and to obtain a formal valuation. Banxa is relying on the exemption in Section 4.4(1)(a) of MI 61-101 in connection with the requirement to obtain a formal valuation.

Income Tax Considerations

Securityholders should consult their own tax advisors about the applicable Canadian, United States and foreign federal, provincial, state and local tax consequences of the Arrangement.

For a summary of certain material Canadian income tax consequences of the Arrangement to Shareholders, see "*Certain Canadian Federal Income Tax Considerations*". **This summary is not intended to be legal or tax advice to any particular Shareholder.**

This Circular does not address the tax consequences of the Arrangement to holders of Warrants or Options, the Debentures or any other employment-related equity award. Such holders should consult their own tax advisors in this regard.

GLOSSARY

In this Circular, unless there is something in the subject matter inconsistent therewith, the following terms will have the respective meanings set out below, words importing the singular number will include the plural and *vice versa*, and words importing any gender will include all genders.

Term	Definition
Acceptable Confidentiality Agreement	Has the meaning as set forth under the heading "*The Arrangement Agreement – Covenants*".
Acceptable Standstill Provisions	Means standstill provisions to be included in an Acceptable Confidentiality Agreement, whereby the third party to such Acceptable Confidentiality Agreement will agree that, for a period of no less than six (6) months after the date of execution of such Acceptable Confidentiality Agreement, such third party shall not (and its affiliates, officers and directors shall not): (a) acquire or agree to acquire or make any proposal to acquire, in any manner, any voting securities of the Company, any warrant or option to acquire any such securities, any security convertible into or exchangeable for any such securities or any other right to acquire any such securities (for the purposes of this definition only, collectively referred to as the "**Company Securities**"); (b) assist, advise or encourage any other persons to acquire or agree to acquire, in any manner, any Company Securities; (c) seek or propose, or announce its intention or willingness to seek or propose, any tender offer, merger, arrangement, consolidation, take-over bid or similar transaction involving the combination of the third party and the Company relating to the acquisition of any Company Securities; (d) solicit proxies (whether or not relating to the election or removal of directors) of the holders of any Company Securities, or seek to advise or influence any other person or entity with respect to the voting of any securities of the Company, or demand a copy of the stock ledger, list of shareholders, or any other books or records of the Company or otherwise act, alone or in concert with others, to seek to control or influence, in any manner, the management of the Company, the Board or the policies of the Company; or (e) have any discussions, make any inquiry or proposal or enter into any arrangements, understandings or agreements (whether written or oral) with, or advise, assist, encourage or act in concert with, any other persons in connection with any of the foregoing, *provided, however*, that, for greater certainty, such standstill provisions shall not prohibit such third party from, either alone or jointly with others, submitting to the Board an Acquisition Proposal on a confidential basis that may constitute or lead to a Superior Proposal and that does not require a public announcement by the Company, other than in accordance with Section 5.5(6) of the Arrangement Agreement.

Term	Definition
Acquisition Proposal	Means, other than the transactions contemplated by the Arrangement Agreement and other than any transaction involving only the Company and/or one or more of its Subsidiaries or between one or more of its Subsidiaries, any written offer, inquiry or proposal from any Person or group of Persons, other than the Purchaser (or any of its affiliates or any Person acting in concert with the Purchaser or any of its affiliates), after the date of the Arrangement Agreement relating to: (a) any sale or disposition (or any lease, long-term supply agreement or other arrangement having the same economic effect as a sale), direct or indirect, of assets representing 20% or more of the consolidated assets or contributing 20% or more of the consolidated revenue of the Company and its Subsidiaries or of 20% or more of the voting or equity securities of the Company or any of its Subsidiaries (or rights or interests in such voting or equity securities), in each case, determined based upon the most recent audited annual consolidated financial statements of the Company filed as part of the Company Filings; (b) any direct or indirect take-over bid, tender offer, exchange offer, sale or issuance of securities or other transaction that, if consummated, would result in such Person or group of Persons beneficially owning 20% or more of any class of voting or equity securities of the Company or any of its Subsidiaries (or rights or interests in such voting or equity securities); (c) any plan of arrangement, merger, amalgamation, consolidation, share exchange, share reclassification, business combination, reorganization, recapitalization, liquidation, dissolution, winding up or exclusive license involving the Company or any of its Subsidiaries; or (d) any other similar transaction or series of transactions involving the Company or any of its Subsidiaries.
affiliate	Has the meaning ascribed thereto in NI 45-106 – Prospectus Exemptions, in force as of the date of the Arrangement.
allowable capital loss	Has the meaning as set forth under the heading *“Certain Canadian Federal Income Tax Considerations - Taxation of Capital Gains and Capital Losses”.*
Arrangement	Means the arrangement of Banxa under Division 5 of Part 9 of the BCBCA, on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of the Arrangement Agreement and the Plan of Arrangement, or made at the direction of the Court in the Final Order, with the prior written consent of Banxa and the Purchaser, each acting reasonably.
Arrangement Agreement	Means the arrangement agreement dated December 19, 2024 between the Purchaser and the Company (including the schedules thereto), as amended on December 30, 2024 and January 30, 2025, and as the same may be amended, modified or supplemented from time to time in accordance with its terms.

Term	Definition
Arrangement Resolution	Means the special resolution to be considered and, if thought fit, passed by the Securityholders at the Meeting to approve the Arrangement, which is substantially in the form of Appendix "A" hereto.
Authorization	Means, with respect to any Person, any order, permit, approval, consent, waiver, licence or similar authorization of any Governmental Entity having jurisdiction over the Person.
Banxa	Means Banxa Holdings Inc.
BCBCA	Means the *Business Corporations Act* (British Columbia).
Board	Means the board of directors of Banxa, as constituted from time to time, excluding, where the context requires, any Conflicted Director.
Board Recommendation	Means a statement that the Board has unanimously, after receiving the recommendation of the Special Committee, determined that the Consideration to be received by Shareholders (other than the Continuing Shareholders) is fair, from a financial point of view, and that the Arrangement is in the best interests of the Company, and that the Board unanimously (with Conflicted Directors abstaining from voting) recommends that the Securityholders vote in favour of the Arrangement Resolution.
Business Day	Means any day, other than a Saturday, a Sunday or any day on which major banks are closed for business in the City of Toronto, Ontario or the City of Vancouver, British Columbia.
Capital Gains Proposals	Has the meaning as set forth under the heading *"Certain Canadian Federal Income Tax Considerations - Taxation of Capital Gains and Capital Losses".*
Cassels	Has the meaning as set forth under the heading "*Background to the Arrangement*".
CDS	Means Canadian Depository for Securities.
CEO	Means Chief Executive Officer.
CFO	Means Chief Financial Officer.
Change in Recommendation	Has the meaning as set forth under the heading "*The Arrangement Agreement – Termination of the Arrangement Agreement*".
Circular or **Information Circular**	Means this management information circular (including the Notice of Meeting and all appendices hereto) dated January 30, 2025, as amended, supplemented or otherwise modified from time to time in accordance with the terms of the Arrangement Agreement.
Company	Means Banxa Holdings Inc.
Company Filings	Means all forms, documents and reports, together with all exhibits, financial statements and schedules publicly filed or furnished therewith, and all information, documents and agreements incorporated in any such form, document or report (but not including any document incorporated by reference into an exhibit), publicly filed by or on behalf of the Company on SEDAR+ since January 1, 2023.

Term	Definition
Company Group Member	Has the meaning as set forth under the heading "*The Arrangement Agreement – Termination Fees and Expenses*".
Company In-the-Money Option	Means an Option having an In-the-Money Amount at the Effective Time.
Company In-the-Money Option Consideration	Means, in respect of a Company In-the-Money Option, a cash payment (without interest) by or on behalf of the Company equal to the positive amount (if any) by which the Consideration exceeds the exercise price of such Company In-the-Money Option, multiplied by the number of Shares such Option entitles the holder thereof to purchase.
Company In-the-Money Warrant	Means a Warrant having an In-the-Money Amount at the Effective Time.
Company In-the-Money Warrant Consideration	Means, in respect of a Company In-the-Money Warrant held by a Non-Continuing Securityholder, a cash payment (without interest) by or on behalf of the Company equal to the positive amount (if any) by which the Consideration exceeds the exercise price of such Company In-the-Money Warrant, multiplied by the number of Shares such Warrant entitles the holder thereof to purchase.
Company Intellectual Property	Means the Company Registered Intellectual Property together with all other Intellectual Property owned by or purported to be owned by the Company or any of its Subsidiaries.
Company IP Agreements	Means each license, agreement or other permission or contract pursuant to which any of the Company or its Subsidiaries has granted to any third party any license or right with respect to the Company Intellectual Property, or that a third party has granted to the Company or its Subsidiaries, any license or right with respect to any Intellectual Property, other than, in case of (A) commercially available software licenses under which Software is licensed to the Company or its Subsidiaries with an annual expenditure of less than $250,000, and (B) nonexclusive licenses granted to customers and distributors in the Ordinary Course.
Company Out-of-the-Money Option	Means an Option that is not a Company In-the-Money Option.
Company Out-of-the-Money Warrant	Means a Warrant that is not a Company In-the-Money Warrant.
Company Registered Intellectual Property	Means (i) each current application and registration of Intellectual Property (including for certainty domain names and social media accounts) owned by, or applied for or registered in the name of the Company or any of its Subsidiaries.
Company Securities	Means any voting securities of the Company, any warrant or option to acquire any such securities, any security convertible into or exchangeable for any such securities or any other right to acquire any such securities (for the purposes of the definition of Acceptable Standstill Provisions only).
Company Service Providers	Means the current directors, officers, employees and independent contractors (who, individually, is a natural person or a natural

Term	Definition
	person providing services through a holding corporation), as the case may be, including part time and full-time officers and employees or officers and employees on a leave of absence.
Conflicted Director	Means, in respect of any particular Contract or transaction (including, for certainty, the Arrangement and any Acquisition Proposal), any director of the Company that has a disclosable interest pursuant to Part 5, Division 3 of the BCBCA and who is thereby not entitled to vote on a resolution to approve such Contract or transaction.
Consideration	Means $1.00 in cash per Share (other than Excluded Shares) to be received by the Shareholders pursuant to the Plan of Arrangement, without interest.
Constating Documents	Means the notice of articles and articles, articles of incorporation, amalgamation or continuation, as applicable, by-laws or other constating documents, and all amendments thereto.
Continuing Shareholders	Means those Shareholders listed in Schedule 1.1(a) of the Disclosure Letter, together with such Persons to be added or removed from the definition of "Continuing Shareholders" following the date of the Arrangement Agreement by the written consent of the Parties for the purposes of complying with applicable Securities Laws, or as is reasonably necessary to allow for the completion of the transaction on the terms contemplated in the Arrangement Agreement.
Contract	Means any written or oral agreement, commitment, engagement, contract, license, lease, obligation, undertaking or other right or obligation to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries is bound or affected or to which any of their respective material properties or their material assets is subject.
Court	Means the Supreme Court of British Columbia.
Debenture	Means the outstanding convertible debentures of the Company.
Depositary	Means TSX Trust Company, in its capacity as depositary for the Arrangement.
Different Consideration	Has the meaning as set forth under the heading *"Securities Laws Considerations – Multilateral Instrument 61-101".*
Disclosure Letter	Means the disclosure letter dated the date of the Arrangement Agreement and all schedules, exhibits and appendices thereto, delivered by the Company to the Purchaser with the Arrangement Agreement.
Dissent Rights	Means the rights of dissent in respect of the Arrangement under Sections 237 to 247 of the BCBCA, as modified by the Interim Order and the Plan of Arrangement.
Dissenting Shareholder	Means a registered Shareholder as of the record date of the Meeting who: (i) has duly and validly exercised their Dissent Rights in strict compliance with the dissent procedures set out in Section 237 through Section 247 of the BCBCA, as modified by the Interim

Term	**Definition**
	Order and the Plan of Arrangement; and (ii) has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights.
D&O Insurance	Has the meaning as set forth under the heading "*The Arrangement Agreement – Covenants*".
DRS	Means Direct Registration System.
DRS Advice	Means a DRS advice evidencing ownership of the applicable security.
DuMoulin Black	Means DuMoulin Black LLP, legal counsel to the Company.
E&E	Means Evans & Evans, Inc.
Effective Date	Means the date designated by the Purchaser and the Company by notice in writing as the effective date of the Arrangement, after all of the conditions to the completion of the Arrangement, as set out in the Arrangement Agreement and the Final Order, have been satisfied or waived.
Effective Time	Means 12:01 a.m. (Toronto time) on the Effective Date, or such other time as the Parties agree to in writing before the Effective Date.
Employee Plan	Means any plan, program, policy, agreement or arrangement which provides for any retirement, bonus, commission, stock purchase, profit sharing, pension, stock option, restricted stock, restricted stock unit or any other equity or equity-based compensation, deferred compensation, change in control compensation, severance or termination pay, insurance, medical, welfare, hospital, dental, vision case, drug, sick leave, disability, accident, death, salary continuation, unemployment benefits, vacation or incentive plan, program, arrangement or other benefit or compensation plan that is sponsored, maintained, contributed to, or required to be contributed to, by the Company or its Subsidiaries for the benefit of any Company Service Provider, or with respect to which the Company or any of its Subsidiaries has any current or contingent liability or obligation, other than: (a) plans established pursuant to statute with which the Company or any of its Subsidiaries are required to comply, including the Canada Pension Plan, Quebec Pension Plan, Canada Employment Insurance, Tax Act, any plan administered under applicable provincial health tax, workers' compensation, workplace safety and insurance and any other Governmental Entity plans; and (b) Contracts with Company Service Providers.
Excluded Party	Means any Person from whom the Company or any of its Representatives has received a *bona fide* written Acquisition Proposal after the date of the Arrangement Agreement and prior to the conclusion of the Go-Shop Period, which written Acquisition Proposal the Board has determined in good faith prior to the expiry of the Go-Shop Period, constitutes a Superior Proposal; *provided, however*, that a Person will immediately cease to be an Excluded Party and the provisions of the Arrangement Agreement applicable

Term	Definition
	to Excluded Parties will cease to apply with respect to such Person if: (a) such Acquisition Proposal made by such Person prior to the expiry of the Go-Shop Period is withdrawn; or (b) such Acquisition Proposal, in the good faith determination of the Board, no longer constitutes a Superior Proposal, provided that the Company shall not be in breach of any covenants in the Arrangement Agreement as a result of such change in status with respect to actions taken or not taken as permitted under the Arrangement Agreement prior to such change.
Excluded Shares	Means all Shares directly or indirectly owned by the Continuing Shareholders.
Fairness Opinion	Means the opinion of E&E addressed to the Special Committee, to the effect that, as of December 19, 2024, and based upon and subject to the assumptions, limitations and qualifications set forth therein, the Consideration to be received by the Shareholders (other than the Continuing Shareholders) under the Arrangement is fair, from a financial point of view, to such Shareholders.
Final Order	Means the final order of the Court under Section 291 of the BCBCA approving the Arrangement, in a form acceptable to Banxa and the Purchaser, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both Banxa and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both Banxa and the Purchaser, each acting reasonably) on appeal.
First Financial Advisor	Has the meaning as set forth under the heading "*Background to the Arrangement*".
First Indication of Interest	Has the meaning as set forth under the heading "*Background to the Arrangement*".
FSE	Means the Frankfurt Stock Exchange.
Go-Shop Fee	Means $911,741.
Go-Shop Fee Event	Means the termination of the Arrangement Agreement by the Company pursuant to Section 7.2(3)(b) of the Arrangement Agreement either: (a) prior to the expiry of the Go-Shop Period; or (b) as a result of an Acquisition Proposal from an Excluded Party.
Go-Shop Period	Means the period commencing immediately following the execution of the Arrangement Agreement and ending at 11:59 p.m. (Toronto time) on January 31, 2025.
Governmental Entity	Means: (i) any international, multinational, national, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body (public or private) or arbitrator, commission, commissioner, board, bureau, minister, ministry, governor in council, cabinet, agency or instrumentality, domestic or foreign, (ii) any subdivision, agent or authority of any of the

Term	Definition
	foregoing, (iii) any quasi-governmental or private body including any tribunal, commission, regulatory agency or self-regulatory organization exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, or (iv) any Securities Authority or stock exchange, including the TSXV.
Holder	Has the meaning as set forth under the heading "*Certain Canadian Federal Income Tax Considerations*".
IFRS	Means International Financial Reporting Standards, as issued by the International Accounting Standards Board and interpretations adopted thereby in effect at the relevant time, applied on a consistent basis.
Indemnified Persons	Has the meaning as set forth under the heading "*The Arrangement Agreement – Covenants*".
Independent Directors	Has the meaning as set forth under the heading "*Background to the Arrangement*".
Intellectual Property	Means all the of the following, whether domestic, foreign, or otherwise: (a) patents, patent rights, applications for patents and patent disclosures, and including all provisional applications, substitutions, continuations, continuations-in-part, patents of addition, improvement patents, divisionals, renewals, reissues, confirmations, counterparts, re-examinations and extensions thereof and all analogous rights; (b) proprietary and non-public business information, inventions (whether patentable or not and whether or not reduced to practice), invention disclosures, improvements, discoveries, trade secrets, confidential information, know- how, methods, processes, techniques, designs, technology, technical data, schematics, formulae and customer lists, and documentation relating to any of the foregoing; (c) copyrights, copyrightable works, copyright registrations and applications for copyright registration and all other corresponding rights including without limitation moral rights associated with copyrights, copyright registrations and applications for copyright registration; (d) integrated circuit topographies, integrated circuit topography registrations and applications, mask works, mask work registrations and applications for mask work registrations and all other corresponding rights; (e) industrial designs, industrial designation registrations and applications, designs, design patents, design registrations and design registration applications; (f) trade names, trade name registrations, business names, corporate names, telephone numbers, internet addresses, domain names, domain name registrations, social media accounts and handles, website names and world wide web addresses, common law trademarks, trademarks, signs, trade dress, logos, designs, slogans, service marks certification marks, official marks, prohibited marks, brand names, and all other identifiers of source, all goodwill associated with any of the foregoing, and any and all related registrations and

Term	Definition
	applications for registration of any of the foregoing, including without limitation any intent to use applications, supplemental registrations and any renewals or extensions thereof; (g) Software; (h) any other intellectual property or industrial property of every kind; and (i) all copies and tangible embodiments of any of the foregoing (in whatever form or medium).
In-the-Money Amount	Means, in respect of an Option or Warrant, the amount, if any, by which the total fair market value of the Shares that an Optionholder or a Warrantholder is entitled to acquire on exercise of the Option or the Warrant, as the case may be, immediately before the Effective Time exceeds the aggregate exercise price of such Option or Warrant at that time.
Interim Order	Means the interim order of the Court made pursuant to Section 291 of the BCBCA, in a form acceptable to Banxa and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as such order may be amended, modified, supplemented or varied by the Court with the consent of Banxa and the Purchaser, each acting reasonably.
Intermediary	Means a broker, bank, trust company, investment dealer or other financial institution in whose name a Shareholder's Shares are registered.
Labour Agreement	Means a collective bargaining agreement or other labour Contract with any labour union, works council, employee association or other labour organization.
Laws	Means, with respect to any Person, any and all applicable national, federal, provincial, state, municipal or local law (statutory, civil, common or otherwise), constitution, treaty, convention, ordinance, act, statute, code, rule, regulation, order, injunction, judgment, decree, ruling, award, writ, or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, all policies, guidelines, notices and protocols of any Governmental Entity, as amended, and, for greater certainty, includes Canadian securities Laws and U.S. securities Laws.
Letter of Transmittal	Means the letter of transmittal sent to registered Securityholders (other than the Continuing Shareholders) for use in connection with the Arrangement.
Lien	Means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachment, option, right of first refusal or first offer, license, occupancy right, restrictive covenant, assignment, lien (statutory or otherwise), defect of title, or encumbrance of any kind.
M&A	Has the meaning as set forth under the heading "*Background to the Arrangement*".

Term	Definition
Management	Has the meaning as set forth under the heading "*Background to the Arrangement*".
Management Proxyholders	Has the meaning as set forth under the heading *"Appointment of Proxyholder".*
Matching Period	Has the meaning as set forth under the heading "*The Arrangement Agreement – Covenants*".
Material Adverse Effect	Means any change, event, occurrence, effect, state of facts or circumstance that, individually or in the aggregate with other changes, events, occurrences, effects, states of facts or circumstances: (i) is or would reasonably be expected to have, both a material and adverse effect on the business, operations, affairs, results of operations, assets, properties, liabilities (contingent or otherwise) or financial condition of the Company and its Subsidiaries, taken as a whole; or (ii) any event that would create a prohibition, material impediment, or material delay in the Company's or the Purchaser's and their respective affiliates' ability to consummate the Arrangement and the other transactions contemplated by the Arrangement Agreement prior to the Outside Date, but excluding any such change, event, occurrence, effect, state of facts or circumstance resulting from or arising in connection with: (a) any change affecting the industries in which the Company or any of its Subsidiaries operate; (b) any change in global, national or regional political conditions (including any general labour strikes or act of espionage, cyberattack, sabotage or terrorism or any outbreak of hostilities or declared or undeclared war or any escalation or worsening thereof) or in general economic, business, banking, regulatory, financial, credit, currency exchange, interest rate, rates of inflation or capital market conditions in Canada, the United States or elsewhere; (c) any change in IFRS or regulatory accounting requirements applicable in the industries in which the Company or any of its Subsidiaries conducts business; (d) any adoption, proposal, implementation or change in Law or any interpretation of Law by any Governmental Entity, in each case, after the date hereof; (e) any natural disaster; (f) any epidemic, pandemic or outbreaks of illness or disease; (g) any action taken (or omitted to be taken) by the Company or any of its Subsidiaries pursuant to the Arrangement Agreement or as required by Law; (h) any actions taken (or omitted to be taken) upon the express written request of the Purchaser; (i) the failure of the Company to meet any internal, published or public projections, forecasts, guidance or estimates, including revenues, earnings or cash flows (it being understand that, unless otherwise excluded by clauses (a) through (h) above or (j) through below, the causes underlying any such failure may be taken into account in determining whether a Material Adverse Effect occurred); (j) the execution, announcement, pendency or performance of the Arrangement Agreement or the consummation of the Arrangement; (k) any

Term	Definition
	matter which has been disclosed in the Disclosure Letter or any other material facts in respect of the business, assets, affairs, operations, condition (financial or otherwise) or results of operations or liabilities (contingent or otherwise and whether contractual or otherwise) of the Company and its Subsidiaries, taken as a whole, of which the Purchaser has actual knowledge on the date of the Arrangement Agreement and the consequences (or the probability or magnitude of such consequences) of which were actually known by the Purchaser as of the date of the Arrangement Agreement; or (l) any change in the market price or trading volumes of any securities of the Company (it being understood that the causes underlying such change in market price or trading volumes (other than those in clauses (a) through (j) above) may be taken into account in determining whether a Material Adverse Effect has occurred), *provided, however*, if any change, event, occurrence, effect, state of facts or circumstance referred to in clauses (a) through and including (f) above materially and disproportionately adversely effects the Company and its Subsidiaries, taken as a whole, relative to other comparable companies and entities operating in the industries and businesses and jurisdictions in which the Company and its Subsidiaries operate, such change, event, occurrence, effect, state of facts or circumstance may be taken into account in determining whether a Material Adverse Effect has occurred, but only to the extent of the disproportionate effect, and unless expressly provided in any particular section of the Arrangement Agreement, references in certain sections of the Arrangement Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether a "Material Adverse Effect" has occurred.
Material Contract	Means any Contract (other than any intercompany Contract among the Company and/or its Subsidiaries, and any Contract between the Purchaser and the Company): (a) that, if terminated or modified or if it ceased to be in effect, would reasonably be expected to have a Material Adverse Effect; (b) relating directly or indirectly to indebtedness for borrowed money under which indebtedness in excess of $500,000 is or may become outstanding, or to the guarantee, support or assumption or any similar commitment with respect to the obligations, liabilities (whether accrued, absolute, contingent or otherwise) or indebtedness of any Person other than the Company or any of its Subsidiaries in excess of $500.000; (c) under which the Company or any of its Subsidiaries is obligated to make (other than an employment Contract) payments in excess of $300,000 or under which the Company or any of its Subsidiaries or other contracting entities expects to receive payments in excess of $400,000, in each case over the 12 month period preceding the Arrangement Agreement or in any 12 month period following the

Term	Definition
	date of the Arrangement Agreement, as applicable, or which contains minimum purchase commitments or other terms that expressly restricts or limits in any material respect the purchasing or selling ability of the Company or any of its Subsidiaries; (d) that is a collective bargaining agreement or other labour Contract with any labour union, works council, employee association or other labour organization (each a "**Labour Agreement**"); (e) relating to any litigation or settlement thereof which does or which would reasonably be expected to have actual or contingent obligations or entitlement of the Company or any of its Subsidiaries in excess of $250,000 and which have not been fully satisfied prior to the date of the Arrangement Agreement; (f) that expressly limits or restricts in any material respect: (i) the ability of the Company or any Subsidiary to engage in any line of business or carry on business in any geographic area; or (ii) the scope of Persons to whom the Company or any of its Subsidiaries may sell products or conduct business; (g) that is a partnership agreement, limited liability company agreement, joint venture agreement or similar agreement or arrangement, relating to the formation, creation or operation of any partnership, limited liability company or joint venture in which the Company or any of its Subsidiaries is a partner, member or joint venturer (or other participant) that is material to the Company and its Subsidiaries, taken as a whole, but excluding any such partnership, limited liability company or joint venture which is a wholly-owned Subsidiary of the Company; (h) that contains express exclusivity or non-solicitation obligations (excluding any Contracts with personnel of the Company and customary non-solicitation provisions with customers, suppliers or partners) or grants "most-favoured nation" or similar rights in each case in favour of a third party; (i) restricting the incurrence of indebtedness by the Company or any of its Subsidiaries (including by requiring the granting of an equal and rateable Lien) or the incurrence of any Liens on any properties or assets of the Company or any of its Subsidiaries, or restricting the payment of dividends by the Company; (j) that obligates the Company or any of its Subsidiaries to make or commit to make expenditures which individually or in the aggregate exceeds $250,000 during the remaining term of the Contract; (k) that is a lease, sublease, license or occupancy agreement for real property, in each case, that is material to the business; (l) that: (i) is for the employment or engagement of any named executive officer (as defined in Form 51-102F6 – *Statement of Executive Compensation*) and any employee that reports directly to the Chief Executive Officer of the Company; or (ii) provides for severance or other termination payments, change of control payments or any other payments that could be triggered as a result of the Arrangement, in excess of those required by applicable Law; or (m) that is a Company IP Agreement.

Term	Definition
MD&A	Means Management Discussion and Analysis.
Meeting	Means the special meeting of Banxa Securityholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order at the office of DuMoulin Black LLP, 1111 West Hastings Street, 15th Floor, Vancouver, British Columbia on February 25, 2025, at 10:00 a.m. (Vancouver time) for the purpose of considering and, if thought fit, approving the Arrangement Resolution.
MI 61-101	Means Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*.
NEO	Means Named Executive Officer.
NI 54-101	Means National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer.*
NOBO	Has the meaning ascribed to it under the heading "*Non-Registered Holders*".
Nominee	Has the meaning ascribed to it under the heading "*Non-Registered Holders*".
Non-Continuing Securityholders	Means those Securityholders who are not Continuing Shareholders.
Non-Resident Dissenting Holder	Has the meaning as set forth under the heading "*Certain Canadian Federal Income Tax Considerations - Holders Not Resident in Canada - Dissenting Shareholders*".
Non-Resident Holder	Has the meaning as set forth under the heading "*Certain Canadian Federal Income Tax Considerations - Holders Not Resident in Canada*".
Notice of Dissent	Has the meaning as set forth under the heading "*Rights of Dissenting Shareholders*".
Notice of Hearing and Petition	Means the notice of hearing and petition set forth in Appendix "D".
Notice of Meeting	Means the Banxa Holdings Inc. Notice of Special Meeting of Securityholders dated January 30, 2025.
Notice Shares	Has the meaning ascribed to it under the heading "*Rights of Dissenting Shareholders".*
OBO	Has the meaning ascribed to it under the heading "*Non-Registered Holders".*
Optionholders	Means at any time, the holders of Options.
Options	Means the options to purchase Shares issued pursuant to the Plan.
Option Agreement	Means an agreement or other instrument evidencing the grant by the Company of an Option.
Order	Means all judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, injunctions, orders, decisions, rulings, determinations, awards, or decrees of any Governmental Entity (in each case, whether temporary, preliminary or permanent).
Ordinary Course	Means, with respect to an action taken or to be taken, or an inaction taken or to be taken, by the Company or any of its Subsidiaries, that such action or inaction is taken in the ordinary course of the normal

Term	Definition
	day-to-day operations of the business of the Company and/or such Subsidiary, consistent with past practices.
OTCQX	Means the OTCQX Market.
Outside Date	Means April 14, 2025, or such later date as may be agreed to in writing by the Parties, subject to the right of either Party to extend the Outside Date from time to time by a specified period of not less than sixty (60) days (provided that, in aggregate (for both Parties), such extensions shall not exceed 180 days from April 14, 2025) if the Effective Date has not occurred by the Outside Date as a result of the failure to obtain any of the Required Consents and such Required Consent has not been denied by a non-appealable decision of a Governmental Entity, by giving written notice to the other Party to such effect no later than 5:00 p.m. (Toronto time) on the date that is not less than five days prior to the Outside Date then in effect; *provided, however*, that, notwithstanding the foregoing, a Party shall not be permitted to extend the Outside Date if the failure to obtain any of such Required Consents is primarily the result of such Party's wilful breach of its covenants herein.
Parties	Means the Company and the Purchaser.
Permitted Liens	Means, in respect of the Company or any of its Subsidiaries, any one or more of the following: (a) Liens for Taxes not at the time due and payable or otherwise contested in good faith or for which adequate reserves have been established; (b) restrictions, covenants, land use contracts, rent charges, building schemes, declarations of covenants, conditions and restrictions, servicing agreements, or other registered agreements or instruments in favour of any Governmental Entity, easements, rights-of-way, servitudes, rental pool agreements or other similar rights in or with respect to real property granted to or reserved by other Persons or properties, which individually or in the aggregate do not materially impair the use of or the operation of the business of such Person or the property subject thereto and provided that same have been complied with; (c) inchoate or statutory Liens or privileges imposed by Law such as contractors, subcontractors, carriers, warehousemen, mechanics, builders, workers, suppliers, and materialmen and others in respect of the construction, maintenance, repair or operation of real or personal property; (d) any security given to a public or private utility or other service provider or any other Governmental Entity when required by such utility or other Governmental Entity in connection with the operations of such Person in the ordinary course of its business, but only to the extent relating to costs and expenses for which payment is not due and with respect to Liens listed in Schedule 1.1(b) of the Disclosure Letter; (e) any right reserved to or vested in any Governmental Entity by the terms of any permit, licence, certificate, order, grant, classification (including any zoning laws and

Term	Definition
	ordinances and similar legal requirements), registration or other consent, approval or authorization acquired by such Person from any Governmental Entity or by any Law, to terminate any such permit, licence, certificate, order, grant, classification, registration or other consent, approval or authorization or to require annual or other payments as a condition to the continuance thereof and which in the aggregate do not materially impair the use of or the operation of the business of such Person or the property subject thereto; (f) subdivision plans, site plans, subdivision plats, maps, surveys and similar instruments registered or recorded in the ordinary course of business which do not materially impair the use of or the operation of the business of such Person or the property subject thereto and provided the same have been complied with; (g) the reservations, exceptions, limitations, provisos and conditions, if any, expressed in any grants from the Crown or similar Governmental Entity of any owned, leased or licenced real property; (h) purchase money liens and Liens securing rental payments under capital lease or operating or equipment lease arrangements; (i) non-exclusive licenses to use Intellectual Property granted in the Ordinary Course; or (j) Liens listed in Schedule 1.1(b) of the Disclosure Letter.
Person	Means any individual, partnership, trust, association, body corporate, organization, estate, trustee, executor, administrator, legal representative, government (including any Governmental Entity), syndicate or any other entity, whether or not having legal status.
Peterson McVicar	Means Peterson McVicar LLP, legal counsel to the Special Committee.
Plan	Means the current 10% "rolling" stock option plan of the Company, last approved by Shareholders at the Company's annual general meeting of Shareholders held on November 30, 2023.
Plan of Arrangement	Means the plan of arrangement substantially in the form set out in Appendix "B" to this Circular, subject to any amendments or variations to such plan made in accordance with its terms, the terms of the Arrangement Agreement, or at the direction of the Court in the Final Order with the prior consent of Banxa and the Purchaser, each acting reasonably.
Potential Acquiror A	Has the meaning as set forth under the heading "*Background to the Arrangement*".
Potential Acquiror B	Has the meaning as set forth under the heading "*Background to the Arrangement*".
Potential Acquiror C	Has the meaning as set forth under the heading "*Background to the Arrangement*".
Potential Acquiror D	Has the meaning as set forth under the heading "*Background to the Arrangement*".

Term	Definition
Potential Acquiror E	Has the meaning as set forth under the heading "*Background to the Arrangement*".
Proposed Amendments	Has the meaning as set forth under the heading "*Certain Canadian Federal Income Tax Considerations*".
Proxy	Means the form of proxy accompanying to the Circular.
Purchaser	Means 1493819 B.C. Ltd.
Purchaser Group Member	Has the meaning as set forth under the heading "*The Arrangement Agreement – Termination Fees and Expenses*".
Record Date	Means December 27, 2024.
Representative	Means, with respect to any Person, any officer, director, employee, representative (including any financial, legal or other advisor) or agent of such Person or of any of its Subsidiaries or affiliates.
Required Consent	Means the consents, approvals or waivers listed in Schedule C(34) of the Disclosure Letter.
Required Securityholder Approval	Means the requisite approval for the Arrangement Resolution by not less than: (i) 66⅔% of the votes cast by Shareholders present in person or represented by proxy at the Meeting; (ii) 66⅔% of the votes cast by Securityholders present in person or represented by proxy at the Meeting, voting together as members of a single class; and (iii) a simple majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting, excluding for this purpose votes attached to the Excluded Shares and any Shares beneficially owned, directly or indirectly by any other persons described in items (a) through (d) of Section 8.1(2) of MI 61-101.
Resident Dissenting Holder	Has the meaning as set forth under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Dissenting Shareholders*".
Resident Holder	Has the meaning as set forth under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada*".
RESP	Means Registered Education Savings Plan.
RRIF	Means Registered Retirement Income Fund.
RRSP	Means Registered Retirement Savings Plan.
Second Financial Advisor	Has the meaning as set forth under the heading "*Background to the Arrangement*".
Second Indication of Interest	Has the meaning as set forth under the heading "*Background to the Arrangement*".
Securities Authorities	Means the British Columbia Securities Commission, the Ontario Securities Commission and the applicable securities commissions and other securities regulatory authorities in each of the other provinces and territories of Canada, as applicable.
Securities Laws	Means the *Securities Act* (British Columbia), the *Securities Act* (Ontario) and any other applicable Canadian provincial and territorial rules, orders, notices, promulgations and regulations and published policies thereunder and, where applicable, applicable securities laws and regulations of other jurisdictions.

Term	Definition
Securityholders	Means, collectively, the Shareholders, the Optionholders and the Warrantholders.
SEDAR+	Means the System for Electronic Document Analysis and Retrieval+ (and includes the predecessor thereto).
Senior Lender	Has the meaning as set forth under the heading "*Background to the Arrangement*".
Shareholders	Means, at any time, the registered or beneficial holders of the Shares, as the context requires.
Shares	Means the common shares in the capital of Banxa.
Software	Means computer software and programs (both source code and object code form), applications, interfaces, applets, software scripts, artificial intelligence (including large language models) powered software applications, processes or systems, macros, firmware, middleware, development tools and other codes, instructions or sets of instructions for computer hardware or software including SQL and other query languages, hypertext markup language, wireless markup language, xml and other computer markup languages, in object, source code or other code format, all proprietary rights in the computer software and programs and all documentation and other materials related to the computer software and programs.
Special Committee	Means the special committee of independent directors of the Board formed to consider the Arrangement and make recommendations to the Board with respect thereto.
Specified Exemptions	Has the meaning as set forth under the heading "*The Arrangement Agreement – Covenants*".
Strategic Review	Has the meaning as set forth under the heading "*Background to the Arrangement*".
Subject Shares	Means all Shares listed in the applicable Voting Support Agreement, together with any Shares acquired, directly or indirectly, by the applicable Supporting Shareholder or any of its affiliates subsequent to the date thereof, including all securities which such Subject Shares may be converted into, exchanged for or otherwise changed into and any Shares in respect of which voting is or may become subsequent to the date thereof, directly or indirectly, controlled or directed, by the Supporting Shareholder or any of its affiliates.
Subject Transactions	Has the meaning as set forth under the heading "*Background to the Arrangement*".
Subsidiary	Means a Person that is controlled directly or indirectly by another Person and includes a Subsidiary of that Subsidiary.
Superior Proposal	Means any *bona fide* written Acquisition Proposal to acquire not less than all of the outstanding Shares (other than the Shares held by the Persons or group of Persons making such Acquisition Proposal) or all or substantially all of the assets of the Company on a consolidated basis (provided that, for clarity, any Shares subject

Term	Definition
	to (A) a rollover for tax purposes, or (B) an agreement entered into with, or involving, any Continuing Shareholders that will continue to be direct or indirect shareholders of the Company under such proposal, in each case, will be considered acquired for this purpose) that: (a) complies with applicable Laws and did not result from or involve a breach of Article 5 in the Arrangement Agreement; (b) is not subject to any financing contingency, and in respect of which it has been demonstrated to the satisfaction of the Board, acting in good faith (after receipt of advice from its financial advisor(s) and its outside legal counsel), that adequate arrangements have been made in respect of any financing required to complete such Acquisition Proposal; (c) is not subject to a due diligence or access to information condition; and (d) in respect of which the Board (or any relevant committee thereof, including the Special Committee) determines, in its good faith judgment (after receipt of advice from its financial advisor(s) and its outside legal counsel): (A) is reasonably capable of being completed, without undue delay, taking into account all financial, legal, regulatory and other aspects of such proposal and the Person or group of Persons making such proposal; (B) after taking into account all the terms and conditions of the Acquisition Proposal, including all legal, financial, regulatory and other aspects of such Acquisition Proposal and the party making such Acquisition Proposal, would, if consummated in accordance with its terms, but without assuming away the risk of non-completion, result in a transaction which is more favorable, from a financial point of view, to the Shareholders (other than the Continuing Shareholders) than the Arrangement (including any amendments to the terms and conditions of the Arrangement proposed by the Purchaser pursuant to Section 5.5(2) of the Arrangement Agreement); and (C) that the failure to recommend such Acquisition Proposal to the Shareholders would be inconsistent with its fiduciary duties under applicable Laws.
Superior Proposal Notice	Has the meaning as set forth under the heading "*The Arrangement Agreement – Covenants*".
Supporting Shareholders	Means those Shareholders (including each of the Continuing Shareholders) who are party to the Voting Support Agreements.
Tax Act	Means the *Income Tax Act* (Canada), as amended, and the regulations thereunder, as amended.
Tax and **Taxes**	Means: (a) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value-

Term	Definition
	added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employer health, payroll, workers' compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, import or export, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions (including Canada Pension Plan); and (b) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity on amounts of the type described in clause (a) above or this clause (b).
taxable capital gain	Has the meaning as set forth under the heading "*Certain Canadian Federal Income Tax Considerations – Taxation of Capital Gains and Capital Losses*".
Tax Returns	Means any and all returns, reports, declarations, elections, notices, forms, documents, designations, disclosures, schedules, attachments, filings, and statements (including any amendments, and estimated tax returns and reports, withholding tax returns and reports, and information returns and reports) filed or required to be filed in respect of Taxes (whether in tangible, electronic or other form).
Termination Fee	Means $1,823,482.
Termination Fee Event	Has the meaning as set forth under the heading "*The Arrangement Agreement – Termination Fees and Expenses*".
TSX Trust	Means TSX Trust Company, Banxa's registrar and transfer agent.
TSXV	Means the TSX Venture Exchange.
U.S. Exchange Act	Means the United States Securities Exchange Act of 1934, as amended from time to time, and the rules and regulations promulgated thereunder.
U.S. Securities Act	Means the United States Securities Act of 1933, as amended from time to time, and the rules and regulations promulgated thereunder.
United States	Means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.
Voting Support Agreements	Means the voting support agreements dated as of various dates, entered into between the Purchaser, on the one hand, and the Supporting Shareholders, on the other hand.
Warrantholders	Means at any time, the holders of Warrants.
Warrants	Means Share purchase warrants of Banxa.
Warrant Certificate	Means a certificate evidencing the terms of any Warrant.

INFORMATION CIRCULAR

The information set out herein is presented as at January 30, 2025 except as indicated otherwise. Unless otherwise indicated, all amounts in this Circular are expressed in Canadian dollars.

Banxa Holdings Inc. ("**Banxa**" or the "**Company**") is providing this Circular and a form of proxy in connection with management's solicitation of proxies for use at the special meeting (the "**Meeting**") of the Company to be held on February 25, 2025 and at any postponement or adjournment thereof. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation. Banxa has also engaged Laurel Hill Advisory Group to provide proxy solicitation agent and shareholder communications advisory services and will pay a fee of up to $70,000 for the services in addition to certain out-of-pocket expenses.

All capitalized terms used in this Circular but not otherwise defined herein, shall have the meaning set forth under "Glossary".

APPOINTMENT OF PROXYHOLDER

The purpose of a proxy is to designate persons who will vote the proxy on a Securityholder's behalf in accordance with the instructions given by the Securityholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or Directors of the Company (the "**Management Proxyholders**").

A Securityholder has the right to appoint a person other than a Management Proxyholder to represent the Securityholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person's name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a Securityholder.

VOTING BY PROXY

Only registered Shareholders, Optionholders, Warrantholders or duly appointed proxyholders are permitted to vote at the Meeting. Securities represented by a properly executed proxy will be voted FOR or AGAINST on each matter referred to in the Notice of Meeting in accordance with the instructions of the Securityholder on any ballot that may be called for, and if the Securityholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly.

If a Securityholder does not specify a choice and the Securityholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

Registered Securityholders with questions regarding voting their Securities should contact Banxa's proxy solicitation agent and shareholder communications advisor, Laurel Hill Advisory Group, by calling 1-877-

452-7184 (toll free in North America), 1-416-304-0211 (outside North America) or by email at assistance@laurelhill.com.

COMPLETION AND RETURN OF PROXY

Proxies must be received by the Company's transfer agent, TSX Trust Company, by no later than 10:00 a.m. (local time in Vancouver, British Columbia) on February 21, 2025 by mailing it to the following address: TSX Trust Company 301 - 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, Attention: Proxy Department. Proxies may also be voted online at **www.voteproxyonline.com** by inserting the 12-digit control number listed on your proxy. The deadline for deposit of proxies may be waived or extended by the Chair of the Meeting at his discretion, without notice.

NON-REGISTERED HOLDERS

Only Shareholders whose names appear on the records of the Company as the registered holders of Shares or duly appointed proxyholders as of the Record Date are permitted to vote at the Meeting. Most Shareholders of the Company are "non-registered" Shareholders because the Shares they own are not registered in their names, but instead registered in the name of a nominee, such as a brokerage firm through which they purchased the shares; a bank, trust company, trustee or administrator of self-administered RRSP's, RRIF's, RESP's and similar plans; or a clearing agency, such as The Canadian Depository for Securities Limited (a "**Nominee**"). If you purchased your Shares through a broker, you are likely a non-registered holder.

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular and the Proxy, to the Nominees for distribution to non-registered holders. If you are a NOBO (as defined below), your name, address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the Nominee holding securities on your behalf.

Nominees are required to forward the Meeting materials to non-registered holders to seek their voting instructions in advance of the Meeting, unless a non-registered Holder has waived the right to receive them. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. Nominees will generally use service companies (such as Broadridge Financial Solutions, Inc.) to forward the Meeting materials to non-registered holders. Generally, a non-registered holder who has not waived the right to receive Meeting materials will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit non-registered holders to direct the voting of the Shares they beneficially own. Nominees often have their own mailing procedures and provide their own return instructions for the voting instruction form or form of proxy. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your Shares are voted at the Meeting.

If you, as a non-registered holder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to the Company are referred to as "non-objecting beneficial owners" ("**NOBOs**"). Those

non-registered holders who have objected to their Nominee disclosing ownership information about themselves to the Company are referred to as "objecting beneficial owners" ("**OBOs**").

The Company will pay for Nominees to deliver proxy related materials to OBOs under NI 54-101.

Additionally, the Company may use Broadridge Financial Solutions' QuickVote™ system to assist eligible NOBOs with voting their Shares. Certain NOBOs may be contacted by Laurel Hill to conveniently obtain their voting instructions directly over the phone.

HOW TO VOTE YOUR SHARES

You may vote in any of the following ways:

VOTING METHODS	BENEFICIAL HOLDERS securities held with a broker, bank or other nominee.	REGISTERED HOLDERS securities held in own name and represented by a physical certificate or DRS.
	www.proxyvote.com	**ONLINE:** www.voteproxyonline.com **EMAIL:** tsxtrustproxyvoting@tmx.com
	Call the toll-free number listed on your Voting Instruction Form (VIF) and vote using the control number provided therein.	**FAX:** 416-595-9593
	Complete, date and sign the voting instruction form and return it in the enclosed postage paid envelope.	Complete, date and sign Management's form of proxy and return it in the enclosed postage paid envelope to: *TSX Trust Company* *100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1*

Registered and non-registered holders with questions regarding voting their Securities should contact the Company's proxy solicitation agent and shareholder communications advisor, Laurel Hill Advisory Group, by calling 1-877-452-7184 (toll free in North America), 1-416-304-0211 (outside North America) or by email at assistance@laurelhill.com.

QUORUM AND APPROVAL

A quorum of Shareholders is required to transact business at the Meeting. Subject to the special rights and restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of Shareholders is one person present or represented by proxy.

In order to become effective, the Arrangement Resolution must be approved by not less than: (i) 66⅔% of votes cast by Shareholders present in person or represented by proxy at the Meeting; (ii) 66⅔% of votes cast by Securityholders present in person or represented by proxy at the Meeting, voting together as members of a single class; and (iii) a majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting, excluding for this purpose votes attached to the Excluded Shares

and any Shares beneficially owned, directly or indirectly by any other persons described in items (a) through (d) of Section 8.1(2) of MI 61-101.

NOTICE-AND-ACCESS

The Company is not sending the Meeting materials to Securityholders using "notice-and-access", as defined under NI 54-101.

REVOCABILITY OF PROXY

In addition to revocation in any other manner permitted by law, a Securityholder, his or her attorney authorized in writing or, if the Securityholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any postponement or adjournment thereof, or with the chairman of the Meeting on the day of the Meeting.

Cautionary Note Regarding Forward-Looking Information and Forward-Looking Statements

This Circular and the documents incorporated into this Circular by reference contain "forward-looking information" within the meaning of applicable Canadian securities Laws and "forward-looking statements" within the meaning of applicable U.S. securities laws, collectively referred to herein as "forward looking statements". These forward-looking statements and forward-looking information include but are not limited to statements and information as to: the Arrangement and the completion thereof; the timing for the implementation of the Arrangement, including the expected Effective Date of the Arrangement; the anticipated benefits of the Arrangement; the principal steps of the Arrangement; the process and timing of delivery of the Consideration to Shareholders following the Effective Time; the receipt of the necessary Securityholder and court approvals; the anticipated tax treatment of the Arrangement for Shareholders; statements made in, and based upon the Fairness Opinion; statements relating to the business of the Company after the date of this Circular and prior to the Effective Time; de-listing of the Shares from the TSXV; ceasing of reporting issuer status of the Company; and other events or conditions that may occur in the future or future plans, projects, objectives, estimates and forecasts, and the timing related thereto.

Any statements that involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance, often but not always use phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or statements that certain actions, events or results "may" or "could", "would", "might", or "will" be taken to occur or be achieved.

These forward-looking statements and information are based on numerous assumptions, estimates, expectations, analyses and opinions, all of which are believed by management to be reasonable based on information currently available at the time such statements were made. Such assumptions include, without limitation, that the Arrangement will be completed, the ability of the Company to receive, in a timely manner and on satisfactory terms, the necessary Court, Securityholder and other third party approvals; the ability of the Company to satisfy, in a timely manner, the other conditions to completion of the Arrangement; and other expectations and assumptions which management believes are

appropriate and reasonable. The anticipated dates provided in this Circular regarding the Arrangement may change for a number of reasons, including the inability to secure the necessary regulatory, Court, Securityholder or other third party approvals in the time assumed or the need for additional time to satisfy the other conditions to the completion of the Arrangement. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this Circular. Although management believes that the assumptions made and the expectations represented by such statements or information are reasonable, there can be no assurance that the forward-looking statements or information will prove to be accurate.

Although the Company has attempted to identify in this Circular important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements and information in this Circular and the documents incorporated by reference herein, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Such risks, uncertainties and factors include, among others: the failure of the Company to obtain the necessary Court or Securityholder approvals or otherwise satisfy the conditions to the completion of the Arrangement; the Arrangement may divert the attention of the Company's management; the costs associated with the Arrangement, even if the arrangement is not completed; the directors and officers of the Company having potentially different interests than Securityholders; risks relating to, among other things: the Company's financial condition and prospects not being consistent with the Company's expectations, changes in general economic conditions and conditions in the financial markets; and the risks discussed under the heading "*Risk Factors*" and elsewhere in the Circular, including in the documents incorporated by reference in the Circular. Readers should not place undue reliance on forward-looking statements or information in this Circular, nor in the documents incorporated by reference herein. Except as required by applicable law, the Company disclaims any intention or obligation to update or revise any of the forward-looking statements or forward-looking information in this Circular or incorporated by reference herein, whether as a result of new information, future events or otherwise. All of the forward-looking statements made, and forward-looking information contained, in this Circular are qualified by these cautionary statements.

The forward-looking statements and information contained in this Circular are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless required by applicable Canadian securities Laws and U.S. securities Laws. All forward-looking statements contained in this Circular are expressly qualified in their entirety by the cautionary statements set forth above and in any document incorporated by reference herein. All subsequent written and oral forward-looking statements attributable to the Company or to persons acting on its behalf are expressly qualified in their entirety by these cautionary statements.

Note to Securityholders in the United States Regarding U.S. Securities Law Matters

THE ARRANGEMENT HAS NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE OF THE UNITED STATES, NOR HAS THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE OF THE UNITED STATES PASSED UPON THE FAIRNESS OR MERITS OF THE ARRANGEMENT OR UPON THE ADEQUACY OR ACCURACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The solicitation of proxies made pursuant to this Circular is not subject to the requirements of Section 14(a) of the U.S. Exchange Act. Accordingly, the solicitation of proxies and transactions contemplated herein are being made in accordance with Canadian corporate and securities Laws, and this Circular has been prepared in accordance with the applicable disclosure requirements of Canada. Securityholders in the United States should be aware that requirements under such Canadian laws may differ from requirements of the United States applicable to registration statements under the U.S. Securities Act and to proxy statements under the U.S. Exchange Act.

It may be difficult for Securityholders in the United States to enforce their rights and any claim they may have arising under United States federal securities laws since the Company and the Purchaser are incorporated or formed under the laws of Canada or a province of Canada, most or all of the officers and directors of each of the Company and the Purchaser reside outside the United States, some of the experts named herein may reside outside the United States, and all or a substantial portion of the assets of each of the Company and the Purchaser and the other above-mentioned persons are located outside the United States. Securityholders in the United States may not be able to sue the Company or the Purchaser or their respective officers or directors in a non-U.S. court for violation of United States federal securities laws. It may be difficult to compel such parties to subject themselves to the jurisdiction of a court in the United States or to enforce a judgment obtained from a court of the United States.

Securityholders in the United States should be aware that the Arrangement described in this Circular may have tax consequences in both the United States and Canada which are not fully described herein. Securityholders who are resident in, or citizens of, the United States are advised to consult their own tax advisors to determine the particular United States tax consequences to them of the Arrangement in light of their particular situation, as well as any tax consequences that may arise under the laws of any other relevant foreign, state, local or other taxing jurisdiction. For a general discussion of the Canadian income tax consequences of the Arrangement to Shareholders who are not resident in Canada, see "*Certain Canadian Federal Income Tax Considerations – Holders not Resident in Canada*".

VOTING SECURITIES

The Company is authorized to issue an unlimited number of common shares without par value (the "**Shares**"). As of December 27, 2024 (the "**Record Date**"), there were 45,587,056 Shares outstanding, 2,223,750 Options outstanding and 2,847,013 Warrants outstanding and entitled to vote at the Meeting. Shareholders, Optionholders and Warrantholders as at the Record Date will be entitled to receive notice of and vote at the Meeting. Holders of Shares will be entitled to one vote for each Share held. Holders of Options will be entitled to one vote for each Option held. Holders of Warrants will be entitled to one vote for each Warrant held.

PRINCIPAL HOLDERS OF SECURITIES

To the knowledge of the Directors and executive officers of the Company, as of the Record Date, the persons or companies who beneficially own, control or direct, directly or indirectly, shares carrying 10% or more of the voting rights attached to all shares of the Company are:

Name	Number of Shares Beneficially Owned, Controlled or Directed, Directly or Indirection	Percentage of Outstanding Shares
Domenic Carosa	6,245,426[1]	13.7%

Note: Shares held through Dominet Digital Investments Pty Ltd. and Carosa Corporation BV, each an entity controlled by Mr. Carosa.

BACKGROUND TO THE ARRANGEMENT

Background to the Arrangement

The execution of the Arrangement Agreement was the result of extensive negotiations between representatives of the Company (led by the Special Committee), the Purchaser, the Continuing Shareholders and their respective advisors. The following is a summary of the material events, including meetings, negotiations and discussions involving these and other parties, which preceded the execution of the Arrangement Agreement and the public announcement of the Arrangement on December 19, 2024.

In the four years following the completion of its Qualifying Transaction in December 2020, the Company has faced numerous challenges. Notwithstanding the steady improvement in its financial results, the Company has suffered from a persistent cash crunch and stifling indebtedness, which together have tempered the Company's ability to meet its growth objectives and milestones. Not unlike numerous other Canadian-domiciled public growth companies in the technology sector, the headwinds in the macro-economic environment, including high inflation and interest rates, and the challenging capital market conditions and valuations for Canadian small-cap issuers, have made it difficult for the Company to raise debt or equity financing on favourable terms and without a significant dilutive impact on existing shareholders. In addition, as is the case with other crypto-related issuers, the market price of the Shares has sometimes been a proxy for the volatility in the crypto markets more generally.

Due to these challenges and other factors, the Company has experienced significant downward pressure on its market price and decreased liquidity for the Shares. The Board, with the assistance of the Company's senior management (the "**Management**") and external advisors, has regularly evaluated the Company's performance, future growth prospects, overall corporate strategy and long-term strategic plans and options, with the objective of strengthening the Company's business and maximizing value for shareholders in the context of ongoing and sustained volatility in the crypto markets in particular, and in the capital markets more generally. In this regard, the Board, working together with Management, has considered numerous strategic transactions with various industry participants, including strategic acquisitions, investments and other commercial relationships. The execution of the Arrangement Agreement in fact represents the culmination of a four-year long effort by the Company (acting through the Board and the Special Committee) to entertain a collection of such solicited and unsolicited offers, inquiries or proposals, as described in greater detail below. At each such juncture, the Board carefully reviewed and considered such offers, inquiries or proposals in order to determine whether pursuing them

would be in the best interests of the Company and its shareholders and other stakeholders, having regard to the Company's operations, financial performance and industry conditions.

The first such opportunity arose in December 2021, when the Company received an unsolicited inquiry from a large, European-based payment services provider to online merchants ("**Potential Acquiror A**") with respect to a potential transaction involving the Company. While initial talks between the Company and Potential Acquiror A consisted of a potential minority investment (at-market) by Potential Acquiror A into the Company, discussions over the ensuing months between the parties shifted towards a potential acquisition of the Company by Potential Acquiror A. Although the discussions with Potential Acquiror A were preliminary and non-binding in nature, the Board believed that it was in the best interests of the Company to pursue these discussions further. Following the execution of a non-disclosure agreement, due diligence investigations were undertaken by Potential Acquiror A, but no formal offer was ever submitted by Potential Acquiror A and the parties were unable to reach any agreement on terms. Discussions among the parties were formally severed in the summer of 2022, coinciding with a sharp decline (nearly 70%) in the market price of Bitcoin and other popular cryptocurrencies, ending the bull run in the crypto markets, which itself commenced at roughly the same time that Potential Acquiror A approached the Company.

Beginning in late 2021, the debt and equity capital markets became increasingly challenging for small-cap issuers like the Company, and the Company began to face downward pressure on its share price, which decreased by more than 66% during the roughly eight (8) month period between December 6, 2021 and August 8, 2022. During this time, while the Company found itself situated in a period characterized by rapid growth, it lacked a clear strategy to address the cash requirements to sustain such growth. While the Company was able to complete a brokered private placement of units of the Company in April 2021 at an issue price of $4.00 per unit for aggregate gross proceeds of approximately $15 million, thereby extending the Company's cash runway, this much-needed liquidity proved to be short-lived and the Company's long-term cash needs had yet to be addressed.

In late 2021, representatives of a prominent New York-based investment bank (one of the top five in the United States) (the "**First Financial Advisor**") also approached the Board, with a view to assisting the Company in identifying opportunities for a potential sale transaction involving the Company or in pursuing other strategic alternatives. The First Financial Advisor, which had a very deep track record in mergers and acquisitions ("**M&A**") advisory-related work, including demonstrated experience with transactions in the crypto sector, had already completed a detailed analysis of the Company against its direct competitors and had identified a window for a potentially accretive transaction involving strategic third parties located in the United States (which would have represented a shift in the core markets being serviced by the Company, then being centered primarily in Canada and Australia).

In early 2022, as part of its efforts to explore strategic measures to address liquidity concerns, the Company initiated a cross-border listing on the Nasdaq Stock Market. However, in light of, among other things, then prevailing capital markets conditions, the Company was unable to meet the minimum market price and other listing requirements of the Nasdaq Stock Market, and, accordingly, was unsuccessful in pursuing such dual listing.

In the following weeks, the First Financial Advisor commenced its internal compliance procedures and began a "soft" market canvass with select third parties to assess the extent of such third parties' interest in a potential transaction involving the Company (including renewed correspondence with Potential

Acquiror A). More than a dozen such third parties were approached and over five non-disclosure agreements were entered into.

In May 2022, with the assistance of the First Financial Advisor, the Company received a proposal from a Canada-based company engaged in the payments processing sector ("**Potential Acquiror B**") with respect to a potential transaction involving the Company. The offer consisted of a combination of cash and shares of Potential Acquiror B, but the proposed valuation (then anchored in a market price for the Shares which hovered around $0.95 to $1.05) was deemed by the Board and its external advisors to be largely opportunistic.

In June 2022, again with the assistance of the First Financial Advisor, the Company received an inquiry from a US-based company engaged in the payments processing sector ("**Potential Acquiror C**") with respect to a potential acquisition of the Company by Potential Acquiror C. The parties engaged in preliminary discussions in parallel to Potential Acquiror C completing customary due diligence investigations with respect to the Company (following the execution of a non-disclosure agreement), which due diligence investigations lasted from June 2022 to September 2022. During this time, the Company learned of certain significant compliance-related issues involving the business of Potential Acquiror C. As the Company continued to unpack these regulatory issues, it became clear that a transaction with Potential Acquiror C would not be advisable. The parties severed their discussions in October 2022.

On September 9, 2022, the Company received an unsolicited offer from a Canada-based business engaged in various decentralized financial services and products ("**Potential Acquiror D**") with respect to a potential acquisition of the Company for share consideration. The Company did not entertain discussions with Potential Acquiror E, as the offer reflected an exchange ratio having a lower than acceptable premium to then trailing 30-day volume-weighted average trading price of the Shares on the TSXV.

By September 2022, notwithstanding some examples of large-scale U.S. M&A involving crypto issuers during this time, the First Financial Advisor informed the Board that the prospect of a successful sale transaction had largely diminished, and the First Financial Advisor subsequently discontinued its advisory efforts.

The work of the First Financial Advisor coincided with a period of time during which the crypto markets were bearing immense pressures, with several large crypto companies having become insolvent or bankrupt. Notably, the factors contributing to the bankruptcy in November 2022 of FTX Trading Ltd., a Bahamas-based cryptocurrency exchange, coupled with the earlier collapse in May 2022 of the Terra Luna coin and the Terra "stablecoin", triggered a second "bear market" for crypto in as many years, resulting in widescale withdrawals by investors of digital assets from numerous prominent crypto exchanges, directly impacting the business of the Company.

As a consequence of these and other events, companies engaged in the crypto sector (like the Company) began to face even greater regulatory scrutiny. In particular, financial regulators and accounting regulatory bodies "doubled-down" in their scrutiny of applicable accounting policies pertaining to crypto-related issuers. Beginning in late 2022, the Company's auditors raised certain novel and unanticipated audit-related issues. In short, the Company's financial systems, while maturing, lacked the rigour required to process large volumes of orders in a manner which would be responsive to the auditor's expectations (and that of its accounting regulatory body) with respect to internal controls over financial reporting. Consequently, the Company's auditors were unable to complete the year-end audit process in a timely

fashion and prior to the applicable filing deadline, as a result of which the Company was unable to file its audited year-end financial statements within the time period required by applicable securities laws. As a direct consequence, the British Columbia Securities Commission and the Ontario Securities Commission later issued a cease trade order in respect of the Company, on November 3, 2022, on account of the failure by the Company to timely file audited financial statements for the fiscal year ended June 30, 2022, and certain related documentation. The Company later replaced its Chief Financial Officer, on January 2, 2023, and worked in earnest to address the auditor's concerns, in the process implementing numerous changes with respect to the Company's internal financial controls and its financial reporting systems. The cease trade order remained in place until July 6, 2023, resulting in an extended period of no trading.

By October 2022, the Company was continuing to experience cash-flow issues which were contributing to an erosion of the Company's financial performance and cash balances. Faced with the prospect of insolvency, the Company resorted to debt financing, completing a $3.5 million funding agreement with Lind Global Fund II, LP (the "**Senior Lender**") in October 2022. Although the Company was able to secure funding to address its short-term business needs, the Company continued to encounter hurdles in its pursuit of stable, longer-term financing.

Following the discontinuance of the engagement with the First Financial Advisor, and notwithstanding the macro and micro-economic backdrop, the Board continued to believe that there would be some merit in pursuing possible M&A activity. After a brief search, the Board formally retained Architect Partners (the "**Second Financial Advisor**") in October 2022. The Second Financial Advisor was unique among other possible financial advisors insofar as it had specific expertise with M&A and financial advisory services in the crypto sector, having acted on more than 300 transactions having an aggregate value of greater than $30 billion in this sector, including on behalf of leading crypto growth companies like FairX and Inflection. The Second Financial Advisor was engaged to assist the Board in identifying and evaluating strategic opportunities to maximize shareholder value, including potential M&A, financing and similar transactions.

Beginning in late October 2022, the Second Financial Advisor commenced an exhaustive market canvass under a formal strategic review process initiated by the Board (the "**Strategic Review**"). For the fourteen-month period between October 2022 and December 2023, more than 150 parties were contacted by the Second Financial Advisor, 34 management meetings were completed and the Company entered into 21 non-disclosure agreements with potential transaction participants. While some inquiries were made by interested third parties, the Strategic Review did not result in the submission of any formal offers or proposals, except for a non-binding offer made on November 1, 2023 by a New York-based payments infrastructure business ("**Potential Acquiror E**"), pursuant to which Potential Acquiror D offered to purchase all of the issued and outstanding Shares for cash consideration of $0.50 per Share. Following receipt of the non-binding offer, the Board engaged in preliminary discussions with Potential Acquiror D with a view to negotiating more favourable terms, which culminated in Potential Acquiror D submitting to the Company a revised non-binding indication of interest on December 1, 2023, reflecting cash consideration of $1.00 per Share. While further discussions ensued, the parties were unable to reach agreement on ancillary terms and a suitable timeline for the proposed transaction, and discussions among the parties were terminated shortly thereafter.

In September and October 2023, the Company implemented certain changes to its Board and Management in recognition of the need for new ideas and a fresh approach with respect to the Company's ongoing financial challenges. Among others changes: (a) Mr. Holger Arians was appointed to the Board, assuming the role of Director & Chairman of the Board; (b) Mr. Zafer Qureshi, a significant shareholder, was appointed in the role of Executive Director and Head of Corporate Affairs; and (c) Mr. Patrick Maguire,

an experienced Chief Financial Officer in various public and private companies, was appointed as the new Chief Financial Officer of the Company. While the changes to the Board and Management were implemented primarily to enable the Company, under new leadership, to devise a strategy forward to address its ongoing liquidity challenges, the changes were also designed to mitigate and address potential conflicts and strife amongst the Company's incumbent directors with respect to the direction of the Company in the period leading up to such changes. By implementing the foregoing changes, the Board successfully navigated these sensitivities without triggering any disruptions in the affairs of the Company at the time, the occurrence of which could have adversely impacted the Company's operations and added significant costs to the Company.

On October 30, 2023, the Company announced that, as a result of delays caused by the transition to a new audit firm, it would again miss the deadline to file its audited annual financial statements and related documentation for the fiscal year ended June 30, 2023. In contrast to the events of the prior fiscal year, the Company obtained a management cease trade order in this regard from the British Columbia Securities Commission on November 1, 2023, which was subsequently revoked on January 4, 2024.

Upon their appointment, the newly reconstituted Board immediately focused on the Company's profitability. Under the leadership of Mr. Qureshi, the new Board embarked on a restructuring of the Company's indebtedness in order to manage the high cost of capital and to reduce risk to the Company's business due to potential breaches of the Company's debt obligations. In this regard, the most pressing task was to renegotiate and to repay the Company's existing senior secured convertible note facility with the Senior Lender. The Company achieved this by completing a non-brokered private placement of convertible debenture units of the Company, with anchor subscriptions led by Mr. Qureshi's family office and Mr. Arians, for aggregate gross proceeds of $5.69 million (facilitating yet greater alignment by Mr. Qureshi and Mr. Arians with the economic interests of shareholders). In December 2023, using the proceeds of this private placement and as part of the Company's efforts to improve its balance sheet and financial position, the Company paid out substantially all of the indebtedness owing to the Senior Lender. The repayment of such indebtedness contributed to a reduction in the cost of working capital funding by the Company.

The Board put a halt to further M&A efforts in December 2023 and the engagement of the Second Financial Advisor was formally terminated in May 2024. Following this, and in an effort to address the Company's ongoing cash management issues, coupled with its weak balance sheet and negative equity value, between the fourth quarter of 2023 and the second quarter of 2024, the Company implemented certain temporary salary reductions for all employees. As part of this measure, Mr. Arians and Mr. Qureshi each accepted the largest reductions in salaries and fees for several months, with Mr. Arians and Mr. Qureshi accepting a reduction in salaries of 100% and 50%, respectively. While such measures decreased the Company's G&A expenses for the relevant period, the Company's cash management issues persisted.

In the first quarter of 2024, Management (led by Mr. Qureshi) successfully renegotiated the interest rates applicable to certain of its outstanding indebtedness with short-term private lenders. At the time, due to the Company's financial condition (which was characterized by a weak balance sheet, negative equity value, low cash balance and minimal capital assets), it was extremely difficult for the Company to secure debt capital on favourable terms. However, as a result of Management's sustained efforts, in the second quarter of 2024, the Company successfully secured a favourable unsecured revolving credit facility of US$5.5 million, at a 0% APR, which, together with the Company's other short-term loans, provided the Company with sufficient cash-flow for the short term.

The new Board's efforts resulted in the Company achieving profitability in the fiscal quarter ending March 31, 2024, and announcing profitability in the second quarter of 2024. By this point in time, the Company's business was turning around under the new leadership. However, the market price of the Shares was still not reflective of the Company's underlying growth and change in direction, which resulted in the Company facing continued difficulty raising capital on favourable terms.

In March 2024, the Company received a non-binding proposal from a US-based Bitcoin and crypto wallet platform ("**Potential Acquiror F**"), pursuant to which Potential Acquiror E offered to purchase all of the issued and outstanding Shares in consideration for a combination of cash and share purchase warrants of the combined entity, contingent on the completion by Potential Acquiror E of certain of its strategic corporate milestones. Following receipt of the non-binding offer, the parties engaged in preliminary discussions and the Company provided Potential Acquiror E with initial feedback on its proposal. Due diligence investigations commenced following the execution of a non-disclosure agreement. Discussions were ended, however, after the Company learned of certain securities regulatory hurdles on the part of Potential Acquiror E which would delay indefinitely the completion of any proposed transaction with the Company.

In an effort to ensure that the market price of the Shares reflected the Company's underlying growth and change in direction, the Company also undertook investor relations efforts during the first eight (8) months of 2024. Among other initiatives, the Company engaged a market maker and an investment relations firm, Generation IACP Inc., in February 2024, to provide market making services to the Company. During the same period, Management also commenced external outreach efforts, connecting with a significant number of family offices, investment firms, brokers and other third parties, through the Company's outreach and via multiple investor relations firms, with a view to a possible debt or equity financing.

The Company's efforts in this regard did not yield favourable results. In fact, the market price of the Shares on the TSXV continued to decline (hovering between $0.55 to $0.74 in the period between April 1, 2024 and June 30, 2024). The Shares were also thinly and irregularly traded, with inadequate daily trading volumes.

By June 2024, it became increasingly clear to members of the Board and Management that a management-led going-private transaction might be the best solution for the Company on a go-forward basis. Such a transaction, which would be quarter-backed by Mr. Qureshi and Mr. Arians, would allow the Company to continue to be operated under the leadership of its existing Board and Management team, but without the costs and burdens associated with a public listing.

The Purchaser was subsequently formed on July 25, 2024 by Mr. Qureshi and Mr. Arians as a special purpose vehicle for the purpose of consummating a management-led buy-out of the Company. Cassels Brock & Blackwell LLP ("**Cassels**"), one of Canada's leading M&A law firms, was formally retained by the Purchaser on August 8, 2024 to assist the Purchaser with all legal aspects relating to the Arrangement, having special regard to the legal requirements which would be triggered on account of the "related party" nature of the Arrangement.

On July 30, 2024, the Purchaser submitted a non-binding indication of interest (the "**First Indication of Interest**") to the then independent members of the Board, Joshua (Jim) Landau and Kaushik Sthankiya (the "**Independent Directors**"). The First Indication of Interest provided for the purchase by the Purchaser of all of the issued and outstanding Shares, excluding Shares owned by certain Continuing Shareholders to be

identified by the Purchaser, for cash consideration ranging from $0.80 to $1.00 per Share, which then represented a premium of: (a) 70% to 113% to the closing price of the Shares on July 30, 2024; and (b) 51% to 89% to the trailing 30-day volume-weighted average trading price of the Shares, in each case, on the TSXV. It is important to note that the proposed bid price range in the First Indication of Interest (and in the Second Indication of Interest) was based in part on the last all-cash offer that was made by an arm's length third-party to the Company, being Potential Acquiror D's offer of $1.00 per Share.

On August 2, 2024, the Independent Directors met to discuss the First Indication of Interest. Following the meeting, the Independent Directors directed several inquiries to Mr. Qureshi and Mr. Arians, requesting further details with respect to, among other things, the proposed Arrangement, the Purchaser (and in particular, its financial capability to provide funds necessary to complete the Arrangement), and the justification for the valuation attributed to the Company, each of which were promptly addressed by Mr. Qureshi and Mr. Arians in their capacities as representatives of the Purchaser. Mr. Qureshi and Mr. Arians, acting on the advice of Cassels, also advised the Independent Directors that it would be necessary or advisable for the Board to form a special committee of independent directors in connection with the Arrangement. At this time, one of the Independent Directors, Joshua (Jim) Landau, communicated to the Board his intention to resign from the Board in order to pursue other opportunities. The Independent Directors agreed with Mr. Qureshi and Mr. Arians with respect to the formation of a special committee, but withheld on forming the special committee until such time as the Independent Directors were replaced or supplemented with one or more independent members harbouring the necessary experience and expertise with respect to a "related party transaction" under MI 61-101.

In the three weeks that followed, the Independent Directors carried out interviews with a number of proposed director nominees for this purpose. Deliberations between the Independent Directors and the Purchaser were suspended with respect to the First Indication of Interest during this time, it being the intention of the Independent Directors and the Purchaser to authorize the formation of a special committee once the Board had been appropriately reconstituted.

On September 10, 2024, after a comprehensive search process, the Company appointed Mr. Richard Wells to the Board as a Non-Executive Director. Mr. Wells possesses invaluable experience and expertise from his roles as a member of various boards of directors across multiple industries and as an executive in leading finance functions (including with respect to accounting, reporting and taxation), and, perhaps most notably, recently served as the Chair of the special committee of a TSXV-listed issuer which successfully completed a going-private transaction involving a "related party" as the purchaser. In the view of the Independent Directors, among the proposed director nominees who were interviewed, Mr. Wells was the most qualified individual to join the Board and to serve as Chair of the Special Committee. On the same date as Mr. Wells' appointment, the Company announced the resignation of Mr. Joshua (Jim) Landau.

On October 10, 2024, the Purchaser submitted to the Board a revised draft of its non-binding indication of interest (the "**Second Indication of Interest**"), which re-confirmed the Purchaser's offer to purchase all of the issued and outstanding Shares, excluding Shares owned by certain Continuing Shareholders to be identified by the Purchaser, for cash consideration ranging from $0.80 to $1.00 per Share. The proposed bid price range then represented an even higher premium of: (a) 132% to 190% to the closing price of the Shares on October 9, 2024; and (b) 116% to 170% to the trailing 30-day volume-weighted average trading price of the Shares, in each case, on the TSXV. The Second Indication of Interest also offered up a customary a 25-day "go-shop" period in favour of the Company and indicated that the Purchaser is prepared to accept a lower-than-customary break fee of 3.0% in order to afford the Special Committee

greater latitude to consider potential Superior Proposals following execution of the Arrangement Agreement. The Second Indication of Interest included an exclusivity period which ended on January 22, 2025, subject to automatic extension in certain circumstances.

On October 10, 2024, the Board convened a meeting to authorize the formation of the Special Committee, consisting of Mr. Sthankiya and Mr. Wells, with Mr. Wells serving as Chair of the Special Committee.

The Special Committee's mandate authorized it to, among other things: (a) assess, consider and evaluate, with the assistance of financial and legal advisors, the Second Indication of Interest and any transaction affecting control of the Company (the "**Subject Transactions**"); (b) consider whether it would be in the best interests of the Company to pursue any Subject Transactions and, if not, the power to decline pursuing the Subject Transactions and, if so, to direct and oversee the Company's efforts in furtherance thereof, including (without limitation) with respect to the provision of confidential information to third parties under the guise of a non-disclosure agreement and the negotiation of the terms and conditions of any definitive documentation to be entered into by the Company in relation to any Subject Transactions; (c) report and to make such recommendations to the Board with respect to any Subject Transactions as the Special Committee considers necessary or desirable, provided that any final determination to proceed with any Subject Transactions shall be subject to approval by the Board; (d) consider such other matters related or reasonably ancillary to any Subject Transactions as the Special Committee shall determine to be necessary or desirable in order to report to the Board with respect to any Subject Transactions; (e) provide advice and guidance to the Board or other committees of the Board from time to time as to matters considered by the Special Committee to be related or reasonably ancillary to its mandate, together with the recommendations of the Special Committee with respect thereto; (f) should the Board determine to proceed with any Subject Transactions following receipt of the recommendation of the Special Committee: (i) direct and oversee the finalization of any definitive documentation to be entered into by the Company in relation thereto, and such other instruments and matters to be undertaken by or on behalf of the Company in furtherance thereof; (ii) supervise the preparation of any public disclosure or filing documents in connection with any Subject Transactions and all other documents which may be required to be prepared in connection therewith under applicable laws; and (iii) supervise the implementation of any Subject Transactions on behalf of the Company; and (g) do any or all of the above or any other such things as the Special Committee determines necessary or desirable in connection with the foregoing and so as to allow each of the Special Committee and the Board to comply with all of its duties and obligations.

In the week following its formation, the Special Committee met a number of times to discuss developments relating to the Second Indication of Interest and to formalize the engagement of independent financial and legal advisors.

In October 2024, the Special Committee considered financial advisors to assist with strategic approaches for the potential transaction with the Purchaser. Given its existing knowledge of the Company, the Second Financial Advisor was re-engaged by the Special Committee to act as its financial advisor. The Second Financial Advisor had a deep understanding of the Company and had previously reached out to 166 potential buyers and therefore had deep knowledge of the sector. Numerous meetings were held with the Second Financial Advisor commencing on October 11, 2024, where the Second Financial Adviser verbally agreed to reinstate the previously terminated agreement. The Second Financial Advisor was formally retained on November 20, 2024.

The Special Committee considered numerous parties to provide a fairness opinion to the Special Committee during the month of November 2024. Initial discussions were held with Evans & Evans on November 5,

2024, and on November 27, 2024, Evans & Evans was formally engaged to provide a fairness opinion in connection with the Arrangement. Evans & Evans was selected based on their history dealing with Canadian public companies since 1989 and their deep understanding of the cryptocurrency / decentralized finance / blockchain-sector companies. Evans & Evans supplied the Special Committee with examples of over 30 companies with which they had worked in the crypto space to support their credentials.

The Special Committee subsequently met with Evans & Evans on November 28, 2024, to update Evans & Evans on the current status of the Second Indication of Interest and discuss factors relevant to the valuation of the Company.

In parallel with the engagement of Evans & Evans, the Special Committee pursued the engagement of an independent legal advisor. After carefully considering alternatives, the Special Committee retained Peterson McVicar on October 16, 2024. Following the formal engagement of Peterson McVicar by the Special Committee, the Special Committee received advice from Peterson McVicar regarding the duties and responsibilities of the Board and the Special Committee, and the associated legal requirements, including the application of MI 61-101, related to the Special Committee's consideration of the Second Indication of Interest and the Arrangement, as well as other potential transactions and strategic alternatives. Peterson McVicar also advised the Special Committee that, under the circumstances, it would likely not be required to obtain a formal valuation in connection with the Second Indication of Interest.

Over the ensuing weeks, the Special Committee met several times with the Second Financial Advisor and Peterson McVicar to receive updates on any further discussions with representatives of the Purchaser, and to discuss potential alternatives.

On October 25, 2024, the Special Committee circulated to the Purchaser a revised draft of the Second Indication of Interest, which reflected: (a) a narrower bid price range, which was revised to be between $0.85 to $1.00 per Share; (b) an increase to the duration of the go-shop period, from 25 days to 30 days; and (c) a shortening of the initial exclusivity period, from January 25, 2025 to January 13, 2025. Upon receipt of the Second Indication of Interest, the Purchaser reviewed and accepted each of the changes proposed by the Special Committee.

On October 31, 2024, the Company received a non-binding proposal from a Singapore-based global payments company ("**Potential Acquiror G**") that included an indicative acquisition price per Share of $0.50, which was substantially lower than the acquisition price being proposed by the Purchaser. Following receipt of the non-binding proposal, the Special Committee engaged in preliminary discussions with Potential Acquiror G regarding price and its financing and due diligence requirements. The Special Committee determined at that time not to delay advancing the proposal from the Purchaser given the significant price differential, the uncertainty regarding the ability of Potential Acquiror G to finance its offer, its proposed due diligence timeline and, importantly, the ability of Potential Acquiror G to re-engage with the Company during the proposed go-shop period contained in the proposal under negotiation with the Purchaser.

The Company and the Purchaser executed the Second Indication of Interest as of November 1, 2024. In parallel, the Purchaser also commenced efforts to reach out to certain shareholders for the purpose of: (a) seeking their interest and consent to roll their equity in connection with the Arrangement; and (b) obtaining a commitment by them to execute Voting Support Agreements. Mr. Qureshi and Mr. Arians also began wall-crossing a select group of significant shareholders with a view to obtaining their commitment to execute Voting Support Agreements. In the weeks leading up to the execution of the Second Indication

of Interest, Management's outreach efforts showcased strong support among the Continuing Shareholders for the Arrangement at the bid price range indicated in the Second Indication of Interest.

On November 29, 2024, the Company and the Special Committee received an initial draft of the Arrangement Agreement and the Plan of Arrangement from the Purchaser.

The Special Committee provided initial input on the draft Arrangement Agreement to Peterson McVicar and, on December 5, 2024 Peterson McVicar prepared and circulated initial comments on the draft Arrangement Agreement to the Special Committee for review.

On December 6, 2024, the Special Committee met to review the initial comments on the draft Arrangement Agreement. Among other things, the proposed changes related to the operation of the go-shop construct, the non-solicitation covenants and mechanics relating to the receipt of an acquisition proposal and the Purchaser's right to match. Such comments were circulated to the Purchaser on December 6, 2024, in the form of an "issues list".

On December 9, 2024, the Chair of the Special Committee and Peterson McVicar attended an all-hands call with the Purchaser and Cassels, to discuss the previously circulated "issues list" and initial comments on the draft Arrangement Agreement. On the same day, the Special Committee met as a follow up to the all-hands call between the parties, and to discuss outstanding issues with respect to the Arrangement Agreement. Following the all-hands call, on December 12, 2024, Peterson McVicar circulated a revised draft of the Arrangement Agreement to the Purchaser, reflecting certain revisions and updates discussed on the all-hands call.

On December 15, 2024, Cassels circulated a revised Arrangement Agreement to the Special Committee, which reflected certain clarifying updates to the Arrangement Agreement, and introduced certain revisions aimed at clarifying the expense reimbursement construct. Importantly, the Go-Shop Period was also extended at this time from a 30-day Go-Shop (as had been agreed to in the Second Indication of Interest) to a 43-day Go-Shop Period, given that the Go-Shop Period would straddle the 2024 holiday season.

On December 17, 2024, certain members of Management met with DuMoulin Black to discuss the revised draft of the Arrangement Agreement, and, in particular, the representations and warranties of the Company contained therein.

On December 18, 2024, the Special Committee and Peterson McVicar considered the revised Arrangement Agreement and any open issues, following which, on December 18, 2024, Peterson McVicar advised the Purchaser of a handful of clarifying comments and requests on the draft last delivered to the Special Committee for review. At the same time, Cassels and DuMoulin Black continued to negotiate and finalize the representations and warranties of the Company in the Arrangement Agreement, with a view to finalizing the Arrangement Agreement.

On December 19, 2024, Cassels circulated a proposed near-final draft of the Arrangement Agreement to the Special Committee, indicating that the Purchaser had accepted all of the Special Committee's comments from the draft dated December 18, 2024. Following review and discussion, the Special Committee and Peterson McVicar indicated that they did not have any further comments on the draft Arrangement Agreement, subject to the representations and warranties of the Company in the Arrangement Agreement being negotiated and finalized by Cassels and DuMoulin.

During business hours on December 19, 2024, the Special Committee, together with Peterson McVicar and certain members of Management, met to discuss the status of the various transaction workstreams and outstanding issues relating to the Arrangement Agreement and other ancillary documents, with a view to finalizing all documents for signing. In the following days, the Company and its advisors continued to advance the transaction documentation into execution form.

After the close of markets on December 19, 2024, the Special Committee convened with DuMoulin Black, the Second Financial Advisor and Evans & Evans to consider and to approve its recommendation to the Board. In a presentation to the Special Committee, Evans & Evans delivered its oral Fairness Opinion, noting that, as of December 19, 2024 and subject to the various assumptions made, procedures followed, matters considered, and the limitations and qualifications on the scope of the review undertaken by Evans & Evans and set forth in the Fairness Opinion presentation materials, the Consideration to be received by the Shareholders under the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Continuing Shareholders). The Second Financial Advisor also presented to the Special Committee with respect to the transaction and its proposed approach to the upcoming Go-Shop Period. The Special Committee reviewed the relative benefits and risks associated with the Arrangement as compared to the status quo and other alternatives, including the factors set out below under the heading "*Background to the Arrangement — Purposes and Reasons for the Recommendation*". After careful deliberation, the Special Committee determined that the Arrangement is in the best interests of the Company and resolved that the Special Committee recommend to the Board: (a) the approval of the Arrangement and the entering into of the Arrangement Agreement; and (b) that Affected Securityholders vote in favour of the Arrangement Resolution.

Following the meeting of the Special Committee, the Board and Management convened to receive the recommendation of the Special Committee and to consider the Arrangement Agreement, the Arrangement, and the matters ancillary thereto. Richard Wells presented the Special Committee's recommendations to the Board and the reasons for its recommendations. After careful deliberation, the Board (with Conflicted Directors abstaining) unanimously: (a) determined that the Arrangement is in the best interests of the Company; (b) authorized the execution of the Arrangement Agreement, substantially in the form presented to the Board, and related documentation thereto; and (c) resolved to recommend that the Affected Securityholders vote in favour of the Arrangement Resolution.

On the evening of December 19, 2024, following the close of markets, the Company and the Purchaser executed and delivered the Arrangement Agreement, following which the Company issued a news release announcing the execution of the Arrangement Agreement.

During the Go-Shop Period, being the 43-day period following the execution of the Arrangement Agreement, the Company has been permitted, with the assistance of the Second Financial Advisor, to actively solicit, evaluate and enter into negotiations with third parties that have expressed an interest in acquiring the Company. The Second Financial Advisor was selected by the Special Committee to assist with the Go-Shop as it had already presided over the fourteen month Strategic Review and was therefore best placed to liaise with interested third parties. As at January 27, 2025, a total of 123 potential buyers have been contacted by the Company, 9 of whom have entered into confidentiality agreements with the Company and were granted access to material non-public information about the Company. However, as at January 27, 2025, the Special Committee has not received any Acquisition Proposal which constitutes a Superior Proposal.

Fairness Opinion

The following summary is qualified in its entirety by the full text of the Fairness Opinion, which sets forth the credentials of E&E, the assumptions made, the matters considered and the limitations and qualifications on the review undertaken in connection with the Fairness Opinion. The Fairness Opinion does not address any other aspect of the Arrangement and no opinion or view was expressed as to the relative merits of the Arrangement in comparison to other strategies or transactions that might be available to the Company or in which the Company might engage or as to the underlying business decision of the Company to proceed with or effect the Arrangement. The Fairness Opinion is not a recommendation to any Securityholder as to how to vote or act on any matter relating to the Arrangement. The Fairness Opinion is only one factor that was taken into consideration by the Special Committee in making its recommendation.

Evans and Evan, Inc. ("**E&E**") was retained by the Company, on behalf of the Special Committee, to provide its opinion as to the fairness, from a financial point of view, of the Consideration to be received by Shareholders (other than the Continuing Shareholders) pursuant to the Arrangement Agreement.

At the meeting of the Special Committee and the Board held on December 19, 2024, E&E orally delivered its opinion to the Special Committee, which was subsequently confirmed in writing, to the effect that, as at the date thereof and based upon the assumptions, limitations and qualifications set out therein, the Consideration to be received by the Shareholders (other than the Continuing Shareholders) pursuant to the Arrangement Agreement is fair, from a financial point of view, to such Shareholders. The Fairness Opinion was only one of many factors considered by the Special Committee and the Board in evaluating the Arrangement and was not determinative of the views of the Special Committee and the Board with respect to the Arrangement or the Consideration set forth in the Arrangement Agreement.

The full text of the Fairness Opinion, setting out, among other things, the scope of review, assumptions made, matters considered and limitations and qualifications on the review undertaken in connection with the Fairness Opinion, is attached as Appendix F to this Circular. **The summary of the Fairness Opinion in this Circular is qualified in its entirety by reference to the full text of the opinion and Securityholders are urged to read the Fairness Opinion in its entirety**.

The Fairness Opinion was prepared at the request of and for the information and assistance of the Special Committee in connection with its consideration of the Arrangement. The Fairness Opinion was provided solely for the use of the Special Committee and the Board in connection with, and for the purpose of, its consideration of the Arrangement and may not be used or relied upon by any other person. The Fairness Opinion is not intended to be and does not constitute a recommendation as to whether or not Securityholders should vote in favour of the Arrangement Resolution or any other matter.

Pursuant to the terms of the engagement letter with E&E dated November 5, 2024, the Company has agreed to pay E&E a fixed fee for rendering its opinion, no portion of which is conditional upon the opinion being favourable or upon completion of the Arrangement.

Voting Support Agreements

In connection with the Arrangement, the Purchaser entered into certain Voting Support Agreements with Supporting Shareholders, such Shareholders, as a group, collectively holding, directly or indirectly, or exercising control or direction over, an aggregate of 24,181,439 Shares, representing approximately 53% of the issued and outstanding Shares as of the Record Date (calculated on a non-diluted basis). Pursuant

to such Voting Support Agreements, each Supporting Shareholder has agreed to, among other things, vote their Shares in favour of the Arrangement Resolution. More specifically, pursuant to the terms of each Voting Support Agreement, each Supporting Shareholder has agreed to, *inter alia,* the following covenants:

(a) from the date of the execution of the Arrangement Agreement until its termination in accordance with its terms, at any meeting of Securityholders called to vote upon the Arrangement and the transactions contemplated by the Arrangement Agreement or in any action by written consent of the securityholders of the Company, cause to be counted as present for purposes of establishing quorum and to vote (or cause to be voted) all Subject Shares: (A) in favour of the approval, consent, ratification and adoption of the Arrangement Resolution and the transactions contemplated by the Arrangement Agreement (and any actions required for the consummation of the transactions contemplated by the Arrangement Agreement); and (B) against, among certain other specified matters, any proposed action by the Company, any Shareholder, any of the Company's subsidiaries or any other person: (i) in respect of any Acquisition Proposal or Superior Proposal or other merger, take-over bid, amalgamation, plan of arrangement, business combination, reorganization, recapitalization, dissolution, liquidation, winding up or similar transaction involving the Company or any subsidiary of the Company, other than the Arrangement; or (ii) which would reasonably be regarded as being directed towards or likely to prevent, delay or reduce the likelihood of the successful completion of the Arrangement. In connection with the foregoing, subject to the terms of the Voting Support Agreement, the Supporting Shareholder has also agreed to deposit and to cause any beneficial owners of Subject Shares to deposit a proxy, or voting instruction form, as the case may be, duly completed and executed in respect of all of the Subject Shares as soon as practicable following the mailing of the Information Circular, and in any event at least 10 calendar days prior to the Company Meeting and as far in advance as practicable of every adjournment or postponement thereof, voting all the Subject Shares in favour of the Arrangement Resolution and any resolutions approving, consenting to, ratifying or adopting the transactions to be contemplated by the Arrangement Agreement (and any actions required for the consummation of the transactions contemplated by the Arrangement Agreement);

(b) revoke any and all previous proxies granted or voting instruction forms or other voting documents delivered that may conflict or be inconsistent with the matters set forth in the Voting Supporting Agreement;

(c) not, directly or indirectly:

    (i) without the prior written consent of the Purchaser or as otherwise provided for therein, sell, transfer, gift, assign, convey, pledge, hypothecate, encumber, option or otherwise dispose of any right or interest in any of the Subject Shares or enter into any agreement, arrangement, commitment or understanding in connection therewith, other than pursuant to the Arrangement or an Alternative Transaction (as such term is defined therein);

    (ii) other than as set forth therein, grant or agree to grant any proxies or powers of attorney, deliver any voting instruction form, deposit any Subject Shares into a voting trust or pooling agreement, or enter into a voting agreement, commitment, understanding or arrangement, oral or written, with respect to the voting of any Subject Shares; or

(iii) requisition or join in the requisition of any meeting of any of the securityholders of the Company for the purpose of considering any resolution;

(d) subject to certain specified exceptions and limitations, at the request of the Purchaser or the Company, assist (and cause its applicable affiliates to, use all commercially reasonable efforts in its capacity, and their capacities, as a Shareholder to assist) the Company and the Purchaser to successfully complete the Arrangement and the other transactions contemplated by the Arrangement Agreement and the Voting Support Agreement;

(e) not (and ensure that no beneficial owner of the Subject Shares will): (i) exercise any dissent rights in respect of the Arrangement; or (ii) take any other action of any kind that would reasonably be regarded as likely to adversely affect, reduce the success of, materially delay or interfere with the completion of the Arrangement or the transactions contemplated by the Arrangement Agreement;

(f) immediately cease and terminate, and cause to be terminated by each of its affiliates, any solicitation, encouragement, discussion, negotiations, or other activities commenced prior to the date of the Voting Support Agreement with any person (other than the Purchaser) with respect to any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal; and

(g) deposit a proxy or voting instruction form in respect of all of the Subject Shares eligible to vote on any matter at the Meeting as soon as practicable following the mailing of the Information Circular and in any event at least 10 days prior to the Meeting, and further, not withdraw, amend or invalidate any proxy or voting instruction form deposited by the Supporting Shareholder pursuant to the Voting Support Agreement notwithstanding any statutory or other rights the Supporting Shareholder might have unless the Voting Support Agreement is terminated in accordance with its terms.

Such Voting Support Agreements provide that they will terminate and be of no further force or effect upon the earliest to occur of: (a) the mutual agreement in writing of the Purchaser and the applicable Supporting Shareholder; (b) the termination of the Arrangement Agreement in accordance with its terms, provided, however, that if the Arrangement Agreement is terminated pursuant to a Superior Proposal, the bid price pursuant to such Superior Proposal must be greater than $2.00 per Share in cash (the "**Floor Price Proviso**"); or (c) the acquisition of the Subject Shares by the Purchaser. The Floor Price Proviso was negotiated by the Purchaser directly with the subject Supporting Shareholders and, due to inadvertence on the part of the Purchaser in the days leading up to the execution of the Arrangement Agreement, the Special Committee was not apprised of such provision until after the announcement of the transaction. Therefore, the Special Committee requested, and, thereafter, the Purchaser agreed, to waive application of the Floor Price Proviso in respect of all such Voting Support Agreements and the Purchaser delivered a signed irrevocable waiver waiving application of the Floor Price Proviso. Parties that were advanced in the due diligence process during the Go-Shop process were informed of such waiver and thus continued their due diligence throughout the Go-Shop Period.

A subset of the Voting Support Agreements were executed on November 16, 2024 and provide for roughly the same voting support covenants set out above, but with different termination rights. Such Voting Support Agreements are subject to termination upon the earliest to occur of: (a) the mutual agreement in writing of the Purchaser and the applicable Supporting Shareholder; (b) the acquisition of the Subject

Shares by the Purchaser; (c) the termination of the Voting Support Agreement by the applicable Supporting Shareholder on account of: (i) the consideration in cash offered by the Purchaser to the Shareholders pursuant to the Arrangement being less than $0.80 per Share; or (ii) the absence of certain specified changes in the final Arrangement Agreement as it relates to: (A) the form of the consideration payable to Shareholders, and (B) the inclusion of a 30-day go-shop period; or (d) if the Arrangement Agreement is not entered into within 90 days from the date of such Voting Support Agreements, or the Arrangement is not completed before the date which is 6 months following the date of the execution of the Arrangement Agreement; or (e) the termination of the Arrangement Agreement in accordance with its terms, *provided, however*, that the Arrangement Agreement is terminated pursuant to a Superior Proposal.

The foregoing is a summary only of the principal terms of the Voting Support Agreements and does not purport to be complete and is qualified in its entirety by reference to the text of the Voting Support Agreements (which have been filed by the Company under its profile on SEDAR+ at www.sedarplus.ca). Securityholders are encouraged to read the Voting Support Agreements carefully and in their entirety, as the foregoing summary may not contain all of the information about the subject matter thereof that is important to Securityholders.

Recommendation of the Special Committee

The Special Committee (comprised of independent directors of the Board) was formed to, among other things, consider the Arrangement and to make recommendations to the Board with respect thereto. The Special Committee, having undertaken a thorough review of, and having carefully considered the terms of the Arrangement and the Arrangement Agreement, and after consulting with its financial and legal advisors, including having received and taken into account the Fairness Opinion, and such other matters as it considered necessary and relevant, including the factors set out below under the heading "*Background to the Arrangement – Purposes and Reasons for the Recommendation*", unanimously determined that the Arrangement is in the best interests of the Company and that the Arrangement is fair and reasonable to the Shareholders (other than the Continuing Shareholders) and unanimously recommended to the Board that the Company approve the Arrangement and the entering into by the Company of the Arrangement Agreement and recommend that the Securityholders approve the Arrangement Resolution.

Recommendation of the Board

The Board, having undertaken a thorough review of, and having carefully considered the terms of the Arrangement and the Arrangement Agreement, and after consulting with its financial and legal advisors, including having received and taken into account the unanimous recommendation of the Special Committee (having received and taken into account the Fairness Opinion) and such other matters as it considered necessary and relevant, including the factors set out below under the heading "*Background to the Arrangement – Purposes and Reasons for the Recommendation*", unanimously determined that the Arrangement is in the best interests of the Company and that the Arrangement is fair and reasonable to Shareholders. **Accordingly, the Board has unanimously approved the Arrangement and the entering into by the Company of the Arrangement Agreement and unanimously (with Conflicted Directors abstaining) recommends that Securityholders vote FOR the Arrangement Resolution.**

Purposes and Reasons for the Recommendation

In making the determination to unanimously recommend to the Board the approval of the Arrangement Agreement, and in resolving to approve the Arrangement Agreement, the Special Committee and the Board, respectively, carefully considered all aspects of the Arrangement and received advice from financial and legal advisors. The following is a summary of the principal reasons for the Special Committee's determination to unanimously recommend approval of the Arrangement to the Board, and in the Board's determination to approve the Arrangement Agreement:

- **Compelling Value and Immediate Liquidity** – The Consideration provides shareholders with immediate value and is of particular benefit given the limited trading volume, the financial challenges facing the Company and the lack of liquidity in the Shares. The Consideration represents a 33% premium to the closing price of the Shares on the TSXV on December 18, 2024, the last trading day immediately prior to the announcement of the Arrangement, and a 16% and 54% premium, respectively, to the 30-day and 60-day average trading prices of the Shares ending on December 18, 2024. Additionally, the Consideration represents a 190% premium to the closing price of the Shares on the day prior to which the original offer was made.

- **All Cash Consideration**. The Consideration to be received by the Shareholders pursuant to the Arrangement is comprised entirely of cash, which allows such Shareholders to crystalize the favourable premium discussed above while achieving certainty of value and liquidity without ongoing exposure to the risks which the Company faces on a standalone basis.

- **Strategic Process and Negotiated Transaction.** The Arrangement Agreement was the result of a lengthy strategic review process that included several other potential acquirors and a comprehensive negotiation process with the Purchaser (which was undertaken by the Special Committee and its legal and financial advisors), all of which ultimately secured for the Company the best offer available to Securityholders, in the circumstances.

- **Management** – The management of the Company will continue to be led by Holger Arians, the Company's current Chairman and Co-Chief Executive Officer, and Zafer Qureshi, the Company's current Executive Director and Co-Chief Executive Officer, ensuring stability and continuity in the vision and business plan which is already being capably executed by them.

- **Other Factors**. The Special Committee and the Board also considered the Arrangement with reference to the financial condition and results of operations of the Company, as well as its prospects, strategic alternatives and competitive position, including the risks involved in achieving those prospects and pursuing those alternatives in light of current market conditions, and the Company's financial position, including the Company's ability to continue as a going concern and otherwise execute on its business strategies.

In making its determinations and recommendations, the Special Committee and the Board also observed that a number of procedural safeguards were in place and present to permit the Special Committee and the Board to protect the interests of the Company, its Shareholders (other than the Continuing Shareholders) and other Company stakeholders. These procedural safeguards included, among others:

- **Special Committee and Board Oversight**. The Arrangement and the Arrangement Agreement are the result of a robust negotiation process that was undertaken with the oversight and participation of the Special Committee, as advised by independent and highly qualified legal and

financial advisors, which resulted in an agreement with terms and conditions that provide the Shareholders (other than the Continuing Shareholders) with significant, immediate and certain value, on terms that are reasonable in the judgment of the Special Committee and the Board (with Conflicted Directors abstaining).

- **Fairness Opinion** – The Special Committee obtained a fairness opinion from E&E, which opinion concluded that, as of December 19, 2024, based upon and subject to the assumptions made, procedures followed, matters considered and the limitations and qualifications set out therein, the Consideration to be received by Shareholders (other than the Continuing Shareholders) pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders. The fees payable to E&E for the Fairness Opinion were not contingent upon the conclusion reached by E&E being favourable to the Arrangement. See "*The Arrangement – Fairness Opinion*", and Appendix "F" to this Circular.

- **Go-Shop Provision** – The Arrangement Agreement includes a go-shop provision, which permits the Company with the assistance of its financial advisor, Architect Partners, LLC, to actively solicit, evaluate and enter into negotiations with third parties that have expressed an interest in acquiring the Company during for a forty-three (43) day period ending January 31, 2025. During the Go-Shop Period, the Company has the ability to solicit, initiate, encourage or otherwise engage or participate in discussions or negotiations which could result in an Acquisition Proposal. As of the date of this Circular, the go-shop process has not resulted in any Superior Proposals relative to the Arrangement.

- **Ability to Respond to Superior Proposals**. The Arrangement Agreement permits the Board, in the exercise of its fiduciary duties, to respond, prior to the Meeting, to certain Acquisition Proposals that are or could reasonably be expected to constitute or lead to a Superior Proposal.

- **Support for the Transaction** – Each of the Continuing Shareholders and certain other shareholders have entered into voting support agreements, pursuant to which they have agreed to, among other things, vote their Shares, representing an aggregate of 24,181,439 Shares (or approximately 53% of the total issued and outstanding Shares), in favour of the Arrangement Resolution at the Meeting.

- **Reasonable Break Fee** – The break fee payable by the Company, being C$911,741 where the Arrangement Agreement is terminated due to a Go-Shop Fee Event, or C$1,823,482 where the Arrangement Agreement is terminated in certain other circumstances, is reasonable and payable only in customary and limited circumstances. In the view of the Special Committee and the Board, the break fee would not preclude a third party from potentially making a Superior Proposal. See "*The Arrangement Agreement – Termination Fees and Expenses*".

- **Shareholder and Court Approval**. The Arrangement is subject to the following shareholder and court approvals, which protect Shareholders, and confirms that the Arrangement treats all stakeholders of the Company (other than the Continuing Shareholders) equitably and fairly:
    - at least two-thirds of the votes cast by Shareholders present or represented by proxy at the Meeting;
    - at least two-thirds of the votes cast by Securityholders present or represented by proxy at the Meeting;

- a simple majority of the votes cast by Shareholders present or represented by proxy and entitled to vote at the Meeting, other than persons required to be excluded for the purpose of such vote under MI 61-101; and
- a determination of the Court that the terms and conditions of the Arrangement are fair and reasonable, both procedurally and substantively, to the rights and interests of Shareholders (other than the Continuing Shareholders) and other affected persons.

- **Dissent Rights**. Registered Shareholders who oppose the Arrangement may, upon compliance with certain conditions, exercise Dissent Rights and, if ultimately successful, receive fair value for their Shares and the Purchaser cannot terminate the Arrangement Agreement unless Shareholders holding at least 5% of the Shares dissent.

The Special Committee and the Board also considered a number of potential risks and potential negative factors relating to the Arrangement, including the following:

- **Risk of Non-Completion**. The risks to the Company if the Arrangement is not completed, including the costs to the Company in pursuing the Arrangement (whether or not it is completed), the diversion of management's attention away from conducting the Company's day-to-day business in the ordinary course and the potential impact on the Company's current business relationships (including with future and prospective employees, customers, suppliers and partners).

- **No Longer a Public Company**. If the Arrangement is successfully completed, it is anticipated that the Company will no longer exist as an independent public corporation and the consummation of the Arrangement will eliminate the opportunity for Shareholders (other than the Continuing Shareholders) to participate in potential longer-term benefits of the business of the Company that might result from future growth and the potential achievement of the Company's long-term plans to the extent that those benefits, if any, exceed the benefits reflected in the Consideration and with the understanding that there is no assurance that any such long-term benefits will in fact materialize.

- **Non-Satisfaction of Closing Conditions**. The closing conditions contained in the Arrangement Agreement that may not be forthcoming or satisfied, and the right of the Purchaser to terminate the Arrangement Agreement in certain limited circumstances.

- **Non-Solicitation Covenants**. Subject to the go-shop provision, the customary limitations contained in the Arrangement Agreement on the Company's ability to solicit additional interest from third parties, the Purchaser's right under the Arrangement Agreement to match a Superior Proposal and that the quantum of the Termination Fee may discourage other parties from making a Superior Proposal.

- **Taxable Transaction**. The fact that the Arrangement will be a taxable transaction for Canadian federal income tax purposes and, as a result, Shareholders (other than the Continuing Shareholders) will generally be required to pay taxes on any gains that result from the disposition of their Shares pursuant to the Arrangement.

The foregoing summary of information, factors and risks considered by the Special Committee and the Board is not intended to be exhaustive of all matters considered in arriving at a conclusion and making the recommendations incorporated herein.

Members of the Special Committee used their own knowledge of the business, financial condition and prospects of the Company, along with the assistance of management and financial and legal advisors to the Special Committee in their evaluation of the Arrangement and relied on E&E in the preparation and delivery of the Fairness Opinion. In view of the wide variety of factors considered by each member of the Special Committee in connection with their respective assessments of the Arrangement, and the complexity of such matters, the Special Committee and the Board (with Conflicted Directors abstaining) did not consider it practical, nor did any of them attempt, to quantify, rank or otherwise assign relative weights to the foregoing factors that they considered in reaching their respective decisions. In addition, individual members of the Special Committee and the Board may have given different weight to different factors and may have applied different analyses to each of the material factors considered. The conclusions and recommendations of the Special Committee and Board (with Conflicted Directors abstaining) were arrived at after considering the totality of the information presented to and considered by them.

The determinations and recommendations of the Special Committee and Board regarding the Arrangement are based, in part, on certain assumptions relating to forward-looking information, and such information and assumptions are subject to various risks. See "*Cautionary Statement Regarding Forward Looking Statements*" and "*Risk Factors*".

Interests of Certain Persons in the Arrangement

In considering the recommendation of the Board with respect to the Arrangement, Securityholders should be aware that certain members of the Board and Banxa's management have interests in connection with the Arrangement that may create actual or potential conflicts of interest in connection with the Arrangement. See *"MI 61-101 – Disclosure Concerning Certain Benefits"*.

Other than as disclosed herein, all benefits received, or to be received, by directors, executive officers or employees of Banxa as a result of the Arrangement are, and will be, solely in connection with their services as directors, officers or employees of Banxa. No benefit has been, or will be, conferred to the directors, executive officers or employees of Banxa for the purpose of increasing the value of Consideration to which they are entitled pursuant to the Arrangement. No Consideration is, or will be, conditional on the directors, executive officers or employees of Banxa supporting the Arrangement. See "*The Arrangement – Treatment of Options, The Arrangement – Termination and Change of Control Benefits and The Arrangement Agreement – Insurance and Indemnification of Directors and Officers"*.

With the exception of the benefits described below in respect of the Continuing Shareholder arrangements, all of the benefits received, or to be received, by directors, officers or employees of the Company as a result of the Arrangement are, and will be, solely in connection with their services as directors, officers or employees of the Company. No benefit has been, or will be, conferred for the purpose of increasing the value of consideration payable to any such person for the Shares held by such persons and no consideration is, or will be, conditional on the person supporting the Arrangement.

Continuing Shareholders

Pursuant to the terms of the Plan of Arrangement, the Excluded Shares will not participate in the Arrangement. Instead, in accordance with the terms of the Rollover Agreements, at the Effective Time (independent of and outside of the Plan of Arrangement) each Excluded Share will be transferred and assigned by the holder thereof to the Purchaser in consideration for one (1) newly issued Purchaser Share. Each of the Continuing Shareholders have entered into the Rollover Agreement with the Purchaser,

whereby the parties have agreed to, among other things, enter into a unanimous shareholders' agreement as shareholders of the Purchaser following the Effective Time. As of the Record Date, there are a total of 18,068,840 Excluded Shares, representing approximately 39.6% of the total issued and outstanding Shares.

The Continuing Shareholders are comprised of the following group of shareholders:

- Certain members of the current management team and directors of the Company who will provide a direct, continuing benefit to the Company that will enable the Purchaser and the post-closing Company to ensure business continuity following the closing of the Arrangement. This group of shareholders includes certain persons possessing institutional knowledge of, and the requisite experience in operating and managing, the Company's business. This group represents three (3) Shareholders and approximately 1.7% of the total issued and outstanding Shares as at the Record Date.

- Certain current or former founders or business associates of the Company that from time to time provide support and guidance to the current management team and directors of the Company, which support and guidance the Company anticipates will continue following the closing of the Arrangement. This group represents two (2) Shareholders and approximately 11.0% of the total issued and outstanding Shares as at the Record Date.

- Certain key Shareholders who have provided significant cash liquidity and financing support to the Company and who are considered close advisors by the current management team and directors of the Company with respect to key financial and other decisions affecting the Company. This group of Shareholders possess institutional knowledge of the Company's business and have the sophistication and financial ability to bear the risks of investing in a private company. This group represents 17 Shareholders and approximately 16.4% of the total issued and outstanding Shares.

- Certain family, friends and other business associates of the Company that have a close personal relationship to the current management team and each of whom have the sophistication and financial ability to bear the risks of investing in a private company. This group represents 29 Shareholders and approximately 10.6% of the total issued and outstanding Shares.

The Continuing Shareholder group represents individuals who have a long-standing relationship with the Company, who are expected to continue to maintain an ongoing relationship with the Purchaser following the closing of the Arrangement, and who have expressed an interest in continuing to hold a beneficial interest in the Company by virtue of their ownership of Purchaser Shares.. See "*Background to the Arrangement - Background to the Arrangement*" and "*Background to the Arrangement — Purposes and Reasons for the Recommendation*".

THE ARRANGEMENT

The following is a summary only of the material terms of the Plan of Arrangement and certain related matters and is qualified in its entirety by the full text of the Plan of Arrangement, a copy of which is attached hereto as Appendix "B".

The Arrangement

The Plan of Arrangement provides for the acquisition of all the outstanding Shares by the Purchaser. Under the Arrangement, each Shareholder (other than Dissenting Shareholders and Continuing Shareholders) will receive $1.00 in cash (less any applicable withholding taxes) for each Share issued and outstanding immediately prior to the Effective Time.

Principal Steps of the Arrangement

Commencing at the Effective Time each of the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at five-minute intervals starting at the Effective Time:

(a) each outstanding Share held by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised shall be deemed to have been transferred without any further act or formality by the holder thereof to the Purchaser (free and clear of all Liens), and:

  (i) such Dissenting Shareholder shall cease to have any rights as a Shareholder, other than the right to be paid the fair value of its Shares by the Purchaser in accordance with Article 5 of the Plan of Arrangement;

  (ii) the name of such holder shall be removed from the register of holders of Shares maintained by or on behalf of the Company; and

  (iii) the Purchaser shall be recorded on the register of holders of Shares maintained by or on behalf of the Company as the holder of the Shares so transferred and shall be deemed to be the legal and beneficial owner thereof (free and clear of all Liens);

(b) each outstanding Share (other than: (a) Shares held by any Dissenting Shareholder who has validly exercised such holder's Dissent Rights; (b) Shares held by the Purchaser; and (c) Excluded Shares) shall be transferred without any further act or formality by the holder thereof to the Purchaser (free and clear of all Liens) in exchange for the Consideration, and:

  (i) the holder of such Share shall cease to have any rights as a Shareholder other than the right to be paid the Consideration per Share in accordance with the Plan of Arrangement;

  (ii) the name of such holder shall be removed from the register of holders of Shares maintained by or on behalf of the Company; and

  (iii) the Purchaser shall be recorded on the register of holders of Shares maintained by or on behalf of the Company as the holder of the Shares so transferred and shall be deemed to be the legal and beneficial owner thereof (free and clear of all Liens);

(c) notwithstanding the terms of the Plan, the applicable Option Agreement and any other instrument or document governing an Option:

  (i) each Company In-the-Money Option, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Option, deemed to be surrendered, assigned and transferred by the holder thereof to the

Company in exchange for, subject to Section 6.4 of the Plan of Arrangement, the Company In-the-Money Option Consideration;

(ii) each Company Out-of-the-Money Option, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Option, cancelled without any payment therefor;

(iii) with respect to each Option surrendered, assigned and transferred under Section 2.3(3)(a) of the Plan of Arrangement or cancelled under Section 2.3(3)(b) of the Plan of Arrangement, as of the effective time of such surrender, assignment and transfer or cancellation thereof, as applicable:

i. the holder thereof shall cease to be the holder of such Option;

ii. the holder thereof shall cease to have any rights as a holder in respect of such Option, or under the Plan or Option Agreement, other than the right to receive the consideration, if any, to which such holder is entitled pursuant to Section 2.3(3) of the Plan of Arrangement;

iii. such holder's name shall be removed from the applicable register of Options; and

iv. all agreements, grants and similar instruments relating thereto (including the Plan) shall be cancelled and terminated;

(d) subject to Article 3 of the Plan of Arrangement, notwithstanding the terms of the applicable Warrant Certificate and any other instrument or document governing a Warrant:

(i) each Company In-the-Money Warrant held by a Non-Continuing Securityholder, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Warrant, deemed to be surrendered, assigned and transferred by the holder thereof to the Company in exchange for, subject to Section 6.4 of the Plan of Arrangement, the Company In-the-Money Warrant Consideration;

(ii) each Company Out-of-the-Money Warrant held by a Non-Continuing Securityholder, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Warrant, cancelled without any payment therefor;

(iii) with respect to each Warrant surrendered, assigned and transferred under Section 2.3(4)(a) of the Plan of Arrangement or cancelled under Section 2.3(4)(b) of the Plan of Arrangement, as of the effective time of such surrender, assignment and transfer or cancellation thereof, as applicable:

i. the holder thereof shall cease to be the holder of such Warrant;

ii. the holder thereof shall cease to have any rights as a holder in respect of such Warrant, or under the Warrant Certificate, other than the right to receive the

consideration, if any, to which such holder is entitled pursuant to Section 2.3(4) of the Plan of Arrangement;

iii. such holder's name shall be removed from the applicable register of Warrants; and

iv. all agreements, grants and similar instruments relating thereto (including the applicable Warrant Certificate) shall be cancelled and terminated; and

(e) the exchanges and cancellations provided for in Section 2.3 of the Plan of Arrangement will be deemed to occur on the Effective Date, notwithstanding that certain of the procedures related thereto are not completed until after the Effective Date.

The full particulars of the Arrangement are contained in the Plan of Arrangement, a copy of which is attached as Appendix "B" to this Circular.

See also "The Arrangement – Exchange of Securities", for certain important information with respect to the procedures to be followed by Optionholders and Warrantholders for the timely receipt of the Company In-the-Money Option Consideration (if any) and the Company In-the-Money Warrant Consideration (if any), respectively, to which they may be entitled.

Debentures

In accordance with the terms of the certificates evidencing the Debentures, each Debenture outstanding immediately prior to the Effective Time shall, without any further action by or on behalf of the holder of such Debentures, be surrendered by such holder to the Company in consideration for either: (a) a cash payment at the Effective Time from the Company equal to the aggregate principal amount of such Debenture, together with the accrued and unpaid interest thereon; or (b) in the sole discretion of the holder of the Debenture, the conversion into Shares immediately prior to the Effective Time of the aggregate principal amount of such Debentures, together with the accrued and unpaid interest thereon, at the applicable conversion price thereon, such Shares then to be cashed out at the Effective Time for the Consideration.

Consideration

The all-cash Consideration provides Shareholders with immediate value and is of particular benefit given the limited trading volume, the financial challenges facing the Company and the lack of liquidity in the Shares. The Consideration represents a 33% premium to the closing price of the Shares on the TSXV on December 18, 2024, the last trading day immediately prior to the announcement of the Arrangement, and a 16% and 54% premium, respectively, to the 30-day and 60-day average trading prices of the Shares ending on December 18, 2024.

Source of Funds for the Arrangement

The Board has determined that the Purchaser has, and will have at the Effective Time, sufficient funds available to consummate the Arrangement. The Purchaser will pay the requisite purchase price in cash to acquire the Shares (other than the Shares held by the Continuing Shareholders) on closing to complete the Arrangement.

Effect of the Arrangement

Upon completion of the Arrangement, the Purchaser will have acquired all of the issued and outstanding Shares. Following closing of the Arrangement, the Purchaser and Banxa will take steps for Banxa to cease to be a reporting issuer and to have the Shares delisted from the TSXV (with delisting expected to be effective two or three Business Days following the Effective Date), the OTCQX and the FSE.

Effect on Banxa if the Arrangement is not Completed

If the Arrangement is not approved at the Meeting or if the Arrangement is not completed for any other reason, Shareholders will not receive any consideration for their Shares in connection with the Arrangement. Instead, Banxa will not complete the delisting of its Shares, Banxa will remain a public company and the Shares will continue to be listed and traded on the TSXV. There can be no assurance as to the effect of future risks and opportunities on the future trading price or value of the Shares. The Board would continue to evaluate and review, among other things, the performance of Banxa's business and the capitalization of Banxa and would make such changes as are deemed appropriate. See "*The Arrangement Agreement – Termination*".

Conditions Precedent to the Arrangement

The recommendations of the Special Committee set forth under the heading "*Background to the Arrangement – Recommendations of the Board and the Special Committee*", and the approval by the Board of the Arrangement, are subject to the following conditions:

(a) the Interim Order and the Final Order shall each have been obtained on terms acceptable to the Company;

(b) the Arrangement Resolution shall have received the Required Securityholder Approval at the Meeting in accordance with the Interim Order;

(c) (i) all consents, waivers, permits, exemptions, order and approvals of, and any registrations and filings with, any Governmental Entity, and (ii) all third person and other consents, waivers, permits exemptions, orders and approvals, shall have been obtained or received on terms that are reasonably satisfactory to the Company;

(d) there shall be no Law in effect which prevents or prohibits or makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins the Company or the Purchaser from consummating the Arrangement or any of the other transactions contemplated in the Arrangement Agreement;

(e) holders of no more than 5% of the outstanding Shares shall have exercised Dissent Rights; and

(f) Banxa shall have received any required consents, waivers and approvals, including the acceptance of the TSXV in respect of the Arrangement.

If any of the conditions set forth above are not fulfilled or performed on or prior to the Effective Time, the Special Committee may, on behalf of the Board, determine to terminate the Arrangement or waive, in its discretion, the applicable condition in whole or in part.

Procedure for the Arrangement to become Effective

The Arrangement is proposed to be carried out pursuant to Part 9, Division 5 of the BCBCA. In order to become effective, the Arrangement Resolution must be approved by not less than: (i) 66⅔% of votes cast by Shareholders present in person or represented by proxy at the Meeting; (ii) 66⅔% of votes cast by Securityholders present in person or represented by proxy at the Meeting, voting together as members of a single class; and (iii) a majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting, excluding for this purpose votes attached to the Excluded Shares and any Shares beneficially owned, directly or indirectly by any other persons described in items (a) through (d) of Section 8.1(2) of MI 61-101.

A copy of the Arrangement Resolution is set out in Appendix ”A” of this Circular.

Unless otherwise directed, it is management's intention to vote **FOR** the Arrangement Resolution. If you do not specify how you want your Shares voted, the persons named as proxyholders will cast the votes represented by your proxy at the Meeting **FOR** the Arrangement Resolution.

If the Arrangement Resolution is approved at the Meeting and the Final Order approving the Arrangement is issued by the Court and the applicable conditions to the completion of the Arrangement are satisfied or waived, the Arrangement will take effect commencing at the Effective Time (which will be at 12:00 a.m. (Vancouver time) on the Effective Date (which is expected to be in late February 2025)).

Court Approval

The Court may approve the Arrangement either as proposed or as amended or any manner the Court may direct, subject to compliance of such terms and conditions, if any, as the Court sees fit.

The Arrangement requires approval by the Court pursuant to Section 291 of the BCBCA. Prior to the mailing of this Circular, Banxa obtained the Interim Order providing for the calling and holding of the Meeting, the Dissent Rights and other procedural matters. A copy of the Interim Order is attached hereto as Appendix ”C”. Copies of the Notice of Hearing and Petition in respect of Banxa's application for the Final Order are attached hereto as Appendix ”D”.

If the Arrangement Resolution is approved at the Meeting, Banxa intends to apply to the Court for the Final Order. The hearing of Banxa's application for the Final Order is expected to take place at the courthouse of the Court at 800 Smithe Street, Vancouver, British Columbia on or about February 27, 2025 at 9:45 a.m. (Vancouver time) or as soon thereafter as counsel may be heard. Please see the Notice of Hearing and Petition, attached as Appendix "D" to this Circular, with respect to the hearing of the application for the Final Order for further information on participating or presenting evidence at the hearing for the Final Order. At the hearing, the Court will consider, among other things, the fairness and reasonableness of the terms and conditions of the Arrangement. Any Securityholder who wishes to participate, appear, to be represented, and to present evidence or arguments at the hearing must file and serve a Response to Petition and satisfy the other requirements of the Court, as directed in the Interim Order appended hereto as Appendix ”C” and as the Court may direct in the future. Any Securityholder who wishes to appear or be represented and/or present evidence or arguments at the hearing must file and serve a Response to Petition no later than 4:00 p.m. (Vancouver time) on February 25, 2025, along with any other documents required, all as set out in the Interim Order and Notice of Petition and to satisfy any other requirements of the Court. Securityholders are advised to consult their legal advisors as to the necessary requirements.

In the event that the hearing is postponed, adjourned or rescheduled then, subject to further direction of the Court, only those Persons having previously served a Response to Petition in compliance with the Interim Order will be given notice of the new date. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit.

Regulatory Approvals

The Shares are currently listed for trading on the TSXV. Banxa is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia and Yukon. Banxa must obtain all necessary approvals of the TSXV to the Arrangement. Banxa has applied to the TSXV for conditional approval for the Arrangement and for the related transactions described in this Circular. Banxa cannot complete the Arrangement and such related transactions until the TSXV is in a position to provide its final approval.

Securityholders should be aware that Banxa cannot provide any assurances that such approvals will be obtained.

In addition to the above approvals, Banxa may be required to provide certain information or notifications to governmental entities in the United States, the United Kingdom and the Netherlands.

Effective Date of Arrangement

If (a) the Arrangement Resolution is approved at the Meeting by the requisite thresholds; (b) the Final Order is obtained approving the Arrangement; and (c) the required regulatory approvals to the Arrangement have been received by Banxa, the Arrangement will become effective on the Effective Date at the Effective Time.

Dissent Rights

Pursuant to the Interim Order, registered Shareholders as at the close of business on the Record Date have been granted Dissent Rights in connection with the Arrangement Resolution and, if the Arrangement becomes effective, to be paid the fair value of the Shares in accordance with the provisions of Sections 237 to 247 of the BCBCA, as may be modified by the Interim Order and the Plan of Arrangement, copies of which are attached as Appendix ”E”, Appendix ”C” and Appendix ”B”, respectively, to this Circular, and as may be modified by any further Order of the Court. **A registered Shareholder as at the close of business on the Record Date who wishes to exercise his, her or its Dissent Rights must ensure that a written notice is sent to Banxa c/o DuMoulin Black LLP, Attn: Justin Kates, 15th Floor, 1111 West Hastings Street, Vancouver, British Columbia, V6E 2J3, or jkates@dumoulinblack.com not later than 5:00 p.m. (Vancouver time) on February 21, 2025 (or by 5:00 p.m. on the second business day immediately preceding the date that any adjourned or postponed Meeting is reconvened), and must otherwise strictly comply with the requirements of Sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement, the Interim Order and any further Order of the Court, and failure to do so may result in the loss of such registered Shareholder’s Dissent Rights**. Accordingly, each registered Shareholder who might desire to exercise Dissent Rights should carefully consider and comply with Sections 237 to 247 of the BCBCA, as may be modified by the Plan of Arrangement, the Interim Order and any further Order of the Court, and consult his, her or its independent legal advisor. See “*Rights of Dissenting Shareholders*”.

Optionholders and Warrantholders are not entitled to exercise any dissent rights in respect of the Arrangement Resolution.

Exchange of Securities

Procedure for Exchange of Securities

Concurrent with the mailing of this Circular, Banxa's registrar and transfer agent, TSX Trust, will also mail a Letter of Transmittal to registered Securityholders, which will be used by such registered Securityholders to receive the cheque or wire transfer representing the applicable consideration to which they are entitled under the Arrangement.

Until exchanged, each certificate representing Shares will, after the Effective Time, represent only the right to receive, upon surrender, the consideration to which it is entitled under the Arrangement. The Letter of Transmittal contains procedural information relating to the Arrangement and should be reviewed carefully. Registered Securityholders can obtain additional copies of the Letter of Transmittal by contacting the Depositary at 100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1 or by phone, toll-free in North America at 1-866-600-5869, or by e-mail at TSXTIS@tmx.com. The Letter of Transmittal is also available on the Company's SEDAR+ profile at www.sedarplus.ca.

The exchange of Shares for the applicable consideration under the Arrangement in respect of non-registered Shareholders will be made with the non-registered Shareholders' nominee (bank, trust corporation, securities broker or other nominee) account through the procedures in place for such purposes between CDS and such nominee. Non-registered Shareholders should contact their nominee if they have any questions regarding this process and to arrange for their nominee to complete the necessary steps to ensure that they receive the applicable consideration payable and issuable to them under the Arrangement.

Former registered Securityholders must deliver to the Depositary under the Arrangement: (a) if applicable, the certificate(s) representing their Shares; (b) a duly completed Letter of Transmittal; and (c) such other documents as TSX Trust may require, in order to receive the applicable consideration to which they are entitled pursuant to the Arrangement. Banxa maintains full discretion to determine whether any type of deposit is complete and proper and has the absolute right to determine whether to accept or reject any category of deposit not in proper form. The granting of a waiver to one or more Securityholders does not constitute a waiver for any other Securityholder(s). Banxa also reserves the right to demand strict compliance with the terms of the Letter of Transmittal and the Arrangement. The method used to deliver the Letter of Transmittal and any accompanying share certificate(s) representing Shares is at the option and risk of the holder surrendering them, and delivery will be deemed effective only when such documents are actually received by the Depositary. Banxa recommends that such certificates and documents be delivered by courier to the Depositary and a receipt therefor be obtained or that registered mail be used and appropriate insurance be obtained.

A cheque or wire transfer representing the consideration to which it is entitled under the Arrangement, in each case to which a former registered Securityholder is entitled as a result of the Arrangement will be registered and delivered (as applicable) in accordance with the Letter of Transmittal as soon as practicable following the Effective Date and after receipt by the Depositary of all of the required documents.

No holder of Shares (other than the Continuing Shareholders), Options or Warrants shall be entitled (following the completion of the Plan of Arrangement) to receive any consideration with respect to such

securities other than the cash payment, if any, representing the consideration to which it is entitled under the Arrangement. For greater certainty, no such holder is entitled to receive any interest, dividends, premium or other payment in connection therewith, other than, in respect of Shares, any declared but unpaid dividends with a record date prior to the Effective Date. No dividend or other distribution declared or made after the Effective Time with respect to any securities of Banxa with a record date on or after the Effective Date shall be delivered to the holder of any unsurrendered certificate which, immediately prior to the Effective Date, represented outstanding Shares that were transferred pursuant to the Plan of Arrangement.

HOLDERS OF OPTIONS AND WARRANTS ARE REQUESTED TO CONTACT THE COMPANY BY E-MAIL AT mujir@pallettvalo.com, PRIOR TO COMPLETING THE LETTER OF TRANSMITTAL, FOR ADDITIONAL INFORMATION AND INSTRUCTIONS.

DRS Advice

Where Shares are evidenced only by a DRS Advice, there is no requirement to first obtain a certificate for those Shares or deposit with the Depositary any Share certificate evidencing Shares. Only a properly completed and duly executed Letter of Transmittal is required to be delivered to the Depositary in order to surrender those Shares under the Arrangement. Banxa maintains full discretion to determine whether any type of deposit is complete and proper and has the absolute right to determine whether to accept or reject any category of deposit not in proper form.

Extinction of Rights

Any certificate or DRS Advice that immediately prior to the Effective Time represented Shares (other than the Excluded Shares) shall be deemed after the Effective Time to represent only the right to receive upon such surrender a cash payment in lieu of such certificate or DRS Advice, less any amounts withheld pursuant to the Plan of Arrangement. Any such certificate or DRS Advice formerly representing Shares not duly surrendered on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former Shareholder of any kind or nature against or in the Company or the Purchaser. On such date, all certificates and DRS Advices formerly representing Shares shall be deemed to have been surrendered to the Company, and all cash to which such former holder was entitled shall be deemed to have been surrendered to the Purchaser or the Company, as applicable, for no consideration and shall be paid over by the Depositary to the Purchaser or as directed by the Purchaser.

Lost or Stolen Certificates

If any certificate which, immediately prior to the Effective Time, represented one or more outstanding Shares that were transferred pursuant to the Plan of Arrangement, has been lost, stolen or destroyed, the registered holder of that certificate should immediately contact TSX Trust Company at (416)-342-1091 or toll-free at 1 (866) 600-5869. The registered holder will be required be required to complete and submit certain documentation, including a bond and/or indemnity, before such registered holder can receive any cash compensation for its Shares. The Letter of Transmittal should be completed as fully as possible and forwarded, together with a letter describing the loss, destruction or theft, to the Depositary. If a DRS Advice representing Shares has been lost, stolen or destroyed, the holder can request a copy of the DRS Advice by contacting TSX Trust Company at (416)-342-1091 or toll-free at 1 (866) 600-5869, with no bond indemnity required and such copy of the DRS Advice should be deposited with the Letter of Transmittal.

THE ARRANGEMENT AGREEMENT

The Arrangement will be carried out pursuant to the Arrangement Agreement and the Plan of Arrangement. The following is a summary only of the principal terms of the Arrangement Agreement. This summary does not purport to be complete and is qualified in its entirety by reference to the Arrangement Agreement (which has been filed by the Company under its profile on SEDAR+ at www.sedarplus.ca) and to the Plan of Arrangement (attached to this Information Circular as Appendix B). Securityholders are encouraged to read the Arrangement Agreement and the Plan of Arrangement carefully and in their entirety, as the following summary may not contain all of the information about the Arrangement Agreement that is important to Securityholders.

The Arrangement Agreement (and not the following summary or any other information contained in this Information Circular) establishes and governs the legal relationship between the Company and the Purchaser with respect to the transactions described in this Information Circular. It is not intended to be a source of factual, business, or operational information about the Company or the Purchaser.

In reviewing the Arrangement Agreement and this summary, please note that this summary has been included to provide Securityholders with information regarding the terms of the Arrangement Agreement and is not intended to provide any other factual information about Banxa, the Purchaser or any of their subsidiaries or affiliates. The Arrangement Agreement contains representations and warranties and covenants by each of the Parties, which are summarized below. These representations and warranties have been made solely for the benefit of the other Party and: (i) were not intended as statements of fact, but rather as a way of allocating the risk to one of the Parties if those statements prove to be inaccurate; (ii) have been qualified by certain confidential disclosures that were made by one Party to the other Party in connection with the negotiation of the Arrangement Agreement, which disclosures are not reflected in the Arrangement Agreement; and (iii) may apply standards of materiality in a way that is different from what may be viewed as material by Securityholders or other investors or are qualified by reference to a Material Adverse Effect and in the case of Banxa, also by the Disclosure Letter.

Moreover, information concerning the subject matter of the representations and warranties in the Arrangement Agreement and described below may have changed since December 19, 2024, and subsequent developments or new information qualifying a representation or warranty may have been included in this Information Circular. Accordingly, the representations and warranties and other provisions of the Arrangement Agreement should not be read alone, but instead should be read together with the information provided elsewhere in this Information Circular.

Conditions to the Arrangement Becoming Effective

Mutual Conditions Precedent

The Parties are not required to complete the Arrangement unless each of the following conditions is satisfied on or prior to the Effective Time, which conditions may only be waived, in whole or in part, by the mutual consent of the Parties:

(a) **Required Securityholder Approval**. The Required Securityholder Approval shall have been obtained at the Meeting in accordance with the Interim Order.

(b) **Interim and Final Order**. The Interim Order and the Final Order have each been obtained on terms consistent with the Arrangement Agreement and have not been set aside or modified in a manner unacceptable to either the Company or the Purchaser, each acting reasonably, on appeal or otherwise.

(c) **Illegality**. No Law is in effect (whether temporary, preliminary or permanent) which prevents, prohibits or makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins the Company or the Purchaser from consummating the Arrangement or any of the other transactions contemplated in the Arrangement Agreement.

(d) **No Termination**. The Arrangement Agreement shall not have been terminated in accordance with its terms.

Additional Conditions Precedent to the Obligations of the Purchaser

The Purchaser is not required to complete the Arrangement unless each of the following conditions is satisfied on or before the Effective Time, which conditions are for the exclusive benefit of the Purchaser and may only be waived, in whole or in part, by the Purchaser in its sole discretion:

(a) **Representations and Warranties.** The representations and warranties of the Company set forth (i) in the first sentence of paragraph (1) [*Organization and Qualification*], paragraph (2) [*Corporate Authorization*] and paragraph (3) [*Execution and Binding Obligation*] of Schedule C of the Arrangement Agreement are, as of the date of the Arrangement Agreement, and will be, as of the Effective Time, true and correct in all respects other than failures to be true and correct that result from actions that are expressly required by the terms of the Arrangement Agreement or approved in writing by the Purchaser; (ii) in paragraph (7) [*Capitalization*] and (9) [*Subsidiaries*] of Schedule C of the Arrangement Agreement are, as of the date of the Arrangement Agreement, and will be, as of the Effective Time, true and correct in all respects other than such failures to be true and correct that would have no more than de minimis inaccuracies; and (iii) otherwise in the Arrangement Agreement (including in Schedule C of the Arrangement Agreement, other than those to which clause (i) or clause (ii) above applies) are, as of the date of the Arrangement Agreement, and will be, as of the Effective Time, true and correct, except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, has not had or would not reasonably be expected to have a Material Adverse Effect (and, for this purpose, any reference to “material”, “Material Adverse Effect” or other concepts of materiality in such representations and warranties shall be ignored), and except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date, and the Company has delivered a certificate confirming same to the Purchaser, executed by two senior officers of the Company (in each case without personal liability) addressed to the Purchaser and dated the Effective Date.

(b) **Performance of Covenants**. The Company shall have fulfilled or complied in all material respects with its covenants contained in the Arrangement Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and shall have delivered a certificate confirming same to the Purchaser, executed by two senior officers of the Company (in each case, without personal liability) addressed to the Purchaser and dated the Effective Date.

(c) **Dissent Rights**. Dissent Rights have not been validly exercised, and not withdrawn or deemed to have been withdrawn, with respect to more than 5% of the issued and outstanding Shares.

(d) **Material Adverse Effect.** Since the date of the Arrangement Agreement, there shall have not occurred a Material Adverse Effect which is continuing as of the Effective Date.

(e) **No Action or Proceeding.** There is no action or proceeding pending or threatened by any Person (other than the Purchaser or its affiliates) in any jurisdiction that is reasonably likely to:

a) prohibit the consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement;

b) cease trade, enjoin, prohibit, or impose any limitations, damages or conditions on, the Purchaser's ability to acquire, hold, or exercise full right of ownership over, any Shares, including the right to vote the Shares; or

c) prohibit the ownership or operation by the Purchaser of the business of the Purchaser or its affiliates, the Company or any of the Company's Subsidiaries or compel the Purchaser or its affiliates to dispose of or hold separate any material portion of the business or assets of the Purchaser or its affiliates, the Company or any of the Company's Subsidiaries' as a result of the Arrangement.

(f) **Required Consents.** All Required Consents have been obtained by the Company.

(g) **Voting Support Agreements.** There shall not have been any breach of the Voting Support Agreements by any party to such agreement other than the Purchaser.

Additional Conditions Precedent to the Obligations of the Company

The Company is not required to complete the Arrangement unless each of the following conditions is satisfied on or before the Effective Time, which conditions are for the exclusive benefit of the Company and may only be waived, in whole or in part, by the Company in its sole discretion:

(a) **Representations and Warranties.** The representations and warranties of the Purchaser: (i) set forth in paragraph (1) [*Organization and Qualification*], paragraph (2) [*Corporate Authorization*], paragraph (3) [*Execution and Binding Obligation*], paragraph (5)(a) [*Non-Contravention*] and paragraph (7) [*Certain Arrangements*] of Schedule D of the Arrangement Agreement are, as of the date of the Agreement, and will be, as of the Effective Time, true and correct in all respects, except, in each case, for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date; and (ii) otherwise in the Arrangement Agreement (including in Schedule D of the Arrangement Agreement, other than those to which clause (i) above applies) are, as of the date of the Arrangement Agreement, and will be, as of the Effective Time, true and correct in all material respects, except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date, and except where the failure of such representations and warranties to be true and correct, individually or in the aggregate, would not materially impede completion of the Arrangement, and the Purchaser has delivered a certificate confirming same to the Company, executed by a senior officer of the Purchaser (without personal liability) addressed to the Company and dated the Effective Date.

(b) **Performance of Covenants.** The Purchaser has fulfilled or complied in all material

respects with each of the covenants of the Purchaser contained in the Arrangement Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and the Purchaser shall have delivered a certificate confirming same to the Company, executed by a senior officer of the Purchaser (without personal liability) addressed to the Company and dated the Effective Date.

(c) **Deposit of Consideration**. Subject to obtaining the Final Order and the satisfaction or waiver of the other conditions precedent contained herein in its favour (other than conditions which, by their nature, are only capable of being satisfied as of the Effective Time), the Purchaser shall have deposited, or caused to be deposited, with the Depositary in escrow in accordance with Section 2.9 of the Arrangement Agreement the funds required to effect payment in full of the aggregate Consideration to be paid pursuant to the Arrangement.

Representations and Warranties

The Arrangement Agreement contains customary representations and warranties made by each of the Company and the Purchaser. The assertions embodied in those representations and warranties are solely for the purposes of the Arrangement Agreement. Certain representations and warranties may not be accurate or complete as of any specified date because they are qualified by certain disclosure provided by the Company to the Purchaser or are subject to a standard of materiality or Ordinary Course conduct or are qualified by a reference to Material Adverse Effect. Therefore, Securityholders should not rely on the representations and warranties as statements of factual information.

The Arrangement Agreement contains customary representations and warranties of the Company relating to organization and qualification, corporate authorization, execution and binding obligation, governmental authorization, non-contravention, capitalization, shareholders' and similar agreements, subsidiaries, securities law matters, U.S. securities law matters, compliance with laws, Authorizations and licenses, fairness opinions, interested parties, brokers, board and committee approval, material contracts, customers and suppliers, restrictions on conduct of business, government contracts, litigation, financial statements, books and records, absence of certain changes, related party transactions, taxes, employee matters, property, insurance, environmental laws, anti-money laundering and anti-corruption, intellectual property, technology and privacy, auditor and transfer agent, government assistance and required consents.

In addition, the Arrangement Agreement also contains customary representations and warranties of the Purchaser relating to organization and qualification, corporate authorization, execution and binding obligation, governmental authorization, non-contravention, litigation, certain arrangements and sufficient funds.

Covenants

The Arrangement Agreement also contains customary negative and affirmative covenants of the Company and of the Purchaser.

Conduct of Business of the Company

The Company covenants and agrees that, during the period from the date of the Arrangement Agreement until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in

accordance with its terms, the Company shall, and shall cause each of its Subsidiaries to, conduct business in the Ordinary Course, except: (a) as expressly required or permitted by the Arrangement Agreement; (b) to the extent necessary to comply with Law or any order or directive of a Governmental Entity; (c) as expressly required by any Material Contract in effect as of the date hereof and listed in Schedule 4.1(1) of the Disclosure Letter; (d) as otherwise contemplated in Schedule 4.1(1) of the Disclosure Letter; or (e) with the prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed) or under the written direction, authority or control of the Purchaser or its affiliates (including in relation to effecting the agreements entered into or to be entered into between the Purchaser and the Continuing Shareholders relating to the Excluded Shares) (clauses (a) to (e), collectively, the "**Specified Exemptions**").

Without limiting the generality of the Disclosure Letter, and except pursuant to the Specified Exemptions, the Company covenants and agrees that, until the earlier of the Effective Time or the time that the Arrangement Agreement is terminated in accordance with its terms, the Company shall, and shall cause its Subsidiaries to, use commercially reasonable efforts to maintain and preserve intact, in all material respects, the current business organization, goodwill and assets of the Company and its Subsidiaries (taken as a whole) and relationships with the Company Service Providers (as a group). Without limiting the generality of the foregoing, except pursuant to the Specified Exemptions, the Company shall not, and shall not permit any of its Subsidiaries to, directly or indirectly:

(a) amend its Constating Documents;

(b) split, combine or reclassify any shares or declare, set aside or pay any dividend or other distribution or make any payment (whether in cash, stock or property or any combination thereof), in respect of the shares owned by any Person or the securities of any Subsidiary other than, in the case of any Subsidiary wholly-owned by the Company, any dividends, distributions or payments payable to the Company or any other wholly-owned Subsidiary of the Company;

(c) undertake any capital reorganization;

(d) redeem, repurchase, or otherwise acquire or offer to redeem, repurchase or otherwise acquire, any of its securities, except: (i) as contemplated herein; (ii) pursuant to the Plan in the Ordinary Course; or (iii) for cash settled awards;

(e) adopt a plan of liquidation or resolution providing for its liquidation or dissolution;

(f) enter into, or resolve to enter into, any agreement that has the effect of creating a joint venture, partnership, shareholders' agreement or similar relationship between the Company or any of its Subsidiaries and another Person;

(g) engage in any transaction with any director, officer or employee of the Company or any of its Subsidiaries or any of their respective affiliates or associates except for non-material transactions where they are in the Ordinary Course, provided, however, that the payment of any fee to any member of the Special Committee or the Board as consideration for acting in such capacity shall be permitted;

(h) issue, grant, deliver, sell, pledge or otherwise encumber, or authorize the issuance, grant, delivery, sale, pledge or other encumbrance or create any derivative interest in, any securities of the Company or its Subsidiaries or other equity or voting interests, or any call

rights, puts, options, warrants, convertible securities, subscription rights, conversion rights, exchange rights, or similar rights exercisable or exchangeable for or convertible into, or otherwise evidencing a right to acquire such securities or other equity or voting interests, or any stock or equity appreciation rights, restricted stock, pre-emptive rights, phantom equity awards or any rights that are linked to the price or the value of the Shares, except for the issuance of Shares issuable pursuant to Options, Warrants, or Debentures outstanding as of the date hereof, and where applicable, in accordance with the terms of the Plan and/or employment agreement with any Company Service Provider;

(i) reorganize, merge, combine or amalgamate with any Person or acquire (by merger, amalgamation, consolidation, acquisition of securities, assets or otherwise), directly or indirectly, in one transaction or in a series of transactions: (i) any businesses, enterprises or properties; or (ii) any assets except for property and equipment, right-of-use assets or intangible assets acquired in the Ordinary Course;

(j) reduce the stated capital of any shares in the capital of the Company;

(k) sell, pledge, hypothecate, lease, license, sell and lease back, mortgage, dispose of, lose the right to use, surrender or encumber or otherwise transfer or dispose of, directly or indirectly, any of its assets, securities, properties, interests or businesses, to one or more Persons who are not affiliates of the Company, except in the Ordinary Course;

(l) (i) sell, assign, transfer, abandon, permit to lapse or expire, license or sublicense, subject to any Lien (other than Permitted Liens), or otherwise dispose of any Intellectual Property, other than the expiration of any Company Registered Intellectual Property at the end of its maximum statutory term; (ii) disclose any trade secrets of the Company, other than pursuant to a written confidentiality and non-disclosure agreement entered into in the Ordinary Course; (iii) disclose any other confidential information material to the operation of the Company, other than pursuant to a written confidentiality and non-disclosure agreement entered into in the Ordinary Course; or (iv) deliver, license or make available any source code;

(m) create or incur any Lien against any asset or properties of the Company or its Subsidiaries (other than Permitted Liens);

(n) prepay any long-term indebtedness (whether on account of borrowed money or otherwise) before its scheduled maturity or increase, create, incur, assume or otherwise become liable for any indebtedness for borrowed money or guarantees thereof or debt securities, other than in connection with: (i) indebtedness owing by one wholly-owned Subsidiary of the Company to the Company or another wholly-owned Subsidiary of the Company or by the Company to another wholly-owned Subsidiary of the Company; (ii) repayments in the Ordinary Course under the Company's or any Subsidiary's existing credit facilities; or (iii) the repayment of the Company's or any Subsidiary's loans outstanding on the date of the Arrangement Agreement and disclosed in the Disclosure Letter;

(o) commence, cancel, waive, release, assign, settle, satisfy, pay or compromise any claim (other than insured claims), charge or right, litigation, action, arbitration proceeding, audit or investigation (including with any Governmental Entity) brought by any present,

former or purported holder of securities of the Company or any of its Subsidiaries in connection with the transactions contemplated by the Arrangement Agreement or the Plan of Arrangement;

(p) make any loan or advance to, or any capital contribution or investment in, or assume, guarantee or otherwise become liable with respect to the liabilities or obligations of, any Person (other than in respect of a liability or obligation incurred by a wholly-owned Subsidiary of the Company, provided that the incurrence of such liability or obligation by such Subsidiary does not constitute a breach of the Arrangement Agreement);

(q) other than in the Ordinary Course, enter into any interest rate, currency (other than foreign exchange agreements), equity or commodity swaps, hedges, derivatives, forward sales contracts or similar financial instruments;

(r) make any material change in the Company's methods of accounting, except as required by applicable Law, pursuant to written instructions, comments or orders of a Securities Authority or as required or permitted by IFRS;

(s) grant any increase in the rate of wages, salaries, bonuses or other remuneration of any Company Service Provider other than in the Ordinary Course and as set out in the Disclosure Letter;

(t) (i) grant or accelerate, increase, decrease or otherwise amend any compensation, payment, award, remuneration or other benefit payable to, or for the benefit of, any Company Service Provider; (ii) make any incentive, bonus or profit sharing distribution or similar payment of any kind; (iii) hire, engage, furlough, temporarily lay off or terminate (other than for cause in compliance with applicable Law) the employment or service of any Company Service Provider; (iv) grant any new rights of indemnification, retention, severance, change of control, bonus or termination pay to, or enter into any new employment agreement, indemnity agreement, deferred compensation or bonus compensation agreement (or amend such existing agreement) with, any Company Service Provider; or (v) take or propose any action to effect any of the foregoing, other than, in instances (i) and (ii) any action that is taken in the Ordinary Course or as required by Law;

(u) except as required by Law or as otherwise provided in the Arrangement Agreement: (i) adopt, establish, commence participation in, enter into, modify, amend or terminate any Employee Plan or Contract with a Company Service Provider, including any benefit or compensation plan, program, policy, agreement or arrangement that would be an Employee Plan if in effect on the date hereof; (ii) make any loan to any Company Service Provider (except for "routine indebtedness" as defined under applicable Securities Laws); (iii) waive or release any non-competition, non-solicitation, non-disclosure, non-interference, non-disparagement or other restrictive covenant obligation of any Company Service Provider; or (iv) take or propose any action to effect any of the foregoing;

(v) amend or modify in any respect, or terminate or waive any right under, any Material Contract except for immaterial amendments in the Ordinary Course, or enter into any Contract that would be a Material Contract if in effect on the date of the Arrangement Agreement, or fail to enforce any breach of any Material Contract of which it becomes aware, or breach or violate or be in default under any Material Contract, except, in each

case, for breaches and violations that do not materially impact the Company or any of its Subsidiaries or which would not be or would not reasonably be expected to be materially adverse to the Company or any of its Subsidiaries, or the entering into of any Contract with suppliers, customers, distributors and agents relating to the supply of goods or the sale of inventory or license of products or services by the Company or any of its Subsidiaries, in each case, in the Ordinary Course;

(w) enter into an agreement that could result in the payment by the Company or any of its Subsidiaries of a finder's fee, success fee or other similar fee in connection with the Arrangement or the other transactions contemplated in the Arrangement Agreement, provided that the foregoing shall not prohibit the Company from entering into an agreement with any dealer and proxy solicitation services firm for purposes of soliciting proxies in connection with the Arrangement;

(x) make or amend any material Tax election, settle or compromise any material Tax claim, assessment, reassessment or liability, amend any Tax Return in any material respect, fail to pay any Taxes when due, including any installments on account of Taxes, enter into any material agreement with a Governmental Entity with respect to Taxes, surrender any right to claim a material Tax abatement, reduction, deduction, exemption, credit or refund, consent to the extension or waiver of the limitation period applicable to any material Tax matter, or materially amend or change any of its methods of reporting income, deductions or accounting for income Tax purposes, except in each case in the Ordinary Course;

(y) take any action or fail to take any action which action or failure to act would, or would reasonably be expected to, result in the loss, expiration or surrender of, or the loss of any benefit under, or reasonably be expected to cause any Governmental Entities to institute proceedings for the suspension, revocation or limitation of rights under, any material Authorizations, or fail to pursue with commercially reasonable due diligence any pending applications to any Governmental Entities for material Authorizations;

(z) negotiate, modify, extend, terminate, or enter into any Labour Agreement, or recognize or certify any labour union, labour organization, works council, or group of employees as the bargaining representative for any employees of the Company or its Subsidiaries, other than as may be required by Law;

(aa) except as contemplated in Section 4.8 of the Arrangement Agreement and except for scheduled renewals in the Ordinary Course, amend, modify or terminate any material insurance (or re-insurance) policy of the Company or any of its Subsidiaries in effect on the date of the Arrangement Agreement, unless simultaneously with any such termination, cancellation or lapse, replacement policies underwritten by insurance and re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the terminated, cancelled or lapsed policy for substantially similar premiums are in full force and effect;

(bb) waive, release, abandon, let lapse, grant or transfer any material right under, or amend, modify or change in any material respect, any existing material license or right to use the Intellectual Property of a third party except in each case in the Ordinary Course;

(cc) make any capital expenditure or commitment to do so which individually or in the aggregate exceeds $250,000 without the prior written consent of the Purchaser, which consent may be unreasonably withheld or conditioned by the Purchaser in its sole discretion; or

(dd) authorize, agree, resolve or otherwise commit to do any of the foregoing.

Covenants of the Company Regarding the Arrangement and Other Matters

The Company shall, and shall cause its Subsidiaries to, perform all obligations required or advisable to be performed by the Company or its Subsidiaries under the Arrangement Agreement, cooperate with the Purchaser in connection therewith, and shall use its commercially reasonable efforts to perform all such other actions as may be necessary or advisable in order to consummate or make effective, as soon as reasonably practicable, the Arrangement and, without limiting the generality of the foregoing, the Company shall, and shall cause its Subsidiaries to:

(a) use its commercially reasonable efforts to satisfy all conditions precedent set forth in Section 6.1 and Section 6.2 of the Arrangement Agreement and carry out the terms of the Interim Order and Final Order applicable to it and comply promptly with all requirements imposed by Law on it or its Subsidiaries with respect to the Arrangement Agreement or the Arrangement;

(b) use all commercially reasonable efforts to provide, obtain and maintain all third party or other notices, consents, waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations that are required or reasonably requested by the Purchaser in connection with the transactions contemplated by the Arrangement Agreement (including those required under the Material Contracts or required in order to maintain the Material Contracts in full force and effect following completion of the Arrangement), in each case, on terms that are satisfactory to the Purchaser, acting reasonably and without paying, and without committing itself or the Purchaser to pay, any consideration or incurring any liability or obligation without the prior written consent of the Purchaser (it being expressly agreed by the Purchaser that no such consent, waiver, permit, exemption, order, approval, agreement, amendment or confirmation shall be a condition to closing of the transactions contemplated hereby and by the Plan of Arrangement, except to the extent provided for in Article 6 of the Arrangement Agreement);

(c) use its commercially reasonable efforts to effect all necessary registrations, filings and submissions of information required by Governmental Entities from the Company and its Subsidiaries relating to the Arrangement;

(d) use its commercially reasonable efforts to, upon reasonable consultation with the Purchaser, oppose, lift or rescind any injunction, restraining or other order, decree, judgment or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend, or cause to be defended, any proceedings to which it or any of its Subsidiaries is a party or brought against it or any of its Subsidiaries or any of their directors or officers challenging the Arrangement or the Arrangement Agreement;

(e) use its commercially reasonable efforts not to take any action, to refrain from taking any action, or not permit any action to be taken or not taken, which is inconsistent with the Arrangement Agreement or the Arrangement or which would reasonably be expected to

prevent, delay or otherwise impede the consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement, other than as permitted under the Arrangement Agreement; and

(f) (i) duly and timely file all Tax Returns required to be filed by it on or after the date of the Arrangement Agreement and all such Tax Returns will be true, complete and correct in all material respects; (ii) timely withhold, collect, remit and pay all Taxes which are to be withheld, collected, remitted or paid by it to the extent due and payable except for any Taxes contested in good faith pursuant to applicable Laws; and (iii) keep the Purchaser reasonably informed, on a current basis, of any events, discussions, notices or changes with respect to any Tax investigation (other than ordinary course communications which could not reasonably be expected to be material to the Company and its Subsidiaries).

Covenants of the Purchaser Relating to the Arrangement

The Purchaser shall perform all obligations required or advisable to be performed by it under the Arrangement Agreement, cooperate with the Company in connection therewith, and shall use its commercially reasonable efforts to perform all such other actions as may be necessary or advisable in order to consummate and make effective, as soon as reasonably practicable, the Arrangement and, without limiting the generality of the foregoing, the Purchaser shall:

(a) use its commercially reasonable efforts to satisfy the conditions precedent set forth in Section 6.1 and Section 6.3 of the Arrangement Agreement and carry out the terms of the Interim Order and Final Order applicable to it and comply promptly with all requirements imposed by Law on it with respect to the Arrangement Agreement or the Arrangement;

(b) use its commercially reasonable efforts to provide, obtain and maintain all third party or other notices, consents, waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations that are required or reasonably requested by the Company in connection with the transactions contemplated by the Arrangement Agreement, in each case, on terms that are satisfactory to the Company, acting reasonably and without paying or guaranteeing, and without committing itself or the Company to pay or guarantee, any consideration or incurring any liability or obligation of the Company without the prior written consent of the Company (it being expressly agreed by the Company that no such consent, waiver, permit, exemption, order, approval, agreement, amendment or confirmation shall be a condition to the closing of the transactions contemplated hereby and by the Plan of Arrangement, except to the extent provided for in Article 6 of the Arrangement Agreement);

(c) use its commercially reasonable efforts to effect all necessary registrations, filings and submissions of information required by Governmental Entities from it relating to the Arrangement or the transactions contemplated by the Arrangement Agreement;

(d) use its commercially reasonable efforts, upon reasonable consultation with the Company, to oppose, lift or rescind any injunction, restraining or other order, decree, judgment or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers and challenging the Arrangement or the Arrangement Agreement; and

(e) use its commercially reasonable efforts to not take any action, or refrain from taking any action, or permit any action to be taken or not taken, which is inconsistent with the Arrangement Agreement or the Arrangement or which would reasonably be expected to prevent, delay or otherwise impede the consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement, other than as permitted under the Arrangement Agreement.

Additional Covenants Regarding Go-Shop Period

Notwithstanding any other provision of the Arrangement Agreement, during the Go-Shop Period, the Company and its Representatives shall have the right to, directly or indirectly:

(a) solicit, initiate, encourage or otherwise facilitate any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal;

(b) enter into or otherwise engage or participate in any discussions or negotiations with any Person regarding any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal;

(c) subject to entry into, and in accordance with, a confidentiality and standstill agreement which contains Acceptable Standstill Provisions (an "**Acceptable Confidentiality Agreement**"), a true, complete and final executed copy of which shall be provided to the Purchaser, furnish to any other Person, provide copies of, access to, or disclosure of, any information with respect to the business, properties, assets, operations, books and records, prospects or conditions (financial or otherwise) of the Company or any Subsidiary, provided that: (i) the Purchaser is promptly (and in any event within twenty-four (24) hours) provided with (to the extent not previously provided) any such information provided to such Person; (ii) the Company will not pay, agree to pay or cause to be paid or reimburse, agree to reimburse or cause to be reimbursed, any expenses of any Person, or any of such Person's representatives or financing sources, in connection with any Acquisition Proposal (or inquiries, proposals or offers that may lead to an Acquisition Proposal); and (iii) notwithstanding any other provision of the Arrangement Agreement, the Company shall not disclose any information that includes valuations and financial models prepared by the Purchaser in connection with the Arrangement (provided that, for certainty, such restriction shall not apply to any of the underlying information or inputs forming the basis for such valuation or financial models); or

(d) otherwise cooperate in any way with, or assist or participate in, facilitate or encourage, any effort or attempt of any other Person to do or seek to do any of the foregoing,

provided, however, that, in the case of (a) through (d) above, proprietary or competitively sensitive information of the Company will only be provided to such Person if reasonably necessary, and in accordance with customary and prudent transaction practices, including, if reasonably required, by providing such proprietary or competitively sensitive information only to individuals associated with such Person who are members of a "clean team" and have executed a customary "clean room" agreement, or to the external legal counsel or external expert of such Person, not to be shared by such legal counsel or expert with any other Person.

From and after the expiry of the Go-Shop Period, the Company shall, and shall cause its Subsidiaries and its and its Subsidiaries' Representatives to: (a) immediately cease all actions permitted by Section 5.1(1) of the Arrangement Agreement, including such discussions and cooperation with any Person or any Person's Representatives (other than the Purchaser, its affiliates, any Excluded Party and their respective Representatives) with respect to any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or to lead to, an Acquisition Proposal; and (b) discontinue access to any data rooms or other confidential or proprietary information of the Company furnished to such Person and its Representatives (other than Excluded Parties and their respective Representatives).

As promptly as reasonably practicable (and in any event, within twenty-four (24) hours) following the Purchaser's request during the Go-Shop Period, and, in addition, as promptly as reasonably practicable (and in any event, within twenty-four (24) hours) following the expiry of the Go-Shop Period, the Company shall: (a) notify the Purchaser in writing of each Excluded Party, the identity of each Person with whom the Company entered into an Acceptable Confidentiality Agreement on or prior to the expiry of the Go-Shop Period or from whom the Company received an Acquisition Proposal during the Go-Shop Period; and (b) provide the Purchaser with copies of any written Acquisition Proposal (or a summary of the material terms of the Acquisition Proposal if a written copy of such Acquisition Proposal was not provided) received during the Go-Shop Period.

Additional Covenants Regarding Non-Solicitation

Except as expressly provided in Article 5 of the Arrangement Agreement, or to the extent the Purchaser has otherwise consented in writing, from and after the expiry of the Go-Shop Period, the Company shall not, and shall cause its Subsidiaries not to, directly or indirectly, through any of its Representatives or affiliates, or otherwise, and shall not permit any such Person to:

(a) other than with respect to an Excluded Party, solicit, assist, initiate, knowingly encourage or otherwise knowingly facilitate (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books and records or entering into any form of agreement, arrangement or understanding) any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal;

(b) other than with respect to an Excluded Party, enter into or otherwise engage or participate in any discussions or negotiations with any Person (other than the Purchaser and its affiliates) regarding any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal, provided that the Company may: (i) contact and communicate with any Person for the purposes of clarifying the terms of any inquiry, proposal or offer made by such Person that constitutes or could reasonably be expected to constitute or lead to, an Acquisition Proposal; (ii) advise any Person of the restrictions of the Arrangement Agreement; and (iii) advise any Person making an Acquisition Proposal that the Board (or the relevant committee thereof) has determined that their Acquisition Proposal does not constitute a Superior Proposal;

(c) make a Change in Recommendation; or

(d) accept or enter into or publicly propose to accept or enter into any agreement, understanding or arrangement with any Person (other than the Purchaser or any of its

affiliates) in respect of an Acquisition Proposal (other than an Acceptable Confidentiality Agreement or as otherwise permitted in Article 5 of the Arrangement Agreement).

Except as expressly provided in Article 5 of the Arrangement Agreement, from and after the expiry of the Go-Shop Period, the Company shall, and shall cause its Subsidiaries and their respective Representatives to, immediately cease and terminate, and cause to be terminated, any solicitation, encouragement, discussion, negotiations, or other activities with any Person (other than: (i) with the Purchaser, its affiliates or their respective Representatives; or (ii) discussions, negotiations or other activities with any Excluded Party or its Representatives) with respect to any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal, and in connection with such termination shall:

(a) discontinue access to and disclosure of all information regarding the Company or any of its Subsidiaries, including any data rooms furnished to the Purchaser, any confidential information, properties, facilities and books and records; and

(b) promptly (and in any event within two (2) Business Days of: (i) in the case of non-Excluded Parties, the expiry of the Go-Shop Period; and (ii) in the case of Excluded Parties, the date on which such Person ceases to be an Excluded Party) request, and exercise all rights it has to require: (i) the return or destruction of all copies of any confidential information regarding the Company or any of its Subsidiaries provided to any Person (other than the Purchaser, its affiliates or any Excluded Party and their respective Representatives) after the date hereof in respect of a possible Acquisition Proposal; and (ii) the destruction of all material including or incorporating or otherwise reflecting such confidential information regarding the Company or any of its Subsidiaries, in each case provided to any Person (other than the Purchaser, its affiliates or any Excluded Party and their respective Representatives), to the extent that such information has not previously been returned or destroyed, using its commercially reasonable efforts to ensure that such requests are complied with and rights exercised.

The Company represents and warrants that since January 1, 2023, other than with respect to agreements involving the Purchaser or its affiliates, it has not waived any confidentiality, standstill or similar agreement, restriction or covenant in effect as of the date of the Arrangement Agreement to which the Company or any of its Subsidiaries is a party, and the Company covenants and agrees that: (i) the Company shall use commercially reasonable efforts to enforce each confidentiality, standstill or similar agreement, restriction or covenant to which the Company or any of its Subsidiaries is a party or may hereafter become a party in accordance with Section 5.4 of the Arrangement Agreement; and (ii) neither the Company nor any of its Subsidiaries have released or will, without the prior written consent of the Purchaser (which may be withheld, conditioned or delayed in the Purchaser's sole and absolute discretion), release any Person from, or waive, amend, suspend or otherwise modify such Person's obligations respecting the Company, or any of its Subsidiaries, under any confidentiality, standstill or similar agreement or restriction to which the Company or any of its Subsidiaries is a party or may hereafter become a party in accordance with Section 5.4 of the Arrangement Agreement (it being acknowledged by the Purchaser that the automatic termination or automatic release, in each case pursuant to the terms thereof, of any standstill restrictions of any such agreements as a result of the entering into and announcement of the Arrangement Agreement shall not be a violation of Section 5.2(3) of the Arrangement Agreement).

Acquisition Proposals

If at any time following the expiry of the Go-Shop Period, the Company or any of its Subsidiaries, or any of their respective Representatives, receives any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal (including from an Excluded Party), or any request for copies of, access to, or disclosure of, confidential information relating to the Company or any Subsidiary in connection with any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal or any existing Acquisition Proposal from an Excluded Party, the Company shall promptly notify the Purchaser, at first orally, and then within 24 hours, in writing, of such Acquisition Proposal, inquiry, proposal, offer or request, which notice shall include a copy of the Acquisition Proposal, inquiry, proposal or offer and the identity of all Persons making the Acquisition Proposal, inquiry, proposal, offer or request, together with unredacted copies of documents, correspondence or other material received in respect of, from or on behalf of any such Person (or, with respect to any oral Acquisition Proposal or where no such copies are otherwise available, a reasonably detailed written description thereof).

The Company shall keep the Purchaser promptly and fully informed of the status of developments and negotiations with respect to such Acquisition Proposal, inquiry, proposal, offer or request (including from any Excluded Party), including any material changes, modifications or other amendments to any such Acquisition Proposal, inquiry, proposal, offer or request (including from any Excluded Party) and shall provide to the Purchaser copies of all material documents and material correspondence if in writing or electronic form, and if not in writing or electronic form, a description of the material terms of such correspondence or communication to the Company by or on behalf of any Person (including any Excluded Party) making such Acquisition Proposal, inquiry, proposal, offer or request.

Notwithstanding Section 5.2, any other provision of the Arrangement Agreement, and any other agreement between the Parties or between the Company and any other Person, if at any time after the expiry of the Go-Shop Period and prior to obtaining the Required Securityholder Approval, the Company receives a request for material non-public information, or to enter into discussions, from a Person or group of Persons that propose(s) to the Company an unsolicited Acquisition Proposal, or receives from an Excluded Party an Acquisition Proposal, then the Company may: (i) provide copies of, access to or disclosure of confidential information, properties, facilities, or books and records to such Person or group of Persons and their respective Representatives; and/or (ii) enter into, participate, facilitate and maintain discussions or negotiations with, and otherwise cooperate with or assist, the Person or group of Persons making such request, provided that, if and only if:

(a) the Board first determines (based upon, *inter alia*, the recommendation of the Special Committee) in good faith, after consultation with its financial advisors and its outside legal counsel, that such Acquisition Proposal constitutes, or could reasonably be expected to constitute or lead to, a Superior Proposal;

(b) such Person was not (or such or group of Persons were not) restricted from making such Acquisition Proposal pursuant to an existing confidentiality, standstill, non-solicitation or similar agreement with the Company (provided that the automatic termination or automatic release, in each case pursuant to the terms thereof, of any standstill restrictions of any such agreements as a result of the entering into and announcement of the Arrangement Agreement shall not be a violation of Section 5.4(1) of the Arrangement Agreement);

(c) the Company has been, and continues to be, in compliance with its obligations under Article 5 of the Arrangement Agreement in all material respects;

(d) prior to providing any such copies, access, or disclosure, the Company: (i) enters into an Acceptable Confidentiality Agreement with such Person(s); (ii) as soon as reasonably practicable (and in any event within twenty-four (24) hours) provides the Purchaser with a true, complete and final executed copy of such Acceptable Confidentiality Agreement; and (iii) concurrently provides any such copies, access or disclosure provided to such Person, to the extent not previously provided to the Purchaser (by posting such information to data rooms furnished to the Purchaser or otherwise, in any case, with notice to the Purchaser thereof).

Right to Match

If the Company receives an Acquisition Proposal that constitutes a Superior Proposal prior to obtaining the Required Securityholder Approval, including, for certainty, during the Go-Shop Period, the Board may (based upon, *inter alia*, the recommendation of the Special Committee), subject to compliance with Section 7.2(3)(b) of the Arrangement Agreement, enter into a definitive agreement or make a Change in Recommendation with respect to such Superior Proposal, if and only if:

(a) the Company has been, and continues to be, in compliance with its obligations under Article 5 of the Arrangement Agreement in all material respects;

(b) the Person making the Acquisition Proposal was not restricted from making such Acquisition Proposal pursuant to an existing confidentiality, standstill, non-solicitation or similar agreement with the Company (provided that the automatic termination or automatic release, in each case pursuant to the terms thereof, of any standstill restrictions of any such agreements as a result of the entering into and announcement of the Arrangement Agreement shall not be a violation of Section 5.1(1)(b) of the Arrangement Agreement);

(c) the Company has delivered to the Purchaser a written notice of the determination of the Board (based upon, *inter alia*, the recommendation of the Special Committee) that such Acquisition Proposal constitutes a Superior Proposal and of the intention of the Board to enter into such definitive agreement with respect to such Superior Proposal and/or make a Change in Recommendation, as applicable, together with: (i) the identity of the Person(s) making the Superior Proposal; and (ii) a true and complete copy of any proposed agreement(s) in respect of the Superior Proposal (the "**Superior Proposal Notice**");

(d) the Acquisition Proposal (and any agreement(s) related thereto) do not obligate or permit the Company, or any of its Representatives, to provide any "hello", "break", termination or other fees or options or rights to acquire assets or securities of the Company or any of its Subsidiaries unless and until the Arrangement Agreement is terminated in accordance with its terms;

(e) at least five (5) full Business Days (the "**Matching Period**") have elapsed from the date that is the later of the date on which the Purchaser received the Superior Proposal Notice and the date on which the Purchaser received all of the materials set forth in Section 5.5(1)(c)of the Arrangement Agreement;

(f) during any Matching Period, the Purchaser has had the opportunity (but not the obligation), in accordance with Section 5.5(2) of the Arrangement Agreement, to offer to amend the Arrangement Agreement and the Arrangement in order for such Acquisition Proposal to cease to be a Superior Proposal;

(g) after the Matching Period, the Board (based upon, *inter alia*, the recommendation of the Special Committee) has determined in good faith: (i) after consultation with its outside legal counsel and financial advisors, that such Acquisition Proposal continues to constitute a Superior Proposal (if applicable, compared to the terms of the Arrangement as proposed to be amended by the Purchaser under Section 5.5(2) of the Arrangement Agreement); and (ii) after consultation with outside legal counsel that the failure to take the relevant action would be inconsistent with its fiduciary duties; and

(h) prior to or concurrently with entering into such definitive agreement or making such Change in Recommendation, the Company terminates the Arrangement Agreement pursuant to Section 7.2(3)(b) of the Arrangement Agreement and pays the Purchaser the Termination Fee or the Go-Shop Fee, as applicable, pursuant to Section 7.3(3) of the Arrangement Agreement.

During the Matching Period, the Purchaser shall have the opportunity, but not the obligation, to propose to amend the terms of the Arrangement Agreement, including an increase in, or modification of, the Consideration. During the Matching Period: (a) the Board shall review any offer made by the Purchaser under Section 5.5(2) of the Arrangement Agreement to amend the terms of the Arrangement Agreement and/or the Arrangement (and any terms of the transactions contemplated herein) in good faith in order to determine whether such proposal would, upon acceptance, result in the Acquisition Proposal previously constituting a Superior Proposal ceasing to be a Superior Proposal; and (b) the Company shall negotiate in good faith with the Purchaser to make such amendments to the terms of the Arrangement Agreement and/or the Arrangement (and any terms of the transactions contemplated herein) as would enable the Purchaser to proceed with the transactions contemplated by the Arrangement Agreement on such amended terms. If the Board determines (based upon, *inter alia*, the recommendation of the Special Committee) that such Acquisition Proposal would cease to be a Superior Proposal, the Company shall promptly so advise the Purchaser and the Company and the Purchaser shall amend the Arrangement Agreement to reflect such offer made by the Purchaser, and shall take and cause to be taken all such actions as are necessary to give effect to the foregoing.

Each successive amendment or modification to any Acquisition Proposal that results in an increase in, or modification of, the consideration (or value of such consideration) to be received by Shareholders or other material terms or conditions thereof shall constitute a new Acquisition Proposal for the purposes of Section 5.5 of the Arrangement Agreement, and the Purchaser shall be afforded a new Matching Period from the date on which the Purchaser received the Superior Proposal Notice with respect to the new Superior Proposal from the Company.

The Board shall, within five (5) Business Days from the Purchaser's reasonable request to do so, promptly reaffirm the Board Recommendation (based upon, *inter alia*, the recommendation of the Special Committee) by news release after any Acquisition Proposal which the Board has determined not to be a Superior Proposal is publicly announced or publicly disclosed or the Board determines that a proposed amendment to the terms of the Arrangement Agreement or the Arrangement as contemplated under Section 5.5(2) of the Arrangement Agreement would result in an Acquisition Proposal no longer being a Superior Proposal. The Company shall provide the Purchaser and its outside legal counsel with a

reasonable opportunity to review and comment on the form and content of any such news release and shall make all reasonable amendments to such news release as requested by the Purchaser and its counsel.

If the Company provides a Superior Proposal Notice to the Purchaser on a date that is less than ten (10) Business Days before the Meeting, the Company shall be permitted to, and shall upon request from the Purchaser, adjourn or postpone the Meeting to a date that is not more than fifteen (15) Business Days after the scheduled date of the Meeting, but in any event the Meeting shall not be adjourned or postponed to a date which would prevent the Effective Date from occurring on or prior to the Outside Date.

Nothing in the Arrangement Agreement shall prohibit the Board from responding through a directors' circular or otherwise as required by applicable Securities Laws to an Acquisition Proposal that it determines is not a Superior Proposal provided that the Company shall provide the Purchaser and its counsel with a reasonable opportunity to review the form and content of such disclosure and shall give reasonable consideration to any comments made by the Purchaser and its counsel. Further, nothing in the Arrangement Agreement shall prevent the Board from making any disclosure to the Securityholders if the Board, acting in good faith and upon the advice of its outside legal and financial advisors, shall have determined that the failure to make such disclosure would be inconsistent with the fiduciary duties of the Board or such disclosure is otherwise required under Law; provided, however, that, notwithstanding the Board shall be permitted to make such disclosure, the Board shall not be permitted to make a Change in Recommendation, other than as permitted by Section 5.5(1) of the Arrangement Agreement and provided that the Company shall provide the Purchaser and its counsel with a reasonable opportunity to review the form and content of such disclosure and shall give reasonable consideration to any comments made by the Purchaser and its counsel. In addition, nothing contained in the Arrangement Agreement shall prevent the Company or the Board from calling and/or holding a meeting of any of the Securityholders requisitioned by any of the Securityholders in accordance with the BCBCA or ordered to be held by a court in accordance with applicable Laws. For certainty, where the Board makes a Change in Recommendation and the Purchaser does not exercise its right of termination pursuant to Section 7.2(4)(b) of the Arrangement Agreement prior to the Meeting, the Company shall hold the Meeting on the date for which such Meeting is scheduled (subject to adjournment or postponement in accordance with Section 5.5(5) of the Arrangement Agreement).

Any violation of the restrictions set forth in Article 5 of the Arrangement Agreement by the Company's Subsidiaries or the Company's or its Subsidiaries' respective Representatives shall be deemed to be a breach of Article 5 of the Arrangement Agreement by the Company.

Insurance and Indemnification

Prior to the Effective Time, the Company shall use its commercially reasonable efforts to and, if the Company is unable after using commercially reasonable efforts, the Purchaser shall cause the Company to, as of the Effective Time, obtain and fully pay the premium for the extension of the directors' and officers' liability coverage of the Company's and its Subsidiaries' existing directors' and officers' insurance policies for a claims reporting or run-off and extended reporting period and claims reporting period of at least six years from and after the Effective Time with respect to any claim related to any period of time at or prior to the Effective Time from the Company's current insurance carriers or an insurance carrier with the same or better credit rating with respect to directors' and officers' liability insurance ("**D&O Insurance**"), and with terms, conditions, retentions and limits of liability that are no less advantageous to the present and former directors and officers of the Company and its Subsidiaries than the coverage

provided under the Company's and its Subsidiaries' existing policies with respect to any actual or alleged error, misstatement, misleading statement, act, omission, neglect, breach of duty or any matter claimed against a present or former director or officer of the Company or any of its Subsidiaries by reason of him or her serving in such capacity that existed or occurred at or prior to the Effective Time (including in connection with the approval or completion of the Arrangement Agreement, the Arrangement or the other transactions contemplated by the Arrangement Agreement or arising out of or related to the Arrangement Agreement and the transactions contemplated hereby).

The Purchaser shall, from and after the Effective Time, cause the Company or the applicable Subsidiary to honour all rights to indemnification or exculpation existing as of the date hereof in favour of present and former employees, officers and directors of the Company and its Subsidiaries under Law and under the Constating Documents of the Company and/or its Subsidiaries or to the extent that they are disclosed in the Disclosure Letter, under any agreement or contract of any indemnified person with the Company or with any of its Subsidiaries, and acknowledges that such rights shall survive the completion of the Plan of Arrangement and shall continue in full force and effect in accordance with their terms.

If the Purchaser, the Company or any of its Subsidiaries or any of their respective successors or assigns following the Effective Time: (a) consolidates or amalgamates with or merges or liquidates into any other Person and is not a continuing or surviving company or entity of such consolidation, amalgamation, merger or liquidation; or (b) transfers all or substantially all of its properties and assets to any Person, proper arrangements shall be made so as to ensure that any such successor or assign (including, as applicable, any acquirer of substantially all of the properties and assets of the Purchaser, the Company or its Subsidiaries) assumes all of the obligations set forth in section 4.8 of the Arrangement Agreement.

Section 4.8 of the Arrangement Agreement shall survive the consummation of the Arrangement and is intended to be for the benefit of, and shall be enforceable by, the present and former directors and officers of the Company and the Subsidiaries and their respective heirs, executors, administrators and personal representatives (the "**Indemnified Persons**") and shall be binding on the Purchaser, the Company and their respective successors and assigns, and, for such purpose, the Company hereby confirms that it is acting as agent on behalf of the Indemnified Persons.

Termination of the Arrangement Agreement

The Arrangement Agreement may be terminated and the Arrangement abandoned at any time prior to the Effective Time (notwithstanding approval of the Arrangement Resolution by the Securityholders and/or receipt of the Final Order) by:

(1) the mutual written agreement of the Parties; or

(2) either the Company, on the one hand, or the Purchaser, on the other hand, if:

   (a) **No Required Securityholder Approval**. The Required Securityholder Approval is not obtained at the Meeting in accordance with the Interim Order;

   (b) **Illegality**. After the date of the Arrangement Agreement, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Arrangement illegal or otherwise permanently prohibits or enjoins the Company or the Purchaser from consummating the Arrangement, and such Law has, if applicable, become final and non-appealable, provided that the Party seeking to terminate the Arrangement Agreement

pursuant to Section 7.2(2)(b) of the Arrangement Agreement has complied with its obligations under the Arrangement Agreement to, as applicable, appeal or overturn such Law or otherwise have it lifted or rendered non-applicable in respect of the Arrangement and provided further that the enactment, making, enforcement or amendment of such Law was not primarily due to a result of a breach by such Party of any of its representations or warranties, or the failure of such Party to perform any of its covenants or agreements, under the Arrangement Agreement; or

(c) **Occurrence of Outside Date**. The Effective Time does not occur on or prior to the Outside Date, provided that neither the Company nor the Purchaser may terminate the Arrangement Agreement pursuant to this Section 7.2(2)(c) of the Arrangement Agreement if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by such Party of any of its representations or warranties under the Arrangement Agreement or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement;

(3) the Company if:

(a) **Breach of Representation or Warranty or Failure to Perform Covenant by the Purchaser**. A breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Purchaser under the Arrangement Agreement shall have occurred that would cause any condition in Section 6.3(1) [*Purchaser Representations and Warranties Condition*] or Section 6.3(2) [*Purchaser Covenants Condition*] of the Arrangement Agreement not to be satisfied, and such breach or failure is incapable of being cured on or prior to the Outside Date or is not cured in accordance with the terms of Section 4.7(3) of the Arrangement Agreement; provided that the Company is not then in breach of the Arrangement Agreement so as to cause any condition in Section 6.2(1) [*Company Representations and Warranties Condition*] or Section 6.2(2) [*Company Covenants Condition*] of the Arrangement Agreement not to be satisfied; or

(b) **Superior Proposal**. Prior to the approval by the Securityholders of the Arrangement Resolution, the Board (based upon, *inter alia*, the recommendation of the Special Committee) authorizes the Company to enter into a definitive written agreement (other than an Acceptable Confidentiality Agreement or as otherwise permitted by and in accordance with Article 5 of the Arrangement Agreement) with respect to a Superior Proposal, provided the Company is then in compliance with Article 5 of the Arrangement Agreement and that, prior to or concurrent with such termination, the Company pays the Termination Fee or the Go-Shop Fee, as applicable, in accordance with the provisions off the Arrangement Agreement;

(4) the Purchaser if:

(a) **Breach of Representation or Warranty or Failure to Perform Covenant by the Company**. A breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Company under the Arrangement Agreement occurs that would cause any condition in Section 6.2(1) [*Corporation Representations and Warranties Condition*] or Section 6.2(2) [*Corporation Covenants Condition*] of the Arrangement Agreement not to be satisfied, and such breach or failure is incapable of being cured on or prior to the Outside Date or is not cured in accordance with the terms of Section 4.7(3) of the Arrangement Agreement; provided that the Purchaser is not then in breach of the Arrangement Agreement so as to directly or indirectly cause any condition in Section 6.3(1) [*Purchaser Representations and Warranties*] or Section 6.3(2) [*Purchaser Covenants Condition*] of the Arrangement Agreement not to be satisfied;

(b) **Change in Recommendation**. Prior to the approval by the Securityholders of the Arrangement Resolution (including for certainty, during the Go-Shop Period), other than as permitted by Article 5 of the Arrangement Agreement: (i) the Board or the Special Committee fails to recommend or withdraws, amends, modifies or qualifies, in a manner adverse to the Purchaser, or publicly proposes or states an intention to so withdraw, amend, modify or qualify, the Board Recommendation; (ii) the Board or the Special Committee accepts, approves, endorses, enters into, recommends, or publicly proposes to accept, approve, endorse, enter into or recommend an Acquisition Proposal or takes no position or remains neutral with respect to a publicly announced, or otherwise publicly disclosed, Acquisition Proposal for more than five (5) Business Days (or in the event that the Meeting is scheduled to occur within such five (5) Business Day period, beyond the third (3rd) Business Day prior to the date of the Meeting), unless an Acquisition Proposal is made prior to the expiry of the Go-Shop Period and the Company provides a Superior Proposal Notice to the Purchaser in respect of such Acquisition Proposal, in which case the Company will have until the end of the Matching Period to reaffirm the Board Recommendation; or (iii) the Board or the Special Committee fails to publicly recommend or reaffirm the Board Recommendation within five (5) Business Days after having been requested in writing by the Purchaser to do so (or in the event that the Meeting is scheduled to occur within such five (5) Business Day period, prior to the third (3rd) Business Day prior to the date of the Meeting) (each, a "**Change in Recommendation**");

(c) **Breach of Non-Solicit**. Prior to the approval by the Securityholders of the Arrangement Resolution, the breach by the Company, its Subsidiaries or their respective Representatives of any of its obligations under Article 5 of the Arrangement Agreement in any material respect; or

(d) **Material Adverse Effect**. Since the date of the Arrangement Agreement, there has occurred a Material Adverse Effect that is incapable of being cured prior to the Outside Date,

provided that, in each case, the Party desiring to terminate the Arrangement Agreement pursuant to Section 7.2 of the Arrangement Agreement (other than pursuant to Section 7.2(1) of the Arrangement Agreement) shall give notice of such termination to the other Party, specifying in reasonable detail the basis for the Party's exercise of its termination right.

Definition of Outside Date

The Outside Date under the Arrangement Agreement is April 14, 2025, or such later date as may be agreed to in writing by the Parties, subject to the right of either Party to extend the Outside Date from time to time by a specified period of not less than sixty (60) days (provided that, in aggregate (for both Parties), such extensions shall not exceed 180 days from April 14, 2025) if the Effective Date has not occurred by the Outside Date as a result of the failure to obtain any of the Required Consents and such Required Consent has not been denied by a non-appealable decision of a Governmental Entity, by giving written notice to the other Party to such effect no later than 5:00 p.m. (Toronto time) on the date that is not less than five days prior to the Outside Date then in effect; *provided, however*, that, notwithstanding the foregoing, a Party shall not be permitted to extend the Outside Date if the failure to obtain any of such Required Consents is primarily the result of such Party's wilful breach of its covenants herein.

Termination Fees and Expenses

Termination Fees

For the purposes of the Arrangement Agreement, "**Termination Fee**" means $1,823,482 and "**Termination Fee Event**" means the termination of the Arrangement Agreement, other than pursuant to a Go-Shop Fee Event:

(a) by the Purchaser following the expiry of the Go-Shop Period pursuant to Section 7.2(4)(b) [*Change in Recommendation*] of the Arrangement Agreement;

(b) by the Purchaser following the expiry of the Go-Shop Period pursuant to Section 7.2(4)(c) [*Breach of Non-Solicit*] of the Arrangement Agreement;

(c) by the Company following the expiry of the Go-Shop Period pursuant to Section 7.2(3)(b) [*Superior Proposal*] of the Arrangement Agreement; or

(d) by the Company or the Purchaser pursuant to Section 7.2(2)(a) [*No Required Securityholder Approval*] or Section 7.2(2)(c) [*Occurrence of Outside Date*] or by the Purchaser pursuant to Section 7.2(4)(a) [*Breach of Representation or Warranty or Failure to Perform Covenant by the Corporation*] of the Arrangement Agreement, but only if:

(i) prior to such termination: (A) an Acquisition Proposal is publicly announced, proposed, offered or otherwise made known to the Securityholders by any Person (other than the Purchaser or its affiliates); or (B) any Person (other than the Purchaser or its affiliates) publicly announces an intention to make an Acquisition Proposal, in each case, after the date hereof and prior to the Meeting; and

(ii) within nine (9) months of the date of such termination: (A) an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in (i) above) is consummated or effected; or (B) the Company or one or more of its Subsidiaries, directly or indirectly, in one or more transactions, enters into a definitive agreement in respect of an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition

Proposal referred to in (i) above) and such Acquisition Proposal is later consummated (whether or not within nine (9) months of the date of such termination),

provided, however, that, for the purposes of this Section 7.4(2)(d) of the Arrangement Agreement, the term "Acquisition Proposal" shall have the meaning assigned to such term in Section 1.1 of the Arrangement Agreement, except that references to "20% or more" shall be deemed to be references to "50% or more".

If a Termination Fee Event or a Go-Shop Fee Event, as applicable, occurs, the Company shall pay the Termination Fee or the Go-Shop Fee, as applicable, to the Purchaser by wire transfer of immediately available funds, as follows:

(a) if the Termination Fee is payable pursuant to Section 7.4(2)(a) or Section 7.4(2)(b) of the Arrangement Agreement, the Termination Fee shall be payable within two (2) Business Days following such termination;

(b) if the Termination Fee is payable pursuant to Section 7.4(2)(c) of the Arrangement Agreement, the Termination Fee shall be payable prior to or concurrently with such termination;

(c) if the Termination Fee is payable pursuant to Section 7.4(2)(d) of the Arrangement Agreement, the Termination Fee shall be payable on or prior to the consummation of the Acquisition Proposal; and

(d) if the Go-Shop Fee is payable due to the occurrence of a Go-Shop Fee Event, the Go-Shop Fee shall be payable prior to or concurrently with such termination.

The Arrangement Agreement provides that: (i) if a Termination Fee is payable by the Company, no Go-Shop Fee shall be payable by the Company; (ii) if a Go-Shop Fee is payable by the Company, no Termination Fee shall be payable by the Company; and (iii) if a Termination Fee or Go-Shop Fee, as applicable, is payable by the Company, under no circumstance will a second or further Termination Fee or Go-Shop Fee be payable by the Company.

Expenses

Except as expressly otherwise provided in the Arrangement Agreement, all fees, costs and expenses incurred in connection with the Arrangement Agreement and the Arrangement and the transactions contemplated hereunder (including, in the Plan of Arrangement), including all costs, expenses and fees of the Company incurred prior to or after the Effective Time in connection with, or incidental to, the Arrangement, shall be paid by the Party incurring such expenses, whether or not the Arrangement is consummated.

The Arrangement Agreement includes certain expense reimbursement provisions, entitling each of the Company and the Purchaser to an expense reimbursement of $500,000 upon the occurrence of certain specified events, subject to certain specified conditions and limitations (including, that the Company shall not be obligated to pay such expense reimbursement amount if the Company has paid the Termination Fee or the Go-Shop Fee).

Specific Performance

Notwithstanding anything to the contrary set forth in the Arrangement Agreement, except for an order of specific performance, as and only to the extent permitted by Section 8.5 of the Arrangement Agreement, or in the case of fraud, in the event of the termination of the Arrangement Agreement by the Purchaser or the Company, as applicable, that results in the Termination Fee or the Go-Shop Fee being payable, the right to receive the Termination Fee or the Go-Shop Fee, as applicable, by the Purchaser, when payable in accordance with the terms of the Arrangement Agreement, shall be the sole and exclusive remedy (including damages, specific performance and injunctive or other equitable relief) of the Purchaser and each and any of its former, current or future directors, officers, employees, affiliates, general or limited partners, shareholders (or equivalent), equityholders, managers, members or agents (each of the foregoing Persons and such Persons' successors and assigns, a "**Purchaser Group Member**") against the Company and each of its and its Subsidiaries' former, current or future affiliates and Representatives (each of the foregoing Persons and such Persons' successors and assigns, a "**Company Group Member**"), for any monetary or other damages suffered by any Purchaser Group Member, or any liability or obligation of any kind of any Company Group Member, in each case, caused by, arising out of, relating to or in connection with: (i) any and all breaches or threatened or attempted breach of any representation, warranty, covenant or agreement contained in the Arrangement Agreement or any other agreement, certificate or other document contemplated in the Arrangement Agreement or thereby by the Company and the failure of the transactions contemplated in the Arrangement Agreement or in any other agreement, certificate or other document contemplated in the Arrangement Agreement to be consummated (including with respect to any loss suffered as a result of the failure of the Arrangement to be consummated or for a breach or failure to perform under the Arrangement Agreement, in any case whether willfully, intentionally, unintentionally or otherwise); (ii) any failure or threatened or attempted failure of the Company to comply with its obligations under the Arrangement Agreement and any other agreement, certificate or document contemplated by the Arrangement Agreement; or (iii) the Arrangement Agreement, the agreements, certificates and documents contemplated by the Arrangement Agreement and the transactions contemplated by the Arrangement Agreement or thereby or the termination of the Arrangement Agreement, in each case, including any action, suit or other proceeding under any legal theory whether in equity or at Law, in contract, in tort or otherwise.

The Parties acknowledge that the agreements contained in Section 7.4 of the Arrangement Agreement are an integral part of the transactions contemplated by the Arrangement Agreement, and that without these agreements the Parties would not enter into the Arrangement Agreement. Accordingly, if a Party (such Party, the first Party) fails to pay any amount due pursuant to this Section 7.4 of the Arrangement Agreement, when due and, in order to obtain such payment, the other Party commences a suit that results in a judgment against the first Party for such payment, then the first Party shall pay to the Party entitled to payment its reasonable and documented costs and expenses (including reasonable and documented attorneys' fees) in connection with such suit, together with interest on such amount, at the prime rate of a Canadian chartered bank in effect on the date such payment was required to be made to and including the date on which such payment was actually received.

Closing

The completion of the Arrangement shall occur on the date upon which the Company and the Purchaser agree in writing as the Effective Date or, in the absence of such agreement, five (5) Business Days following the satisfaction or waiver (subject to applicable Laws) of the last of the conditions set forth in Article 6 the Arrangement Agreement (excluding conditions that by their terms cannot be satisfied until the Effective Date, but subject to the satisfaction or, when permitted, waiver of those conditions as of

the Effective Date). The Arrangement shall be effective at the Effective Time on the Effective Date. From and after the Effective Time, the Plan of Arrangement shall have all of the effects provided by applicable Law, including the BCBCA.

Amendments

The Arrangement Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Meeting but not later than the Effective Time, be amended by mutual written agreement of the Parties, subject to the Plan of Arrangement, the Interim Order and the Final Order, without, subject to applicable Laws, further notice to or authorization on the part of any of the Securityholders and any such amendment may, without limitation:

(a) change the time for performance of any of the obligations or acts of the Parties;

(b) waive any inaccuracies or modify any representation or warranty contained in the Arrangement Agreement or in any document delivered pursuant to the Arrangement Agreement;

(c) waive compliance with or modify any of the covenants contained in the Arrangement Agreement and waive or modify performance of any of the obligations of the Parties; and/or

(d) waive compliance with or modify any of the conditions precedent contained in the Arrangement Agreement,

provided, however, that no such amendment or waiver may reduce or materially adversely affect the Consideration to be received by Shareholders under the Arrangement or change the timing of payment, or the form of, the Consideration without their approval at the Meeting or, following the Meeting, without their approval given in the same manner as required by applicable Laws for the approval of the Arrangement as may be required by the Court.

Governing Law

The Arrangement Agreement will be governed by, interpreted and enforced in accordance with the Laws of the Province of British Columbia and the federal Laws of Canada applicable therein. Each Party irrevocably attorns and submits to the non-exclusive jurisdiction of the British Columbia courts situated in the City of Vancouver and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

RISK FACTORS

The following risk factors related to the Arrangement should be considered by Securityholders. These risk factors should be considered in conjunction with the other information contained in or incorporated by reference into this Circular. The following risk factors are not a definitive list of all risk factors associated with the Arrangement. Additional risks and uncertainties, including those currently unknown or considered immaterial by Banxa, may also adversely affect the trading price of the Shares and/or the businesses of Banxa.

Risks Relating to the Arrangement

If Banxa is unable to complete the Arrangement or if completion of the Arrangement is delayed, there could be a material and adverse effect on Banxa's business, financial condition, operating results and/or the price of Shares.

If, for any reason, the Arrangement is not completed or its completion is materially delayed and/or the Arrangement Agreement is terminated, the market price of Shares may be materially adversely affected and decline to the extent that the current market price of the Shares reflects a market assumption that the Arrangement will be completed. Depending on the reasons for terminating the Arrangement, Banxa's business, financial condition or results of operations could also be subject to various material adverse consequences.

The Required Securityholder Approval may not be obtained.

There can be no certainty, nor can Banxa provide any assurance, that the Required Securityholder Approval of the Arrangement Resolution will be obtained. The Arrangement is subject to, among other approvals, the approval by not less than: (i) 66⅔% of votes cast by Shareholders present in person or represented by proxy at the Meeting; (ii) 66⅔% of votes cast by Securityholders present in person or represented by proxy at the Meeting, voting together as members of a single class; and (iii) a majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting, excluding for this purpose votes attached to the Excluded Shares and any Shares beneficially owned, directly or indirectly by any other persons described in items (a) through (d) of Section 8.1(2) of MI 61-101. If such approval is not obtained and the Arrangement is not completed, it could have a material adverse effect on the business, operating results or prospects of Banxa.

The regulatory consents and approvals required for the Arrangement may not be obtained or, if obtained, may not be obtained on a favourable basis or in a timely manner.

To complete the Arrangement, Banxa must make certain filings with and obtain certain regulatory consents and approvals from the TSXV. The required regulatory consents and approvals have not been obtained yet. The regulatory approval processes may take a lengthy period of time to complete, which could delay completion of the Arrangement. If obtained, the required regulatory consents and approvals may be conditioned, with the conditions imposed not being acceptable to Banxa or, if acceptable, not being on terms that are favourable to Banxa. There can be no assurance as to the outcome of the regulatory approval processes, including the conditions that may be required for approval or whether the required regulatory consents and approvals will be obtained. If not obtained, or if obtained on terms that are not satisfactory to Banxa, the Arrangement may not be completed.

The completion of the Arrangement is uncertain and Banxa will incur costs even if the Arrangement is not completed.

If the Arrangement is not completed for any reason, there are risks that the announcement of the Arrangement and the dedication of Banxa's resources to the completion thereof could have a negative impact on Banxa's relationships with its stakeholders and could have a material adverse effect on the current and future operations, financial condition and prospects of Banxa. In addition, certain costs related to the Arrangement, such as legal, accounting and certain financial advisor fees, must be paid by Banxa even if the Arrangement is not completed.

There may not be another attractive take-over, merger or business combination.

If the Arrangement is not completed, there can be no assurance of being able to find a third-party or third-parties willing to take Banxa private at an equivalent or more attractive price than the price to be paid by Banxa under the Arrangement.

The Arrangement may divert the attention of Banxa's Management.

The Arrangement could cause the attention of Banxa's management to be diverted from the day-to-day operations of Banxa. These disruptions could be exacerbated by a delay in the completion of the Arrangement and could have an adverse effect on the business, operating results or prospects of Banxa.

Banxa directors and executive officers may have interests in the Arrangement that are different from those of Securityholders.

In considering the recommendation of the Board to vote in favour of the Arrangement Resolution, Securityholders should be aware that certain members of the Board and management team have agreements or arrangements that provide them with interests in the Arrangement that differ from, or are in addition to, those of Securityholders generally. See "*Background to the Arrangement – Interests of Certain Persons in the Arrangement*".

The possibility for Banxa to become the target of securities class actions, oppression claims and derivative lawsuits which could result in costs and may delay or prevent the Arrangement from being completed.

Securities class action lawsuits, oppression and derivative lawsuits may be brought against companies that have entered into an agreement to acquire a public company or to be acquired. Shareholders and third parties may also attempt to bring claims against Banxa seeking to restrain the Arrangement or seeking monetary compensation or other remedies. Even when the lawsuits are without merit, defending against these claims can result in costs and divert management time and resources. Additionally, if an injunction prohibiting consummation of the Arrangement is obtained by a third party, such injunction may delay or prevent the Arrangement from being completed.

Rights of former minority Shareholders after the Arrangement

Following the completion of the Arrangement, former minority Shareholders will no longer have an interest in Banxa, its assets, revenues or profits. In the event that the value of Banxa's assets or business, prior, at or after the Effective Date, exceeds the implied value of Banxa under the Arrangement, the former minority Shareholders will not be entitled to additional consideration for their Shares. Former minority Shareholders will forego any future increase in value that might result from future growth and the potential achievement Banxa's long-term plans.

The resulting Tax payable by Shareholders

The Arrangement will be a taxable transaction for most Securityholders and, as a result, Taxes may be required to be paid by such Securityholders on any gains that result from receipt of the Consideration (or in the case of a Dissenting Shareholder the fair value of the Shares) under the Arrangement. Securityholders are advised to carefully read the summary of certain Canadian federal income tax considerations under "*Certain Canadian Federal Income Tax Considerations*" and to consult with their own tax advisors to determine the tax consequences of the Arrangement to them.

Securityholders will no longer hold an interest in Banxa following the Arrangement

Following the Arrangement, the Securityholders (other than the Continuing Shareholders) will no longer hold any of the Securities and Securityholders will forego any future increases in value that might result from future growth and the potential achievement of the Company's long-term plans.

Risks Relating to Banxa

If the Arrangement is not completed, Banxa will continue to face the risks that it currently faces with respect to its affairs, business and operations and future prospects. Please see the section entitled "*Risks and Uncertainties*" in Banxa's most recent management's discussion and analysis filed on its SEDAR+ profile at www.sedarplus.ca for a description of such risks.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary, as of the date of this Circular, describes the principal Canadian federal income tax considerations under the Tax Act generally applicable to a beneficial owner of Shares who disposes of Shares pursuant to the Arrangement and who, at all relevant times, for purposes of the Tax Act: (a) deals at arm's length with Banxa and the Purchaser; (b) is not affiliated with Banxa or the Purchaser; and (c) holds Shares as capital property (a "**Holder**"). Generally, Shares will be capital property to a Holder unless the Shares are held or were acquired in the course of carrying on a business of buying or selling securities or as part of an adventure or concern in the nature of trade.

This summary does not describe the tax consequences of the Arrangement to a Holder of Shares who acquired such Shares on the exercise of Options or Warrants. Such Holders should consult their own tax advisors.

This summary is not applicable to a Holder (i) that is a "specified financial institution" (as defined in the Tax Act), (ii) an interest in which is a "tax shelter investment" (as defined in the Tax Act), (iii) that is a "financial institution" as defined in the Tax Act for purposes of certain rules applicable to securities held by financial institutions (referred to as the "mark-to-market" rules), (iv) that reports its "Canadian tax results" (as defined in the Tax Act) in a currency other than Canadian dollars, (v) that has entered or will enter into a "derivative forward agreement" or "synthetic disposition arrangement", as those terms are defined in the Tax Act, in respect of the Shares, (vi) that is a partnership, (vii) that is a "foreign affiliate" (as defined in the Tax Act) of a taxpayer resident in Canada; or (viii) that is exempt from tax under Part I of the Tax Act. Such Holders should consult their own tax advisors with respect to the consequences of the Arrangement.

This summary is based on the current provisions of the Tax Act and counsel's understanding of the current administrative policies and assessing practices of the Canada Revenue Agency published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that all Proposed Amendments will be enacted in the form proposed. No assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policies or assessing practices whether by legislative, regulatory, administrative or judicial action or decision, nor does it take into account other federal or any provincial, territorial or foreign tax legislation or considerations, which may be different from those discussed herein. This summary assumes that, at all

relevant times prior to and including the time of acquisition of the Shares by the Purchaser, the Shares will be listed on the TSXV.

This summary is of a general nature only and is not, and is not intended to be, legal or tax advice to any particular Holder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, Holders should consult their own tax advisors having regard to their own particular circumstances. Further, this summary does not address the tax consequences of the Arrangement to holders of Warrants or Options, the Debentures or any other employment-related equity award. Such holders should consult their own tax advisors in this regard.

Currency Conversion

For purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of Shares must be expressed in Canadian dollars, including adjusted cost base and proceeds of disposition. Any amount denominated in another currency must be converted into Canadian dollars using exchange rates as determined in accordance with the Tax Act.

Holders Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act and any applicable income tax treaty or convention, is, or is deemed to be, resident in Canada (a "**Resident Holder**").

Certain Resident Holders may be entitled to make or may have already made the irrevocable election permitted by subsection 39(4) of the Tax Act, the effect of which would be to deem to be capital property any Shares (and all other "Canadian securities", as defined in the Tax Act) owned by such Resident Holder in the taxation year in which the election is made and in all subsequent taxation years. Resident Holders whose Shares might not otherwise be considered to be capital property should consult their own tax advisors concerning this election.

This portion of the summary, other than the portion under the heading "*Dissenting Shareholders*", applies to Resident Holders that are not Resident Dissenting Holders (as defined below).

Disposition of Shares

A Resident Holder who disposes of Shares for the Consideration pursuant to the Arrangement will realize a capital gain (or a capital loss) equal to the amount by which such proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to such holder of the Shares immediately before their sale to the Purchaser pursuant to the Arrangement. For a description of the tax treatment of capital gains and capital losses, See "*Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*".

Taxation of Capital Gains and Capital Losses

Subject to the Proposed Amendments related to the capital gains inclusion rate (the "**Capital Gains Proposals**"), a Resident Holder will generally be required to include in computing its income for a taxation year one-half of any capital gain (a "**taxable capital gain**") realized by it in that year. A Resident Holder must generally deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in a taxation year from taxable capital gains realized by the Resident Holder in that year, and any excess may generally be applied to reduce taxable capital gains realized by the Resident Holder in the three preceding

taxation years or in any subsequent taxation year to the extent and under the circumstances specified in the Tax Act.

The Capital Gains Proposals would increase a Resident Holder's capital gains inclusion rate for a taxation year ending after June 24, 2024, from one-half to two-thirds, subject to a transitional rule applicable for a Resident Holder's 2024 taxation year that would reduce the capital gains inclusion rate for that taxation year to be, in effect, one-half for net capital gains realized before June 25, 2024. The Capital Gains Proposals also include provisions that would, generally, offset the increase in the capital gains inclusion rate for up to C$250,000 of net capital gains realized (or deemed to be realized) by Resident Holders that are individuals (including certain trusts) in the year that are not offset by net capital losses carried back or forward from another taxation year. If the Capital Gains Proposals are enacted as proposed, capital losses realized prior to June 25, 2024, which are deductible against capital gains included in income for the 2024 or subsequent taxation years, will offset an equivalent capital gain regardless of the inclusion rate which applied at the time such capital losses were realized.

The foregoing summary only generally describes the considerations applicable under the Capital Gains Proposals and is not an exhaustive summary of the considerations that could arise in respect of the Capital Gains Proposals. The Capital Gains Proposals are complex and their application to a particular Resident Holder will depend on the Resident Holder's particular circumstances. Resident Holders should consult their own tax advisors with regard to the Capital Gains Proposals.

The amount of a capital loss realized on the disposition of Shares by a Resident Holder that is a corporation may, to the extent and under the circumstances specified in the Tax Act, be reduced by the amount of dividends received or deemed to be received on the Shares. Similar rules may apply where Shares are owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Resident Holders who may be affected by these rules are urged to consult with their own tax advisors in this regard.

A Canadian Holder that is throughout the relevant taxation year a "Canadian controlled private corporation" (as defined in the Tax Act) or, at any time in a relevant taxation year, a "substantive CCPC" (as defined in the Tax Act), may be liable to pay an additional tax (refundable in certain circumstances) on its "aggregate investment income" (as defined in the Tax Act), which is defined to include an amount in respect of taxable capital gains.

A capital gain realized by a Resident Holder who is an individual or trust (other than certain trusts) may result in such Resident Holder being liable for minimum tax under the Tax Act.

Dissenting Shareholders

The following portion of this summary applies to Resident Holders that are Dissenting Shareholders ("**Resident Dissenting Holders**").

A Resident Dissenting Holder who, as a result of the exercise of Dissent Rights, is entitled to be paid the fair value of its Shares by the Purchaser will be considered to have disposed of such Shares for proceeds of disposition equal to the payment received. The Resident Dissenting Holder will, in general, realize a capital gain (or a capital loss) equal to the amount by which such proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to such holder of the Shares immediately before their surrender to the Purchaser pursuant to the Arrangement. Any such

capital gain or capital loss will be subject to the same tax treatment as described above under the heading "*Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*".

Interest awarded by a court to a Resident Dissenting Holder will be included in the holder's income for purposes of the Tax Act.

In addition, a Resident Dissenting Holder who is throughout the relevant taxation year, is a "Canadian-controlled private corporation" (as defined in the Tax Act) or, at any time in a relevant taxation year, a "substantive CCPC" (as defined in the Tax Act) may be required to pay an additional refundable tax on certain investment income, which includes interest income.

Resident Holders should consult their own tax advisors with respect to the Canadian federal income tax consequences of exercising their Dissent Rights.

Resident Holders should consult their own tax advisors to determine the particular tax consequences to them of exercising their Dissent Rights.

Holders Not Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act and any applicable income tax treaty or convention, has not been and is not, and is not deemed to be, resident in Canada and does not use or hold and is not deemed to use or hold the Shares in the course of carrying on, or otherwise in connection with, a business in Canada (a "**Non-Resident Holder**").

This portion of the summary is not applicable to Non-Resident Holders that are: (i) insurers carrying on an insurance business in Canada and elsewhere; or (ii) "authorized foreign banks" (as defined in the Tax Act). Such Non-Resident Holders should consult their own tax advisors with respect to the Arrangement.

Disposition of Shares

This portion of the summary applies to Non-Resident Holders that are not Non-Resident Dissenting Holders (as defined below).

A Non-Resident Holder who sells Shares to the Purchaser pursuant to the Arrangement will not be subject to tax under the Tax Act on any capital gain realized on a disposition of Shares under the Arrangement unless the Shares are (or deemed to be) "taxable Canadian property" to the Non-Resident Holder for purposes of the Tax Act at the time such Shares are disposed of to the Purchaser and the Non-Resident Holder is not exempt from Canadian tax on any gain realized under an applicable income tax treaty or convention between Canada and the country in which the Non-Resident Holder is resident.

Generally, provided that the Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSXV) at the time of disposition, the Shares will not constitute taxable Canadian property to a Non-Resident Holder at that time, unless at any time during the 60-month period that ends at that time the following two conditions are met concurrently (i) 25% or more of the issued shares of any class or series of the capital stock of Banxa were owned by or belonged to one or any combination of (a) the Non-Resident Holder, (b) Persons with whom the Non-Resident Holder did not deal at arm's length, and (c) partnerships in which the Non-Resident Holder or a Person described in (b) holds a membership interest directly or indirectly through one or more partnerships; and (ii) more than 50% of the fair market value of such shares was derived, directly or indirectly, from one or any combination of (a) real or immovable property situated in Canada, (b) "Canadian resource property" (as defined in the Tax

Act), (c) ”timber resource property” (as defined in the Tax Act), or (d) options in respect of, interests in, or for civil law rights in, such properties, whether or not such property exists. Notwithstanding the foregoing, Shares may be deemed to be taxable Canadian property in certain circumstances specified in the Tax Act.

Even if the Shares constitute taxable Canadian property to a Non-Resident Holder, any gain realized on the disposition of such Shares to the Purchaser may be exempt from tax under the Tax Act pursuant to the terms of an applicable income tax treaty or convention. Non-Resident Holders should consult their own tax advisors with respect to the availability of relief under the terms of any applicable income tax treaty or convention.

In the event that the Shares constitute taxable Canadian property to a Non-Resident Holder and any capital gain realized by the Non-Resident Holder on the disposition of the Shares under the Arrangement is not exempt from tax under the Tax Act by virtue of an applicable income tax treaty or convention, then the tax consequences described above under the headings “*Holders Resident in Canada - Disposition of Shares*” and “*Holders Resident in Canada - Taxation of Capital Gains and Capital Losses*” will generally apply.

Non-Resident Holders whose Shares are or may be taxable Canadian property should consult their own tax advisors for advice having regard to their particular circumstances, including regarding any Canadian reporting requirements arising from the Arrangement.

Dissenting Shareholders

The following portion of this summary applies to Non-Resident Holders that are Dissenting Shareholders (“**Non-Resident Dissenting Holders**”).

A Non-Resident Dissenting Holder who, as a result of the exercise of Dissent Rights, is entitled to be paid the fair value of its Shares by the Purchaser will realize a capital gain (or a capital loss) equal to the amount by which such proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to such holder of the Shares immediately before their surrender to the Purchaser pursuant to the Arrangement. A Non-Resident Dissenting Holder will not be subject to tax under the Tax Act on any capital gain realized on the disposition of its Shares unless such Shares are “taxable Canadian property” of the Non-Resident Holder and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention. See the discussion above under the heading “*Holders Not Resident in Canada – Disposition of Shares*”.

Any interest paid or credited to a Non-Resident Dissenting Holders who deals at arm’s length with the Company for purposes of the Tax Act should not be subject to withholding tax under the Tax Act.

Non-Resident Dissenting Holders should consult their own tax advisors with respect to the Canadian federal income tax consequences of exercising their Dissent Rights.

SECURITIES LAWS CONSIDERATIONS

Interests of Certain Persons in the Arrangement

The directors, officers and other related parties of the Company may have interests in the Arrangement that are, or may be, different from, or in addition to, the interests of other Securityholders and that may present them with actual or potential conflicts of interest in connection with the Arrangement.

Other than the interests and benefits described below, all of which relate to the Company, none of the directors or officers of the Company or, to the knowledge of the directors and officers of the Company, any of their respective associates or affiliates, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon in connection with the Arrangement or that would materially affect the Arrangement. The Board was aware of these interests and considered them, among other matters, when recommending the approval of the Arrangement by Securityholders.

Other than has described herein, all of the benefits received, or to be received, by directors, officers or employees of the Company as a result of the Arrangement are, and will be, solely in connection with their services as directors, officers or employees of the Company. No benefit has been, or will be, conferred for the purpose of increasing the value of consideration payable to any such Person for Shares held by such Persons and no consideration is, or will be, conditional on the Person supporting the Arrangement.

Ownership of Securities of the Company

As of the Record Date, the officers and directors of the Company beneficially own, directly or indirectly, or exercise control or direction over, in the aggregate, 3,093,458 Shares, as well as an aggregate of 1,368,750 Shares issuable upon the exercise of 1,268,750 Options, 625,000 Warrants, and the conversion of the Debentures, representing approximately, on a partially diluted basis, 13.6% of the Company Shares outstanding as of the close of business on the Record Date.

All of the Shares held by the officers and directors of the Company, other than those held by officers and directors who are Continuing Shareholders, will be treated in the same fashion under the Arrangement as Shares held by any other Shareholder.

The officers and directors who are Continuing Shareholders are Holger Arians, Zafer Qureshi and Sean Moynihan, who together beneficially own, directly or indirectly, or exercise control or direction over, in the aggregate, 3,076,958 Shares, as well as an aggregate of 1,050,000 Shares issuable upon the exercise of 950,000 Options, 1,525,500 Warrants, and the conversion of the Debentures, representing approximately, on a partially diluted basis, 11.6% of the Company Shares outstanding as of the close of business on the Record Date. The Shares and Warrants held by such officers and directors will not be participating in the Arrangement and will continue to remain outstanding and held by those officers and directors following the completion of the Arrangement.

Stock Options

Pursuant to the Arrangement, each In-the-Money Option outstanding immediately prior to the Effective Time, whether vested or unvested, shall be, without any further action by or on behalf of the holder of such Option, deemed to be surrendered, assigned and transferred by the holder thereof to the Company in exchange for the In-the-Money Amount per Option. Each Out-of-the-Money Option, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Option, cancelled without any payment therefor. See "*The Arrangement – Principal Steps of the Arrangement*" and *"The Arrangement - Exchange of Securities"* of this Circular.

As at the date of this Circular, there are an aggregate of 2,198,750 Options outstanding, all of which are Out-of-the-Money Options.

Continuing Insurance Coverage and Indemnification for Directors and Officers of the Company

The Arrangement Agreement provides for the extension by the Company and its Subsidiaries of existing directors' and officers' insurance policies for a claims reporting or run-off and extended reporting period and claims reporting period of at least six years from and after the Effective Time with respect to claims arising from facts or events which occurred on or prior to the Effective Date. These obligations will survive the completion of the Arrangement.

Pursuant to the Arrangement Agreement, the Company has agreed to honour all rights to indemnification or exculpation existing in favour of present and former officers and directors of the Company and its Subsidiaries to the extent that they were disclosed to the Purchaser. The Company has further acknowledged that such rights will survive the completion of the Arrangement and shall continue in full force and effect in accordance with their terms.

Intentions of Directors and Senior Management

As of the Record Date, the members of the Board and officers and other related parties of the Company who entered into Voting Support Agreements beneficially owned, directly or indirectly, or exercised control or direction over, collectively 3,093,458 Shares representing approximately 6.8% of the issued and outstanding Shares. Pursuant to the Voting Support Agreements, the Supporting Shareholders have agreed, among other things and subject to the terms and conditions of the Voting Support Agreements, to vote their Shares in favour of the Arrangement Resolution to approve the Arrangement. Except for Holger Arians, Zafer Qureshi and Sean Moynihan, each of whom is a Continuing Shareholder, all directors, officers, employees, consultants and other related parties of the Company will be receiving the same Consideration for their Shares under the Arrangement as all other Shareholders and all Warrants held by such persons will be treated the same as all other Warrants in connection with the Arrangement.

Canadian Securities Laws Considerations

Banxa is a "reporting issuer" in the Provinces of British Columbia, Alberta, Manitoba, Nova Scotia, Ontario, Saskatchewan and Yukon. The Shares are listed on the TSXV. Following closing of the Arrangement, the Purchaser and Banxa will take steps for Banxa to cease to be a reporting issuer and to have the Shares delisted from the TSXV (with delisting expected to be effective two or three Business Days following the Effective Date), the OTCQX and the FSE.

The Purchaser is a corporation existing under the BCBCA, which was formed by Chairman and Co-Chief Executive Officer, Holger Arians, and Executive Director and Co-Chief Executive Officer, Zafer Qureshi, on July 25, 2024, for the purpose of completing the Arrangement. At the relevant time (being, at the time the Arrangement Agreement was entered into), the Purchaser was a "related party" (as defined in MI 61-101) of the Company, as a result of Mr. Arians and Mr. Zafer Qureshi (each of whom is a director and/or senior officer of the Company) beneficially owning, in the aggregate, more than 50% of the Purchaser's issued and outstanding equity securities. The Purchaser is a not a reporting issuer in any of the Provinces of Canada and is not listed on any stock exchange.

Multilateral Instrument 61-101

Since Banxa is a reporting issuer in British Columbia, Alberta, Manitoba, Nova Scotia, Ontario, Saskatchewan and Yukon, it is subject to MI 61-101. MI 61-101 is intended to regulate certain transactions to ensure equality of treatment among shareholders, generally requiring enhanced disclosure, approval

by a majority of shareholders excluding interested parties, independent valuations and, in certain instances, approval and oversight of the transaction by a special committee of independent directors.

The protections of MI 61-101 generally apply to "business combinations" (as defined in MI 61-101) that terminate the interests of shareholders without their consent. MI 61-101 provides that, in certain circumstances, where a "related party" of an issuer (as defined in MI 61-101 and including directors, executive officers and shareholders holding over 10% of issued and outstanding shares of the issuer) is entitled to receive consideration that is not identical in amount and form to that received by Shareholders generally ("**Different Consideration**") or a "collateral benefit" (as defined in MI 61-101) in connection with an arrangement (such as the Arrangement), such transaction may be considered a "business combination" for the purposes of MI 61-101 and therefore subject to the minority approval requirements of MI 61-101, and if applicable (based on the presence of certain additional criteria specified in MI 61-101), the formal valuation requirements of MI 61-101.

By virtue of the Shares held by the Continuing Shareholders, such Shareholders can be considered to be receiving, directly or indirectly, as a consequence of the Arrangement, Different Consideration or a "collateral benefit", and accordingly, the Arrangement is considered to be a "business combination" under MI 61-101. Because the Arrangement is considered to be a "business combination" under MI 61-101, the Arrangement Resolution will require the affirmative vote of a simple majority of the votes cast by Shareholders present in person or by proxy at the Meeting other than (i) interested parties, (ii) any related party of an interested party, and (iii) any person that is a "joint actor" (as defined in MI 61-101) with any of the foregoing. However, the Company has received a request from the Office of Mergers & Acquisitions of the Ontario Securities Commission that, for purposes of the minority approval requirements on MI 61-101, the Company seek the approval of a simple majority (50%) of the votes cast on the Arrangement Resolution by Shareholders present in person or by proxy at the Meeting and entitled to vote at the Meeting, excluding, in addition to the votes cast in respect of Shares held or controlled by the foregoing persons (being the persons described in items (a) through (d) of Section 8.1(2) of MI 61-101), the votes cast in respect of Shares held or controlled by all Continuing Shareholders. In summary, for purposes of the minority approval requirements of MI 61-101, a total of 18,068,840 Shares (representing all of the Excluded Shares) beneficially owned, directly or indirectly, or over which control or direction is exercised by the Continuing Shareholders, or their related parties or joint actors, representing in the aggregate approximately 39.6% of the issued and outstanding Shares, will be excluded in determining whether minority approval for the Arrangement is obtained.

Related Party Transactions

The protections afforded by MI 61-101 also apply to "related party transactions" (as defined in MI 61-101) which involve an issuer and a person that is a "related party" of the issuer at the time the transaction is agreed to. The Arrangement is considered a "related party transaction" for the Company (by virtue of the Purchaser being a related party of the Company (as described above)). However, the provisions of MI 61-101 governing related party transactions do not apply to the Company as the Arrangement constitutes a business combination for the Company which is subject to Part 4 of MI 61-101.

Collateral Benefits

A "collateral benefit" (as defined in MI 61-101) includes any benefit that a "related party" of the Company is entitled to receive as a consequence of the Arrangement, including without limitation, an increase in salary, a lump sum payment, a payment for surrendering securities or other enhancement in benefits

related to services as an employee, director or consultant of the Company. MI 61-101 excludes from the meaning of "collateral benefit" a payment per security that is identical in amount and form to the entitlement of the general body of holders in Canada of securities of the same class, as well as certain benefits to a related party received solely in connection with the related party's services as an employee or director of an issuer, of an affiliated entity of such issuer or of a successor to the business of such issuer where (a) the benefit is not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the related party for securities relinquished under the transaction; (b) the conferring of the benefit is not, by its terms, conditional on the related party supporting the transaction in any manner; (c) full particulars of the benefit are disclosed in the disclosure document for the transaction; and (d) either (i) the related party and his or her associated entities beneficially own, or exercise control or direction over, less than 1% of the outstanding securities of each class of equity securities of the issuer, or (ii) the related party discloses to an independent committee of the issuer the amount of consideration that he or she expects to be beneficially entitled to receive, under the terms of the transaction, in exchange for the equity securities he or she beneficially owns and the independent committee acting in good faith determines that the value of the benefit, net of any offsetting costs to the related party, is less than 5% of the value of the consideration the related party will receive pursuant to the terms of the transaction for the equity securities it beneficially owns, and the independent committee's determination is disclosed in the disclosure document for the transaction.

In connection with the Arrangement, the outstanding Options will be treated as set forth above under the heading "*Interests of Certain Persons in the Arrangement – Stock Options*" and the Board has considered whether any of these matters may constitute a "collateral benefit" for purposes of MI 61-101 such that the Arrangement could therefore constitute a "business combination" under MI 61-101. The accelerated vesting of the outstanding In-the-Money Options and the consideration paid for such accelerated awards under the Plan of Arrangement may be considered a "collateral benefit" received by directors and officers of the Company for the purposes of MI 61-101.

Following disclosure by each of the directors and officers to the Board of the number of Shares and other securities of the Company held by them and the benefits or payments that they expect to receive pursuant to the Arrangement, the Board has determined that the aforementioned benefits or payments fall within an exception to the definition of "collateral benefit" for the purposes of MI 61-101, since the benefits are received solely in connection with the related parties' services as employees or directors of the Company or of any affiliated entities of the Company, are not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the related parties for their Shares, and are not conditional on the related parties supporting the Arrangement in any manner, and at the time of the entering into of the Arrangement Agreement, either (i) none of the related parties entitled to receive the benefits exercised control or direction over, or beneficially owned, more than 1% of the outstanding Shares, as calculated in accordance with MI 61-101; or (ii) no related party is entitled to receive a benefit having a value (as determined by the Special Committee), net of any offsetting costs to the related party, of at least five percent (5%) of the value the amount of consideration that the related party expects it will be beneficially entitled to receive, under the terms of the transaction, in exchange for the equity securities beneficially owned by the related party. Accordingly, such benefits do not constitute a "collateral benefit" for the purposes of MI 61-101.

<u>Minority Approval</u>

Since the Arrangement is a "business combination" for the purposes of MI 61-101, the Arrangement Resolution will require "minority approval" (as defined in MI 61-101) in accordance with MI 61-101. As a

result, the Arrangement Resolution will require the affirmative vote of a simple majority of the votes cast by Shareholders present in person or by proxy at the Meeting other than (i) interested parties, (ii) any related party of an interested party, and (iii) any person that is a "joint actor" (as defined in MI 61-101) with any of the foregoing. However, the Company has received a request from the Office of Mergers & Acquisitions of the Ontario Securities Commission that, for purposes of the minority approval requirements on MI 61-101, the Company seek the approval of a simple majority (50%) of the votes cast on the Arrangement Resolution by Shareholders present in person or by proxy at the Meeting and entitled to vote at the Meeting, excluding, in addition to the votes cast in respect of Shares held or controlled by the foregoing persons (being the persons described in items (a) through (d) of Section 8.1(2) of MI 61-101), the votes cast in respect of Shares held or controlled by all Continuing Shareholders.

This foregoing "minority approval" is in addition to the requirement that the Arrangement Resolution be approved by (i) 66⅔% of votes cast by Shareholders present in person or represented by proxy at the Meeting; (ii) 66⅔% of votes cast by Securityholders present in person or represented by proxy at the Meeting, voting together as members of a single class.

The Board has determined that the Excluded Shares which are beneficially owned, directly or indirectly, or over which control or direction is exercised by the Continuing Shareholders, will be excluded for the purpose of determining if minority approval of the Arrangement is obtained, irrespective of whether such Continuing Shareholders are otherwise also receiving, or fall within an exception to the definition of, a "collateral benefit" for purposes of MI 61-101.

Based on information provided by the Purchaser, as of the Record Date, there are a total of 18,068,840 Excluded Shares, representing approximately 39.6% of the total issued and outstanding Shares, and any votes cast in respect of such Shares will be excluded for the purpose of determining if minority approval of the Arrangement is obtained.

Formal Valuation

MI 61-101 provides that, unless an exemption is available, a reporting issuer proposing to carry out a business combination is required to obtain a formal valuation of the "affected securities" (as defined in MI 61-101) in accordance with MI 61-101 if (a) an "interested party" (as defined in MI 61-101) would, as a consequence of the transaction, directly or indirectly acquire the reporting issuer or the business of the reporting issuer, or combine with the reporting issuer, through an amalgamation, arrangement or otherwise, whether alone or with joint actors, or (b) an "interested party" is a party to any "connected transaction" (as defined in MI 61-101) to the business combination, if the "connected transaction" is a "related party transaction" (as defined in MI 61-101) for which the issuer is required to obtain a formal valuation under MI 61-101. For the purposes of the Arrangement, the Shares are considered "affected securities" within the meaning of MI 61-101. The Company determined that it is not required to obtain a "formal valuation" (as defined in MI 61-101) in connection with the Arrangement as the exemption from the formal valuation requirement in Section 4.4(1)(a) of MI 61-101 is available to the Company.

To the knowledge of the directors and executive officers of Banxa, after reasonable inquiry, there have been no prior valuations (as defined in MI 61-101) prepared in respect of Banxa within the 24 months preceding the date of this Circular, and, except as disclosed in this Circular under the heading "*Background to the Arrangement*", no bona fide prior offer (as contemplated in MI 61-101) that relates to the subject matter of, or is otherwise relevant to, the transactions contemplated by the Arrangement Agreement has

been received by the Company during the 24 months before the execution of the Arrangement Agreement.

Previous Purchases and Sales

There have been no issuances or purchases of Shares or securities that are convertible or exchangeable into Shares within the 12 months prior to the date of the Circular.

Previous Distributions

For the five years preceding the date of this Circular, Banxa has completed the following distributions of Shares, Options and Warrants:

Date of Distribution	Number of Securities Distributed	Price per Security	Aggregate Proceeds Received by Issuer
December 23, 2020	1,445,000 Options	$1.00	N/A
December 31, 2020	200,000 Options	$2.15	N/A
January 1, 2021	3,583,888 Options	$1.00	N/A
January 12, 2021	13,750 Shares	$1.00	$13,750
January 12, 2021	2,500 Shares	$1.00	$2,500
February 24, 2021	50,000 Options	$2.15	N/A
February 24. 2021	24,000 Shares	$0.47	$11,280
February 24, 2021	24,000 Shares	$0.47	$11,280
February 25, 2021	100,000 Warrants	$2.20	N/A
February 25, 2021	150,000 Options	$2.15	N/A
February 25, 2021	50,000 Options	$3.40	N/A
April 8, 2021	3,993,272 Shares	$4.00	$14,998,208
April 8, 2021	5,626,973 Warrants	$8.50	N/A
April 20, 2021	10,000 Shares	$1.00	$10,000
April 20, 2021	2,500 Shares	$1.00	$2,500
April 29, 2021	6,875 Shares	$1,00	$6,875
April 29, 2021	6,875 Shares	$1,00	$6,875
April 29, 2021	12,000 Shares	$0.47	$5,640
May 17, 2021	15,000 Shares	$1.00	$15,000

Date of Distribution	Number of Securities Distributed	Price per Security	Aggregate Proceeds Received by Issuer
May 21, 2021	42,857 Shares	$0.47	$20,142.79
June 22, 2021	31,250 Shares	$1.00	$31,250
June 23, 2021	100,000 Options	$3.00	N/A
July 16, 2021	6,875 Shares	$1.00	$6,875
July 22, 2021	200,000 Options	$3.00	N/A
August 10, 2021	25,000 Options	$3.00	N/A
August 16, 2021	50,000 Options	$2.50	N/A
August 17, 2021	12,000 Shares	$0.47	$5,640
August 19, 2021	2,500 Shares	$1.00	$2,500
September 16, 2021	30,000 Options	$3.00	N/A
October 21, 2021	75,000 Options	$3.50	N/A
November 8, 2021	35,000 Shares	$4.00	N/A
November 9, 2021	100,000 Options	$3.50	N/A
December 1, 2021	150,000 Options	$3.50	N/A
December 23, 2021	18,750 Shares	$1.00	$18,750
March 17, 2022	8.750 Shares	$1.00	$8,750
April 5, 2022	65,000 Options	$2.50	N/A
April 19, 2022	100,000 Options	$2.50	N/A
April 20, 2022	50,000 Options	$2.50	N/A
May 17, 2022	13,125 Shares	$1.00	$13,125
July 15, 2022	125,000 Options	$1.00	N/A
July 15, 2022	275,000 Options	$1.00	N/A
October 1, 2022	6,875 Shares	$1.00	$6,875
October 25, 2022	1,673,228 Shares	$1.27	N/A
December 1, 2022	310,000 Options	$1.00	N/A
February 1, 2023	350,000 Options	$1.00	N/A

Date of Distribution	Number of Securities Distributed	Price per Security	Aggregate Proceeds Received by Issuer
July 10, 2023	100,000 Options	$1.00	N/A
October 16, 2023	875,000 Warrants	$1.00	N/A
October 19, 2023	600,000 Warrants	$0.75	N/A
November 15, 2023	1,897,013 Warrants	$1.00	N/A
December 8, 2023	75,000 Warrants	$1.00	N/A

Dividends or Capital Distributions

Banxa has not declared or paid any cash dividends or capital distributions on the Shares in the past two years from the date of this Circular. For the immediate future, Banxa does not envisage any earnings arising from which dividends could be paid. Any decision to pay dividends on Shares in the future will be made by the Board on the basis of the earning, financial requirements and other conditions existing at such time.

Ownership of Shares

The following table sets out for each director and senior officer of Banxa the number of Shares, Options and Warrants beneficially owned or controlled or directed by each of them and their associates that will be entitled to be voted at the Meeting as of the Record Date.

Name and Title	Number of Shares Held[(1)]	Number of Options Held[(2)]	Number of Warrants Held[(3)]
Holger Arians *Director, Co-CEO*	890,000 1.95%	800,000 1.63%	250,000 0.51%
Zafer Qureshi *Director, Co-CEO*	2,138,458 4.69%	Nil	375,000 0.77%
Patrick Maguire *CFO*	15,000 0.03%	Nil	Nil
Richard Wells *Director*	Nil	Nil	Nil
Kaushik Sthankiya *Director*	Nil	Nil	Nil

Name and Title	Number of Shares Held[1]	Number of Options Held[2]	Number of Warrants Held[3]
Sean Moynihan *Chief Operations Officer*	25,000 0.05%	150,000 6.82%	Nil
Iain Clark *Chief Technology Officer*	250 0.00%	100,000 4.55%	Nil
Josh D'Ambrosio *Chief Commercial Officer*	25,000 0.05%	218,750 9.95%	Nil

Notes:

(1) Percentage calculated based on 45,587,056 Shares issued and outstanding as at the Record Date. As a group, all current directors and senior officers beneficially own, directly or indirectly, or exercise control or discretion over, as of the Record Date, a total of 3,068,458 Shares, representing approximately 6.7% of the issued and outstanding Shares.

(2) Percentage calculated based on 2,198,750 Options issued and outstanding as at the Record Date. As a group, all current directors and senior officers beneficially own, directly or indirectly, or exercise control or discretion over, as of the Record Date, a total of 1,368,750 Options, representing approximately 52.3 % of the issued and outstanding Options.

(3) Percentage calculated based on 2,847,013 Warrants issued and outstanding as at the Record Date. As a group, all current directors and senior officers beneficially own, directly or indirectly, or exercise control or discretion over, as of the Record Date, a total of 625,000 Warrants, representing approximately 22.0 % of the issued and outstanding Warrants.

Fees and Expenses

Whether or not the Arrangement is consummated, all fees and expenses incurred in connection with the Arrangement will be paid by Banxa, including the costs of printing and mailing this Circular. Total fees and expenses incurred or to be incurred by Banxa in connection with the Arrangement are estimated at this time to be an aggregate of approximately $3 million.

RIGHTS OF DISSENTING SHAREHOLDERS

Pursuant to the Interim Order, registered Shareholders as at the close of business on the Record Date have been granted Dissent Rights in connection with the Arrangement Resolution and, if the Arrangement becomes effective, are entitled to be paid the fair value of the Shares in accordance with the provisions of Sections 237 to 247 of the BCBCA, as may be modified by the Interim Order and the Plan of Arrangement, copies of which are attached as Appendix "E", Appendix "C" and Appendix "B", respectively, to this Circular, and as may be modified by any further Order of the Court.

The following is a summary of the Dissent Rights. Such summary is not a comprehensive statement of the procedures to be followed by a Shareholder who seeks to exercise such Dissent Rights and is qualified in its entirety by reference to the full text of Sections 237 to 247 of the BCBCA as modified by the Plan of Arrangement and the Interim Order.

The procedures associated with exercising Dissent Rights are technical and complex. Any registered Shareholders who wish to exercise their Dissent Rights should seek independent legal advice, as failure to strictly comply with the Dissent Rights may result in the loss or unavailability of any right of dissent.

A registered Shareholder who wishes to dissent in respect of the Arrangement must deliver a written notice of dissent (a "**Notice of Dissent**") **to Banxa c/o DuMoulin Black LLP, Attn: Justin Kates, 15th Floor, 1111 West Hastings Street, Vancouver, British Columbia, V6E 2J3, or** jkates@dumoulinblack.com and such Notice of Dissent must strictly comply with the requirements of Section 242 of the BCBCA, as modified by the Plan of Arrangement, the Interim Order and any further Order of the Court and otherwise strictly comply with the dissent procedures prescribed by the BCBCA, as modified by the Interim Order, the Plan of Arrangement and any other Order of the Court. **Pursuant to the Plan of Arrangement and the Interim Order, the Notice of Dissent must be received by Banxa at the above address not later than 5:00 p.m. (Vancouver time) on February 21, 2025, or two Business Days prior to any adjournment or postponement of the Meeting.** A registered Shareholder purporting to exercise Dissent Rights must dissent with respect to all Shares in which the holder owns a registered or beneficial interest.

Beneficial owners of Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that only registered Shareholders as of the close of business on the Record Date are entitled to dissent. Accordingly, a beneficial owner of Shares wishing to exercise Dissent Rights must make arrangements for beneficially owned Shares to be registered in his, her or its name prior to the time written Notice of Dissent is required to be received by Banxa, or make arrangements for the registered holder to dissent on his, her or its behalf in accordance with the dissent provisions set out in the Interim Order. In many cases, Shares beneficially owned by a Non-Registered Holder are registered either (i) in the name of an Intermediary; or (ii) in the name of a clearing agency (such as CDS & Co.) of which the Intermediary is a participant. Accordingly, Non-Registered Holders of Shares will not be entitled to exercise their Dissent Rights directly, unless Shares are re-registered in the Non-Registered Holder's name and the procedures to exercise Dissent Rights are strictly complied with. **A Non-Registered Holder of Shares who wishes to exercise Dissent Rights should immediately contact the Intermediary with whom such Non-Registered Holder deals in respect of its Shares and either: (i) instruct such Intermediary to exercise the Dissent Rights on such Non-Registered Holder's behalf (which, if Shares are registered in the name of CDS & Co. or other clearing agency, may require that Shares first be re-registered in the name of such Intermediary), or (ii) instruct such Intermediary to re-register such Shares in the name of such Non-Registered Holder, in which case such Non-Registered Holder would be able to exercise the Dissent Rights directly without the involvement of such Intermediary. Optionholders and Warrantholders are not entitled to exercise Dissent Rights.**

The delivery of a Notice of Dissent does not deprive a Dissenting Shareholder of the right to vote at the Meeting on the Arrangement Resolution; however, the Interim Order provides that a registered Shareholder who has delivered a Notice of Dissent and who votes in favour of the Arrangement Resolution will no longer be entitled to exercise Dissent Rights. A Shareholder need not vote its Shares against the Arrangement Resolution in order to dissent. A vote against the Arrangement Resolution, whether in person or by proxy, does not constitute a Notice of Dissent.

A Dissenting Shareholder must prepare a separate Notice of Dissent for himself, herself or itself, if dissenting on his, her or its own behalf, and for each other Person who beneficially owns Shares registered in the Dissenting Shareholder's name and on whose behalf the Dissenting Shareholder is dissenting; and must dissent with respect to all of Shares registered in his, her or its name beneficially owned by the Non-Registered Holders on whose behalf he, she or it is dissenting.

The Notice of Dissent must set out the name and address of the registered Shareholder purporting to exercise Dissent Rights, the number of Shares in respect of which the Notice of Dissent is being given (the "**Notice Shares**") and whichever of the following is applicable: (a) if the Notice Shares constitute all of Shares of which the registered Shareholder purporting to exercise Dissent Rights is both the registered and beneficial owner and the Dissenting Shareholder holds no other Shares as beneficial owner, a statement to that effect; (b) if the Notice Shares constitute all of Shares of which the registered Shareholder purporting to exercise Dissent Rights is both the registered and beneficial owner but the registered Shareholder purporting to exercise Dissent Rights owns additional Shares beneficially, a statement to that effect and the names of the registered Shareholders of such additional Shares, the number of such additional Shares held by each of those registered owners and a statement that Notices of Dissent are being, or have been, sent with respect to all such additional Shares; or (c) if the Dissent Rights are being exercised by a registered Shareholder on behalf of a Non-Registered Holder who is not the registered Shareholder purporting to exercise Dissent Rights, a statement to that effect and the name and address of the Non-Registered Holder and a statement that the registered Shareholder is dissenting with respect to all Shares of the Non-Registered Holder that are registered in such registered Shareholder's name.

Banxa is required, promptly after the later of: (i) the date on which it forms the intention to proceed with the Arrangement and (ii) the date on which the Notice of Dissent was received, to notify each Dissenting Shareholder of its intention to act on the Arrangement Resolution. If the Arrangement Resolution is approved and if Banxa notifies the Dissenting Shareholders of its intention to act upon the Arrangement Resolution, the Dissenting Shareholder is then required, within one month after Banxa gives such notice, to send to Banxa the certificates representing the Notice Shares if such Shares are certificated, and a written statement that requires Banxa to purchase all of the Notice Shares. If the Dissent Right is being exercised by the Dissenting Shareholder on behalf of a Non-Registered Holder who is not the Dissenting Shareholder, a statement signed by the Non-Registered Holder is required which sets out whether the Non-Registered Holder is the beneficial owner of other Shares and, if so, (i) the names of the registered owners of such Shares; (ii) the number of such Shares; and (iii) that dissent is being exercised in respect of all of such Shares. Upon delivery of these documents, the Dissenting Shareholder is deemed to have sold Shares and Banxa is deemed to have purchased them. Once the Dissenting Shareholder has done this, the Dissenting Shareholder may not vote or exercise any shareholder rights in respect of the Notice Shares.

The Dissenting Shareholder and Banxa may agree on the payout value of the Notice Shares; otherwise, either party may apply to the Court to determine the payout value of the Notice Shares. The Court may:

(i) determine the payout value of the Notice Shares, or order that the payout value of the Notice Shares be established by arbitration or by reference to the registrar, or a referee, of the Court;

(ii) join in the application of each Dissenting Shareholder who has not agreed with the Court on the amount of the payout value of the Notice Shares; and

(iii) make consequential orders and give directions as the Court considers appropriate.

There is no obligation on Banxa to make application to the Court. The Dissenting Shareholder will be entitled to receive the fair value that the Notice Shares had as of the close of business on the day before the Arrangement Resolution was adopted at the Meeting, excluding any appreciation or depreciation in

anticipation of the vote (unless such exclusion would be inequitable). After a determination of the payout value of the Notice Shares, Banxa must then promptly pay that amount to the Dissenting Shareholder.

The discussion above is only a summary of the Dissent Rights, which are technical and complex. A Shareholder who intends to exercise Dissent Rights should carefully consider and comply with the provisions of Sections 237 to 247 of the BCBCA, as may be modified by the Interim Order, the Plan of Arrangement and any further Order of the Court. **Persons who are Non-Registered Holders of Shares registered in the name of an Intermediary or in some other name, who wish to dissent should be aware that only the registered owner of such Shares is entitled to dissent. Optionholders and Warrantholders, are not entitled to exercise Dissent Rights.**

It is suggested that any Shareholder wishing to avail himself, herself, or itself of the Dissent Rights seek his, her, or its own legal advice as failure to strictly comply with the requirements set forth in sections 237 to 247 of the BCBCA, as modified by the Interim Order and the Plan of Arrangement, may result in the loss of any right of dissent. Dissenting Shareholders should note that the exercise of Dissent Rights can be a complex, time-consuming and expensive process.

In no case will Banxa or any other Person be required to recognize such holders as holders of Shares after the completion of the steps set forth in Section 3.1(a) of the Plan of Arrangement, and each Dissenting Shareholder will cease to be entitled to the rights of a Shareholder in respect of Shares in relation to which such Dissenting Shareholder has exercised Dissent Rights and the central securities register of Banxa will be amended to reflect that such former holder is no longer the holder of such Shares as and from the completion of the steps in Section 2.2(a) of the Plan of Arrangement.

In addition to any other restrictions set forth in the BCBCA, none of the following shall be entitled to exercise Dissent Rights: (i) Optionholders; (ii) Warrantholders; (iii) Shareholders who vote, or instruct a proxyholder to vote, in favour of the Arrangement Resolution; and (iv) beneficial holders of Shares.

The Court hearing the application for the Final Order has the discretion to alter the Dissent Rights based on the evidence presented at such hearing.

TRADING PRICE AND VOLUME

The following table sets out information relating to the monthly trading of the Shares on the TSXV for the 12 months preceding the date hereof:

Month	High	Low	Volume
December 2023	0.94	0.60	666,088
January 2024	0.92	0.63	707,015
February 2024	0.84	0.60	683,650
March 2024	0.91	0.70	348,677
April 2024	0.75	0.61	460,796
May 2024	0.70	0.58	391,028
June 2024	0.64	0.55	379,651
July 2024	0.58	0.47	324,866
August 2024	0.51	0.38	270,940
September 2024	0.40	0.305	269,655
October 2024	0.60	0.31	220,843
November 2024	1.39	0.52	2,603,970

Month	High	Low	Volume
December, 2024	1.20	0.74	1,561,378
January, 2025[(1)]	1.24	0.92	3,660,090

Notes:

(1) January 1, 2025 to January 29, 2025.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as set out herein, no person who has been a Director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a Director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of Directors and the appointment of auditors and other than as a holder or potential holder of stock options.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person or proposed director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company or any of its subsidiaries, except as disclosed in this Circular.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR+ at www.sedarplus.ca. Securityholders may contact the Company at Patrick Maguire at patrick.maguire@banxa.com to request copies of the Company's financial statements and MD&A.

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year which are filed on SEDAR+.

OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

APPROVAL OF THE BOARD

The Board has approved the contents of this Circular and the sending thereof to the Company's Securityholders.

DATED at Vancouver, British Columbia, January 30, 2025.

ON BEHALF OF THE BOARD

(signed) "Richard Wells"
Richard Wells
Director and Chairman of the Special Committee

CONSENT OF EVANS & EVANS, INC.

To: The Special Committee of the Board of Directors of Banxa Holdings Inc. ("**Banxa**")

Reference is made to the fairness opinion dated December 19, 2024 (the "**Fairness Opinion**") which we prepared for the special committee of the board of directors in connection with the Proposed Transaction, as defined in the Fairness Opinion.

We hereby consent to the inclusion of the Fairness Opinion, a summary of the Fairness Opinion and the use of our firm name in the management information circular of Banxa dated January 30, 2025 the "**Circular**"). In providing such consent, we do not intend or permit that any person other than the special committee of the board of directors of Banxa may rely upon the Fairness Opinion, which remains subject to the analyses, assumptions, limitations and qualifications contained therein.

DATED as of January 30, 2025

(signed) "Evans & Evans, Inc."
EVANS & EVANS, INC.
Vancouver, British Columbia

APPENDIX "A" - FORM OF ARRANGEMENT RESOLUTION

BE IT RESOLVED THAT:

1. The arrangement (the **"Arrangement"**) under Division 5 of Part 9 of the Business Corporations Act (British Columbia) of Banxa Holdings Inc. (the **"Corporation"**), as more particularly described and set forth in the management information circular of the Corporation (the **"Circular"**) dated January 30, 2025, as the Arrangement may be amended, modified or supplemented in accordance with the arrangement agreement dated December 19, 2024 (as amended on December 30, 2024 and January 30, 2025), between 1493819 B.C. Ltd. and the Corporation (as it may from time to time be further amended, modified or supplemented, the **"Arrangement Agreement"**), is hereby authorized, approved and adopted.

2. The plan of arrangement of the Corporation (as it may be amended, modified or supplemented in accordance with its terms and the terms of the Arrangement Agreement, the **"Plan of Arrangement"**), the full text of which is set out in Appendix B to the Circular, is hereby authorized, approved and adopted.

3. The Arrangement Agreement and related transactions, the actions of the directors of the Corporation in approving the Arrangement Agreement, the actions of the directors and officers of the Corporation in executing and delivering the Arrangement Agreement and any amendments, modifications or supplements thereto, as well as the Corporation's application for an interim order from the Supreme Court of British Columbia (the **"Court"**), are hereby ratified and approved.

4. The Corporation is hereby authorized to apply for a final order from the Court to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement.

5. Notwithstanding that this resolution has been passed (and the Arrangement adopted) by the securityholders of the Corporation or that the Arrangement has been approved by the Court, the directors of the Corporation are hereby authorized and empowered to, at their discretion, without notice to or approval of the securityholders of the Corporation: (i) amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted thereby; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and related transactions.

6. Any officer or director of the Corporation is hereby authorized and directed, for and on behalf of the Corporation, to execute or cause to be executed and to deliver or cause to be delivered all such other documents and instruments and to perform or cause to be performed all such other acts and things as such person determines may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or instrument or the doing of any such act or thing.

APPENDIX "B" - PLAN OF ARRANGEMENT

PLAN OF ARRANGEMENT

UNDER DIVISION 5 OF PART 9 OF
THE BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)
ARTICLE 1
INTERPRETATION

Section 1.1 Definitions

Unless indicated otherwise, where used in this Plan of Arrangement, capitalized terms used but not defined shall have the meanings specified in the Arrangement Agreement and the following terms shall have the following meanings (and grammatical variations of such terms shall have corresponding meanings):

"**Affected Securities**" means the Shares, the Corporation Options and the Corporation Warrants.

"**Affected Securityholders**" means the Shareholders, the Optionholders and the Warrantholders.

"**Arrangement**" means the arrangement under Division 5 of Part 9 of the BCBCA in accordance with the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations to this Plan of Arrangement made in accordance with the terms of the Arrangement Agreement and Section 7.1, or made at the direction of the Court in the Final Order with the prior written consent of the Corporation and the Purchaser, each acting reasonably.

"**Arrangement Agreement**" means the arrangement agreement dated December 19, 2024 between the Purchaser and the Corporation (including the schedules thereto), as amended on December 30, 2024 and January 30, 2025, and as the same may be further amended, modified or supplemented from time to time in accordance with its terms.

"**Arrangement Resolution**" means the special resolution approving this Plan of Arrangement to be considered at the Meeting, substantially in the form of Schedule B to the Arrangement Agreement.

"**BCBCA**" means the *Business Corporations Act* (British Columbia).

"**Business Day**" means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Toronto, Ontario or Vancouver, British Columbia.

"**Circular**" means the notice of the Meeting and accompanying management information circular, including all schedules, appendices and exhibits thereto and information incorporated by reference into such management information circular, to be sent to the Affected Securityholders in connection with the Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of the Arrangement Agreement.

"**Consideration**" means $1.00 per Share, without interest.

“**Continuing Shareholders**” means those Shareholders listed in Schedule 1.1(a) of the Disclosure Letter.

“**Convertible Security**” means a Corporation Option, Corporation Warrant, or Corporation Debenture, as applicable.

“**Corporation**” means Banxa Holdings Inc.

“**Corporation Debentures**” means the outstanding convertible debentures of the Corporation.

“**Corporation In-the-Money Option**” means a Corporation Option having an In-the-Money Amount at the Effective Time.

“**Corporation In-the-Money Option Consideration**” means, in respect of a Corporation In-the-Money Option, a cash payment (without interest) by or on behalf of the Corporation equal to the positive amount (if any) by which the Consideration exceeds the exercise price of such Corporation In-the-Money Option, multiplied by the number of Shares such Corporation Option entitles the holder thereof to purchase.

“**Corporation In-the-Money Warrant**” means a Corporation Warrant having an In-the-Money Amount at the Effective Time.

“**Corporation In-the-Money Warrant Consideration**” means, in respect of a Corporation In-the-Money Warrant held by a Non-Continuing Securityholder, a cash payment (without interest) by or on behalf of the Corporation equal to the positive amount (if any) by which the Consideration exceeds the exercise price of such Corporation In-the-Money Warrant, multiplied by the number of Shares such Corporation Warrant entitles the holder thereof to purchase.

“**Corporation Options**” means the outstanding options to purchase Shares issued pursuant to the Stock Option Plan.

“**Corporation Out-of-the-Money Option**” means a Corporation Option that is not a Corporation in-the-Money Option.

“**Corporation Out-of-the-Money Warrant**” means a Corporation Warrant that is not a Corporation in-the-Money Warrant.

“**Corporation Warrants**” means the outstanding warrants to purchase Shares.

“**Court**” means the Supreme Court of British Columbia in the City of Vancouver.

“**Depositary**” means TSX Trust Company, in its capacity as depositary for the Arrangement, or such other Person as the Corporation and the Purchaser agree to engage as depositary for the Arrangement.

“**Disclosure Letter**” means the disclosure letter dated the date of the Arrangement Agreement and all schedules, exhibits and appendices thereto, delivered by the Corporation to the Purchaser with the Arrangement Agreement.

"**Dissent Rights**" has the meaning specified in Section 5.1.

"**Dissenting Shareholder**" means a registered Shareholder as of the record date of the Meeting who: (i) has duly and validly exercised their Dissent Rights in strict compliance with the dissent procedures set out in Section 237 through Section 247 of the BCBCA, as modified by the Interim Order and this Plan of Arrangement; and (ii) has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights.

"**Effective Date**" means the date designated by the Purchaser and Corporation by notice in writing as the effective date of the Arrangement, after all of the conditions to the completion of the Arrangement as set out in the Arrangement Agreement and the Final Order have been satisfied or waived.

"**Effective Time**" means 12:01 a.m. (Toronto time) on the Effective Date, or such other time as the Parties agree to in writing before the Effective Date.

"**Excluded Shares**" means all Shares directly or indirectly owned by the Continuing Shareholders and listed in Schedule 1.1(a) of the Disclosure Letter.

"**Final Order**" means the final order of the Court under Section 291 of the BCBCA in a form acceptable to the Corporation and the Purchaser, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both the Corporation and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Corporation and the Purchaser, each acting reasonably) on appeal.

"**Governmental Entity**" means:

(i) any international, multinational, national, federal, provincial, state, territorial, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitrator or arbitral body (public or private), commission, commissioner, board, bureau, minister, ministry, governor in council, cabinet, agency or instrumentality, domestic or foreign;

(ii) any subdivision, agent or authority of any of the foregoing;

(iii) any quasi-governmental or private body including any tribunal, commission, regulatory agency or self-regulatory organization exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or

(iv) any Securities Authority or stock exchange, including the TSXV.

"**In-the-Money Amount**" means, in respect of a Corporation Option or a Corporation Warrant, the amount, if any, by which the total fair market value of the Shares that an Optionholder or a Warrantholder is entitled to acquire on exercise of the Corporation Option or the Corporation Warrant, as the case may be, immediately before the Effective Time exceeds the aggregate exercise price of such Corporation Option or Corporation Warrant at that time.

"**Interim Order**" means the interim order of the Court under Section 291 of the BCBCA in a form acceptable to the Corporation and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as such order may be amended by the Court with the consent of the Corporation and the Purchaser, each acting reasonably.

"**Law**" means, with respect to any Person, any and all applicable national, federal, provincial, state, municipal or local law (statutory, civil, common or otherwise), constitution, treaty, convention, ordinance, act, statute, code, rule, regulation, order, injunction, judgment, decree, ruling, award, writ, or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, all policies, guidelines, notices and protocols of any Governmental Entity, as amended.

"**Letter of Transmittal**" means the letter of transmittal sent to Shareholders for use in connection with the Arrangement.

"**Lien**" means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachment, option, right of first refusal or first offer, license, occupancy right, restrictive covenant, assignment, lien (statutory or otherwise), license, defect of title or encumbrance of any kind.

"**Meeting**" means the special meeting of Affected Securityholders, including any adjournment or postponement of such special meeting in accordance with the terms of the Arrangement Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution and for any other purpose as may be set out in the Circular and agreed to in writing by the Purchaser.

"**Non-Continuing Securityholders**" means those Securityholders who are not Continuing Shareholders.

"**Option Agreement**" means an agreement or other instrument evidencing the grant by the Corporation of a Corporation Option.

"**Optionholders**" means the registered holders of Corporation Options.

"**Parties**" means the Corporation and the Purchaser, and "**Party**" means any one of them.

"**Person**" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

"**Plan of Arrangement**" means this plan of arrangement, subject to any amendments or variations made in accordance with the terms of the Arrangement Agreement and Section 7.1, or made at the direction of the Court in the Final Order with the prior written consent of the Corporation and the Purchaser, each acting reasonably.

"**Purchaser**" means 1493819 B.C. Ltd.

"**Purchaser Shares**" means the common shares in the capital of the Purchaser.

"**Securities Authorities**" means the British Columbia Securities Commission, the Ontario Securities Commission and the applicable securities commissions and other securities regulatory authorities in each of the other provinces and territories of Canada, as applicable.

"**Securityholders**" means, collectively, the Shareholders, the Optionholders, the Warrantholders and the holders of Corporation Debentures.

"**Shares**" means the common shares in the capital of the Corporation.

"**Shareholders**" means the registered or beneficial holders of the Shares, as the context requires.

"**Stock Option Plan**" means the current 10% "rolling" stock option plan of the Corporation, last approved by Shareholders at the Corporation's annual general meeting of Shareholders held on November 30, 2023.

"**Subsidiary**" means a Person that is controlled directly or indirectly by another Person and includes a Subsidiary of that Subsidiary.

"**Tax Act**" means the *Income Tax Act* (Canada).

"**Taxes**" means: (a) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employer health, payroll, workers' compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, import or export, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions; and (b) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity on amounts of the type described in clause (a) above or this clause (b).

"**Warrant Certificate**" means a certificate evidencing the terms of any Corporation Warrant.

"**Warrantholders**" means the registered holders of Corporation Warrants.

Section 1.2 Certain Rules of Interpretation

In this Plan of Arrangement, unless otherwise specified:

(1) **Headings, etc.** The division of this Plan of Arrangement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Plan of Arrangement.

(2) **Currency.** All references to dollars or to "$" are references to Canadian dollars.

(3) **Gender and Number.** Any reference to gender includes all genders. Words importing the singular number only include the plural and *vice versa*.

(4) **Certain Phrases and References, etc.** The words "including," "includes" and "include" mean "including (or includes or include) without limitation," and "the aggregate of," "the total of," "the sum of," or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of." Unless stated otherwise, "Article" and "Section" followed by a number or letter mean and refer to the specified Article or Section of this Plan of Arrangement. The terms "Plan of Arrangement," "hereof," "herein" and similar expressions refer to this Plan of Arrangement (as it may be amended, modified or supplemented from time to time) and not to any particular article, section or other portion hereof and include any instrument supplementary or ancillary hereto.

(5) **Statutes.** Any reference to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.

(6) **Computation of Time.** If any action may be taken within, or any right or obligation is to expire at the end of, a period of days under this Agreement, then the first day of the period is not counted, but the day of its expiry is counted. Whenever payments are to be made or an action is to be taken on a day which is not a Business Day, such payment will be made or such action will be taken on or not later than the next succeeding Business Day.

(7) **Time References.** Time shall be of the essence in every matter or action contemplated hereunder. References to time herein or in any Letter of Transmittal are to local time in Toronto, Ontario, unless otherwise stipulated herein or therein.

ARTICLE 2
THE ARRANGEMENT

Section 2.1 Arrangement

This Plan of Arrangement constitutes an arrangement under Division 5 of Part 9 of the BCBCA and is made pursuant to and is subject to the provisions of, and forms a part of, the Arrangement Agreement. If there is any inconsistency or conflict between the provisions of this Plan of Arrangement and the provisions of the Arrangement Agreement, the provisions of this Plan of Arrangement shall govern.

Section 2.2 Binding Effect

This Plan of Arrangement and the Arrangement will become effective, and be binding on the Corporation, the Purchaser, all Securityholders (including Dissenting Shareholders), any agent or transfer agent of the Corporation and the Depositary at and after the Effective Time, without any further act or formality required on the part of any Person, except as expressly provided in this Plan of Arrangement.

Section 2.3 Arrangement

Each of the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality by the Corporation, the Purchaser, or any other Person,

and in each case, unless stated otherwise, effective as at five (5) minute intervals starting at the Effective Time:

(1) each outstanding Share held by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised shall be deemed to have been transferred without any further act or formality by the holder thereof to the Purchaser (free and clear of all Liens), and:

(a) such Dissenting Shareholder shall cease to have any rights as a Shareholder, other than the right to be paid the fair value of its Shares by the Purchaser in accordance with Article 5;

(b) the name of such holder shall be removed from the register of holders of Shares maintained by or on behalf of the Corporation; and

(c) the Purchaser shall be recorded on the register of holders of Shares maintained by or on behalf of the Corporation as the holder of the Shares so transferred and shall be deemed to be the legal and beneficial owner thereof (free and clear of all Liens);

(2) each outstanding Share (other than: (a) Shares held by any Dissenting Shareholder who has validly exercised such holder's Dissent Rights; (b) Shares held by the Purchaser; and (c) Excluded Shares) shall be transferred without any further act or formality by the holder thereof to the Purchaser (free and clear of all Liens) in exchange for the Consideration, and:

(a) the holder of such Share shall cease to have any rights as a Shareholder other than the right to be paid the Consideration per Share in accordance with this Plan of Arrangement;

(b) the name of such holder shall be removed from the register of holders of Shares maintained by or on behalf of the Corporation; and

(c) the Purchaser shall be recorded on the register of holders of Shares maintained by or on behalf of the Corporation as the holder of the Shares so transferred and shall be deemed to be the legal and beneficial owner thereof (free and clear of all Liens);

(3) notwithstanding the terms of the Stock Option Plan, the applicable Option Agreement and any other instrument or document governing a Corporation Option:

(a) each Corporation In-the-Money Option, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Corporation Option, deemed to be surrendered, assigned and transferred by the holder thereof to the Corporation in exchange for, subject to Section 6.4, the Corporation In-the-Money Option Consideration;

(b) each Corporation Out-of-the-Money Option, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Corporation Option, cancelled without any payment therefor;

(c) with respect to each Corporation Option surrendered, assigned and transferred under Section 2.3(3)(a) or cancelled under Section 2.3(3)(b), as of the effective time of such surrender, assignment and transfer or cancellation thereof, as applicable:

(A) the holder thereof shall cease to be the holder of such Corporation Option;

(B) the holder thereof shall cease to have any rights as a holder in respect of such Corporation Option, or under the Stock Option Plan or Option Agreement, other than the right to receive the consideration, if any, to which such holder is entitled pursuant to this Section 2.3(3);

(C) such holder's name shall be removed from the applicable register of Corporation Options; and

(D) all agreements, grants and similar instruments relating thereto (including the Stock Option Plan) shall be cancelled and terminated;

(4) subject to Article 3, notwithstanding the terms of the applicable Warrant Certificate and any other instrument or document governing a Corporation Warrant:

(a) each Corporation In-the-Money Warrant held by a Non-Continuing Securityholder, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Corporation Warrant, deemed to be surrendered, assigned and transferred by the holder thereof to the Corporation in exchange for, subject to Section 6.4, the Corporation In-the-Money Warrant Consideration;

(b) each Corporation Out-of-the-Money Warrant held by a Non-Continuing Securityholder, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Corporation Warrant, cancelled without any payment therefor;

(c) with respect to each Corporation Warrant surrendered, assigned and transferred under Section 2.3(4)(a) or cancelled under Section 2.3(4)(b), as of the effective time of such surrender, assignment and transfer or cancellation thereof, as applicable:

(A) the holder thereof shall cease to be the holder of such Corporation Warrant;

(B) the holder thereof shall cease to have any rights as a holder in respect of such Corporation Warrant, or under the Warrant Certificate, other than the right to receive the consideration, if any, to which such holder is entitled pursuant to this Section 2.3(4);

(C) such holder's name shall be removed from the applicable register of Corporation Warrants; and

(D) all agreements, grants and similar instruments relating thereto (including the applicable Warrant Certificate) shall be cancelled and terminated; and

(5) the exchanges and cancellations provided for in this Section 2.3 will be deemed to occur on the Effective Date, notwithstanding that certain of the procedures related thereto are not completed until after the Effective Date.

ARTICLE 3
CORPORATION WARRANTS HELD BY CONTINUING SHAREHOLDERS

Section 3.1 Corporation Warrants Held by Continuing Shareholders

In accordance with the terms of the Warrant Certificate evidencing the applicable Corporation Warrant, each Warrantholder who is a Continuing Shareholder, to the extent such Warrantholder has not exercised the Corporation Warrants prior to the Effective Time, shall, upon the exercise of such rights, be entitled to be issued and receive and shall accept for the same aggregate consideration, upon such exercise, in lieu of the number of Shares to which such Warrantholder was theretofore entitled upon exercise of such Corporation Warrants, the kind and aggregate number of Purchaser Shares that such holder would have been entitled to be issued and receive if, immediately prior to the Effective Time, such holder had been the registered holder of the number of Shares to which such holder was theretofore entitled upon exercise of such Corporation Warrants. Each Corporation Warrant, if applicable, shall continue to be governed by and be subject to the terms of the Warrant Certificate evidencing the applicable Corporation Warrant.

Section 3.2 Exercise of Corporation Warrants Post-Effective Time

Upon any exercise of a Corporation Warrant by a Warrantholder who is a Continuing Shareholder following the Effective Time, the Corporation shall: (a) deliver, or cause to be delivered, the Purchaser Shares needed to settle such exercise; and (b) cause the Purchaser to issue the necessary number of Purchaser Shares needed to settle such exercise.

Section 3.3 Idem

This Article 3 is subject to adjustment in accordance with the terms of the Warrant Certificate evidencing the applicable Corporation Warrant.

ARTICLE 4
CORPORATION DEBENTURES

Section 4.1 Corporation Debentures

In accordance with the terms of the certificates evidencing the Corporation Debentures, each Corporation Debenture outstanding immediately prior to the Effective Time shall, without any further action by or on behalf of the holder of such Corporation Debentures, be surrendered by such holder to the Corporation in consideration for either: (a) a cash payment at the Effective Time from the Corporation equal to the aggregate principal amount of such Corporation Debentures, together with the accrued and unpaid interest thereon; or (b) in the sole discretion of the holder of Corporation Debentures, the conversion into Shares immediately prior to the Effective Time of the aggregate principal amount of such Corporation

Debentures, together with the accrued and unpaid interest thereon, at the applicable conversion price thereon, such Shares then to be cashed out at the Effective Time for the Consideration. Each such Corporation Debenture shall thereafter immediately be cancelled and the name of such holder shall be removed from the register of holders of Corporation Debentures.

ARTICLE 5
DISSENT RIGHTS

Section 5.1 Dissent Rights

(1) Registered Shareholders as of the record date of the Meeting may exercise dissent rights ("**Dissent Rights**") in connection with the Arrangement pursuant to and in the manner set forth in Sections 242 to 247 of the BCBCA, as modified by the Interim Order and this Section 5.1, provided that, notwithstanding Section 242 of the BCBCA, the written notice setting forth the objection of such registered Shareholder to the Arrangement Resolution and exercise of Dissent Rights must be received by the Corporation at its registered office no later than 5:00 p.m. (Toronto time) on the date that is two (2) Business Days immediately preceding the date of the Meeting (as it may be adjourned or postponed from time to time).

(2) Dissenting Shareholders who duly exercise their Dissent Rights shall be deemed to have transferred the Shares held by them and in respect of which Dissent Rights have been validly exercised to the Purchaser free and clear of all Liens, as provided in Section 2.3(1) and, if they:

(a) are ultimately entitled to be paid fair value for such Shares by the Purchaser: (i) shall be deemed not to have participated in the transactions in Article 2 (other than Section 2.3(1)); (ii) shall be entitled to be paid the fair value of such Shares by the Purchaser which fair value shall, notwithstanding anything to the contrary contained in the BCBCA, be determined as of the close of business on the day before the Arrangement Resolution was adopted and shall be subject to withholding pursuant to Section 6.4; and (iii) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Shares; or

(b) are ultimately not entitled, for any reason, to be paid fair value for such Shares, shall be deemed to have participated in the Arrangement on the same basis as Shareholders who have not exercised Dissent Rights in respect of such Shares and shall be entitled to receive the Consideration to which holders of Shares who have not exercised Dissent Rights are entitled under Section 2.3(2) hereof (less any amounts withheld pursuant to Section 6.4).

Section 5.2 Recognition of Dissenting Shareholders

(1) In no case shall the Corporation, the Purchaser or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is the registered holder of those Shares in respect of which such rights are sought to be exercised.

(2) In no case shall the Corporation, the Purchaser or any other Person be required to recognize any Shareholder who exercises Dissent Rights as a Shareholder after the Effective Time.

(3) Shareholders who withdraw, or are deemed to withdraw, their right to exercise Dissent Rights shall be deemed to have participated in the Arrangement, as of the Effective Time, and shall be entitled to receive the Consideration to which Shareholders who have not exercised Dissent Rights are entitled under Section 2.3(2) hereof (less any amounts withheld pursuant to Section 6.4).

(4) In addition to any other restrictions set forth in Sections 242 to 247 of the BCBCA, none of the following shall be entitled to Dissent Rights: (a) holders of Convertible Securities, (b) Shareholders who vote or have instructed a proxyholder to vote their Shares in favour of the Arrangement Resolution, and (c) the Continuing Shareholders with respect to the Excluded Shares.

ARTICLE 6
CERTIFICATES AND PAYMENTS

Section 6.1 Payment of Consideration

(1) Prior to the Effective Date, the Purchaser shall deposit, or arrange to be deposited, for the benefit of the Shareholders (other than the Continuing Shareholders and the Purchaser or its affiliates), cash with the Depositary in the aggregate amount equal to the payments in respect thereof required by this Plan of Arrangement, with the amount per Share in respect of which Dissent Rights have been exercised being deemed to be the Consideration for this purpose, net of applicable withholdings for the benefit of the Shareholders. The cash deposited with the Depositary by or on behalf of the Purchaser shall be held in an interest-bearing account, and any interest earned on such funds shall be for the account of the Purchaser.

(2) As soon as practicable following the later of the Effective Date and the surrender to the Depositary for cancellation of a certificate which immediately prior to the Effective Time represented outstanding Shares that were transferred pursuant to Section 2.3(2), together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, the Shareholders represented by such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder, a cheque, wire or other form of immediately available funds representing the cash payment to which such holder has the right to receive under the Arrangement for such Shares, less any amounts withheld pursuant to Section 6.4, and any certificate so surrendered shall forthwith be cancelled.

(3) On or as soon as practicable after the Effective Date, the Corporation shall deliver, to each Non-Continuing Securityholder who is a holder of Corporation In-the-Money Warrants and Corporation In-the-Money Options (as reflected on the register maintained by or on behalf of the Corporation in respect of such Convertible Securities), through the payroll or equity plan management system of the Corporation and its Subsidiaries (or such other manner as the Corporation may elect or as otherwise directed by the Purchaser including with respect to the timing and manner of such delivery, but in any event in readily available funds), the cash payment, if any, which such holder of such Corporation In-the-Money Warrants and/or Corporation In-the-Money Options has the right to receive under this Plan of Arrangement for such Convertible Securities, less any amount withheld pursuant to Section 6.4.

(4) Until surrendered as contemplated by this Section 6.1, each certificate that immediately prior to the Effective Time represented Shares (other than the Excluded Shares) shall be deemed after the Effective Time to represent only the right to receive upon such surrender a cash payment in lieu of such certificate as contemplated in this Section 6.1, less any amounts withheld pursuant to Section 6.4. Any such certificate formerly representing Shares not duly surrendered on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former Shareholder of any kind or nature against or in the Corporation or the Purchaser. On such date, all certificates formerly representing Shares shall be deemed to have been surrendered to the Corporation, and all cash to which such former holder was entitled shall be deemed to have been surrendered to the Purchaser or the Corporation, as applicable, for no consideration and shall be paid over by the Depositary to the Purchaser or as directed by the Purchaser.

(5) Any payment made by way of cheque by the Depositary (or the Corporation, if applicable) in accordance with this Plan of Arrangement that has not been deposited or has been returned to the Depositary (or the Corporation) or that otherwise remains unclaimed, in each case, on or before the sixth anniversary of the Effective Time, and any right or claim to payment hereunder that remains outstanding on the sixth anniversary of the Effective Time shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the applicable consideration for the Shares or Convertible Securities in accordance with this Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser or the Corporation, as applicable, for no consideration.

(6) No holder of Shares or Convertible Securities shall be entitled to receive any consideration with respect to such Shares or Convertible Securities other than any cash payment to which such holder is entitled to receive in accordance with Section 2.3 and this Section 6.1 and, for certainty, no such holder will be entitled to receive any interest, dividends, premium or other payment in connection therewith.

Section 6.2 Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more Shares that were transferred pursuant to Section 2.3 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed and who was listed immediately prior to the Effective Time as the registered holder thereof on the share register maintained by or on behalf of the Corporation, the Depositary shall issue in exchange for such lost, stolen or destroyed certificate, a cheque (or other form of immediately available funds) representing the cash amount to which such holder is entitled to receive for such Shares under this Plan of Arrangement in accordance with such holder's Letter of Transmittal. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such cash is to be delivered shall, as a condition precedent to the delivery of such cash, give a bond satisfactory to the Purchaser and the Depositary (each acting reasonably) in such sum as the Purchaser may direct, or otherwise indemnify the Corporation and the Purchaser in a manner satisfactory to the Corporation and the Purchaser (each acting reasonably) against any claim that may be made against the Corporation or the Purchaser with respect to the certificate alleged to have been lost, stolen or destroyed.

Section 6.3 Adjustment to Consideration

If, on or after the date of the Arrangement Agreement, the Corporation sets a record date for any dividend or other distribution on the Shares that is prior to the Effective Date, then the Consideration shall be reduced by the per Share amount of such dividend or distribution.

Section 6.4 Withholding Rights

Each of the Corporation, the Purchaser and the Depositary, as applicable, shall be entitled to deduct and withhold from any amount otherwise payable or deliverable to any Person under this Plan of Arrangement (including any amounts payable pursuant to Section 5.1) and the Arrangement Agreement, such Taxes or amounts as are required to be deducted and withheld with respect to such payment under the Tax Act or any provision of any other Law in respect of Taxes and shall remit such deduction and withholding to the appropriate Governmental Entity. To the extent that amounts are so withheld and remitted, such withheld amounts shall be treated for all purposes hereof as having been paid to the Person in respect of which such withholding was made.

Section 6.5 Calculations

All aggregate amounts of cash consideration to be received under this Plan of Arrangement will be calculated to the nearest cent ($0.01). All calculations and determinations made in good faith by the Corporation, the Purchaser or the Depositary, as applicable, for the purposes of this Plan of Arrangement shall be conclusive, final and binding, absent manifest error.

Section 6.6 No Liens

Any exchange or transfer of securities in accordance with this Plan of Arrangement shall be free and clear of any Liens or other claims of third parties of any kind.

Section 6.7 Paramountcy

From and after the Effective Time: (a) this Plan of Arrangement shall take precedence and priority over any and all Shares and Convertible Securities issued or outstanding prior to the Effective Time, (b) the rights and obligations of the Securityholders, the Purchaser, the Depositary and any transfer agent or other depositary therefor in relation thereto, shall be solely as provided for in this Plan of Arrangement, and (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Shares or Convertible Securities shall be deemed to have been settled, compromised, released and determined without liability except as set forth in this Plan of Arrangement.

ARTICLE 7
AMENDMENTS

Section 7.1 Amendments

(1) The Corporation and the Purchaser may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification and/or supplement must be: (i) set out in writing; (ii) approved by the Corporation and the Purchaser, each acting reasonably; (iii) filed with the Court and, if made

following the Meeting, approved by the Court; and (iv) communicated to the Affected Securityholders if and as required by the Court.

(2) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Corporation or the Purchaser at any time prior to the Meeting (provided that the Corporation or the Purchaser, as applicable, shall have consented thereto) with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

(3) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Meeting shall be effective only if: (i) it is consented to in writing by each of the Corporation and the Purchaser (in each case, acting reasonably); and (ii) if required by the Court, it is consented to by some or all of the Affected Securityholders in the manner directed by the Court.

(4) Any amendment, modification or supplement to this Plan of Arrangement may be made following the granting of the Final Order without filing such amendment, modification or supplement with the Court or seeking Court approval, provided that: (i) it concerns a matter which, in the reasonable opinion of the Parties, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the economic interest of any Securityholder; or (ii) is an amendment contemplated in (5).

(5) Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by the Purchaser, provided that it concerns a matter which, in the reasonable opinion of the Purchaser, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the economic interest of any former Securityholder.

(6) This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Arrangement Agreement.

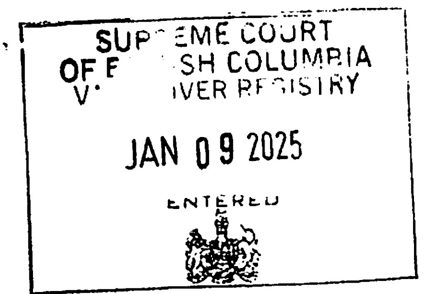
ARTICLE 8
FURTHER ASSURANCES

Section 8.1 Further Assurances

Notwithstanding that the transactions and events set out in this Plan of Arrangement shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by either of them in order to further document or evidence any of the transactions or events set out in this Plan of Arrangement.

APPENDIX ”C” - INTERIM ORDER

(See attached)



No. S-250124
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT,* S.B.C. 2002, C.57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING BANXA HOLDINGS INC. and 1493819 B.C. LTD.

BANXA HOLDINGS INC.

PETITIONER

ORDER MADE AFTER APPLICATION (INTERIM ORDER)

BEFORE ASSOCIATE JUDGE Vos 9/JAN/2025

ON THE APPLICATION of the Petitioner, Banxa Holdings Inc. ("**Banxa**") for an Interim Order under section 291 of the British Columbia *Business Corporations Act*, S.B.C. 2002, c. 57, as amended (the "**BCBCA**") in connection with an arrangement involving Banxa, the Banxa Securityholders (as defined below) and 1493819 B.C. Ltd. ("**149**") under section 288 of the BCBCA

☑ without notice coming on for hearing at 800 Smith Street, Vancouver, British Columbia on January 9, 2025 and on hearing Sam Macdonald, counsel for Banxa, and upon reading the Petition filed herein and the Affidavit No. 1 of Richard Wells made January 7, 2025 (the "**Wells Affidavit**") and filed herein, and upon being advised by counsel for Banxa that it is the intention of the parties to rely on section 3(a)(10) of the *United States Securities Act of 1933*, as amended (the "***Act***"), and that the declaration of fairness of, and the approval of, the Arrangement (as defined below) by this Honourable Court will serve as the basis for an exemption from the registration requirements of the 1933 Act pursuant to section 3(a)(10) thereof, for the issuance of securities in connection with the Arrangement (as defined below);

THIS COURT ORDERS that:

SPECIAL MEETING

1. Pursuant to sections 186, 288, 289(1)(a)(i) and (e), 290 and 291(2)(b)(i) of the BCBCA, Banxa is authorized and directed to call, hold and conduct a special meeting (the "**Meeting**") of the holders (the "**Banxa Shareholders**") of Banxa common shares (the "**Banxa Shares**"), the holders (the "**Banxa Optionholders**") of Banxa options, and the holders (the "**Banxa Warrantholders**", and together with the Banxa Shareholders and the Banxa Optionholders, the "**Banxa Securityholders**") of Banxa warrants (the "**Banxa Warrants**"), to be held on February 12, 2025 at 10:00 am (Vancouver time) at 1111 West Hastings Street, 15th Floor, Vancouver, BC V6E 2J3:

   a. to consider and, if thought advisable, to pass, with or without variation, a special resolution (the "**Arrangement Resolution**") of the Banxa Securityholders approving an arrangement (the "**Arrangement**") under Division 5 of Part 9 of the BCBCA; and

   b. to transact such further and other business, including amendments to the foregoing, as may properly be brought before the Meeting, or any adjournment or postponement thereof.

2. The Meeting shall be called, held and conducted in accordance with the BCBCA, the notice of special meeting of the Banxa Securityholders (the "**Notice**"), the management information circular, which is attached as Exhibit "A" to the Wells Affidavit (the "**Information Circular**"), the articles of Banxa and applicable securities laws, subject to the terms of this Interim Order and any further Order of this Court, as well as the rulings and directions of the Chair of the Meeting, such rulings and directions not to be inconsistent with this Interim Order, and to the extent of any inconsistency this Interim Order shall govern or, if not specified in the Interim Order, the Information Circular shall govern.

AMENDMENTS

3. Banxa is authorized to make, in the manner contemplated by and subject to the arrangement agreement between Banxa and 149 dated December 19, 2024 (the "**Arrangement Agreement**"), such amendments, modifications or supplements to the Arrangement, the Plan of Arrangement, the Arrangement Agreement and the Notice as it may determine without any additional notice to or authorization of the Banxa Securityholders or further orders of this Court. The Arrangement, the Plan of Arrangement, the Arrangement Agreement and the Notice as so amended, modified or supplemented, shall be the Arrangement, the Plan of Arrangement, the Arrangement Agreement and the Notice to be submitted to Banxa Securityholders at the Meeting, as applicable, and the subject of the Arrangement Resolution.

ADJOURNMENTS AND POSTPONEMENTS

4. Notwithstanding the provisions of the BCBCA and the articles of Banxa, and subject to the terms of the Arrangement Agreement, the board of directors of Banxa (the "**Banxa Board**") shall be entitled to adjourn or postpone the Meeting by resolution on one or more occasions without the necessity of first convening the Meeting or first obtaining any vote of the Banxa Securityholders respecting such adjournment or postponement and without the need for approval of this Court. Notice of any such adjournment or postponement shall be given by press release, newspaper advertisement or notice sent to the Banxa Securityholders by one of the methods specified in paragraph 8 of this Interim Order, as determined to be the most

appropriate method of communication by the Banxa Board, subject to the terms of the Arrangement Agreement.

5. The Record Date (as defined below) shall remain the same despite any adjournments or postponements of the Meeting.

RECORD DATE

6. The record date for determining Banxa Securityholders entitled to receive the Notice, the Information Circular (which includes, amongst other things, a copy of the Petition, the Notice of Hearing of Petition for Final Order, and the Interim Order granted), the Plan of Arrangement and the form of proxy for use by the Banxa Securityholders and in the case of registered Banxa Shareholders, also the letter of transmittal, (collectively, the "**Meeting Materials**") shall be the close of business on December 27, 2024 (the "**Record Date**"), as previously approved by the Banxa Board and published by Banxa. The Record Date shall remain the same despite any adjournments or postponements of the Meeting.

NOTICE OF SPECIAL MEETING

7. The Information Circular is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of section 290(1)(a) of the BCBCA, and Banxa shall not be required to send to the Banxa Securityholders any other or additional statement pursuant to section 290(1)(a) of the BCBCA.

8. The Meeting Materials in substantially the same form contained as Exhibits to the Wells Affidavit, with such amendments, deletions or additional documents as counsel for Banxa may advise are necessary or desirable, and as are not inconsistent with the terms of this Interim Order, shall be sent:

    (a) to registered Banxa Securityholders as they appear on the securities register(s) of Banxa or the records of its registrar and transfer agents as at the close of business on the Record Date, such Meeting Materials to be sent at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing, delivery or transmittal and the date of the Meeting, by one or more of the following methods:

        (i) by prepaid ordinary or air-mail addressed to such Banxa Securityholder at his, her, or its address as it appears on the applicable securities registers of Banxa or its registrar and transfer agent as at the Record Date;

        (ii) by delivery in person or by courier to the addresses specified in paragraph 8(a)(i) above; or

        (iii) by email or facsimile transmission to any such Banxa Securityholder who identifies himself, herself or itself to the satisfaction of Banxa (acting through its representatives), who requests such email or facsimile transmission and pays for the transmission fees in accordance with such request.

    (b) to non-registered Banxa Shareholders (those whose names do not appear in the securities register of Banxa), by sending copies of the Meeting Materials to intermediaries and registered nominees to facilitate the distribution of the Meeting Materials to beneficial owners in accordance with the procedures prescribed by

National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators at least three (3) business days prior to the twenty-first (21st) day prior to the date of the Meeting; and

(c) to the directors and auditor of Banxa by prepaid ordinary mail or by delivery in person or by recognized courier service or by email or facsimile transmission at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing, delivery or transmission.

9. Substantial compliance with the delivery of the Meeting Materials as ordered herein shall constitute good and sufficient notice of the Meeting, including compliance with the requirements of section 290(1)(a) of the BCBCA, and Banxa shall not be required to send to any Banxa Securityholders any other or additional statement pursuant to section 290(1) of the BCBCA.

10. The sending of the Meeting Materials, which includes the Petition, Notice of Hearing of the Petition and the Interim Order (collectively, the "**Court Materials**"), in accordance with paragraph 8 of this Order shall constitute good and sufficient service of such Notice of Petition upon all who may wish to appear in these proceedings, and no other service need be made and no other material need to be served on persons in respect of these proceedings except upon written request to the solicitors for Banxa at their address for service set out in the Petition In particular, service of the Petition and any supporting affidavits is dispensed with.

11. Accidental failure of or omission by Banxa to give notice to any one or more Banxa Securityholders or any other persons entitled thereto, or the non-receipt of such notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of Blackwolf (including, without limitation, any inability to use postal services) shall not constitute a breach of this Interim Order or, a defect in the calling of the Meeting and shall not invalidate any resolution passed or proceeding taken at the Meeting, but if any such failure or omission is brought to the attention of Banxa, then it shall use commercially reasonable efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

12. Banxa shall be at liberty to give notice of this application to persons outside the jurisdiction of this Court in the manner specified herein.

13. Provided that notice of the Meeting is given and the Meeting Materials are provided to the Banxa Securityholders, and any other persons entitled thereto in compliance with this Interim Order, the requirement of section 290(1)(b) of the BCBCA to include certain disclosure in any advertisement of the Meeting is waived.

DEEMED RECEIPT OF NOTICE

14. The Court Materials, Meeting Materials and any amendments, modifications, updates or supplements to the Meeting Materials and any notice of adjournment or postponement of the Meeting, shall be deemed to have been received, for the purposes of this Interim Order:

(a) in the case of mailing pursuant to paragraph 8(a)(i) above, the day, Saturdays, Sundays and holidays excepted, following the date of mailing;

(b) in the case of delivery in person pursuant to paragraph 8(a)(ii) above, the day following personal delivery or, in the case of delivery by courier, one (1) business day after receipt by the courier;

(c) in the case of transmission by email or facsimile pursuant to paragraph 8(a)(iii) above, upon the transmission thereof;

(d) in the case of advertisement, at the time of publication of the advertisement;

(e) in the case of electronic filing on SEDAR+, upon the transmission thereof; and

(f) in the case of beneficial Banxa Shareholders, three (3) days after delivery thereof to intermediaries and registered nominees.

UPDATING MEETING MATERIALS

15. Notice of any amendments, modifications, updates or supplements to any of the information provided in the Meeting Materials may be communicated, at any time prior to the Meeting, to the Banxa Securityholders or any other persons entitled thereto, by press release, news release, newspaper advertisement or by notice sent to the Banxa Securityholders by any of the means set forth in paragraph 8, as determined to be the most appropriate method of communication by the Banxa Board, subject to the terms of the Arrangement Agreement.

PERMITTED ATTENDEES

16. The only persons entitled to attend the Meeting shall be:

(a) the registered Banxa Securityholders as at 5 p.m. (Vancouver time) on the Record Date, or their respective proxyholders;

(b) directors, officers, auditors and advisors of Banxa;

(c) directors, officers, auditors and advisors of 149;

(d) other persons with the prior permission of the Chair of the Meeting;

and the only persons entitled to be represented and to vote at the Meeting shall be the registered Banxa Securityholders at the close of business on the Record Date, or their respective proxyholders.

SOLICITATION OF PROXIES

17. Banxa is authorized to use the form of proxy or voting instruction form (as applicable) and letter of transmittal (as applicable) in connection with the Meeting in substantially the same form as is attached as Exhibits "C" and "D" to the Wells Affidavit, subject to Banxa's ability to insert dates and other relevant information in the final form thereof and to make other non-substantive changes and changes legal counsel advise are necessary or appropriate. Banxa is authorized, at its expense, to solicit proxies directly and through its officers, directors and employees, and through such agents or representatives as it may retain for that purpose and by mail, telephone or such other form of personal or electronic communication as it may determine.

18. The procedures for the use of proxies at the Meeting and revocation of proxies shall be as set out in the Notice and the Information Circular.

19. Subject to the terms of the Arrangement Agreement, Banxa may in its discretion generally waive the time limits for the deposit of proxies by Banxa Securityholders if Banxa deems it advisable to do so, such waiver to be endorsed on the proxy by the initials of the Chair of the Meeting.

QUORUM AND VOTING

20. A quorum at the Meeting shall be at least one person who is, or who represents by proxy, one or more Banxa Shareholders.

21. The vote required to pass the Arrangement Resolution shall be the affirmative vote of:

    (a) at least 66⅔% of the votes cast by the Banxa Shareholders present in person or represented by proxy and entitled to vote at the Meeting;

    (b) at least 66⅔% of the votes cast by the Banxa Securityholders, voting together as a single class, present in person or represented by proxy and entitled to vote at the Meeting on the basis of one vote per Banxa Share held, one vote per Banxa Option held, and one vote per Banxa Warrant held;

    (c) a simple majority of the votes cast by the Banxa Shareholders present in person or represented by proxy and entitled to vote at the Meeting, excluding the votes attached to the Banxa Shares held by Continuing Shareholders (as defined in the Arrangement Agreement) who are "related parties" of the Company, or "related parties" or "joint actors" of such "related parties," in each case, as defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), together with any other person required to be excluded in accordance with MI 61-101.

SCRUTINEER

22. The scrutineer for the Meeting shall be TSX Trust Company (acting through its representatives for that purpose).

SHAREHOLDER DISSENT RIGHTS

23. Registered Banxa Shareholders will be the only Banxa Shareholders entitled to exercise right Dissent Rights (as defined below). A beneficial holder of Banxa Shares registered in the name of a broker, custodian, trustee, nominee, or other intermediary who wishes to dissent must make arrangements for the registered Banxa Shareholder to dissent on behalf of the beneficial holder of Shares, or alternatively, make arrangements to become a registered Banxa Shareholder.

24. Each registered Banxa Shareholder is granted rights to dissent (the "**Dissent Rights**") in respect of the Arrangement Resolution in accordance with sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement, this Interim Order and the Final Order, including that:

    (a) a registered Banxa Shareholder intending to exercise the Dissent Rights (a "**Dissenting Shareholder**") must give a written notice of dissent (a "**Notice of Dissent**") to Banxa c/o DuMoulin Black LLP, Attn: Justin Kates, 1111 West Hastings Street, 15th Floor, Vancouver BC, or jkates@dumoulinblack.com, to be received by Banxa no later than 5:00 p.m. (Vancouver time) on February 10, 2025, or if the

Meeting is adjourned or postponed, the date that is at least two days prior to the date of the Meeting;

(b) a Notice of Dissent must specify the name and address of the registered Banxa Shareholder, the number of Banxa Shares in respect of which the Notice of Dissent is being given (the "**Notice Shares**") and whichever of the following is applicable:

(i) if the Notice Shares constitute all of the Banxa Shares of which the Dissenting Shareholder is both the registered and beneficial owner and the Dissenting Shareholder holds no other Shares as beneficial owner, a statement to that effect;

(ii) if the Notice Shares constitute all of the Banxa Shares of which the Dissenting Shareholder is both the registered and beneficial owner but the Dissenting Shareholder owns additional Banxa Shares beneficially, a statement to that effect and the names of the registered Banxa Shareholders of such additional Shares, the number of such additional Banxa Shares held by each of those registered owners and a statement that Notices of Dissent are being, or have been, sent with respect to all such additional Banxa Shares; or

(iii) if the Dissent Rights are being exercised by a registered Banxa Shareholder on behalf of another person who is the beneficial owner of the Notice Shares (the "**Dissenting Owner**"), a statement to that effect and the name and address of the Dissenting Owner and a statement that the registered Banxa Shareholder is dissenting with respect to all Banxa Shares of the Dissenting Owner that are registered in such registered Banxa Shareholder's name.

(c) a registered Banxa Shareholder must not vote in favour of the Arrangement Resolution any Banxa Shares registered in its name in respect of which the Banxa Shareholder has given a Dissent Notice;

(d) if the Arrangement Resolution is passed at the Meeting, Banxa must send by registered mail to every registered Banxa Shareholder which has duly and validly given a Dissent Notice, prior to the date set for the hearing of the Final Order, a notice stating that, subject to receipt of the Final Order and satisfaction of the other conditions set out in the Arrangement Agreement, Banxa intends to complete the Arrangement and advising the registered Banxa Shareholder that if the registered Banxa Shareholder wishes to proceed with its dissent, the registered Banxa Shareholder must comply with the requirements of paragraph 21(f);

(e) Banxa is required, promptly after the later of (i) the date on which it forms the intention to proceed with the Arrangement, and (ii) the date on which the Notice of Dissent was received to notify each Dissenting Shareholder of its intention to act on the Arrangement Resolution;

(f) if the Arrangement Resolution is approved and if Banxa notifies the Dissenting Shareholders of its intention to act upon the Arrangement Resolution, the Dissenting Shareholder is then required, within one month after Banxa gives such notice, to send to Blackwolf the certificates representing the Notice Shares if such shares are certificated, and a written statement that requires Banxa to purchase all of the Notice Shares;

(g) if the Dissent Right is being exercised by the Dissenting Shareholder on behalf of a Dissenting Owner, a statement signed by the Dissenting Owner is required which sets out whether the Dissenting Owner is the beneficial owner of other Banxa Shares and, if so, (i) the names of the registered owners of such Banxa Shares; (ii) the number of such Banxa Shares; and (iii) that dissent is being exercised in respect of all of such Banxa Shares. Upon delivery of these documents, the Dissenting Shareholder is deemed to have sold the Banxa Shares and Banxa is deemed to have purchased them. Once the Dissenting Shareholder has done this, the Dissenting Shareholder may not vote or exercise any shareholder rights in respect of the Notice Shares;

(h) the Dissenting Shareholder and Banxa may agree on the payout value of the Notice Shares; otherwise, either party may apply to the Court to determine the payout value of the Notice Shares or apply for an order that value be established by arbitration or by reference to the registrar or a referee of the Court. After a determination of the payout value of the Notice Shares, Banxa must then promptly pay that amount to the Dissenting Shareholder.

(i) a Dissenting Shareholder loses his, her or its Dissent Rights if, before full payment is made for the Notice Shares, Banxa abandons the corporate action that has given right to the Dissent Right (namely the Arrangement), a court permanently enjoins the action, or the Dissenting Shareholder withdraws the Notice of Dissent with Banxa's consent. When these events occur, Banxa must return the share certificates, if applicable, to the Dissenting Shareholder and the Dissenting Shareholder regains the ability to vote and exercise shareholder rights.

25. Notice to the Banxa Shareholders of their Dissent Rights with respect to the Arrangement Resolution will be given by including information with respect to the Dissent Rights in the Information Circular to be sent to the Banxa Shareholders with respect to the Arrangement.

26. Subject to further order of this Court, the rights available to the Banxa Shareholders under the BCBCA and the Plan of Arrangement to dissent from the Arrangement will constitute full and sufficient Dissent Rights for the Shareholders with respect to the Arrangement.

APPLICATION FOR FINAL ORDER

27. Upon the approval by the Banxa Securityholders of the Arrangement Resolution, in the manner set forth in this Interim Order, Banxa may apply to this Court (the "**Application**") for an Order:

(a) pursuant to section 291(4)(a) of the BCBCA approving the Arrangement; and

(b) pursuant to section 291(4)(c) of the BCBCA declaring that the Arrangement, and the distribution of securities to be effected by the Arrangement, is substantively and procedurally fair and reasonable to the Blackwolf Securityholders,

(collectively the "**Final Order**"),

and the hearing of the Application will be held on February 14, 2025 at 9:45 a.m. before the presiding Judge in Chambers at 800 Smithe Street, Vancouver, British Columbia or as soon thereafter as the Application can be heard or at such other date and time as this Court may direct.

28. The form of Notice of final hearing attached as Exhibit "B" to the Wells Affidavit is hereby approved as the form of notice for the hearing of the application for the Final Order.

29. Any Banxa Securityholder may appear and make submissions at the application for the Final Order provided that such person shall:

    (a) file a Response to Petition, in the form prescribed by the Supreme Court Civil Rules, together with any evidence or material which is to be presented to the Court at the hearing of the Application; and

    (b) deliver the filed Response to Petition together with a copy of any evidence or material which is to be presented to the Court at the hearing of the Application, to Banxa's counsel at:

        WT BCA LLP
        2400 - 200 Granville St.
        Vancouver, BC V6C 1S4
        Attention: Nicole Chang & Sam Macdonald

        by or before 4:00 p.m. (Vancouver time) on February 12, 2024.

30. If the application for the Final Order is adjourned, only those persons who have filed and delivered a Response to Petition in accordance with this Interim Order need to be served and provided with notice of the adjourned date.

31. In the event that the hearing of the Application is adjourned, then only those persons who filed and delivered a Response to Petition in accordance with paragraph 29, need be provided with notice of the adjourned hearing date.

32. Subject to other provisions in this Interim Order, no material other than that contained in the Information Circular need be served on any persons in respect of these proceedings and, in particular, service of the Petition herein and the accompanying Affidavit and additional Affidavits as may be filed is dispensed with.

VARIANCE

33. Banxa shall be entitled, at any time, to apply to vary this Interim Order.

34. Rules 8-1 and 16-1(8) – (12) will not apply to any further applications in respect of this proceeding, including the application for the Final Order and any application to vary this Interim Order.

35. Banxa shall, and hereby do, have liberty to apply for such further orders as may be appropriate.

36. To the extent of any inconsistency or discrepancy between this Interim Order and the Information Circular, the BCBCA, applicable Securities Laws or the articles of Banxa, this Interim Order will govern.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of Lawyer for the Petitioner,
Banxa Holdings Inc.
Lawyer: Sam Macdonald

BY THE COURT

Registrar

CHECKED

APPENDIX ”D” - NOTICE OF HEARING AND PETITION

(See attached)

S-250124
No. ____________
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, C.57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING BANXA HOLDINGS INC., AND 1493819 B.C. LTD.

BANXA HOLDINGS INC.

PETITIONER

NOTICE OF HEARING

TO: THE APPLICATION IS WITHOUT NOTICE

TAKE NOTICE that an application for the interim order sought in the form attached as Schedule "A" to the Petition to the Court of Banxa Holdings Inc. dated January 7, 2025 will be heard at the courthouse at 800 Smithe Street, Vancouver, British Columbia, V6Z 2E1 on January 9, 2025 at 9:45 a.m.

1. Date of hearing

The application for the interim order is without notice.

2. Duration of hearing

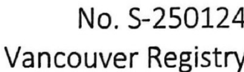
The hearing will take 5 minutes.

3. Jurisdiction

This matter is within the jurisdiction of an associate judge.

Dated: 7/January/2025

____
Signature of lawyer for the petitioner
Sam Macdonald



No. S-250124
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT,*
S.B.C. 2002, C.57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
BANXA HOLDINGS INC. and 1493819 B.C. LTD.

BANXA HOLDINGS INC.

PETITIONER

REQUISITION - GENERAL

[Rule 22-3 of the Supreme Court Civil Rules applies to all forms.]

Filed by: **the Petitioner, Banxa Holdings Inc.**

Required: By Consent, to adjourn the Petition Hearing set for February 14, 2025 at 9:45 am to February 27, 2025 at 9:45 am at the courthouse at 800 Smithe Street, Vancouver, British Columbia, V6Z 2E1. The Application is pursuant to sections 186, 288 and 297 of the Business Corporations Act, S.B.C. 2002, c. 57, as amended (the "**BCBCA**") and Rules 1-2(4),2(-1(2)(b), 4-4, 4-5, 8-1 and 16-1 of the Supreme Court Civil Rules.

The matter will take 15 minutes.

The matter is not within the jurisdiction of an Associate Judge.

Dated: 29/Jan/2025

Signature of lawyer for the filing party
Nicole Chang

S=250124

No. ____________
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, C.57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING BANXA HOLDINGS INC. and 1493819 B.C. LTD.

BANXA HOLDINGS INC.

PETITIONER

PETITION TO THE COURT

ON NOTICE TO:

This petition is without notice.

The address of the registry is:

800 Smithe Street
Vancouver, BC V6Z 2E1

The petitioner estimates that the hearing of the petition will take 15 minutes.

☐ This matter is an application for judicial review.
☑ This matter is not an application for judicial review.

This proceeding is brought for the relief set out in Part 1 below, by

☑ the person named as petitioners in the style of proceedings above
☐ Banxa Holdings Inc. (the petitioner)

If you intend to respond to this petition, you or your lawyer must

(a) file a response to petition in Form 67 in the above-named registry of this court within the time for response to petition described below, and

(b) serve on the petitioner(s)

a. 2 copies of the filed response to petition, and

b. 2 copies of each filed affidavit on which you intend to rely at the hearing.

Orders, including orders granting the relief claimed, may be made against you, without any further notice to you, if you fail to file the response to petition within the time for response.

TIME FOR RESPONSE TO PETITION

A response to petition must be filed and served on the petitioner(s),

(c) if you reside anywhere within Canada, within 21 days after the date on which a copy of the filed petition was served on you,

(d) if you reside in the United States of America, within 35 days after the date on which a copy of the filed petition was served on you,

(e) if you reside elsewhere, within 49 days after the date on which a copy of the filed petition was served on you, or

(f) if the time for response has been set by order of the court, within that time.

(1)	The address of the registry is:	800 Smithe Street Vancouver, BC V6Z 2E1
(2)	The ADDRESS FOR SERVICE of the petitioner(s) is:	WT BCA LLP 2400 - 200 Granville St. Vancouver, BC V6C 1S4 Attention: Nicole Chang
	Fax number address for service (if any) of the petitioner(s):	604-682-5217
	E-mail address for service (if any) of the petitioner(s):	Service@wt.ca NChang@wt.ca
(3)	The name and office address of the petitioner's lawyer is:	WT BCA LLP 2400 - 200 Granville St. Vancouver, BC V6C 1S4 Attention: Nicole Chang

CLAIM OF THE PETITIONER

Part 1: ORDER(S) SOUGHT

The petitioner, Banxa Holdings Inc. ("**Banxa**", or the "**Company**"), applies to this Court pursuant to sections 186, 288 to 297 of the *Business Corporations Act*, S.B.C. 2002, c. 57 (the "**BCBCA**"), Rules 1-2(4), 2-1(2)(b), 4-4, 4-5, 8-1 and 16-1 of the Supreme Court Civil Rules for:

1. an *ex parte* interim order (the "**Interim Order**"), substantially in the form attached as Schedule "A" to this Petition, in connection with an arrangement (the "**Arrangement**") involving Banxa, 1493819 B.C. Ltd. ("**149**" or the "**Purchaser**"), and the "**Banxa Securityholders**", being the holders (the "**Banxa Shareholders**") of common shares of Banxa (the "**Banxa Shares**"), the holders (the "**Banxa Optionholders**") of options of Banxa (the "**Banxa Options**"), and the holders (the "**Banxa Warrantholders**") of warrants of Banxa (the "**Banxa Warrants**"), as proposed by the Petitioner in the plan of arrangement (the "**Plan of Arrangement**"), substantially in the form attached as Appendix "B" to the management information circular (the "**Circular**") of Banxa, a draft of which is attached as Exhibit "A" to Affidavit #1 of Richard Wells, made January 7, 2025 ("**Wells #1**") for:

    a. the convening and conduct by the Petitioner, Banxa, of a special meeting (the "**Meeting**") of the Banxa Securityholders to be held at 10:00 am (Pacific Time) on February 12, 2025 at 15th Floor, 1111 West Hastings Street, Vancouver, British Columbia, subject to any adjournment, to consider, *inter alia*, and, if thought advisable, to pass, with or without amendment, a special resolution (the "**Arrangement Resolution**") authorizing and approving the proposed Arrangement under the provisions of Division 5 of Part 9 of the BCBCA and such other business, including amendments to the foregoing, as may properly come before the meeting, and

    b. the giving of notice of the Meeting and provision of materials regarding the Arrangement of the Banxa Securityholders;

2. a final order (the "**Final Order**") that:

    a. the Arrangement, including the terms and conditions thereof and the opposed issuance and exchange of securities contemplated therein, be declared fair and reasonable, and

    b. the Arrangement be approved; and

3. such further and other relief as the Petitioner may advise and the Court may deem just.

Part 2: FACTUAL BASIS

1. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the draft Circular attached as Exhibit "A" to Wells #1.

Banxa

2. Banxa is a company incorporated under the laws of British Columbia, with a registered and records office at 1111 West Hastings Street, 15th Floor, Vancouver, British Columbia, V6E 2J3, Canada. Banxa is a financial technology company focussed on cryptocurrency and payment services solutions.

3. Banxa is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, and Yukon.

4. The authorized share capital of Banxa consists of an unlimited number of common shares.

5. As of December 27, 2024 (the "**Record Date**"), there were:

   (a) 45,587,056 Banxa Shares issued and outstanding. The outstanding Shares are listed on the TSX Venture Exchange ("**TSXV**") (under the stock symbol "**BWCG**"), the Frankfurt Stock Exchange (under the stock symbol "**AC00**") and posted for trading on the OTCQX (under the stock symbol "**BNXAF**");

   (b) 2,198,750 Banxa Options issued and outstanding which, if fully vested, would entitle their holders to acquire a total of 2,198,750Shares;

   (c) there were 2,847,013 Banxa Warrants issued and outstanding which entitle their holders to acquire a total of 2,847,013 Shares;

   (d) $5,694,026 aggregate principal amount of convertible notes of Banxa; and

   (e) there were no other classes of shares, including preferred shares, issued and outstanding.

149

6. 149 is a corporation existing under the laws of British Columbia with a head office located at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8.

7. 149 is not a reporting issuer in any of the provinces of Canada, and is not listed on any stock exchange.

The Arrangement

8. Banxa and 149 have entered into an arrangement agreement dated December 19, 2024, (the "**Arrangement Agreement**"), pursuant to which 149 will acquire all of the issued and outstanding Banxa Shares pursuant to the Plan of Arrangement under section 288 of the BCBCA.

9. In summary, pursuant to the Arrangement, the Shareholders, other than Dissenting Shareholders and Continuing Shareholders, will be entitled to receive $1.00 in cash (less any applicable withholding taxes) for each Share issued and outstanding immediately prior to the Effective Time. Each Company In-the-Money Option will immediately vest and holders will receive the Company In-the-Money Option Consideration. Each Company Out-of-the-Money Option will immediately vest and be cancelled without payment therefor. Each Company In-the-Money Warrant held by a Non-Continuing Securityholder will immediately vest and will be exchanged for the Company In-the-Money Warrant Consideration. Each Company-out-of-the-Money Warrant will immediately vest and be cancelled without payment therefor.

10. Commencing at the Effective Time each of the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at five-minute intervals starting at the Effective Time:

    (a) each outstanding Share held by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised shall be deemed to have been transferred without any further act or formality by the holder thereof to the Purchaser (free and clear of all Liens), and:

        i. such Dissenting Shareholder shall cease to have any rights as a Shareholder, other than the right to be paid the fair value of its Shares by the Purchaser in accordance with Article 5 of the Plan of Arrangement;

        ii. the name of such holder shall be removed from the register of holders of Shares maintained by or on behalf of the Company; and

        iii. the Purchaser shall be recorded on the register of holders of Shares maintained by or on behalf of the Company as the holder of the Shares so transferred and shall be deemed to be the legal and beneficial owner thereof (free and clear of all Liens);

    (b) each outstanding Share (other than: (a) Shares held by any Dissenting Shareholder who has validly exercised such holder's Dissent Rights; (b) Shares held by the Purchaser; and (c) Excluded Shares) shall be transferred without any further act or

formality by the holder thereof to the Purchaser (free and clear of all Liens) in exchange for the Consideration, and:

i. the holder of such Share shall cease to have any rights as a Shareholder other than the right to be paid the Consideration per Share in accordance with the Plan of Arrangement;

ii. the name of such holder shall be removed from the register of holders of Shares maintained by or on behalf of the Company; and

iii. the Purchaser shall be recorded on the register of holders of Shares maintained by or on behalf of the Company as the holder of the Shares so transferred and shall be deemed to be the legal and beneficial owner thereof (free and clear of all Liens);

(c) notwithstanding the terms of the Plan, the applicable Option Agreement and any other instrument or document governing an Option:

i. each Company In-the-Money Option, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Option, deemed to be surrendered, assigned and transferred by the holder thereof to the Company in exchange for, subject to Section 6.4 of the Plan of Arrangement, the Company In-the-Money Option Consideration;

ii. each Company Out-of-the-Money Option, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Option, cancelled without any payment therefor;

iii. with respect to each Option surrendered, assigned and transferred under Section 2.3(3)(a) of the Plan of Arrangement or cancelled under Section 2.3(3)(b) of the Plan of Arrangement, as of the effective time of such surrender, assignment and transfer or cancellation thereof, as applicable:

(A) the holder thereof shall cease to be the holder of such Option;

(B) the holder thereof shall cease to have any rights as a holder in respect of such Option, or under the Plan or Option Agreement, other than the right to receive the consideration, if any, to which such holder is entitled pursuant to Section 2.3(3) of the Plan of Arrangement;

(C) such holder's name shall be removed from the applicable register of Options; and

(D) all agreements, grants and similar instruments relating thereto (including the Plan) shall be cancelled and terminated;

(d) subject to Article 3 of the Plan of Arrangement, notwithstanding the terms of the applicable Warrant Certificate and any other instrument or document governing a Warrant:

i. each Company In-the-Money Warrant held by a Non-Continuing Securityholder, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Warrant, deemed to be surrendered, assigned and transferred by the holder thereof to the Company in exchange for, subject to Section 6.4 of the Plan of Arrangement, the Company In-the-Money Warrant Consideration;

ii. each Company Out-of-the-Money Warrant held by a Non-Continuing Securityholder, whether vested or unvested, that is outstanding immediately prior to the Effective Time, shall be unconditionally vested and exercisable, and shall be, without any further action by or on behalf of the holder of such Warrant, cancelled without any payment therefor;

iii. with respect to each Warrant surrendered, assigned and transferred under Section 2.3(4)(a) of the Plan of Arrangement or cancelled under Section 2.3(4)(b) of the Plan of Arrangement, as of the effective time of such surrender, assignment and transfer or cancellation thereof, as applicable:

(A) the holder thereof shall cease to be the holder of such Warrant;

(B) the holder thereof shall cease to have any rights as a holder in respect of such Warrant, or under the Warrant Certificate, other than the right to receive the consideration, if any, to which such holder is entitled pursuant to Section 2.3(4) of the Plan of Arrangement;

(C) such holder's name shall be removed from the applicable register of Warrants; and

(D) all agreements, grants and similar instruments relating thereto (including the applicable Warrant Certificate) shall be cancelled and terminated; and

(e) the exchanges and cancellations provided for in Section 2.3 of the Plan of Arrangement will be deemed to occur on the Effective Date, notwithstanding that

certain of the procedures related thereto are not completed until after the Effective Date.

Debentures

11. In accordance with the terms of the certificates evidencing the Debentures, each Debenture outstanding immediately prior to the Effective Time shall, without any further action by or on behalf of the holder of such Debentures, be surrendered by such holder to the Company in consideration for either: (a) a cash payment at the Effective Time from the Company equal to the aggregate principal amount of such Debenture, together with the accrued and unpaid interest thereon; or (b) in the sole discretion of the holder of the Debenture, the conversion into Shares immediately prior to the Effective Time of the aggregate principal amount of such Debentures, together with the accrued and unpaid interest thereon, at the applicable conversion price thereon, such Shares then to be cashed out at the Effective Time for the Consideration.

Background to the Arrangement

12. The following background to the Arrangement, and further details, can be found under the heading "Background to the Arrangement" in the Circular attached as Exhibit "A" to Wells #1, beginning at page 48 of the bates numbering.

13. The execution of the Arrangement Agreement was the result of extensive negotiations between representatives of the Company (led by the Special Committee), the Purchaser, the Continuing Shareholders and their respective advisors. The following is a summary of the material events, including meetings, negotiations and discussions involving these and other parties, which preceded the execution of the Arrangement Agreement and the public announcement of the Arrangement on December 19, 2024.

14. In the four years following the completion of its Qualifying Transaction in December 2020, the Company has faced numerous challenges. Notwithstanding the steady improvement in its financial results, the Company has suffered from a persistent cash crunch and stifling indebtedness, which together have tempered the Company's ability to meet its growth objectives and milestones. Not unlike numerous other Canadian-domiciled public growth companies in the technology sector, the headwinds in the macro-economic environment, including high inflation and interest rates, and the challenging capital market conditions and valuations for Canadian small-cap issuers, have made it difficult for the Company to raise debt or equity financing on favourable terms and without a significant dilutive impact on existing shareholders. In addition, as is the case with other crypto-related issuers, the market price of the Shares has sometimes been a proxy for the volatility in the crypto markets more generally.

15. Due to these challenges and other factors, the Company has experienced significant downward pressure on its market price and decreased liquidity for the Shares. The Board, with the assistance of the Company's senior management (the "**Management**") and external advisors, has regularly evaluated the Company's performance, future growth prospects,

overall corporate strategy and long-term strategic plans and options, with the objective of strengthening the Company's business and maximizing value for shareholders in the context of ongoing and sustained volatility in the crypto markets in particular, and in the capital markets more generally. In this regard, the Board, working together with Management, has considered numerous strategic transactions with various industry participants, including strategic acquisitions, investments and other commercial relationships. The execution of the Arrangement Agreement in fact represents the culmination of a four-year long effort by the Company (acting through the Board and the Special Committee) to entertain a collection of such solicited and unsolicited offers, inquiries or proposals, as described in greater detail below. At each such juncture, the Board carefully reviewed and considered such offers, inquiries or proposals in order to determine whether pursuing them would be in the best interests of the Company and its shareholders and other stakeholders, having regard to the Company's operations, financial performance and industry conditions.

16. The first such opportunity arose in December 2021, when the Company received an unsolicited inquiry from a large, European-based payment services provider to online merchants ("**Potential Acquiror A**") with respect to a potential transaction involving the Company. While initial talks between the Company and Potential Acquiror A consisted of a potential minority investment (at-market) by Potential Acquiror A into the Company, discussions over the ensuing months between the parties shifted towards a potential acquisition of the Company by Potential Acquiror A. Although the discussions with Potential Acquiror A were preliminary and non-binding in nature, the Board believed that it was in the best interests of the Company to pursue these discussions further. Following the execution of a non-disclosure agreement, due diligence investigations were undertaken by Potential Acquiror A, but no formal offer was ever submitted by Potential Acquiror A and the parties were unable to reach any agreement on terms. Discussions among the parties were formally severed in the summer of 2022, coinciding with a sharp decline (nearly 70%) in the market price of Bitcoin and other popular cryptocurrencies, ending the bull run in the crypto markets, which itself commenced at roughly the same time that Potential Acquiror A approached the Company.

17. Beginning in late 2021, the debt and equity capital markets became increasingly challenging for small-cap issuers like the Company, and the Company began to face downward pressure on its share price, which decreased by more than 66% during the roughly eight (8) month period between December 6, 2021 and August 8, 2022. During this time, while the Company found itself situated in a period characterized by rapid growth, it lacked a clear strategy to address the cash requirements to sustain such growth. While the Company was able to complete a brokered private placement of units of the Company in April 2021 at an issue price of $4.00 per unit for aggregate gross proceeds of approximately $15 million, thereby extending the Company's cash runway, this much-needed liquidity proved to be short-lived and the Company's long-term cash needs had yet to be addressed.

18. In late 2021, representatives of a prominent New York-based investment bank (one of the top five in the United States) (the "**First Financial Advisor**") also approached the Board with a view to assisting the Company in identifying opportunities for a potential sale transaction involving the Company or in pursuing other strategic alternatives. The First Financial Advisor,

which had a very deep track record in mergers and acquisitions ("**M&A**") advisory-related work, including demonstrated experience with transactions in the crypto sector, had already completed a detailed analysis of the Company against its direct competitors and had identified a window for a potentially accretive transaction involving strategic third parties located in the United States (which would have represented a shift in the core markets being serviced by the Company, then being centered primarily in Canada and Australia).

19. In early 2022, as part of its efforts to explore strategic measures to address liquidity concerns, the Company initiated a cross-border listing on the Nasdaq Stock Market. However, in light of, among other things, then prevailing capital markets conditions, the Company was unable to meet the minimum market price and other listing requirements of the Nasdaq Stock Market, and, accordingly, was unsuccessful in pursuing such dual listing.

20. On September 9, 2022, the Company received an unsolicited offer from a Canada-based business engaged in various decentralized financial services and products ("**Potential Acquiror D**") with respect to a potential acquisition of the Company for share consideration. The Company did not entertain discussions with Potential Acquiror E, as the offer reflected an exchange ratio having a lower than acceptable premium to then trailing 30-day volume-weighted average trading price of the Shares on the TSXV.

21. By September 2022, notwithstanding some examples of large-scale U.S. M&A involving crypto issuers during this time, the First Financial Advisor informed the Board that the prospect of a successful sale transaction had largely diminished, and the First Financial Advisor subsequently discontinued its advisory efforts.

22. The work of the First Financial Advisor coincided with a period of time during which the crypto markets were bearing immense pressures, with several large crypto companies having become insolvent or bankrupt. Notably, the factors contributing to the bankruptcy in November 2022 of FTX Trading Ltd., a Bahamas-based cryptocurrency exchange, coupled with the earlier collapse in May 2022 of the Terra Luna coin and the Terra "stablecoin", triggered a second "bear market" for crypto in as many years, resulting in widescale withdrawals by investors of digital assets from numerous prominent crypto exchanges, directly impacting the business of the Company.

23. Beginning in late 2022, the Company's auditors raised certain novel and unanticipated audit-related issues. In short, the Company's financial systems, while maturing, lacked the rigour required to process large volumes of orders in a manner which would be responsive to the auditor's expectations (and that of its accounting regulatory body) with respect to internal controls over financial reporting. Consequently, the Company's auditors were unable to complete the year-end audit process in a timely fashion and prior to the applicable filing deadline, as a result of which the Company was unable to file its audited year-end financial statements within the time period required by applicable securities laws. On November 3, 2022, the British Columbia Securities Commission and the Ontario Securities Commission issued a cease trade order in respect of the Company on account of the failure by the Company to timely file audited financial statements for the fiscal year ended June 30, 2022, and certain related documentation. The Company replaced its Chief Financial Officer on

January 2, 2023 and worked in earnest to address the auditor's concerns, in the process implementing numerous changes with respect to the Company's internal financial controls and its financial reporting systems. The cease trade order remained in place until July 6, 2023, resulting in an extended period of no trading.

24. By October 2022, the Company was continuing to experience cash-flow issues which were contributing to an erosion of the Company's financial performance and cash balances. Faced with the prospect of insolvency, the Company resorted to debt financing, completing a $3.5 million funding agreement with Lind Global Fund II, LP (the "**Senior Lender**") in October 2022. Although the Company was able to secure funding to address its short-term business needs, the Company continued to encounter hurdles in its pursuit of stable, longer-term financing.

25. Following the discontinuance of the engagement with the First Financial Advisor, and notwithstanding the macro and micro-economic backdrop, the Board continued to believe that there would be some merit in pursuing possible M&A activity. After a brief search, the Board formally retained Architect Partners (the "**Second Financial Advisor**") in October 2022. The Second Financial Advisor was unique among other possible financial advisors insofar as it had specific expertise with M&A and financial advisory services in the crypto sector, having acted on more than 300 transactions having an aggregate value of greater than $30 billion in this sector, including on behalf of leading crypto growth companies like FairX and Inflection. The Second Financial Advisor was engaged to assist the Board in identifying and evaluating strategic opportunities to maximize shareholder value, including potential M&A, financing and similar transactions.

26. Beginning in late October 2022, the Second Financial Advisor commenced an exhaustive market canvass under a formal strategic review process initiated by the Board (the "**Strategic Review**"). For the fourteen month period between October 2022 and December 2023, more than 150 parties were contacted by the Second Financial Advisor, 34 management meetings were completed and the Company entered into 21 non-disclosure agreements with potential transaction participants. While some inquiries were made by interested third parties, the Strategic Review did not result in the submission of any formal offers or proposals, except for a non-binding offer made on November 1, 2023 by a New York-based payments infrastructure business ("**Potential Acquiror E**"), pursuant to which Potential Acquiror D offered to purchase all of the issued and outstanding Shares for cash consideration of $0.50 per Share. Following receipt of the non-binding offer, the Board engaged in preliminary discussions with Potential Acquiror D with a view to negotiating more favourable terms, which culminated in Potential Acquiror D submitting to the Company a revised non-binding indication of interest on December 1, 2023, reflecting cash consideration of $1.00 per Share. While further discussions ensued, the parties were unable to reach agreement on ancillary terms and a suitable timeline for the proposed transaction, and discussions among the parties were terminated shortly thereafter.

27. On October 30, 2023, the Company announced that, as a result of delays caused by the transition to a new audit firm, it would again miss the deadline to file its audited annual financial statements and related documentation for the fiscal year ended June 30, 2023. In contrast to the events of the prior fiscal year, the Company obtained a management cease

trade order in this regard from the British Columbia Securities Commission on November 1, 2023, which was subsequently revoked on January 4, 2024.

28. Upon their appointment, the newly reconstituted Board immediately focused on the Company's profitability. Under the leadership of Mr. Qureshi, the new Board embarked on a restructuring of the Company's indebtedness in order to manage the high cost of capital and to reduce risk to the Company's business due to potential breaches of the Company's debt obligations. In this regard, the most pressing task was to renegotiate and to repay the Company's existing senior secured convertible note facility with the Senior Lender. The Company achieved this by completing a non-brokered private placement of convertible debenture units of the Company, with anchor subscriptions led by Mr. Qureshi's family office and Mr. Arians, for aggregate gross proceeds of $5.69 million (facilitating yet greater alignment by Mr. Qureshi and Mr. Arians with the economic interests of shareholders). In December 2023, using the proceeds of this private placement and as part of the Company's efforts to improve its balance sheet and financial position, the Company paid out substantially all of the indebtedness owing to the Senior Lender. The repayment of such indebtedness contributed to a reduction in the cost of working capital funding by the Company.

29. The Board put a halt to further M&A efforts in December 2023 and the engagement of the Second Financial Advisor was formally terminated in May 2024. Following this, and in an effort to address the Company's ongoing cash management issues, coupled with its weak balance sheet and negative equity value, between the fourth quarter of 2023 and the second quarter of 2024, the Company implemented certain temporary salary reductions for all employees. As part of this measure, Mr. Arians and Mr. Qureshi each accepted the largest reductions in salaries and fees for several months, with Mr. Arians and Mr. Qureshi accepting a reduction in salaries of 100% and 50%, respectively. While such measures decreased the Company's G&A expenses for the relevant period, the Company's cash management issues persisted.

30. In March 2024, the Company received a non-binding proposal from a US-based Bitcoin and crypto wallet platform (**"Potential Acquiror F"**), pursuant to which Potential Acquiror E offered to purchase all of the issued and outstanding Shares in consideration for a combination of cash and share purchase warrants of the combined entity, contingent on the completion by Potential Acquiror E of certain of its strategic corporate milestones. Following receipt of the non-binding offer, the parties engaged in preliminary discussions and the Company provided Potential Acquiror E with initial feedback on its proposal. Due diligence investigations commenced following the execution of a non-disclosure agreement. Discussions were ended, however, after the Company learned of certain securities regulatory hurdles on the part of Potential Acquiror E which would delay indefinitely the completion of any proposed transaction with the Company.

31. In an effort to ensure that the market price of the Shares reflected the Company's underlying growth and change in direction, the Company also undertook investor relations efforts during the first eight (8) months of 2024. Among other initiatives, the Company engaged a market maker and an investment relations firm, Generation IACP Inc., in February 2024, to provide

market making services to the Company. During the same period, Management also commenced external outreach efforts, connecting with a significant number of family offices, investment firms, brokers and other third parties, through the Company's outreach and via multiple investor relations firms, with a view to a possible debt or equity financing.

32. The Company's efforts in this regard did not yield favourable results. In fact, the market price of the Shares on the TSXV continued to decline (hovering between $0.55 to $0.74 in the period between April 1, 2024 and June 30, 2024). The Shares were also thinly and irregularly traded, with inadequate daily trading volumes.

33. By June 2024, it became increasingly clear to members of the Board and Management that a management-led going-private transaction might be the best solution for the Company on a go-forward basis. Such a transaction, which would be quarter-backed by Mr. Qureshi and Mr. Arians, would allow the Company to continue to be operated under the leadership of its existing Board and Management team, but without the costs and burdens associated with a public listing.

34. The Purchaser was subsequently formed on July 25, 2024 by Mr. Qureshi and Mr. Arians as a special purpose vehicle for the purpose of consummating a management-led buy-out of the Company. Cassels Brock & Blackwell LLP (**"Cassels"**), one of Canada's leading M&A law firms, was formally retained by the Purchaser on August 8, 2024 to assist the Purchaser with all legal aspects relating to the Arrangement, having special regard to the legal requirements which would be triggered on account of the "related party" nature of the Arrangement.

35. On July 30, 2024, the Purchaser submitted a non-binding indication of interest (the **"First Indication of Interest"**) to the then independent members of the Board, Joshua (Jim) Landau and Kaushik Sthankiya (the **"Independent Directors"**). The First Indication of Interest provided for the purchase by the Purchaser of all of the issued and outstanding Shares, excluding Shares owned by certain Continuing Shareholders to be identified by the Purchaser, for cash consideration ranging from $0.80 to $1.00 per Share, which then represented a premium of: (a) 70% to 113% to the closing price of the Shares on July 30, 2024; and (b) 51% to 89% to the trailing 30-day volume-weighted average trading price of the Shares, in each case, on the TSXV. It is important to note that the proposed bid price range in the First Indication of Interest (and in the Second Indication of Interest) was based in part on the last all-cash offer that was made by an arm's length third-party to the Company, being Potential Acquiror D's offer of $1.00 per Share.

36. On August 2, 2024, the Independent Directors met to discuss the First Indication of Interest. Following the meeting, the Independent Directors directed several inquiries to Mr. Qureshi and Mr. Arians, requesting further details with respect to, among other things, the proposed Arrangement, the Purchaser (and in particular, its financial capability to provide funds necessary to complete the Arrangement), and the justification for the valuation attributed to the Company, each of which were promptly addressed by Mr. Qureshi and Mr. Arians in their capacities as representatives of the Purchaser. Mr. Qureshi and Mr. Arians, acting on the advice of Cassels, also advised the Independent Directors that it would be necessary or advisable for the Board to form a special committee of independent directors in connection

with the Arrangement. At this time, one of the Independent Directors, Joshua (Jim) Landau, communicated to the Board his intention to resign from the Board in order to pursue other opportunities. The Independent Directors agreed with Mr. Qureshi and Mr. Arians with respect to the formation of a special committee, but withheld on forming the special committee until such time as the Independent Directors were replaced or supplemented with one or more independent members harbouring the necessary experience and expertise with respect to a "related party transaction" under MI 61-101.

37. In the three weeks that followed, the Independent Directors carried out interviews with a number of proposed director nominees for this purpose. Deliberations between the Independent Directors and the Purchaser were suspended with respect to the First Indication of Interest during this time, it being the intention of the Independent Directors and the Purchaser to authorize the formation of a special committee once the Board had been appropriately reconstituted.

38. On September 10, 2024, after a comprehensive search process, the Company appointed Mr. Richard Wells to the Board as a Non-Executive Director. Mr. Wells possesses invaluable experience and expertise from his roles as a member of various boards of directors across multiple industries and as an executive in leading finance functions (including with respect to accounting, reporting and taxation), and, perhaps most notably, recently served as the Chair of the special committee of a TSXV-listed issuer which successfully completed a going-private transaction involving a "related party" as the purchaser. In the view of the Independent Directors, among the proposed director nominees who were interviewed, Mr. Wells was the most qualified individual to join the Board and to serve as Chair of the Special Committee. On the same date as Mr. Wells' appointment, the Company announced the resignation of Mr. Joshua (Jim) Landau.

39. On October 10, 2024, the Purchaser submitted to the Board a revised draft of its non-binding indication of interest (the "**Second Indication of Interest**"), which re-confirmed the Purchaser's offer to purchase all of the issued and outstanding Shares, excluding Shares owned by certain Continuing Shareholders to be identified by the Purchaser, for cash consideration ranging from $0.80 to $1.00 per Share. The proposed bid price range then represented an even higher premium of: (a) 132% to 190% to the closing price of the Shares on October 9, 2024; and (b) 116% to 170% to the trailing 30-day volume-weighted average trading price of the Shares, in each case, on the TSXV. The Second Indication of Interest also offered up a customary a 25-day "go-shop" period in favour of the Company and indicated that the Purchaser is prepared to accept a lower-than-customary break fee of 3.0% in order to afford the Special Committee greater latitude to consider potential Superior Proposals following execution of the Arrangement Agreement. The Second Indication of Interest included an exclusivity period which ended on January 22, 2025, subject to automatic extension in certain circumstances.

40. On October 10, 2024, the Board convened a meeting to authorize the formation of the Special Committee, consisting of Mr. Sthankiya and Mr. Wells, with Mr. Wells serving as Chair of the Special Committee.

41. In the week following its formation, the Special Committee met a number of times to discuss developments relating to the Second Indication of Interest and to formalize the engagement of independent financial and legal advisors.

42. In October 2024, the Special Committee considered financial advisors to assist with strategic approaches for the potential transaction with the Purchaser. Given its existing knowledge of the Company, the Second Financial Advisor was re-engaged by the Special Committee to act as its financial advisor. The Second Financial Advisor had a deep understanding of the Company and had previously reached out to 166 potential buyers and therefore had deep knowledge of the sector. Numerous meetings were held with the Second Financial Advisor commencing on October 11, 2024, where the Second Financial Adviser verbally agreed to reinstate the previously terminated agreement. The Second Financial Advisor was formally retained on November 20, 2024.

43. The Special Committee subsequently met with Evans & Evans on to update Evans & Evans on the current status of the Second Indication of Interest and to discuss a strategic approach as to how to engage with the Purchaser.

44. Over the ensuing weeks, the Special Committee met several times with the Second Financial Advisor and Peterson McVicar to receive updates on any further discussions with representatives of the Purchaser, and to discuss potential alternatives.

45. On October 25, 2024, the Special Committee circulated to the Purchaser a revised draft of the Second Indication of Interest, which reflected: (a) a narrower bid price range, which was revised to be between $0.85 to $1.00 per Share; (b) an increase to the duration of the go-shop period, from 25 days to 30 days; and (c) a shortening of the initial exclusivity period, from January 25, 2025 to January 13, 2025. Upon receipt of the Second Indication of Interest, the Purchaser reviewed and accepted each of the changes proposed by the Special Committee.

46. The Company and the Purchaser executed the Second Indication of Interest as of November 1, 2024. In parallel, the Purchaser also commenced efforts to reach out to certain shareholders for the purpose of: (a) seeking their interest and consent to roll their equity in connection with the Arrangement; and (b) obtaining a commitment by them to execute Voting Support Agreements. Mr. Qureshi and Mr. Arians also began wall-crossing a select group of significant shareholders with a view to obtaining their commitment to execute Voting Support Agreements. In the weeks leading up to the execution of the Second Indication of Interest, Management's outreach efforts showcased strong support among the Continuing Shareholders for the Arrangement at the bid price range indicated in the Second Indication of Interest.

47. During business hours on December 19, 2024, the Special Committee, together with Peterson McVicar and certain members of Management, met to discuss the status of the various transaction workstreams and outstanding issues relating to the Arrangement Agreement and other ancillary documents, with a view to finalizing all documents for signing. In the following

days, the Company and its advisors continued to advance the transaction documentation into execution form.

48. After the close of markets on December 19, 2024, the Special Committee convened with DuMoulin Black and Evans & Evans to consider and to approve its recommendation to the Board. In a presentation to the Special Committee, Evans & Evans delivered its oral Fairness Opinion, noting that, as of December 19, 2024 and subject to the various assumptions made, procedures followed, matters considered, and the limitations and qualifications on the scope of the review undertaken by Evans & Evans and set forth in the Fairness Opinion presentation materials, the Consideration to be received by the Shareholders under the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Continuing Shareholders). The Special Committee reviewed the relative benefits and risks associated with the Arrangement as compared to the status quo and other alternatives, including the factors set out at pages 54 to 63 of the Circular under the heading *"Background to the Arrangement — Purposes and Reasons for the Recommendation"*. After careful deliberation, the Special Committee determined that the Arrangement is in the best interests of the Company and resolved that the Special Committee recommend to the Board: (a) the approval of the Arrangement Agreement, the Arrangement and the transactions contemplated thereby; (b) that Affected Securityholders vote in favour of the Arrangement Resolution; and (c) the execution of the Arrangement Agreement, substantially in the form presented, and any related transaction documentation, together with such additions, deletions and alterations thereto as the persons authorized by the Board shall approve.

49. Following the meeting of the Special Committee, the Board, Management, and DuMoulin Black convened to receive the recommendation of the Special Committee and to consider the Arrangement Agreement, the Arrangement, and the matters ancillary thereto. Richard Wells presented the Special Committee's recommendations to the Board and the reasons for its recommendations. After careful deliberation, the Board (with Conflicted Directors abstaining) unanimously: (a) determined that the Arrangement is in the best interests of the Company; (b) authorized the execution of the Arrangement Agreement, substantially in the form presented to the Board, and related documentation thereto; and (c) resolved to recommend that the Affected Securityholders vote in favour of the Arrangement Resolution.

50. On the evening of December 19, 2024, following the close of markets, the Company and the Purchaser executed and delivered the Arrangement Agreement, following which the Company issued a news release announcing the execution of the Arrangement Agreement.

51. During the Go-Shop Period, being the 43-day period following the execution of the Arrangement Agreement, the Company has been permitted, with the assistance of the Second Financial Advisor, to actively solicit, evaluate and enter into negotiations with third parties that have expressed an interest in acquiring the Company. The Second Financial Advisor was selected by the Special Committee to assist with the Go-Shop as it had already presided over the fourteen-month Strategic Review and was therefore best placed to liaise with interested third parties.

Reasons and Support for the Arrangement

52. The following reasons and support for the Arrangement can found under the heading "Purposes and Reasons for the Recommendation" in the Circular attached as Exhibit "A" to Wells #1, beginning at page 60 of the bates numbering.

53. In making the determination to unanimously recommend to the Board the approval of the Arrangement Agreement, and in resolving to approve the Arrangement Agreement, the Special Committee and the Board, respectively, carefully considered all aspects of the Arrangement and received advice from financial and legal advisors. The following is a summary of the principal reasons for the Special Committee's determination to unanimously recommend approval of the Arrangement to the Board, and in the Board's determination to approve the Arrangement Agreement:

(a) **Compelling Value and Immediate Liquidity** – The Consideration provides shareholders with immediate value and is of particular benefit given the limited trading volume, the financial challenges facing the Company and the lack of liquidity in the Shares. The Consideration represents a 33% premium to the closing price of the Shares on the TSXV on December 18, 2024, the last trading day immediately prior to the announcement of the Arrangement, and a 16% and 54% premium, respectively, to the 30-day and 60-day average trading prices of the Shares ending on December 18, 2024. Additionally, the Consideration represents a 190% premium to the closing price of the Shares on the day prior to which the original offer was made.

(b) **All Cash Consideration**. The Consideration to be received by the Shareholders pursuant to the Arrangement is comprised entirely of cash, which allows such Shareholders to crystalize the favourable premium discussed above while achieving certainty of value and liquidity without ongoing exposure to the risks which the Company faces on a standalone basis.

(c) **Management** – The management of the Company will continue to be led by Holger Arians, the Company's current Chairman and Co-Chief Executive Officer, and Zafer Qureshi, the Company's current Executive Director and Co-Chief Executive Officer, ensuring stability and continuity in the vision and business plan which is already being capably executed by them.

(d) **Other Factors**. The Special Committee and the Board also considered the Arrangement with reference to the financial condition and results of operations of the Company, as well as its prospects, strategic alternatives and competitive position, including the risks involved in achieving those prospects and pursuing those alternatives in light of current market conditions, and the Company's financial position, including the Company's ability to continue as a going concern and otherwise execute on its business strategies.

54. In making its determinations and recommendations, the Special Committee and the Board also observed that a number of procedural safeguards were in place and present to permit the Special Committee and the Board to protect the interests of the Company, its

Shareholders (other than the Continuing Shareholders) and other Company stakeholders. These procedural safeguards included, among others:

(a) **Special Committee and Board Oversight.** The Arrangement and the Arrangement Agreement are the result of a robust negotiation process that was undertaken with the oversight and participation of the Special Committee, as advised by independent and highly qualified legal and financial advisors, which resulted in an agreement with terms and conditions that provide the Shareholders (other than the Continuing Shareholders) with significant, immediate and certain value, on terms that are reasonable in the judgment of the Special Committee and the Board (with Conflicted Directors abstaining).

(b) **Fairness Opinion** – The Special Committee obtained a fairness opinion from E&E, which opinion concluded that, as of December 19, 2024, based upon and subject to the assumptions made, procedures followed, matters considered and the limitations and qualifications set out therein, the Consideration to be received by Shareholders (other than the Continuing Shareholders) pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders. The fees payable to E&E for the Fairness Opinion were not contingent upon the conclusion reached by E&E being favourable to the Arrangement. See "The Arrangement – Fairness Opinion", and Appendix "F" to the Circular.

(c) **Go-Shop Provision** – The Arrangement Agreement includes a go-shop provision, which permits the Company with the assistance of its financial advisor, Architect Partners, LLC, to actively solicit, evaluate and enter into negotiations with third parties that have expressed an interest in acquiring the Company during for a forty-three (43) day period ending January 31, 2025. During the Go-Shop Period, the Company has the ability to solicit, initiate, encourage or otherwise engage or participate in discussions or negotiations which could result in an Acquisition Proposal. As of the date of the Circular, the go-shop process has not resulted in any Superior Proposals relative to the Arrangement.

(d) **Ability to Respond to Superior Proposals.** The Arrangement Agreement permits the Board, in the exercise of its fiduciary duties, to respond, prior to the Meeting, to certain Acquisition Proposals that are or could reasonably be expected to constitute or lead to a Superior Proposal.

(e) **Support for the Transaction** – Each of the Continuing Shareholders and certain other shareholders, including each of the directors and certain executive officers of the Company, have entered into voting support agreements, pursuant to which they have agreed to, among other things, vote their Shares, representing an aggregate of 24,181,439 Shares (or approximately 53% of the total issued and outstanding Shares), in favour of the Arrangement Resolution at the Meeting.

(f) **Reasonable Break Fee** – The break fee payable by the Company, being C$911,741 where the Arrangement Agreement is terminated due to a Go-Shop Fee Event, or

C$1,823,482 where the Arrangement Agreement is terminated in certain other circumstances, is reasonable and payable only in customary and limited circumstances. In the view of the Special Committee and the Board, the break fee would not preclude a third party from potentially making a Superior Proposal. See "The Arrangement Agreement – Termination Fees and Expenses".

(g) **Shareholder and Court Approval.** The Arrangement is subject to the following shareholder and court approvals, which protect Shareholders, and confirms that the Arrangement treats all stakeholders of the Company (other than the Continuing Shareholders) equitably and fairly:

a. at least two-thirds of the votes cast by Shareholders present or represented by proxy at the Meeting;

b. at least two-thirds of the votes cast by Securityholders present or represented by proxy at the Meeting;

c. a simple majority of the votes cast by Shareholders present or represented by proxy and entitled to vote at the Meeting, other than persons required to be excluded for the purpose of such vote under MI 61-101; and

d. a determination of the Court that the terms and conditions of the Arrangement are fair and reasonable, both procedurally and substantively, to the rights and interests of Shareholders (other than the Continuing Shareholders) and other affected persons.

(h) **Dissent Rights.** Registered Shareholders who oppose the Arrangement may, upon compliance with certain conditions, exercise Dissent Rights and, if ultimately successful, receive fair value for their Shares and the Purchaser cannot terminate the Arrangement Agreement unless Shareholders holding at least 5% of the Shares dissent.

Interests of Certain Persons

55. As of December 27, 2024, all current the directors and senior officers of Banxa, as a group, beneficially owned, controlled or directed by each of them and their associates and affiliates:

(a) 3,068,458 Banxa Shares, representing approximately 6.7% of the issued and outstanding Banxa Shares;

(b) 1,368,750 Banxa Options, representing approximately 52.3% of the issued and outstanding Banxa Options; and

(c) 625,000 Banxa Warrants, representing approximately 22.0% of the issued and outstanding Banxa Warrants.

The Meeting and Approvals

56. It is proposed, in accordance with the Interim Order, that Banxa convene the Meeting on February 12, 2025 at 10:00 a.m. (Pacific Time) to consider, *inter alia*, and, if thought fit, to pass, subject to such amendments, variations or additions as may be approved at the Meeting, the Arrangement Resolution.

57. The Banxa Board has resolved that the record date for determining the Banxa Securityholders entitled to receive notice of, attend, and vote at the Meeting be fixed at December 27, 2024.

58. In connection with the Meeting, Banxa intends to send to each Banxa Securityholder a copy of the following materials and documentation substantially in the forms attached as Exhibits "A" to "E" to Wells #1 on or about January 9, 2025:

    (a) The Notice of the Meeting and accompanying Circular (a copy of which is attached as Exhibit "A" to Wells #1) that includes, among other things:

        a. an explanation of the effect of the Arrangement;

        b. the text of the Arrangement Resolution;

        c. the text of the proposed Plan of Arrangement;

        d. a copy of the Petition;

        e. a copy of the Interim Order;

        f. a copy of the Notice of final hearing of the Petition;

        g. a summary of the Arrangement Agreement;

        h. a copy of the dissent provisions contained in Division 2 of Part 8 of the BCBCA; and the form of proxy Securityholders; and

        i. a Fairness Opinion, conducted by Evans & Evans; and

    (b) the form of proxy for use by the Securityholders and in the case of registered Shareholders, also the letter of transmittal (draft copies of which are attached as Exhibit "C" and Exhibit "D" to Wells #1).

59. All such documents may contain such amendments thereto as the Petitioner (based on the advice of its solicitors) may determine are necessary or desirable, provided such amendments are not inconsistent with the terms of the Interim Order.

Quorum and Voting at the Meeting

60. A quorum at the Meeting shall be at least one person who is, or who represents by proxy, one or more Banxa Shareholders.

61. At the Meeting, the votes shall be taken on the following bases:

(a) Each registered Banxa Shareholder whose name is entered on the central securities register of Banxa as at the close of business on the Record Date is entitled to one (1) vote for each Banxa Share registered in his/her/its name;

(b) Each Banxa Optionholder whose name is entered on the central securities register of Banxa as at the close of business on the Record Date is entitled to one (1) vote for each Banxa Option registered in his/her/its name; and

(c) Each Banxa Warrantholder whose name is entered on the securities register of Banxa as at the close of business on the Record Date is entitled to one (1) vote for each Banxa Warrant registered in his/her/its name.

62. The requisite and sole approvals required to pass the Arrangement Resolution shall be the affirmative vote of at least:

(a) 66⅔% of the votes cast by the Banxa Shareholders, present in person or represented by proxy at the Meeting;

(b) 66⅔% of the votes cast by the Banxa Securityholders, voting together as a single class, present in person or by proxy at the Meeting, on the basis of one vote per Banxa Share, Banxa Option or Banxa Warrant held; and

(c) a simple majority of the votes cast on the Arrangement Resolution by Banxa Shareholders, present in person or represented by proxy at the Meeting, excluding for this purpose votes attached to Banxa Shares held by persons described in items (a) through (d) of Section 8.1(2) of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

Rights of Dissent

63. The registered Banxa Shareholders shall have rights of dissent in respect of the Arrangement Resolution equivalent to those provided in Division 2 of Part 8 of the BCBCA.

64. In essence, the dissent rights will provide that any registered Banxa Shareholder who objects to the Arrangement Resolution, and properly exercises the dissent rights by strictly complying with the procedures as set out in Division 2 of Part 8 of the BCBCA, has the right to require that the Petitioner purchase such shareholder's Banxa Shares for their fair value.

United States Securities Laws

65. Section 3(a)(10) of the United States Securities Act of 1933 as amended (the "**1933 Act**"), provides an exemption from the general registration requirements of the 1933 Act for

securities issued in exchange for one or more bona fide outstanding securities where the terms and conditions of the issuance and exchange of such securities have been approved as substantively and procedurally fair by a court of competent jurisdiction that is expressly authorized by law to grant such approval after a hearing upon the substantive and procedural fairness of such terms and conditions of the issuance and exchange at which all persons to whom the securities will be issued in such exchange have the right to appear and have received timely notice thereof.

66. Banxa hereby gives notice to the Court of the intent of Banxa and 149 to rely upon the exemption provided by Section 3(a)(10) under the 1933 Act with respect to the issuance of the Consideration pursuant to the Arrangement.

67. Banxa and 149 do not wish to proceed with the transactions contemplated by the Plan of Arrangement, except by way of an arrangement under the BCBCA, so that Banxa and 149 may rely on the exemption provided by Section 3(a)(10) of the 1933 Act. If such exemption were not available, compliance with the United States securities laws would likely subject Banxa and 149 to inordinate costs and inconvenience, and delay implementation of the Arrangement, none of which Banxa believes is in the best interests of the Banxa Securityholders.

68. Banxa and 149 will rely on this Court's approval as the basis for the exemption from the registration requirements of the 1933 Act, pursuant to Section 3(a)(10) thereof, for the issuance of the Consideration pursuant to the Arrangement.

Part 3: LEGAL BASIS

69. The Petitioner relies on sections 186, 238, 242-247, 288-299 of the BCBCA, Supreme Court Civil Rules 1-2(4),1-3, 2-1(2)(b), 4-4, 4-5, 8-1, and 16-1, and the inherent jurisdiction of this Court.

70. Section 288(1) of the BCBCA permits a company to propose an arrangement with its shareholders, creditors or other persons and may, in that arrangement, make any proposal it considers appropriate.

71. Section 288(2) of the BCBCA sets out two preconditions for an arrangement to take effect: (a) the adoption of the arrangement in accordance with section 289, and (b) court approval under section 291.

72. This Court has recognized that section 291 of the BCBCA contemplates three steps in the process of approving an arrangement:

    (a) An application for an interim order for directions calling a shareholders' (and possibly other securityholders') meeting to consider and vote on the arrangement;

    (b) A meeting of shareholders (and possibly other securityholders) where the arrangement must be voted on and approved by special resolution; and

(c) An application for final approval of the arrangement.

Re Plutonic Power Corporation, 2011 BCSC 804 ("*Plutonic*") at para. 16

73. The Petitioner intends to apply for an interim order for directions, and following the meeting to be held in compliance with the terms of the interim order, return to this Court for approval of the arrangement.

74. An interim order is preliminary in nature. The purpose of the interim order is to set the wheels in motion for the application process relating to the arrangement and to establish the parameters for the holding of shareholder meetings to consider approval of the arrangement in accordance with the statute.

Mason Capital Management LLC v TELUS Corp, 2012 BCSC 1582 ("*Mason*") at para. 31

75. In order to grant an interim order, a court needs only to satisfy itself that reasonable grounds exist to regard the proposed transaction as an 'arrangement'. The court will consider the merits and fairness of the arrangement at the final hearing stage.

Mason at para. 32

76. In determining whether a plan of arrangement should be approved, the court must focus on the terms and impact of the arrangement itself, rather than on the process by which it was reached. What is required is that the arrangement itself, viewed substantively and objectively, be suitable for approval.

Plutonic at para 19 citing B.C.E at para 136

77. The principles to be applied in considering an application for court approval of a plan of arrangement were set out by the Supreme Court of Canada in *B.C.E. Inc. v. 1976 Debenture Holders*, 2008 SCC 69 ("B.C.E"):

(a) In seeking approval of an arrangement, the corporation bears the onus of satisfying the court that the statutory procedures have been met, the application has been put forward in good faith, and the arrangement is fair and reasonable: at para. 137.

(b) In order to determine whether a plan of arrangement is fair and reasonable, the court must be satisfied that the plan serves a valid business purpose and that it adequately responds to the objections and conflicts between different affected parties: at paras. 138, 143.

(c) Whether a plan of arrangement is fair and reasonable is determined by taking into account a variety of relevant factors, including the necessity of the arrangement to the corporation's continued existence, the approval, if any, of a majority of shareholders and other security holders entitled to vote, and the proportionality of the impact on affected groups: at paras. 144-154.

Plutonic at para. 19 citing B.C.E.

78. Under the valid business purpose prong of the fair and reasonable analysis, courts must be satisfied that the burden imposed by the arrangement on security holders is justified by the interests of the corporation. The proposed plan of arrangement must further the interests of the corporation as an ongoing concern.

Plutonic at para. 19 citing B.C.E. at para. 145

79. The second prong of the fair and reasonable analysis focuses on whether the objections of those whose rights are being arranged are being resolved in a fair and balanced way. The court must be careful not to cater to the special needs of one particular group but must strive to be fair to all involved in the transaction depending on the circumstances that exist. The overall fairness of any arrangement must be considered as well as fairness to various individual stakeholders.

Plutonic at para. 19 citing B.C.E. at para. 147-148

80. The following list of non-exhaustive factors has been considered by courts in applying the above principles:

(a) The necessity of the arrangement to the continued operations of the corporation. Necessity is driven by the market conditions that a corporation faces. The degree of necessity of the arrangement has a direct impact on the court's level of scrutiny;

(b) Although not determinative, courts have placed considerable weight on whether a majority of security holders has voted to approve the arrangement. Voting results offer a key indication of whether those affected by the plan consider it to be fair and reasonable;

(c) The proportionality of the compromise between various security holders;

(d) The security holders' position before and after the arrangement;

(e) whether the plan has been approved by a special committee of independent directors;

(f) the presence of a fairness opinion from a reputable expert;

(g) the access of shareholders to dissent rights;

(h) The impact on various security holders' rights; and

(i) The repute of the directors and advisors who endorse the arrangement and the arrangement's terms.

Plutonic at para. 19 citing B.C.E. at para. 146, 150, 152

81. The overall determination of whether an arrangement is fair and reasonable is fact-specific and may require the assessment of different factors in different situations.

Plutonic at para. 19 citing B.C.E. at para. 153

82. There is no such thing as a perfect arrangement. What is required is a reasonable decision in light of the specific circumstances of each case, not a perfect decision.

Plutonic at para. 19 citing B.C.E. at para. 155

83. The Arrangement in this case is put forward in good faith and is fair and reasonable. On that basis, the Petitioner asks that the court grant its application for the Interim Order and the Final Order.

MATERIAL TO BE RELIED ON

84. The Affidavit #1 of Richard Wells, made January 7, 2025; and

85. Such further materials as counsel for Banxa may advise.

Dated: January 7, 2025

For ______________________________
Signature of lawyer for the petitioner
Nicole Chang

To be completed by the court only:

Order made

☐ in the terms requested in paragraph ____________________ of Part 1 of this petition

☐ with the following variations and additional terms:

____
____
____

Dated: ________/Jan/2025

____
Signature of ☐ Judge ☐ Associate Judge

No. ___________
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, C.57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING BANXA HOLDINGS INC. and 1493819 B.C. LTD.

BANXA HOLDINGS INC.

PETITIONER

ORDER MADE AFTER APPLICATION (INTERIM ORDER)

BEFORE ASSOCIATE JUDGE 9/JAN/2025

ON THE APPLICATION of the Petitioner, Banxa Holdings Inc. ("**Banxa**") for an Interim Order under section 291 of the British Columbia *Business Corporations Act*, S.B.C. 2002, c. 57, as amended (the "**BCBCA**") in connection with an arrangement involving Banxa, the Banxa Securityholders (as defined below) and 1493819 B.C. Ltd. ("**149**") under section 288 of the BCBCA

☑ without notice coming on for hearing at 800 Smith Street, Vancouver, British Columbia on January 9, 2025 and on hearing Sam Macdonald, counsel for Banxa, and upon reading the Petition filed herein and the Affidavit No. 1 of Richard Wells made January 7, 2025 (the "**Wells Affidavit**") and filed herein, and upon being advised by counsel for Banxa that it is the intention of the parties to rely on section 3(a)(10) of the *United States Securities Act of 1933*, as amended (the "*Act*"), and that the declaration of fairness of, and the approval of, the Arrangement (as defined below) by this Honourable Court will serve as the basis for an exemption from the registration requirements of the 1933 Act pursuant to section 3(a)(10) thereof, for the issuance of securities in connection with the Arrangement (as defined below);

THIS COURT ORDERS that:

SPECIAL MEETING

1. Pursuant to sections 186, 288, 289(1)(a)(i) and (e), 290 and 291(2)(b)(i) of the BCBCA, Banxa is authorized and directed to call, hold and conduct a special meeting (the "**Meeting**") of the holders (the "**Banxa Shareholders**") of Banxa common shares (the "**Banxa Shares**"), the holders (the "**Banxa Optionholders**") of Banxa options, and the holders (the "**Banxa Warrantholders**", and together with the Banxa Shareholders and the Banxa Optionholders, the "**Banxa Securityholders**") of Banxa warrants (the "**Banxa Warrants**"), to be held on February 12, 2025 at 10:00 am (Vancouver time) at 1111 West Hastings Street, 15th Floor, Vancouver, BC V6E 2J3:

   a. to consider and, if thought advisable, to pass, with or without variation, a special resolution (the "**Arrangement Resolution**") of the Banxa Securityholders approving an arrangement (the "**Arrangement**") under Division 5 of Part 9 of the BCBCA; and

   b. to transact such further and other business, including amendments to the foregoing, as may properly be brought before the Meeting, or any adjournment or postponement thereof.

2. The Meeting shall be called, held and conducted in accordance with the BCBCA, the notice of special meeting of the Banxa Securityholders (the "**Notice**"), the management information circular, which is attached as Exhibit "A" to the Wells Affidavit (the "**Information Circular**"), the articles of Banxa and applicable securities laws, subject to the terms of this Interim Order and any further Order of this Court, as well as the rulings and directions of the Chair of the Meeting, such rulings and directions not to be inconsistent with this Interim Order, and to the extent of any inconsistency this Interim Order shall govern or, if not specified in the Interim Order, the Information Circular shall govern.

AMENDMENTS

3. Banxa is authorized to make, in the manner contemplated by and subject to the arrangement agreement between Banxa and 149 dated December 19, 2024 (the "**Arrangement Agreement**"), such amendments, modifications or supplements to the Arrangement, the Plan of Arrangement, the Arrangement Agreement and the Notice as it may determine without any additional notice to or authorization of the Banxa Securityholders or further orders of this Court. The Arrangement, the Plan of Arrangement, the Arrangement Agreement and the Notice as so amended, modified or supplemented, shall be the Arrangement, the Plan of Arrangement, the Arrangement Agreement and the Notice to be submitted to Banxa Securityholders at the Meeting, as applicable, and the subject of the Arrangement Resolution.

ADJOURNMENTS AND POSTPONEMENTS

4. Notwithstanding the provisions of the BCBCA and the articles of Banxa, and subject to the terms of the Arrangement Agreement, the board of directors of Banxa (the "**Banxa Board**") shall be entitled to adjourn or postpone the Meeting by resolution on one or more occasions without the necessity of first convening the Meeting or first obtaining any vote of the Banxa Securityholders respecting such adjournment or postponement and without the need for approval of this Court. Notice of any such adjournment or postponement shall be given by press release, newspaper advertisement or notice sent to the Banxa Securityholders by one of the methods specified in paragraph 8 of this Interim Order, as determined to be the most

appropriate method of communication by the Banxa Board, subject to the terms of the Arrangement Agreement.

5. The Record Date (as defined below) shall remain the same despite any adjournments or postponements of the Meeting.

RECORD DATE

6. The record date for determining Banxa Securityholders entitled to receive the Notice, the Information Circular (which includes, amongst other things, a copy of the Petition, the Notice of Hearing of Petition for Final Order, and the Interim Order granted), the Plan of Arrangement and the form of proxy for use by the Banxa Securityholders and in the case of registered Banxa Shareholders, also the letter of transmittal, (collectively, the "**Meeting Materials**") shall be the close of business on December 27, 2024 (the "**Record Date**"), as previously approved by the Banxa Board and published by Banxa. The Record Date shall remain the same despite any adjournments or postponements of the Meeting.

NOTICE OF SPECIAL MEETING

7. The Information Circular is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of section 290(1)(a) of the BCBCA, and Banxa shall not be required to send to the Banxa Securityholders any other or additional statement pursuant to section 290(1)(a) of the BCBCA.

8. The Meeting Materials in substantially the same form contained as Exhibits to the Wells Affidavit, with such amendments, deletions or additional documents as counsel for Banxa may advise are necessary or desirable, and as are not inconsistent with the terms of this Interim Order, shall be sent:

   (a) to registered Banxa Securityholders as they appear on the securities register(s) of Banxa or the records of its registrar and transfer agents as at the close of business on the Record Date, such Meeting Materials to be sent at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing, delivery or transmittal and the date of the Meeting, by one or more of the following methods:

      (i) by prepaid ordinary or air-mail addressed to such Banxa Securityholder at his, her, or its address as it appears on the applicable securities registers of Banxa or its registrar and transfer agent as at the Record Date;

      (ii) by delivery in person or by courier to the addresses specified in paragraph 8(a)(i) above; or

      (iii) by email or facsimile transmission to any such Banxa Securityholder who identifies himself, herself or itself to the satisfaction of Banxa (acting through its representatives), who requests such email or facsimile transmission and pays for the transmission fees in accordance with such request.

   (b) to non-registered Banxa Shareholders (those whose names do not appear in the securities register of Banxa), by sending copies of the Meeting Materials to intermediaries and registered nominees to facilitate the distribution of the Meeting Materials to beneficial owners in accordance with the procedures prescribed by

National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators at least three (3) business days prior to the twenty-first (21st) day prior to the date of the Meeting; and

(c) to the directors and auditor of Banxa by prepaid ordinary mail or by delivery in person or by recognized courier service or by email or facsimile transmission at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing, delivery or transmission.

9. Substantial compliance with the delivery of the Meeting Materials as ordered herein shall constitute good and sufficient notice of the Meeting, including compliance with the requirements of section 290(1)(a) of the BCBCA, and Banxa shall not be required to send to any Banxa Securityholders any other or additional statement pursuant to section 290(1) of the BCBCA.

10. The sending of the Meeting Materials, which includes the Petition, Notice of Hearing of the Petition and the Interim Order (collectively, the **"Court Materials"**), in accordance with paragraph 8 of this Order shall constitute good and sufficient service of such Notice of Petition upon all who may wish to appear in these proceedings, and no other service need be made and no other material need to be served on persons in respect of these proceedings except upon written request to the solicitors for Banxa at their address for service set out in the Petition In particular, service of the Petition and any supporting affidavits is dispensed with.

11. Accidental failure of or omission by Banxa to give notice to any one or more Banxa Securityholders or any other persons entitled thereto, or the non-receipt of such notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of Blackwolf (including, without limitation, any inability to use postal services) shall not constitute a breach of this Interim Order or, a defect in the calling of the Meeting and shall not invalidate any resolution passed or proceeding taken at the Meeting, but if any such failure or omission is brought to the attention of Banxa, then it shall use commercially reasonable efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

12. Banxa shall be at liberty to give notice of this application to persons outside the jurisdiction of this Court in the manner specified herein.

13. Provided that notice of the Meeting is given and the Meeting Materials are provided to the Banxa Securityholders, and any other persons entitled thereto in compliance with this Interim Order, the requirement of section 290(1)(b) of the BCBCA to include certain disclosure in any advertisement of the Meeting is waived.

DEEMED RECEIPT OF NOTICE

14. The Court Materials, Meeting Materials and any amendments, modifications, updates or supplements to the Meeting Materials and any notice of adjournment or postponement of the Meeting, shall be deemed to have been received, for the purposes of this Interim Order:

(a) in the case of mailing pursuant to paragraph 8(a)(i) above, the day, Saturdays, Sundays and holidays excepted, following the date of mailing;

(b) in the case of delivery in person pursuant to paragraph 8(a)(ii) above, the day following personal delivery or, in the case of delivery by courier, one (1) business day after receipt by the courier;

(c) in the case of transmission by email or facsimile pursuant to paragraph 8(a)(iii) above, upon the transmission thereof;

(d) in the case of advertisement, at the time of publication of the advertisement;

(e) in the case of electronic filing on SEDAR+, upon the transmission thereof; and

(f) in the case of beneficial Banxa Shareholders, three (3) days after delivery thereof to intermediaries and registered nominees.

UPDATING MEETING MATERIALS

15. Notice of any amendments, modifications, updates or supplements to any of the information provided in the Meeting Materials may be communicated, at any time prior to the Meeting, to the Banxa Securityholders or any other persons entitled thereto, by press release, news release, newspaper advertisement or by notice sent to the Banxa Securityholders by any of the means set forth in paragraph 8, as determined to be the most appropriate method of communication by the Banxa Board, subject to the terms of the Arrangement Agreement.

PERMITTED ATTENDEES

16. The only persons entitled to attend the Meeting shall be:

(a) the registered Banxa Securityholders as at 5 p.m. (Vancouver time) on the Record Date, or their respective proxyholders;

(b) directors, officers, auditors and advisors of Banxa;

(c) directors, officers, auditors and advisors of 149;

(d) other persons with the prior permission of the Chair of the Meeting;

and the only persons entitled to be represented and to vote at the Meeting shall be the registered Banxa Securityholders at the close of business on the Record Date, or their respective proxyholders.

SOLICITATION OF PROXIES

17. Banxa is authorized to use the form of proxy or voting instruction form (as applicable) and letter of transmittal (as applicable) in connection with the Meeting in substantially the same form as is attached as Exhibits "C" and "D" to the Wells Affidavit, subject to Banxa's ability to insert dates and other relevant information in the final form thereof and to make other non-substantive changes and changes legal counsel advise are necessary or appropriate. Banxa is authorized, at its expense, to solicit proxies directly and through its officers, directors and employees, and through such agents or representatives as it may retain for that purpose and by mail, telephone or such other form of personal or electronic communication as it may determine.

18. The procedures for the use of proxies at the Meeting and revocation of proxies shall be as set out in the Notice and the Information Circular.

19. Subject to the terms of the Arrangement Agreement, Banxa may in its discretion generally waive the time limits for the deposit of proxies by Banxa Securityholders if Banxa deems it advisable to do so, such waiver to be endorsed on the proxy by the initials of the Chair of the Meeting.

QUORUM AND VOTING

20. A quorum at the Meeting shall be at least one person who is, or who represents by proxy, one or more Banxa Shareholders.

21. The vote required to pass the Arrangement Resolution shall be the affirmative vote of:

    (a) at least 66⅔% of the votes cast by the Banxa Shareholders present in person or represented by proxy and entitled to vote at the Meeting;

    (b) at least 66⅔% of the votes cast by the Banxa Securityholders, voting together as a single class, present in person or represented by proxy and entitled to vote at the Meeting on the basis of one vote per Banxa Share held, one vote per Banxa Option held, and one vote per Banxa Warrant held;

    (c) a simple majority of the votes cast by the Banxa Shareholders present in person or represented by proxy and entitled to vote at the Meeting, excluding the votes attached to the Banxa Shares held by Continuing Shareholders (as defined in the Arrangement Agreement) who are "related parties" of the Company, or "related parties" or "joint actors" of such "related parties," in each case, as defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), together with any other person required to be excluded in accordance with MI 61-101.

SCRUTINEER

22. The scrutineer for the Meeting shall be TSX Trust Company (acting through its representatives for that purpose).

SHAREHOLDER DISSENT RIGHTS

23. Registered Banxa Shareholders will be the only Banxa Shareholders entitled to exercise right Dissent Rights (as defined below). A beneficial holder of Banxa Shares registered in the name of a broker, custodian, trustee, nominee, or other intermediary who wishes to dissent must make arrangements for the registered Banxa Shareholder to dissent on behalf of the beneficial holder of Shares, or alternatively, make arrangements to become a registered Banxa Shareholder.

24. Each registered Banxa Shareholder is granted rights to dissent (the "**Dissent Rights**") in respect of the Arrangement Resolution in accordance with sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement, this Interim Order and the Final Order, including that:

    (a) a registered Banxa Shareholder intending to exercise the Dissent Rights (a "**Dissenting Shareholder**") must give a written notice of dissent (a "**Notice of Dissent**") to Banxa c/o DuMoulin Black LLP, Attn: Justin Kates, 1111 West Hastings Street, 15th Floor, Vancouver BC, or jkates@dumoulinblack.com, to be received by Banxa no later than 5:00 p.m. (Vancouver time) on February 10, 2025, or if the

Meeting is adjourned or postponed, the date that is at least two days prior to the date of the Meeting;

(b) a Notice of Dissent must specify the name and address of the registered Banxa Shareholder, the number of Banxa Shares in respect of which the Notice of Dissent is being given (the "**Notice Shares**") and whichever of the following is applicable:

(i) if the Notice Shares constitute all of the Banxa Shares of which the Dissenting Shareholder is both the registered and beneficial owner and the Dissenting Shareholder holds no other Shares as beneficial owner, a statement to that effect;

(ii) if the Notice Shares constitute all of the Banxa Shares of which the Dissenting Shareholder is both the registered and beneficial owner but the Dissenting Shareholder owns additional Banxa Shares beneficially, a statement to that effect and the names of the registered Banxa Shareholders of such additional Shares, the number of such additional Banxa Shares held by each of those registered owners and a statement that Notices of Dissent are being, or have been, sent with respect to all such additional Banxa Shares; or

(iii) if the Dissent Rights are being exercised by a registered Banxa Shareholder on behalf of another person who is the beneficial owner of the Notice Shares (the "**Dissenting Owner**"), a statement to that effect and the name and address of the Dissenting Owner and a statement that the registered Banxa Shareholder is dissenting with respect to all Banxa Shares of the Dissenting Owner that are registered in such registered Banxa Shareholder's name.

(c) a registered Banxa Shareholder must not vote in favour of the Arrangement Resolution any Banxa Shares registered in its name in respect of which the Banxa Shareholder has given a Dissent Notice;

(d) if the Arrangement Resolution is passed at the Meeting, Banxa must send by registered mail to every registered Banxa Shareholder which has duly and validly given a Dissent Notice, prior to the date set for the hearing of the Final Order, a notice stating that, subject to receipt of the Final Order and satisfaction of the other conditions set out in the Arrangement Agreement, Banxa intends to complete the Arrangement and advising the registered Banxa Shareholder that if the registered Banxa Shareholder wishes to proceed with its dissent, the registered Banxa Shareholder must comply with the requirements of paragraph 21(f);

(e) Banxa is required, promptly after the later of· (i) the date on which it forms the intention to proceed with the Arrangement, and (ii) the date on which the Notice of Dissent was received to notify each Dissenting Shareholder of its intention to act on the Arrangement Resolution;

(f) if the Arrangement Resolution is approved and if Banxa notifies the Dissenting Shareholders of its intention to act upon the Arrangement Resolution, the Dissenting Shareholder is then required, within one month after Banxa gives such notice, to send to Blackwolf the certificates representing the Notice Shares if such shares are certificated, and a written statement that requires Banxa to purchase all of the Notice Shares;

(g) if the Dissent Right is being exercised by the Dissenting Shareholder on behalf of a Dissenting Owner, a statement signed by the Dissenting Owner is required which sets out whether the Dissenting Owner is the beneficial owner of other Banxa Shares and, if so, (i) the names of the registered owners of such Banxa Shares; (ii) the number of such Banxa Shares; and (iii) that dissent is being exercised in respect of all of such Banxa Shares. Upon delivery of these documents, the Dissenting Shareholder is deemed to have sold the Banxa Shares and Banxa is deemed to have purchased them. Once the Dissenting Shareholder has done this, the Dissenting Shareholder may not vote or exercise any shareholder rights in respect of the Notice Shares;

(h) the Dissenting Shareholder and Banxa may agree on the payout value of the Notice Shares; otherwise, either party may apply to the Court to determine the payout value of the Notice Shares or apply for an order that value be established by arbitration or by reference to the registrar or a referee of the Court. After a determination of the payout value of the Notice Shares, Banxa must then promptly pay that amount to the Dissenting Shareholder.

(i) a Dissenting Shareholder loses his, her or its Dissent Rights if, before full payment is made for the Notice Shares, Banxa abandons the corporate action that has given right to the Dissent Right (namely the Arrangement), a court permanently enjoins the action, or the Dissenting Shareholder withdraws the Notice of Dissent with Banxa's consent. When these events occur, Banxa must return the share certificates, if applicable, to the Dissenting Shareholder and the Dissenting Shareholder regains the ability to vote and exercise shareholder rights.

25. Notice to the Banxa Shareholders of their Dissent Rights with respect to the Arrangement Resolution will be given by including information with respect to the Dissent Rights in the Information Circular to be sent to the Banxa Shareholders with respect to the Arrangement.

26. Subject to further order of this Court, the rights available to the Banxa Shareholders under the BCBCA and the Plan of Arrangement to dissent from the Arrangement will constitute full and sufficient Dissent Rights for the Shareholders with respect to the Arrangement.

APPLICATION FOR FINAL ORDER

27. Upon the approval by the Banxa Securityholders of the Arrangement Resolution, in the manner set forth in this Interim Order, Banxa may apply to this Court (the **"Application"**) for an Order:

(a) pursuant to section 291(4)(a) of the BCBCA approving the Arrangement; and

(b) pursuant to section 291(4)(c) of the BCBCA declaring that the Arrangement, and the distribution of securities to be effected by the Arrangement, is substantively and procedurally fair and reasonable to the Blackwolf Securityholders,

(collectively the "**Final Order**"),

and the hearing of the Application will be held on February 14, 2025 at 9:45 a.m. before the presiding Judge in Chambers at 800 Smithe Street, Vancouver, British Columbia or as soon thereafter as the Application can be heard or at such other date and time as this Court may direct.

28. The form of Notice of final hearing attached as Exhibit "B" to the Wells Affidavit is hereby approved as the form of notice for the hearing of the application for the Final Order.

29. Any Banxa Securityholder may appear and make submissions at the application for the Final Order provided that such person shall:

    (a) file a Response to Petition, in the form prescribed by the Supreme Court Civil Rules, together with any evidence or material which is to be presented to the Court at the hearing of the Application; and

    (b) deliver the filed Response to Petition together with a copy of any evidence or material which is to be presented to the Court at the hearing of the Application, to Banxa's counsel at:

        WT BCA LLP
        2400 - 200 Granville St.
        Vancouver, BC V6C 1S4
        Attention: Nicole Chang & Sam Macdonald

        by or before 4:00 p.m. (Vancouver time) on February 12, 2024.

30. If the application for the Final Order is adjourned, only those persons who have filed and delivered a Response to Petition in accordance with this Interim Order need to be served and provided with notice of the adjourned date.

31. In the event that the hearing of the Application is adjourned, then only those persons who filed and delivered a Response to Petition in accordance with paragraph 29, need be provided with notice of the adjourned hearing date.

32. Subject to other provisions in this Interim Order, no material other than that contained in the Information Circular need be served on any persons in respect of these proceedings and, in particular, service of the Petition herein and the accompanying Affidavit and additional Affidavits as may be filed is dispensed with.

VARIANCE

33. Banxa shall be entitled, at any time, to apply to vary this Interim Order.

34. Rules 8-1 and 16-1(8) – (12) will not apply to any further applications in respect of this proceeding, including the application for the Final Order and any application to vary this Interim Order.

35. Banxa shall, and hereby do, have liberty to apply for such further orders as may be appropriate.

36. To the extent of any inconsistency or discrepancy between this Interim Order and the Information Circular, the BCBCA, applicable Securities Laws or the articles of Banxa, this Interim Order will govern.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

____

Signature of Lawyer for the Petitioner,
Banxa Holdings Inc.
Lawyer: Sam Macdonald

BY THE COURT

____

Registrar

APPENDIX "E" - DISSENT PROVISIONS OF THE BCBCA

Section 237 - Definitions and application

(1) In this Division:

"dissenter" means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

"notice shares" means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

"payout value" means,

(a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,

(b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement,

(c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, or

(d) in the case of a dissent in respect of a community contribution corporation, the value of the notice shares set out in the regulations,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

(a) the court orders otherwise, or

(b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

Section 238 - Right to dissent

(1) A shareholder of a corporation, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

(a) under section 260, in respect of a resolution to alter the articles

(i) to alter restrictions on the powers of the company or on the business the company is permitted to carry on,

(ii) without limiting subparagraph (i), in the case of a community contribution corporation, to alter any of the company's community purposes within the meaning of section 51.91, or

(iii) without limiting subparagraph (i), in the case of a benefit corporation, to alter the company's benefit provision;

(b) under section 272, in respect of a resolution to adopt an amalgamation agreement;

(c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;

(d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;

(e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;

(f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;

(g) in respect of any other resolution, if dissent is authorized by the resolution;

(h) in respect of any court order that permits dissent.

(1.1) A shareholder of a corporation, whether or not the shareholder's shares carry the right to vote, is entitled to dissent under section 51.995 (5) in respect of a resolution to alter its notice of articles to include or to delete the benefit statement.

(2) A shareholder wishing to dissent must

(a) prepare a separate notice of dissent under section 242 for

(i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,

(b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and

(c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.

(3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must

(a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and

(b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Section 239 - Waiver of right to dissent

(1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

(2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must

(a) provide to the company a separate waiver for

(i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and

(b) identify in each waiver the person on whose behalf the waiver is made.

(3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to

(a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and

(b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.

(4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Section 240 - Notice of resolution

(1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

(2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that

resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

(a) a copy of the resolution,

(b) a statement advising of the right to send a notice of dissent, and

(c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Section 241 - Notice of court orders

If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

(a) a copy of the entered order, and

(b) a statement advising of the right to send a notice of dissent.

Section 242 - Notice of dissent

(1) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e), (f) or (1.1) must,

(a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,

(b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or

(c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of

(i) the date on which the shareholder learns that the resolution was passed, and

(ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must send written notice of dissent to the company

(a) on or before the date specified by the resolution or in the statement referred to in section 240 (2) (b) or (3) as the last date by which notice of dissent must be sent, or

(b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

(3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company

(a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or

(b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

(4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:

(a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;

(b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;

(c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and

(i) the name and address of the beneficial owner, and

(ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.

(5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that

beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Section 243 - Notice of intention to proceed

(1) A company that receives a notice of dissent under section 242 from a dissenter must,

(a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of

(i) the date on which the company forms the intention to proceed, and

(ii) the date on which the notice of dissent was received, or

(b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1) (a) or (b) of this section must

(a) be dated not earlier than the date on which the notice is sent,

(b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and

(c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Section 244 - Completion of dissent

(1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

(a) a written statement that the dissenter requires the company to purchase all of the notice shares,

(b) the certificates, if any, representing the notice shares, and

(c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1) (c) must

(a) be signed by the beneficial owner on whose behalf dissent is being exercised, and

(b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) that dissent is being exercised in respect of all of those other shares.

(3) After the dissenter has complied with subsection (1),

(a) the dissenter is deemed to have sold to the company the notice shares, and

(b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Section 245 - Payment for notice shares

(1) A corporation and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

(a) promptly pay that amount to the dissenter, or

(b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may

(a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,

(b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and

(c) make consequential orders and give directions it considers appropriate.

(3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must

(a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or

(b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),

(a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or

(b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

(5) A corporation must not make a payment to a dissenter under this section if there are reasonable grounds for believing that

(a) the company is insolvent, or

(b) the payment would render the company insolvent.

Section 246 - Loss of right to dissent

The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

(a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;

(b) the resolution in respect of which the notice of dissent was sent does not pass;

(c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;

(d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the Arrangement, will not proceed;

(e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;

(f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;

(g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;

(h) the notice of dissent is withdrawn with the written consent of the company;

(i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Section 247 - Shareholders entitled to return of shares and rights

If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

(a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,

(b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and

(c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.

APPENDIX ”F” - FAIRNESS OPINION

(See attached)

EVANS & EVANS, INC.

SUITE 130, 3RD FLOOR, BENTALL II, 555 BURRARD STREET
VANCOUVER, BRITISH COLUMBIA
CANADA V7X 1M8

19TH FLOOR, 700 2ND STREET SW
CALGARY, ALBERTA
CANADA T2P 2W2

357 BAY STREET
TORONTO, ONTARIO
CANADA M5H 4A6

December 19, 2024

BANXA HOLDINGS INC.
1111 West Hasting Street, 15th Floor
Vancouver, British Columbia V6E 2J3

Attention: Special Committee of the Board of Directors

Dear Sirs:

Subject: Fairness Opinion

1.0 Introduction

1.01 Evans & Evans, Inc. ("Evans & Evans" or the "authors of the Opinion") was engaged by the Special Committee (the "Committee") of the Board of Directors (the "Board") of Banxa Holdings Inc. ("Banxa" or the "Company") to prepare a Fairness Opinion (the "Opinion") with respect to a potential go-private transaction. Evans & Evans understands the Company is contemplating a sale of all shares of the Company to 1493819 B.C. Ltd., a corporation incorporated under the laws of the Province of British Columbia, (the "Purchaser" or "AcquireCo") (the "Proposed Transaction"). The key terms of the Proposed Transaction are summarized in section 1.04 of this Opinion.

Evans & Evans has been requested by the Committee to prepare the Opinion to provide an independent opinion as to the fairness of the Proposed Transaction, from a financial standpoint to the shareholders of Banxa that will not be shareholders of AcquireCo post-Proposed Transaction (the "Non-Continuing Shareholders").

The Company's shares are listed for trading on the TSX Venture Exchange (the "Exchange") under the symbol "BNXA".

1.02 *Unless otherwise noted, all monetary amounts referenced herein are Canadian dollars.*

1.03 Banxa was incorporated as A-Labs Capital I Corp. ("A-Labs"), a Canada Business Corporation, *on* March 6, 2018. Banxa is a continuation of the business activities of BTC Holdings Pty Ltd. ("BTC"). BTC was incorporated on March 27, 2014, in Australia under

the *Corporations Act 2001*. On December 23, 2020, BTC's shareholders gained control of A-Labs through a reverse acquisition transaction.

Banxa is a payment service provider ("PSP") headquartered in Australia. It specializes in connecting traditional "mass market" legacy financial institutions and processes with the evolving digital asset ecosystem.

The Company operates a payment gateway infrastructure that supports online payments across multiple currencies and various payment types. With a comprehensive range of global and local payment options, Banxa provides payment and compliance solutions tailored to major players in the crypto industry. Global exchanges and wallets can leverage Banxa's business to business ("B2B") platform to offer their users a fast and reliable fiat-to-crypto, and crypto-to-fiat conversion service seamlessly integrated within their platforms.

The Company's presence in multiple countries ensures compliance with local regulations and adherence to international anti-money laundering and know your customer standards. This service enables Banxa's partners to concentrate on their cryptocurrency operations without managing payments or fiat currency complexities.

Banxa, through its subsidiary Global Internet Ventures Pty Ltd., is a registered digital currency exchange provider with the Australian Transaction Reports and Analysis Centre, the peak government body for oversighting financial transaction compliance in Australia. Banxa's European subsidiaries are registered in The Netherlands and Lithuania as well as with Fintrac in Canada.

Banxa's technology platform utilises machine learning and liquidity management, conducts anti-money laundering ("AML") and know your customer ("KYC") checks on all its customers and is in compliance with the local laws of the jurisdictions in which it operates.

Financial Results

Banxa's fiscal year ("FY") ends on June 30. The revenue of the Company increased by about 300% from A$80.4 million in FY2023, to A$321.2 million in FY2024. The growth in revenue in FY2024 was primarily driven by an increase in the number of non-custodial wallets that the Company holds inventory in to fulfill future orders. The Company's revenues for three months ended September 30, 2024, were A$96.5 million. The Company earnings before interest, tax, depreciation and amortization ("EBITDA") margins improved from negative 12.2% in FY2023 to positive 0.1% in FY2024 as the Company's operating expenses only increased slightly from A$27.5 million in FY2023 to A$28.8 million in FY2024. The EBITDA margin for the three months ended September 30, 2024 was 0.1%.

Financial Position

As at September 30, 2024, Banxa had debt-free working capital of approximately A$4.3 million and total debt of A$13.0 million including the convertible debt of A$6.3 million, as outlined in the table below. As of September 30, 2024, the Company had approximately A$3.74 million in cash, up from approximately A$2.03 million as of June 30, 2024.

Australian Dollars	Unaudited Sep 30 2024	Audited June 30 2024	Audited June 30 2023
Cash and Cash Equivalents	3,744,109	2,028,753	8,258,814
Working Capital (excluding Debt)	4,318,457	3,672,570	3,860,169
Total Debt (including Convertible, excluding leases)	12,964,649	12,200,589	12,200,589

Capital Structure

As of the date of the Opinion, the Company had 45,587,056 common shares issued and outstanding. Banxa also had 2,223,750 options with exercise price of $1.00 and a total of 5,484,238 warrants (2,637,228 with an exercise price of $1.27 and 2,847,013 with an exercise price of $1.00) issued and outstanding.

Banxa had a convertible debt balance of A$6.3 million ("Convertible Notes") as of September 30, 2024. The principal of the debt is convertible, at the option of the holder, to common shares of the Company at a price of $0.80, and the accrued interest is convertible, at the option of the holder, equal to the last closing price of the common shares on the exchange on the last trading day immediately prior to the announcement of the interest conversion by news release.

1.04 Evans & Evans reviewed the non-binding indication of interest dated October 10, 2024, and a draft of the arrangement agreement (the "Agreement") setting out the terms of the Proposed Transaction.

A summary of the key terms of the Proposed Transaction is outlined below:[1]

- The Purchaser will acquire all of the shares of Banxa held by the Non-Continuing Shareholders (the "Affected Share(s)") in exchange for the consideration of $1.00 per share payable in cash (the "Consideration"), by way of a statutory plan of arrangement pursuant to the provisions of the *Business Corporations Act* (British Columbia).
- Certain shareholders of Banxa, i.e., shareholders other than the Non-Continuing Shareholders, will be shareholders of the Purchaser post-Proposed Transaction (the "Continuing Shareholders"). The Continuing Shareholders, collectively, beneficially

[1] Capitalized terms not defined in section 1.04 of the Opinion are defined in the Agreement. The reader is advised to refer to the Agreement.

own or control approximately 50% of the total 45,587,056 shares of Banxa issued and outstanding, on a non-diluted basis, as at the date of the Opinion.

- To finance the Proposed Transaction, the Purchaser proposes to fund the Consideration with existing cash on hand and by raising financing from other major investors. On or prior to the execution of the Agreement, Purchaser will furnish executed copies of irrevocable commitment letters or subscription agreements from third parties evidencing the commitment of such parties to invest or lend sufficient funds to satisfy in full the obligations of Purchaser under the Agreement, including the Consideration as well as related fees and expenses.

- Go-Shop Provision – the Agreement includes a go-shop provision, during which time the Company and its financial advisor will be permitted to actively solicit, evaluate and enter into negotiations with respect to a potential Superior Proposal (as defined in the Agreement) for a forty-two (42) day period from the signing of the Agreement. The Committee has retained Architect Partners, LLC as its financial advisor to assist in securing and evaluating potential Superior Proposals during the Go-Shop Period.

- Each of the Continuing Shareholders and certain other shareholders, including each of the directors and certain executive officers of the Company, have entered into voting support agreements, pursuant to which they have agreed to, among other things, vote their shares, representing an aggregate of 24,181,439 shares (or approximately 53% of the total issued and outstanding shares), in favour of the Proposed Transaction.

- The break fee payable by the Company is $911,741 if the Agreement is terminated due to a Go-Shop Fee Event (as defined in the Agreement), or $1,823,482 if the Agreement is terminated in certain other circumstances. The Purchaser may also have to pay a break fee in certain circumstances as outlined in section 7.4 of the Agreement.

- Pursuant to the Proposed Transaction:

  a) each holder of an "in-the-money" stock option of the Company (a "Company Option") that is outstanding immediately prior to the completion of the Proposed Transaction will be entitled to receive a cash payment equal to the positive difference (if any) between the Consideration and the exercise price of such Company Option;

  b) each "out-of-the-money" Company Option outstanding immediately prior to the completion of Proposed Transaction will be cancelled without any payment therefor;

  c) each Non-Continuing Shareholder that is a holder of an "in-the-money" share purchase warrant of the Company (a "Company Warrant") that is outstanding immediately prior to the completion of Proposed Transaction will be entitled to receive a cash payment equal to the positive difference (if any) between the Consideration and the exercise price of such Company Warrant;

d) each "out-of-the-money" Company Warrant outstanding immediately prior to the completion of Proposed Transaction that is held by a Non-Continuing Shareholder will be cancelled without any payment therefor; and

e) each of the Convertible Notes outstanding immediately prior to the completion of the Proposed Transaction will be surrendered by such holder to the Company in accordance with their terms in consideration for either: (i) a cash payment upon closing of the Proposed Transaction equal to the aggregate principal amount of such Company Notes, together with the accrued and unpaid interest thereon; or (ii) in the sole discretion of the holder of Convertible Notes, the conversion into shares of Banxa immediately prior to the completion of the Proposed Transaction of the aggregate principal amount of such Company Notes, together with the accrued and unpaid interest thereon, at the applicable conversion price thereon, such shares then to be cashed out upon the closing of the Proposed Transaction for the Consideration.

- The Proposed Transaction is subject to shareholder, court and regulatory approvals and other closing conditions customary to transactions of this nature. Completion of the Proposed Transaction is not subject to any financing condition.

The Proposed Transaction had not been publicly announced as of the date of the Opinion. The Company's shares are halted on the Exchange as of the date of the Opinion pending the announcement of the Proposed Transaction.

1.05 The Committee retained Evans & Evans to act as an independent advisor to the Committee and to prepare and deliver the Opinion to the Committee to provide an independent opinion as to the fairness of Proposed Transaction, from a financial point of view, to the Non-Continuing Shareholders as at the date of the Opinion.

2.0 Engagement of Evans & Evans, Inc.

2.01 Evans & Evans was formally engaged by the Committee pursuant to an engagement letter signed on behalf of the Committee on November 22, 2024 (the "Engagement Letter") to prepare the Opinion.

2.02 The Engagement Letter provides the terms upon which Evans & Evans has agreed to provide the Opinion to the Committee. The terms of the Engagement Letter provide that Evans & Evans is to be paid a fixed professional fee for its services. In addition, Evans & Evans is to be reimbursed for its reasonable out-of-pocket expenses and to be indemnified by Banxa in certain circumstances. The fee established for the Opinion is not contingent upon the opinions presented.

2.03 Evans & Evans has no present or prospective interest in Banxa, or any entity that is the subject of this Opinion, and we have no personal interest with respect to the parties involved.

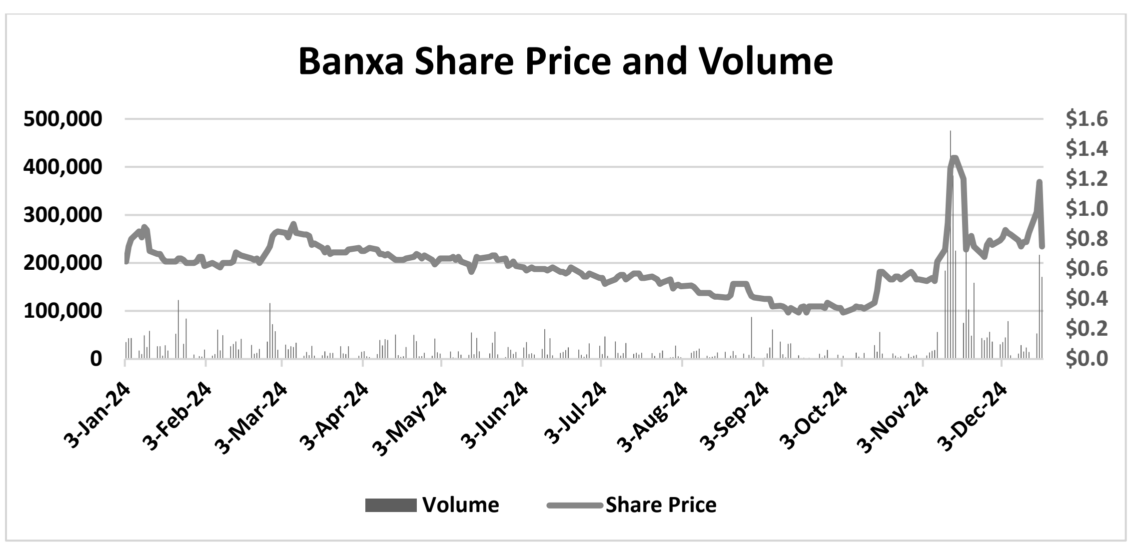
2.04 Evans & Evans is independent to the Company, the Continuing Shareholders and the Non-Continuing Shareholders.

3.0 Scope of Review

3.01 In connection with preparing the Opinion, Evans & Evans has reviewed and relied upon, or carried out, among other things, the following:

- Interviews with members of management to gain an understanding of the current operations and future prospects of the Company.
- Discussions with the Committee regarding the prospects of Banxa and the rationale for the Proposed Transaction.
- The responses to Evans & Evans valuation questions provided by the management of Banxa.
- Company's website https://banxa.com and the May 2024 Investor Presentation.
- The Company's unaudited Consolidated Interim Financial Statements for the three months ended September 30, 2024, and September 30, 2023.
- The Company's audited Consolidated Financial Statements for the year ended June 30, 2020, to 2022 as audited by PKF Antares, Chartered Professional Accountants of Calgary, Alberta.
- Management-prepared monthly cashflow forecast for the period between July 2024 and November 2025.
- Management's Discussion and Analysis for the three months ended September 30, 2024, and the years ended June 30, 2024, and 2023.
- Reviewed the Non-binding indication of interest to acquire Banxa Holdings Inc. as submitted by 1493819 B.C. Ltd. dated October 10, 2024.
- Reviewed the draft Arrangement Agreement between 1493819 B.C. Ltd. Banxa Holdings Inc.
- Research report pertaining to Banxa prepared by H.C. Wainwright & Co. dated July 11, 2023.
- Trading price of the Company on the Exchange for the period between December 20, 2023, and December 18, 2024. As can be seen from the chart below, the Company's stock price has increased over the period under consideration. The Company's share price has been in the range of $0.31 to $1.34 per common share. Overall, trading

volumes tend to be very low, with only 8.8% of total shares issued being traded in the 90-days period preceding the date of the Opinion.



- Reviewed information on mergers & acquisitions involving companies in the crypto payment gateway industry.

- Stock market trading data and financial information on the following companies: ADVFN Plc; ADVFN Plc; Athena Bitcoin Global; Bakkt Holdings, Inc.; Coinbase Global, Inc.; Goobit Group AB (publ); GreenMerc AB (publ); JengaX AS; Voyager Digital Ltd.; WonderFi Technologies Inc.; BIGG Digital Assets Inc.; BlockchainK2 Corp.; DMG Blockchain Solutions Inc.; Liquid Avatar Technologies Inc.; Mercurity Fintech Holding Inc.; Arcario AB; Bitcoin Crypto Currency Exchange Corporation; Bitcoin Well Inc.; BTCS Inc.; FDCTech, Inc.; Investview, Inc.; Net Savings Link, Inc.Affirm Holdings, Inc.; Block, Inc.; Boku, Inc.; Cantaloupe, Inc.; Cass Information Systems, Inc.; Change Financial Limited; Corpay, Inc.; Cuscal Limited; EML Payments Limited; EonX Technologies Inc.; Euronet Worldwide, Inc.; EVERTEC, Inc.; Fiserv, Inc.; Flywire Corporation; Global Payments Inc.; Jack Henry & Associates, Inc.; Marqeta, Inc.; Mastercard Incorporated; Payoneer Global Inc.; PayPal Holdings, Inc.; Paysign, Inc.; POSaBIT Systems Corporation; Priority Technology Holdings, Inc.; Repay Holdings Corporation; Sezzle Inc.; Shift4 Payments, Inc.; The OLB Group, Inc.; Tyro Payments Limited; Usio, Inc.; Visa Inc.; WEX Inc.; and XTM Inc.

- Reviewed information on the Company's market from a variety of online sources as outlined and referenced in section 4.0.

Limitation and Qualification: Evans & Evans did not visit the Company's office.

4.0 Market Overview

4.01 In assessing the fairness of the Proposed Transaction as of the date of the Opinion, Evans & Evans did review the Company's market.

4.02 Crypto payment gateway market size was estimated at US$1.23 billion in 2023. The crypto payment gateway market industry is expected to grow from US$1.45 billion in 2024 to US$5.37 billion by 2032. The crypto payment gateway market is expected to grow at compound annual growth rate ("CAGR") of be approximately17.8% during the forecast period between 2024 - 2032.[2] According to a research report by the Research Nester, cryptocurrency payment apps market size is expected to reach US$893.1 million in 2024 and is set to exceed US$4.5 billion by the end of 2037, growing at a CAGR of 12.8%.[3]

The growth of the crypto payment gateway market is largely driven by the rising popularity and widespread adoption of cryptocurrencies. As businesses and consumers increasingly embrace digital assets, the demand for payment gateways that support various crypto assets is also expanding. Crypto payment gateways offer significant advantages, such as lower transaction fees, faster processing times, and enhanced transaction security. Consequently, the adoption of these gateways has surged across industries like e-commerce, retail, and travel. Looking ahead, the growing acceptance of cryptocurrency is expected to remain a key driver of market growth.[3]

A key driver of the crypto payment gateway market is the increasing demand for efficient cross-border payment solutions. Crypto payment gateways are particularly advantageous for international transactions as they eliminate the need for currency conversion and significantly reduce transaction fees. These benefits are especially valuable for global businesses that frequently make payments to suppliers and customers in multiple countries. As a result, the use of crypto payment gateways for cross-border transactions has emerged as a highly cost-effective and efficient option, making it a powerful growth driver for businesses of all sizes.

Government regulations and support play a crucial role in driving the growth of the global crypto payment gateway market. A favorable regulatory environment encourages businesses to adopt cryptocurrency payment gateways. The industry's expansion is further supported by the legalization of cryptocurrencies in many countries. Additionally, governments worldwide are exploring the use of blockchain technology and cryptocurrencies for cross-border payments and international trade. Regulatory legitimization of cryptocurrencies significantly boosts the adoption and utilization of crypto payment gateways, enhancing the market's growth potential.

4.03 The cryptocurrency payment gateway market is segmented by transaction type into on-chain and off-chain payments. The on-chain segment, driven by its security, transparency, and lower transaction costs, is projected to grow at a CAGR of 28.4% during the forecast

[2] https://www.marketresearchfuture.com/reports/crypto-payment-gateway-market-24736
[3] https://www.researchnester.com/reports/cryptocurrency-payment-apps-market/6523

period between 2024 and 2032. Off-chain payments, offering faster transactions and better scalability for micropayments, are expected to grow slightly faster, with a CAGR of 29.1%. Key market growth drivers include the rising adoption of cryptocurrency, increased demand for digital payments, and the growing popularity of e-commerce. The region with the highest number of cryptocurrency users and businesses leads the market, followed by North America, which benefits from strong e-commerce growth and robust crypto infrastructure. Europe holds the third-largest market share, supported by numerous cryptocurrency exchanges and payment processors and expanding e-commerce activities.[2]

The currency-supported segment of the global crypto payment gateway market is divided into single cryptocurrency, multiple cryptocurrencies, and fiat currencies. The multiple cryptocurrencies segment is expected to lead globally, driven by businesses increasingly accepting various cryptocurrencies and the rising demand for stablecoins, including those pegged to fiat currencies. The single cryptocurrency segment is anticipated to grow rapidly, fueled by the international popularity of Bitcoin and similar assets. Meanwhile, the fiat currency segment is projected to expand at a moderate rate as businesses continue to adopt fiat currencies for payment.

4.04 North America led the global crypto payment gateway market in 2023, capturing over 37% of the market share. Despite economic uncertainties, the region remains a major contributor, driven by sustained investment in Bitcoin, often viewed as a hedge against inflation. While other cryptocurrencies like Ethereum saw moderate inflows, North America's resilience and strong market presence solidify its leadership. This sustained investment underscores the region's pivotal role in fostering market growth and stability, reflecting a robust outlook despite broader market fluctuations.[4]

4.05 In the second quarter of 2024, startups secured US$2.7 billion across 503 deals. Although the total investment amount rose by 2.5%, the number of deals decreased by 12.5% compared to the previous quarter, indicating an increase in average deal size. According to CryptoRank, investors primarily focused on infrastructure and services projects, shifting away from previously popular sectors like DeFi and GameFi. The GameFi, NFT, and meme coin sectors are experiencing a decline in venture capital interest. This indicates a shift in focus toward projects that offer practical solutions to internal challenges and issues. This realignment reflects the industry's growing maturity, with an emphasis on initiatives that demonstrate long-term potential.[5]

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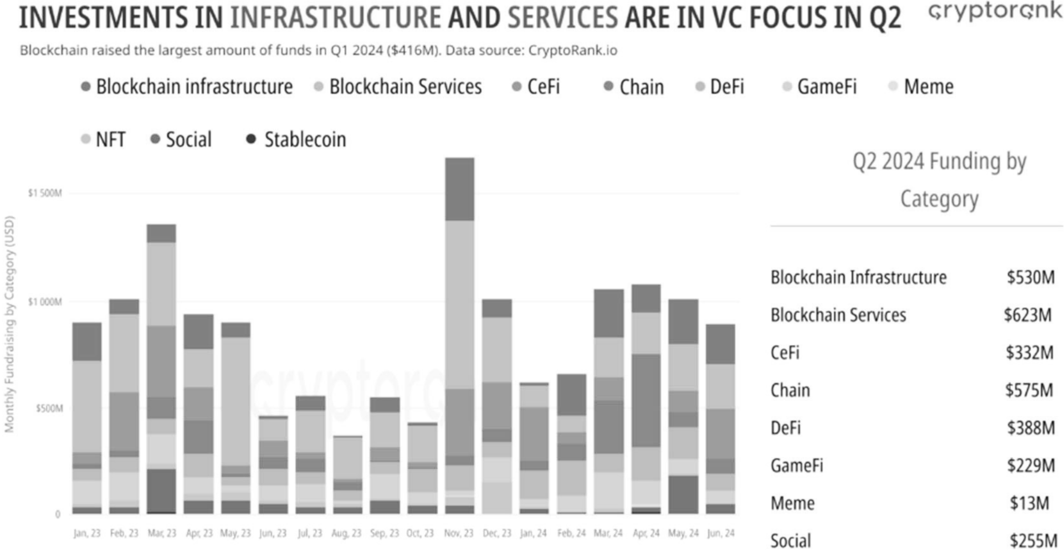
[4] https://www.gminsights.com/industry-analysis/crypto-payment-gateways-market
[5] https://lenderkit.com/blog/crypto-fundraising-trends-to-watch-in-2024-and-beyond/



Venture capital investment in crypto startups reached US$2.4 billion across 478 deals in the third quarter of 2024, marking a 20% decline in funding and a 17% drop in deal count quarter-over-quarter. By the third quarter in 2024, VCs have invested $8 billion in crypto startups, positioning 2024 to match or slightly surpass 2023's total. Early-stage deals dominated with 85% of capital, while later-stage deals accounted for just 15%, the lowest share since first quarter of 2020. The United States maintained its dominance in the crypto venture landscape, accounting for 56% of capital investment and 44% of deals involving startups based in the United States.[6]

The United States venture capital investment in crypto companies has rebounded, doubling from its low last fall to US$1.5 billion for the three months ending in May 2024. While still below the 2022 peak, this exceeds pre-boom funding levels, signaling a higher starting point for the new cycle. Investor confidence is bolstered by the success of recently approved Bitcoin ETFs by the United States Securities and Exchange Commission (“SEC”).[7]

Notable deals, such as AH Capital Management, L.L.C.'s US$100M investment in EigenLayer and Paradigm's US$850M crypto fund in June, have driven increased activity and fundraising this year.[7]

[6] https://www.galaxy.com/insights/research/crypto-blockchain-venture-capital-q3-2024/
[7] https://www.svb.com/industry-insights/fintech/cryptos-vc-comeback-in-five-charts/

5.0 Prior Valuations

5.01 Banxa represented to Evans & Evans that there have been no formal valuations or appraisals relating to Banxa or any affiliate or any of its material assets or liabilities made in the preceding two years which are in the possession or control of Banxa.

6.0 Conditions and Restrictions

6.01 The Opinion is for the Committee's internal use only. The Opinion may be shared with the Board and management of Banxa at the discretion of the Committee. The final Opinion is intended for placement on Banxa's file. The final Opinion may be included in any materials provided to the Banxa Shareholders.

6.02 The Opinion may not be issued to any international stock exchange and/or regulatory authority beyond the Exchange.

6.03 The Opinion may not be issued and/or used to support any type of value with any other third parties, legal authorities, nor stock exchanges, or other regulatory authorities, nor any tax authority. Nor can it be used or relied upon by any of these parties or relied upon in any legal proceeding and/or court matter.

6.04 Any use beyond that defined above is done so without the consent of Evans & Evans and readers are advised of such restricted use as set out above.

6.05 The Opinion should not be construed as a formal valuation or appraisal of Banxa or its securities or assets. Evans & Evans has, however, conducted such analyses as we considered necessary in the circumstances.

6.06 In preparing the Opinion, Evans & Evans has relied upon and assumed, without independent verification, the truthfulness, accuracy and completeness of the information and the financial data provided by the Company. Evans & Evans has therefore relied upon all specific information as received and declines any responsibility should the results presented be affected by the lack of completeness or truthfulness of such information. Publicly available information deemed relevant for the purpose of the analyses contained in the Opinion has also been used.

The Opinion is based on: (i) our interpretation of the information which Banxa, as well as its representatives and advisers, have supplied to-date; (ii) our understanding of the terms of the Proposed Transaction; and (iii) the assumption that the Proposed Transaction will be consummated in accordance with the expected terms.

6.07 The Opinion is necessarily based on economic, market and other conditions as of the date hereof, and the written and oral information made available to us until the date of the Opinion. It is understood that subsequent developments may affect the conclusions of the Opinion, and that, in addition, Evans & Evans has no obligation to update, revise or reaffirm the Opinion.

6.08 Evans & Evans denies any responsibility, financial, legal, or other, for any use and/or improper use of the Opinion however occasioned.

6.09 Evans & Evans is expressing no opinion as to the price at which any securities of Banxa will trade on any stock exchange at any time.

6.10 Evans & Evans is expressing no opinion as to whether any alternative transaction might have been more beneficial to the Non-Continuing Shareholders.

6.11 Evans & Evans reserves the right to review all information and calculations included or referred to in the Opinion and, if it considers it necessary, to revise part and/or its entire Opinion and conclusion in light of any information which becomes known to Evans & Evans during or after the date of this Opinion.

6.12 In preparing the Opinion, Evans & Evans has relied upon a letter from management of Banxa confirming to Evans & Evans in writing that the information and management's representations made to Evans & Evans in preparing the Opinion are accurate, correct, and complete, and that there are no material omissions of information that would affect the conclusions contained in the Opinion.

6.13 Evans & Evans has based its Opinion upon a variety of factors. Accordingly, Evans & Evans believes that its analyses must be considered as a whole. Selecting portions of its analyses or the factors considered by Evans & Evans, without considering all factors and analyses together, could create a misleading view of the process underlying the Opinion. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. Evans & Evans' conclusions as to the fairness, from a financial point of view to the Non-Continuing Shareholders of the Proposed Transaction were based on its review of the Proposed Transaction taken as a whole, in the context of all of the matters described under "Scope of Review", rather than on any particular element of the Proposed Transaction or the Proposed Transaction outside the context of the matters described under "Scope of Review". The Opinion should be read in its entirety.

6.14 Evans & Evans was not requested to, and we did not, solicit indications of interest or proposals from third parties regarding a possible acquisition of or merger with the Company. Our opinion also does not address the relative merits of the Proposed Transaction as compared to any alternative business strategies or transactions that might exist for the Company, the underlying business decision of the Company to proceed with Proposed Transaction, or the effects of any other transaction in which the Company will or might engage.

6.15 Evans & Evans expresses no opinion or recommendation as to how any Non-Continuing Shareholders should vote or act in connection with the Proposed Transaction, any related matter, or any other transactions. We are not experts in, nor do we express any opinion, counsel, or interpretation with respect to, legal, regulatory, accounting or tax matters. We

have assumed that such opinions, counsel, or interpretation have been or will be obtained by the Company from the appropriate professional sources. Furthermore, we have relied, with the Company's consent, on the assessments by the Company and its advisors, as to all legal, regulatory, accounting and tax matters with respect to the Company and the Proposed Transaction, and accordingly we are not expressing any opinion as to the value of the Company's tax attributes or the effect of the Proposed Transaction thereon.

6.16 Evans & Evans and all of its Principal's, Partner's, staff or associates' total liability for any errors, omissions, or negligent acts, whether they are in contract or in tort or in breach of fiduciary duty or otherwise, arising from any professional services performed or not performed by Evans & Evans, its Principal, Partner, any of its directors, officers, shareholders or employees, shall be limited to the fees charged and paid for the Opinion. No claim shall be brought against any of the above parties, in contract or in tort, more than two years after the date of the Opinion.

7.0 Assumptions

7.01 In preparing the Opinion, Evans & Evans has made certain assumptions as outlined below.

7.02 As provided for in the Engagement Letter, Evans & Evans has relied upon, and has assumed the completeness, accuracy and fair presentation of, all financial information, business plans, forecasts and other information, data, advice, opinions and representations obtained by it from public sources or provided by the Company or its affiliates or any of their respective officers, directors, consultants, advisors or representatives (collectively, the "Information"). The Opinion is conditional upon such completeness, accuracy, and fair presentation of the Information. In accordance with the terms of the Engagement Letter, but subject to the exercise of its professional judgment, and except as expressly described herein, Evans & Evans has not attempted to verify independently the completeness, accuracy, or fair presentation of any of the Information.

7.03 Management of Banxa represented to Evans & Evans that, among other things: (i) the Information (other than estimates or budgets) provided orally by an officer or employee of Banxa or in writing by Banxa (including, in each case, affiliates and their respective directors, officers, consultants, advisors and representatives) to Evans & Evans relating to Banxa, its affiliates or the Proposed Transaction, for the purposes of the Engagement Letter, including in particular preparing the Opinion was, at the date the Information was provided to Evans & Evans, fairly and reasonably presented and complete, true and correct in all material respects, and did not, and does not, contain any untrue statement of a material fact in respect of Banxa, its affiliates or the Proposed Transaction and did not and does not omit to state a material fact in respect Banxa, its affiliates or the Proposed Transaction that is necessary to make the Information not misleading in light of the circumstances under which the Information was made or provided; (ii) with respect to portions of the Information that constitute financial estimates or budgets, they have been fairly and reasonably presented and reasonably prepared on bases reflecting the best currently available estimates and judgments of management of Banxa or its associates and affiliates

as to the matters covered thereby and such financial estimates and budgets reasonably represent the views of management of Banxa; and (iii) since the dates on which the Information was provided to Evans & Evans, except as disclosed in writing to Evans & Evans, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its affiliates and no material change has occurred in the Information or any part thereof which would have, or which would reasonably be expected to have, a material effect on the Opinion.

7.04 In preparing the Opinion, we have made several assumptions, including that all final or executed versions of documents will conform in all material respects to the drafts provided to us, all of the conditions required to implement the Proposed Transaction will be met, all consents, permissions, exemptions or orders of relevant third parties or regulating authorities will be obtained without adverse condition or qualification, the procedures being followed to implement the Proposed Transaction are valid and effective and that the disclosure provided or (if applicable) incorporated by reference in any documents provided to shareholders with respect to Banxa and the Proposed Transaction will be accurate in all material respects and will comply with the requirements of applicable law. Evans & Evans also made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of Evans & Evans and any party involved in the Proposed Transaction. Although Evans & Evans believes that the assumptions used in preparing the Opinion are appropriate in the circumstances, some or all of these assumptions may nevertheless prove to be incorrect.

7.05 The Company and all of its related parties and their principals had no contingent liabilities, unusual contractual arrangements, or substantial commitments, other than in the ordinary course of business, nor litigation pending or threatened, nor judgments rendered against, other than those disclosed by management and included in the Opinion that would affect the evaluation or comment.

7.06 As of September 30, 2024, all assets and liabilities of Banxa have been recorded in their accounts and the balance sheet provided follows International Financial Reporting Standards.

7.07 There were no material changes in the financial position of the Company between the date of the financial statements (September 30, 2024) and the date of the Opinion unless noted in the Opinion.

7.08 Representations made by the Company as to the number of shares outstanding and the share structure of the Company are accurate.

7.09 The Consideration will be paid in cash at the closing of the Proposed Transaction in accordance with the process to be set out in the Company's information circular.

8.0 Purchase Price

8.01 As outlined above, the Consideration of $1.00 per common share implies an equity value of $45.6 million for 100% of the equity in the Company on a non-diluted basis. The enterprise value[8] ("EV") implied by the Proposed Transaction is $53.9 million. As noted above, the Continuing Shareholders own or control approximately 50% of the issued and outstanding shares and as such the purchase price for the equity owned by the Non-Continuing Shareholder is in the range of $22.8 million.

9.0 Analysis of Banxa

9.01 In assessing the fairness of the Proposed Transaction, Evans & Evans considered the following analyses and factors, amongst others: (1) market capitalization; (2) guideline company analysis; (3) historical equity financing; and (3) other considerations.

9.02 Evans & Evans reviewed the financial position of Banxa as of the date of the Opinion as discussed in section 1.04 above. Banxa had a positive debt-free working capital with a cash balance of A$3.74 million. The Company generated operating losses before other items and income tax of over A$10.24 million and A$8,555, in FY2023 and FY2024, respectively. Further, the Company is projecting an operating loss of about A$400,000 with operating expenses of over A$27.2 million for FY2025. Evans & Evans notes that the Company generates the majority of its revenues from its top few customers and in the event of the loss of one or more of these customers, the Company might be in need of financing to fund its operations.

9.03 Evans & Evans assessed the reasonableness of the Proposed Transaction based on a review of the trading price of the Company's shares on the Exchange. As can be seen from the following table, the Company's average closing share price has been increasing over the 180-trading days preceding the date of the Opinion. The trading price of Banxa for the 10-trading days preceding the date of the Opinion was in the range of $0.75 to $1.18 with an average of $0.85 and the closing price as of December 18, 2024 was $0.75 per common share which implies the Consideration is above the current market value.

Trading Price - C$	December 18, 2024		
	Minimum	Average	Maximum
10-Days Preceding	$0.75	$0.85	$1.18
30-Days Preceding	$0.52	$0.86	$1.34
60-Days Preceding	$0.31	$0.65	$1.34
90-Days Preceding	$0.31	$0.57	$1.34
180-Days Preceding	$0.31	$0.58	$1.34

It is important to note that while the Company's trading price increased significantly from $0.52 per share on November 7, 2024 to the closing price of $0.75 per share on December 18, 2024 and reaching a high of $1.39 on November 14, 2024, trading volumes have been

[8] EV = equity value less cash plus interest bearing debt

very low. As can be seen from the following table, only 3,298,640 common shares of Banxa traded in the 30 trading days preceding the date of the Opinion, representing approximately 7.2% of the Company's issued and outstanding common shares. Overall, trading volumes averaged less than 32,000 shares per day in the 180 trading days preceding the date of the Opinion, which makes it difficult to assess the reasonableness of the trading price/market capitalization as a means of determining the fundamental value of Banxa.

Trading Volume	December 18, 2024				
	Minimum	Average	Maximum	Total	%
10-Days Preceding	7,630	62,174	216,900	621,740	1.4%
30-Days Preceding	7,630	109,955	475,610	3,298,640	7.2%
90-Days Preceding	510	46,673	475,610	4,013,920	8.8%
180-Days Preceding	510	31,907	475,610	5,615,600	12.3%

Given the limited trading volumes on the Exchange and recent increase in the trading price, Evans & Evans calculated Banxa's volume weighted average price ("VWAP") over the 10, 15, 20, 30, 60 and 90 days preceding the date of the Opinion as summarized in the following table. The Company's VWAP ranged between $0.87 and $0.99 over the 90 trading days preceding the date of the Opinion.

Volume Weighted Average Price		December 18, 2024	
10-Day VWAP	$0.97	30-Day VWAP	$0.99
15-Day VWAP	$0.92	60-Day VWAP	$0.95
20-Day VWAP	$0.87	90-Day VWAP	$0.89

9.04 Evans & Evans assessed the reasonableness of the implied enterprise value of the Company in the range of $53.3 million by comparing certain of the related valuation multiples to the multiples indicated for the referenced guideline public companies.

The guideline companies selected were considered reasonably comparable to Banxa. In the table below we have summarized the EV to trailing 12-month ("TTM") revenues multiples and EV to current financial year ("CFY") revenues multiples of selected public companies.

Selected Guideline Public Companies

AUD Millions Company Name	Exchange: Ticker	Market Cap	Enterprise Value	TTM Revenue	CFY Revenue	NFY Revenue	TTM EBITDA	TTM EBITDA %	TTM GP%	EV/TTM Revenue	EV/CFY Revenue
Financial Exchanges and Data - Cryptocurrencies											
Bakkt Holdings, Inc.	**NYSE:BKKT**	**273**	**299**	**2,751**	**114**	**132**	**(136)**	**-4.9%**	**-3.0%**	**.11 (x)**	**2.62 (x)**
Goobit Group AB (publ)	NGM:BTCX	6	6	21	n/a	n/a	(0)	-2.1%	9.4%	.28 (x)	n/a
WonderFi Technologies Inc.	**TSX:WNDR**	**215**	**179**	**54**	**58**	**70**	**10**	**17.9%**	**90.8%**	**3.32 (x)**	**3.07 (x)**
						Average		3.6%	32.4%	1.24 (x)	2.85 (x)
						Median		-2.1%	9.4%	.28 (x)	2.85 (x)
Application Software - Cryptocurrencies/Blockchain Platforms											
DMG Blockchain Solutions Inc.	**TSXV:DMGI**	**92**	**106**	**37**	**37**	**43**	**n/a**	**17.7%**	**44.3%**	**2.88 (x)**	**2.89 (x)**
Arcario AB	OM:ARCA	50	48	91	n/a	n/a	n/a	0.6%	4.0%	.53 (x)	n/a
Bitcoin Well Inc.	TSXV:BTCW	39	67	79	n/a	n/a	n/a	-2.9%	6.0%	.85 (x)	n/a
						Average		5.1%	18.1%	1.42 (x)	2.89 (x)
						Median		0.6%	6.0%	.85 (x)	2.89 (x)
Payment Processing											
Block, Inc.	NYSE:SQ	85,826	83,011	34,415	38,985	43,587	1,841	5.3%	36.4%	2.41 (x)	2.13 (x)
Cantaloupe, Inc.	NasdaqGS:CTLP	1,139	1,151	399	498	575	42	10.5%	38.7%	2.88 (x)	2.31 (x)
Cass Information Systems, Inc.	**NasdaqGS:CASS**	**904**	**540**	**317**	**317**	**334**	**79**	**24.8%**	**45.4%**	**1.70 (x)**	**1.70 (x)**
Change Financial Limited	**ASX:CCA**	**44**	**40**	**16**	**24**	**34**	**(3)**	**-20.5%**	**28.7%**	**2.51 (x)**	**1.64 (x)**
EML Payments Limited	**ASX:EML**	**356**	**398**	**217**	**215**	**222**	**6**	**2.6%**	**88.4%**	**1.83 (x)**	**1.85 (x)**
EonX Technologies Inc.	**CNSX:EONX**	**9**	**13**	**13**	**n/a**	**n/a**	**(6)**	**-48.7%**	**30.8%**	**1.0 (x)**	**n/a**
EVERTEC, Inc.	NYSE:EVTC	3,397	4,560	1,188	1,349	1,432	345	29.0%	51.3%	3.84 (x)	3.38 (x)
Flywire Corporation	NasdaqGS:FLYW	4,087	3,007	685	775	960	2	0.3%	63.6%	4.39 (x)	3.88 (x)
Global Payments Inc.	NYSE:GPN	44,794	69,289	14,458	14,684	15,400	6,283	43.5%	63.0%	4.79 (x)	4.72 (x)
Marqeta, Inc.	NasdaqGS:MQ	2,956	1,206	707	805	939	(42)	-5.9%	68.7%	1.71 (x)	1.50 (x)
Payoneer Global Inc.	NasdaqGM:PAYO	5,617	4,794	1,356	1,526	1,651	238	17.5%	84.5%	3.53 (x)	3.14 (x)
Paysign, Inc.	**NasdaqCM:PAYS**	**249**	**233**	**81**	**93**	**105**	**9**	**11.3%**	**53.4%**	**2.86 (x)**	**2.50 (x)**
POSaBIT Systems Corporation	**CNSX:PBIT**	**13**	**18**	**24**	**n/a**	**n/a**	**(12)**	**-48.8%**	**35.9%**	**0.75 (x)**	**n/a**
Priority Technology Holdings, Inc.	NasdaqCM:PRTH	1,095	2,495	1,229	1,407	1,549	254	20.6%	37.2%	2.03 (x)	1.77 (x)
Repay Holdings Corporation	NasdaqCM:RPAY	1,091	1,636	448	507	538	104	23.2%	77.4%	3.65 (x)	3.23 (x)
Shift4 Payments, Inc.	NYSE:FOUR	11,053	13,672	4,542	5,536	7,185	660	14.5%	28.0%	3.01 (x)	2.47 (x)
WEX Inc.	NYSE:WEX	10,595	11,072	3,829	4,200	4,373	1,356	35.4%	72.4%	2.89 (x)	2.64 (x)
						Minimum		-48.8%	28.0%	0.75 (x)	1.50 (x)
						Average		6.8%	53.2%	2.69 (x)	2.59 (x)
						Median		11.3%	51.3%	2.86 (x)	2.47 (x)
						Maximum		43.5%	88.4%	4.79 (x)	4.72 (x)
						Coefficient of Variance		3.85	0.38	0.42	0.36
						Minimum		**-48.8%**	**28.7%**	**0.75 (x)**	**1.64 (x)**
						Average		**-13.2%**	**47.1%**	**1.78 (x)**	**1.92 (x)**
						Median		**-9.0%**	**40.7%**	**1.77 (x)**	**1.78 (x)**
						Maximum		**24.8%**	**88.4%**	**2.86 (x)**	**2.50 (x)**

The reader of the Opinion should note that although the comparable companies may not be direct competitors to the Company, they do or may offer similar products and/or services to their target markets and embody similar business, technical and financial risk/reward characteristics that a notional investor would consider as being comparable.

Evans & Evans noted that the selected guideline companies operating in the payment processing space had EV to TTM revenue multiples ranging from 0.75x to 4.79x with an average and median of 2.69x and 2.86x, respectively, and EV to CFY revenue multiple ranging from 1.50x to 4.72x with an average and median of 2.59x and 2.47x, respectively. Further, Evans & Evans noted that the subset of the selected companies with market capitalizations below one billion Australian dollars as highlighted in bold font in the above table had EV to TTM revenue multiple ranging from 0.75x to 2.86x with an average and median of 1.78x and 1.77x, respectively, and EV to CFY revenue multiple ranging from 1.64x to 2.50x with an average and median of 1.92x and 1.78x, respectively.

Evans & Evans also reviewed the multiples of a few companies operating as financial exchanges and data companies with a focus on cryptocurrencies as well as a few companies operating in the cryptocurrencies/ blockchain platforms space. These companies generally had diversified revenue streams and operated as business-to-consumer companies and were only somewhat comparable to the Company.

In assessing the reasonableness of the above, we considered the following:

- there are a limited number of directly comparable public companies, when one considers differentiating factors such as size and market niche;
- no company considered in the analysis is identical to Banxa;
- an analysis of the results of the foregoing necessarily involves complex considerations and judgments concerning the differences in the financial and operating characteristics of Banxa, the Proposed Transaction and other factors that could affect the trading value and aggregate transaction values of the companies to which they are being compared; and
- the Company is generating operating losses as of the date of the Opinion and has significant customer concentration risk and may require financing to fund operations going forward.
- the Company is significantly smaller in size/capitalization as compared to most of the selected guideline public companies.

Given the above-noted factors and our analysis of the observed multiples of selected public companies, Evans & Evans considered this approach with the trading price analysis in making the final determination of the value of equity of the Company.

9.05 Banxa has not raised any equity financing during the 24 months preceding the date of the Opinion.

9.06 Based on the analysis conducted by Evans & Evans, the Consideration was above the range of the value calculated under trading price/market capitalization and guideline company analysis on a per share basis.

10.0 Fairness Conclusions

10.01 In considering fairness, from a financial point of view, Evans & Evans considered the Consideration from the perspective of the Non-Continuing Shareholders as a group and did not consider the specific circumstances of any particular shareholder, including with regard to income tax considerations.

10.02 Based upon and subject to the foregoing and such other matters as we consider relevant, it is our opinion, as of the date of the Opinion, that the Proposed Transaction is fair, from a financial point of view to the Non-Continuing Shareholders. In arriving at this conclusion, Evans & Evans considered the following.

a. The value of the Company as implied by the Proposed Transaction is higher than the value indicated by the trading price analysis and guideline public company analysis conducted by Evans & Evans as outlined in section 9.0 of the Opinion.

b. There is limited ability for the Non-Continuing Shareholders to monetize their shares. In the 180 trading days preceding the date of the Opinion, in comparison to the average closing trading price of the shares the Consideration offers a premium in the range of 17.4% to 76.4%.

	Average Trading Price	Offer Price	Premium
10-Days Preceding	$0.85	$1.00	17.4%
30-Days Preceding	$0.86	$1.00	16.3%
60-Days Preceding	$0.65	$1.00	53.8%
90-Days Preceding	$0.57	$1.00	76.4%
180-Days Preceding	$0.58	$1.00	71.0%

In the 60 trading days preceding the date of the Opinion, in comparison to the VWAP the Consideration offers a premium in the range of 5.8%.

	VWAP	Offer Price	Premium
10-Days Preceding	$0.97	$1.00	3.2%
20-Days Preceding	$0.87	$1.00	14.4%
30-Days Preceding	$0.99	$1.00	1.2%
60-Days Preceding	$0.95	$1.00	5.8%

c. Even though the trading volumes are limited, the Consideration represents a significant premium to the average trading price over the 90-days and 180-days preceding the date of the Opinion. However, in the view of Evans & Evans, as outlined in section 9.03 of the Opinion, market capitalization is not a reliable indicator of the fundamental value of the Company.

d. The existence of a large bloc of shareholders that owns or controls over 50% of the issued and outstanding common shares of the Company reduces the potential of an alternative transaction or exit scenario for the Non-Continuing Shareholders.

e. In the view of Evans & Evans, there is significant risk associated with the Company's current operations ability to support sustained share appreciation. The Company has historically been generating operating losses and is forecasting operating loss for FY2025. Further, the Company is subject to customer concentration risk and loss of key customers may necessitate additional financing to sustain operations.

11.0 Qualifications & Certification

11.01 The Opinion preparation was carried out by Jennifer Lucas and thereafter reviewed by Michael Evans.

Mr. Michael A. Evans, MBA, CFA, CBV, ASA, Principal, founded Evans & Evans, Inc. in 1989. For over 35 years, he has been extensively involved in the financial services and management consulting fields in Vancouver, where he was a Vice-President of two firms,

The Genesis Group (1986-1989) and Western Venture Development Corporation (1989-1990). Over this period, he has been involved in the preparation of several thousand technical and assessment reports, business plans, business valuations, and feasibility studies for submission to various Canadian stock exchanges and securities commissions as well as for private purposes.

Mr. Michael A. Evans holds: a Bachelor of Business Administration degree from Simon Fraser University, British Columbia (1981); a Master's degree in Business Administration from the University of Portland, Oregon (1983) where he graduated with honors; the professional designations of Chartered Financial Analyst (CFA), Chartered Business Valuator (CBV) and Accredited Senior Appraiser. Mr. Evans is a member of the CFA Institute, the Canadian Institute of Chartered Business Valuators ("CICBV") and the American Society of Appraisers ("ASA").

Ms. Jennifer Lucas, MBA, CBV, ASA, Partner, joined Evans & Evans in 1997. Ms. Lucas possesses several years of relevant experience as an analyst in the public and private sector in British Columbia and Saskatchewan. Her background includes working for the Office of the Superintendent of Financial Institutions of British Columbia as a Financial Analyst. Ms. Lucas has also gained experience in the Personal Security and Telecommunications industries. Since joining Evans & Evans Ms. Lucas has been involved in writing and reviewing several thousand valuation and due diligence reports for public and private transactions.

Ms. Lucas holds: a Bachelor of Commerce degree from the University of Saskatchewan (1993), a Masters in Business Administration degree from the University of British Columbia (1995). Ms. Lucas holds the professional designations of Chartered Business Valuator and Accredited Senior Appraiser. She is a member of the CICBV and the ASA.

11.02 The analyses, opinions, calculations and conclusions were developed, and this Opinion has been prepared in accordance with the standards set forth by the Canadian Institute of Chartered Valuators.

11.03 The authors of the Opinion have no present or prospective interest in the Company, or any entity that is the subject of this Opinion, and we have no personal interest with respect to the parties involved.

Yours very truly,

Evans & Evans

EVANS & EVANS, INC.

QUESTIONS MAY BE DIRECTED TO BANXA HOLDINGS INC.'S

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