

BITCOIN WELL INC.

RELATED PARTY TRANSACTIONS POLICY

I. Purpose

The Board of Directors (the "**Board**") of Bitcoin Well Inc. ("**BW**" or the "**Company**"), acting upon the recommendation of its Directors and the Committee (as defined below), has adopted the following policy and procedures with regard to Related Party Transactions (as defined below). This Related Party Transactions Policy (the "**Policy**") is intended to ensure the proper approval and reporting of transactions between the Company and any of its Related Persons (as defined below). Such transactions are appropriate only if they are in the best interests of the Company and its shareholders.

The Company recognizes that Related Party Transactions can present a heightened risk of potential or actual conflicts of interest and may create the appearance that its decisions are based on considerations other than the best interests of BW and its shareholders. However, the Board recognizes that there are situations where Related Party Transactions may be, or may not be, inconsistent with the best interests of BW and its shareholders. This may include, but is not limited to, situations where BW may obtain products or services of a nature, quality or on terms that are not readily available from alternative sources or when BW provides products or services to Related Persons on an arm's length basis on terms comparable to those provided to unrelated third parties.

All Related Party Transactions shall be disclosed in BW's applicable public filings, if required, and all disclosure and filings must be made in accordance with applicable securities laws, including Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). In addition, the Board and the Committee review any Related Party Transactions involving non-employee Directors as part of the annual determination of their independence.

II. Policy Statement

2.1 Policy

It is the policy of BW that all Related Party Transactions shall be subject to review in accordance with the procedures set forth below. The Board has determined that the Committee shall be tasked with the review of all Related Party Transactions in accordance with this Policy.

Reference is specifically made to BW's Code of Conduct and Ethics (the "**Code**"), which Code is incorporated by reference into this Policy to the extent required by this Policy. It is the Board's intention that this Policy act in conjunction with, and as a companion policy to, the Code. Notwithstanding the foregoing, in the event of a conflict between any of the terms of this Policy and any of the terms of the Code, the terms of the Code shall prevail and supersede the terms of this Policy. Subject to the foregoing, this Policy is in addition to, and does not replace or supersede any other policy, mandate or charter of the Board or any committee of the Board unless expressly stated otherwise in this Policy.

2.2 Definitions

"Affiliated Entity": Any firm, corporation, partnership, trust, joint venture, charitable organization or other entity in which any Director, Executive Officer, 10% Shareholder or Immediate Family Member (all as defined below) owns, directly or indirectly, at least a 5% equity interest.

"Committee": The Corporate Governance and Nominating Committee of BW, or such other committee that is designated by the Board to oversee this Policy.

"Committee Chair": The Chair of the Corporate Governance and Nominating Committee of BW, or the chair of such other committee that is designated by the Board to oversee this Policy.

"Director": Any member of the Board or any member of the board of directors of any Subsidiary.

"Executive Officer": Any individual who has been appointed as an executive officer of BW or any Subsidiary and includes, for greater certainty, the President & Chief Executive Officer, Chief Financial Officer, Chief Revenue Officer, Corporate Secretary, and any other person designated, from time to time, as an Executive Officer for the purposes of this Policy by the Board.

"Immediate Family Member": Any child, step-child, parent, step-parent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of a Director or an Executive Officer, or of a 10% Shareholder if such 10% Shareholder is a natural person, and any individual (other than a tenant or an employee) sharing the household of such person.

"Independent Director": Any member of the Board that is deemed to be independent within the meaning of National Instrument 52-110 *Audit Committees*.

"Related Party Transaction": Means a transaction between the Company and a person that is a Related Person of the Company at the time the transaction is agreed to, whether or not there are also other parties to the transaction, as a consequence of which, either through the transaction itself or together with connected transactions, the Company directly or indirectly (i) purchases or acquires an asset or service, from the Related Person for valuable consideration, (ii) purchases or acquires, as a joint actor with the Related Person, an asset or service from a third party if the proportion of the asset acquired by the Company is less than the proportion of the consideration paid by the Company, (iii) sells, transfers or disposes of an asset or service to a Related Person, (iv) sells, transfers or disposes of, as a joint actor with a Related Person, an asset or service to a third party if the proportion of the consideration received by the Company is less than the proportion of the asset or service sold, transferred or disposed of by the Company, (v) leases property to or from the Related Person, (vi) acquires the Related Person, or combines with the Related Person, through an amalgamation, arrangement or otherwise, whether alone or with joint actors, (vii) issues a security to the Related Person or subscribes for a security of the Related Person, (viii) amends the terms of a security of the Company if the security is beneficially owned, or is one over which control or direction is exercised, by the Related Person, or agrees to the amendment of the terms of a security of the Related Person if the security is beneficially owned by the Company or is one over which the Company exercises control or direction, (ix) assumes or otherwise becomes subject to a liability of the Related Person, (x) borrows money from or lends money to the Related Person, or enters into a credit facility with the Related Person, (xi) releases, cancels or forgives a debt or liability owed by the Related Person, (xii) materially amends the terms of an outstanding debt or liability owed by or to the Related Person, or the terms of an outstanding credit facility with the Related Person, or (xiii) provides a

guarantee or collateral security for a debt or liability of the Related Person, or materially amends the terms of the guarantee or security.

"Related Person": Any person who is, or at any time since the beginning of BW's last financial year was, (i) a control person of BW, (ii) a person of which a person referred to in paragraph (i) of this definition is a control person, (iii) a person of which BW is a control person, (iv) a Director, (v) an Executive Officer, (vi) a 10% Shareholder, (vii) an Immediate Family Member, (viii) a person that manages or directs, to any substantial degree, the affairs or operations of BW under an agreement, arrangement or understanding between the person and BW, but excluding a person acting under bankruptcy or insolvency law, (ix) a person which persons described in any paragraph of this definition beneficially own, in the aggregate, more than 50 percent of the securities of any outstanding class of equity securities, or (x) an Affiliated Entity.

"Subsidiary": Any subsidiary of BW whose results of operations are included in the most recent annual or interim consolidated financial statements of BW.

"10% Shareholder": Any person who has filed an early warning report, alternative monthly report, SEDI filing or any similar filing, reporting ownership of 10% or more of BW's common shares or securities convertible into BW's common shares.

III. Policies and Procedures

3.1 Notification of Related Party Transactions

Who is responsible for providing notice of a potential Related Party Transaction?	When should notice of a potential Related Party Transaction be given?	What should the notice of a potential Related Party Transaction include?	Who determines whether the potential transaction is a Related Party Transaction?
<p>In accordance with Section 3.4, each Related Person is responsible for providing written notice to the Committee Chair of any potential Related Party Transaction involving him or her or his or her Immediate Family Member or Affiliated Entity.</p>	<p>Notice of a Related Party Transaction must be given no later than 24 hours from the date that the Related Party became aware of the potential Related Party Transaction, and wherever possible in advance of completing the Related Party Transaction.</p> <p>The Committee strongly prefers to receive such notice of any potential Related Party Transaction well in advance so that the Committee Chair (or</p>	<p>The notice should include:</p> <ul style="list-style-type: none"> i. the Related Person's relationship to BW or applicable Subsidiary and the person's interest in the transaction; ii. the material terms of the potential transaction, including all material financial terms; iii. the benefits to BW or applicable Subsidiary of the 	<p>The Committee Chair, in consultation with management, as well as any external legal or other advisors that the Committee Chair deems advisable to consult with, shall then determine whether the potential transaction is, in fact, a Related Party Transaction for the purposes of this Policy. The Committee Chair may meet and consult with such other persons as he or she considers necessary to confirm and/or supplement the</p>

	<p>Chairman, as appropriate) has adequate time to obtain and review information about the potential transaction and to refer it to the appropriate approval authority. However, ratification of a Related Party Transaction after its commencement, or even its completion, may be appropriate in some circumstances.</p>	<p>potential transaction; iv. if applicable, the availability (or lack thereof) of other sources of comparable products or services; and v. an assessment of whether the potential transaction is on terms that are comparable to the terms available to an unrelated third party</p>	<p>information in any notice. Any transaction determined to be a Related Party Transaction shall be submitted to the Committee for approval, ratification, disapproval, rejection or termination in accordance with applicable corporate and securities laws, including stock exchange requirements and those set out in MI 61-101.</p> <p>In the event that the Committee Chair is the Related Person to whom a potential Related Party Transaction applies, for the purpose of this Section 3.1, the Committee Chair shall provide written notice to the Chairman. The Chairman shall then act in accordance with this Section 3.1 in managing and mitigating the potential conflict and potential Related Party Transaction that the Committee Chair discloses.</p>
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3.2 Review of Related Party Transactions

Wherever possible, review of a Related Party Transaction shall take place at the next regularly scheduled meeting of the Committee or at such earlier time as the Committee Chair may determine in his or her sole and absolute discretion. The Committee will then be asked to consider the Related Party Transaction at

such Committee meeting in accordance with this Policy, and may consider all options, including approval, ratification, disapproval, rejection or termination of such Related Party Transaction.

Any member of the Committee who has a potential interest in any Related Party Transaction will recuse himself or herself and abstain from voting on the approval or ratification of the Related Party Transaction, but may participate in all or a portion of the Committee's discussions of the Related Party Transaction, if requested by the Committee Chair.

No Director or Executive Officer shall participate in any discussion or approval of a Related Party Transaction for which he or she or any Immediate Family Member or Affiliated Entity of such Director or Executive Officer is a Related Person, except that the Director or Executive Officer, as applicable, shall provide all material information concerning the Related Party Transaction to the Committee.

Management of BW shall present to the Committee on a quarterly basis, a management certification with a complete reconciliation (including all necessary and/or supporting documents requested by the Committee) of all amounts paid by BW in support of Ghostlab Inc.

All recommendations of the Committee to approve, ratify, disapprove, reject or terminate a Related Party Transaction shall be presented to the Independent Directors and their recommendation to the Board shall be recorded in the appropriate Committee records. The Committee shall then present to the Board at the next following Board meeting the recommendations of the Committee to approve, ratify, disapprove, reject or terminate a Related Party Transaction. The Board shall record its vote on the issue, including supporting rationale in the Board meeting minutes.

3.3 General Criteria for Approving Related Party Transactions

In determining whether to recommend to the Board approval, ratification, disapproval, rejection or termination of a Related Party Transaction, the Committee shall take into account, among any other factors it deems to be relevant and/or appropriate, including the purpose and timing of the transaction, the following criteria:

- i. whether the Related Party Transaction is entered into on terms no less favorable to BW or a Subsidiary, as applicable, than terms generally available to an arm's length third-party under the same or similar circumstances;
- ii. whether there are any compelling business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;
- iii. whether the Related Party Transaction would impair the independence of an otherwise Independent Director or nominee for Director;
- iv. whether the Company was notified about the Related Party Transaction before its commencement, and if not, why pre-approval was not sought and whether subsequent ratification would be detrimental to the Company;
- v. the materiality of the potential transaction;
- vi. the results of an appraisal, if any;

- vii. whether there was a bidding process and the results thereof;
- viii. the valuation methodology used and alternative approaches to valuation of the potential transaction;
- ix. whether the potential transaction includes any potential reputational risk issues that may arise as a result of or in connection with the potential transaction, or would present an improper conflict of interest for any Director or Executive Officer;
- x. whether the proposed Related Party Transaction, and the decision to approve, ratify, disapprove, reject or terminate it includes financial risks, including risks or damage or termination claims; and
- xi. the extent of the Related Person's interest in the transaction.

In the event a Related Party Transaction involves multiple individual transactions of a similar nature over a period of time, the Related Party Transaction will be considered and analyzed on an aggregate basis (i.e. the aggregate of all individual transactions). Such Related Party Transactions will then be reviewed on an annual basis and the Committee shall determine whether to approve, ratify, disapprove, reject or terminate the Related Party Transaction for the upcoming year, using the criteria set out in this Section 3.3.

3.4 Related Party Transactions Where Prior Approval Not Obtained Under This Policy

In the event that BW or any Subsidiary becomes aware of a Related Party Transaction with a Related Person that is in place, which was not approved under this Policy, the matter shall be presented to and reviewed by the Committee. The Committee shall consider all of the relevant facts and circumstances regarding such Related Party Transaction, including the items listed in Section 3.3 above, and shall evaluate all options available to BW or the applicable Subsidiary, including ratification, revision or termination of the Related Party Transaction. The Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under this Policy and may take any such action, including disciplinary actions, it deems appropriate.

IV. Pre-Approved Related Party Transactions

Notwithstanding the foregoing, the Committee has determined that each of the following types of Related Party Transactions shall be deemed to be pre-approved or ratified, and shall not require review or approval by the Committee:

- i. **Employment of Executive Officers.** Any employment by BW of an Executive Officer (including any amendments to any employment contracts for existing Executive Officers) if the related compensation would be reported in BW's next annual management information circular in accordance with Form 51-102F6 *Statement of Executive Compensation* (generally applicable to "named executive officers") and/or the Governance and Compensation Committee of the Board approved (or recommended that the Board approve) such compensation.
- ii. **Director compensation.** Any compensation paid to a Director, if the related compensation is required to be reported in BW's next annual management information circular in accordance with Form 51-102F6 *Statement of Executive Compensation* and/or the Compensation & Human

Resources Committee of the Board approved (or recommended that the Board approve) such compensation.

- iii. **Certain transactions with other companies.** Any transaction with another company at which a Related Person's (other than a Director or 10% Shareholder who is a natural person's) only relationship is as: (a) an employee (i.e., the Related Person is not the equivalent of a Director or an Executive Officer); (b) a beneficial owner of less than 5% of that company's outstanding equity; or (c) in the case of partnerships, a limited partner and is the beneficial owner of less than 5% of that partnership's outstanding equity.
- iv. **Ordinary course transactions.** Any products or services (including without limitation transactions at ATMs) provided by BW or any Subsidiary, or arranged by BW or any Subsidiary on behalf of a third-party, to or from any Related Person, provided that such products or services are provided on substantially the same terms as those prevailing at the time for comparable items provided to arm's length persons, subject to any employee discounts that are in place from time to time. Included in "ordinary course transactions" is any transaction valued at less than \$5,000 per transaction, which includes any transaction or series of transactions, provided that such transaction or series of transactions are not material to BW or any Subsidiary.
- v. **Transactions where all shareholders receive proportional benefits.** Any transaction where the Related Person's interest arises solely from the ownership of BW's common shares or other securities and all holders of BW's common shares or other securities received the same benefit on a pro rata basis.
- vi. **Regulated transactions.** Any transaction with a Related Person involving the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority.
- vii. **Certain banking-related services.** Any transaction with a Related Person involving services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture or similar services.

V. General

5.1 Amendments and Inquiries

The Policy was adopted by the Board upon recommendation of the Committee. Any changes or amendments to this Policy must be approved by the Board, upon recommendation of the Committee.

Questions about this Policy should be directed to one of the following individuals:

- i. the Committee Chair; or
- ii. the Lead Independent Director.

5.2 Effective Date

This Policy is made effective as of July 6, 2021.

5.3 Exceptions

Any exceptions to this Policy must comply with all applicable laws and regulations, including MI 61-101, and any other applicable policies of BW, and must be approved in advance in writing by the Board.