

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

This prospectus supplement, together with the accompanying short form base shelf prospectus dated September 15, 2021 to which it relates, as amended or supplemented, and each document incorporated or deemed to be incorporated by reference into this prospectus supplement and the accompanying short form base shelf prospectus, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or the securities laws of any state of the United States (as such term is defined in Regulation S under the U.S. Securities Act) and may not be offered or sold within the United States or to, or for the account or benefit of a U.S. person (as such term is defined in Regulation S under the U.S. Securities Act) (a “U.S. Person”) or a person in the United States, unless the securities are registered under the U.S. Securities Act and applicable securities laws of any state of the United States or unless an exemption from such registration requirements are available. This prospectus supplement does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States or to, or for the account or benefit of, U.S. Persons. See “Plan of Distribution”.

Information has been incorporated by reference in this prospectus supplement and the accompanying short form base shelf prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of LQwD FinTech Corp. at 407 – 1168 Hamilton Street, Vancouver, British Columbia, V6B 2S2, Telephone 604-669-0912 and are also available electronically at www.sedar.com.

PROSPECTUS SUPPLEMENT To Short Form Base Shelf Prospectus Dated September 15, 2021

New Issue

October 22, 2021



LQwD FINTECH CORP.

\$7,000,000

20,000,000 Units

This prospectus supplement (the “**Prospectus Supplement**”) of LQwD Fintech Corp. (“**LQwD FinTech**” or the “**Company**”), together with the short form base shelf prospectus of the Company dated September 15, 2021 (the “**Prospectus**”), qualifies the distribution of an aggregate of 20,000,000 units (the “**Units**”) of the Company at an offering price of \$0.35 per Unit (the “**Offering Price**”) for aggregate gross proceeds to the Company of \$7,000,000 (the “**Offering**”). The Units will be sold pursuant to an amended and restated underwriting agreement dated as of October 22, 2021 (the “**Underwriting Agreement**”) between the Company and Canaccord Genuity Corp. (the “**Lead Underwriter**”) and PI Financial Corp. (together with the Lead Underwriter, the “**Underwriters**”). The Offering Price was determined by arm’s length negotiation between the Company and the Lead Underwriter with reference to the prevailing market price of the common shares of the Company (the “**Common Shares**”). See “*Plan of Distribution*”.

Each Unit consists of one common share of the Company (each a “**Unit Share**”) and one-half of one common share purchase warrant (each whole common share purchase warrant, a “**Warrant**”). Each Warrant entitles the holder to purchase one common share of the Company (a “**Warrant Share**”) at an exercise price of \$0.50 per Warrant Share for a period of 24 months from the Closing Date (as defined herein), subject to adjustment in certain customary events. The Warrants will be governed by a warrant indenture to be entered into on or prior to the Closing Date between the Company and Computershare Trust Company of Canada (“**Computershare**” or the “**Warrant Agent**”), as warrant

agent. The Unit Shares and Warrants comprising the Units will be separated immediately upon closing of the Offering. See “*Description of Securities Being Distributed*”.

The Common Shares are listed on the TSX Venture Exchange (“**TSXV**”) under the trading symbol “LQWD” and trade in the United States on the OTCQB under the symbol “LQWDF”. On October 19, 2021, the last trading day prior to the announcement of the Offering, the closing price of the Common Shares on the TSXV was \$0.41 per Common Share. On October 21, 2021, the last trading day before the date of this prospectus supplement, the closing price of the Common Shares on the TSXV was \$0.40 per Common Share. The Company has applied to list the Unit Shares and the Warrant Shares, including those Unit Shares and Warrant Shares underlying the Over-Allotment Option (as defined herein), the Compensation Warrant Shares (as defined herein) that may be issued upon exercise of the Compensation Warrants (as defined herein), as well as the Corporate Finance Shares (as defined herein) on the TSXV. Conditional approval for listing of these securities on the TSXV is a condition of closing of the Offering. Listing will be subject to the Company fulfilling all of the requirements of the TSXV. **There is currently no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants purchased under this Prospectus Supplement. This may affect the price of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation.**

Subject to applicable laws, the Underwriters may, in connection with the Offering, effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See “*Plan of Distribution*”.

	Price to the Public	Commission ⁽¹⁾	Net Proceeds to the Company ⁽²⁾⁽³⁾
Per Unit	\$0.35	\$0.0245	\$0.3255
Total⁽⁴⁾	\$7,000,000	\$490,000	\$6,510,000

Notes:

- (1) In connection with the Offering, the Company has agreed to issue or pay to the Underwriters: (i) a cash commission (the “**Commission**”) equal to 7.0% of the aggregate gross proceeds of the Offering (including any gross proceeds raised on exercise of the Over-Allotment Option), other than in respect of gross proceeds raised from purchasers on the President’s List (as defined herein), for which the Underwriters will receive a Commission equal to 3.5%; and (ii) an aggregate number of compensation warrants (the “**Compensation Warrants**”) equal to 7.0% of the aggregate number of Units issued pursuant to the Offering (including any Units issued upon exercise of the Over-Allotment Option), other than in respect of Units sold to purchasers on the President’s List for which the Underwriters will receive Compensation Warrants equal to 3.5%. Each Compensation Warrant may be exercised to acquire one common share of the Company (a “**Compensation Warrant Share**”) at an exercise price of \$0.35 per Compensation Warrant Share for a period of 24 months from the Closing Date, subject to adjustment in certain events. In addition, the Company has agreed to pay the Lead Underwriter a corporate finance fee (the “**Corporate Finance Fee**”) in the amount of \$150,000 with 50% of the Corporate Finance Fee equal to \$75,000 to be paid in cash (the “**Corporate Finance Cash Fee**”) and 50% of the Corporate Finance Fee to be paid in common shares of the Company (the “**Corporate Finance Shares**”) at a deemed price of \$0.35 per Corporate Finance Share for a total of 214,285 Corporate Finance Shares. This Prospectus Supplement qualifies the distribution of the Compensation Warrants, the Compensation Warrant Shares issuable upon exercise of the Compensation Warrants, and the Corporate Finance Shares. “**President’s List**”, as used herein, means a list of purchasers under the Offering provided by the Company to the Underwriters accounting. See “*Plan of Distribution*”. The Commission set forth in this table reflects the Commission payable in respect of purchasers who are not President’s List purchasers.
- (2) After deducting the Commission (assuming no President’s List sales), but before deducting the Corporate Finance Cash Fee of \$75,000 and the expenses of the Offering, estimated to be approximately \$300,000, which, together with the Commission, will be paid out of the gross proceeds of the Offering.
- (3) The Underwriters have been granted an over-allotment option (the “**Over-Allotment Option**”) to purchase up to an additional 3,000,000 Units (the “**Over-Allotment Units**”) at a price of \$0.35 per Over-Allotment Unit, for a period of 30 days after and including the Closing Date (the “**Over-Allotment Option Deadline**”). The Over-Allotment Option may be exercised by the Underwriters, in whole or in part, to acquire either (i) Over-Allotment Units; (ii) additional Unit Shares (the “**Over-Allotment Shares**”) at a price of \$0.34 per Over-Allotment Share; (iii) additional Warrants (“**Over-Allotment Warrants**”) at a price of \$0.02 per Over-Allotment Warrant (being the equivalent of \$0.01 per one-half Over-Allotment Warrant), with each Over-Allotment Warrant entitling the holder thereof to acquire, subject to adjustment in certain circumstances, one Common Share (an “**Over-Allotment Warrant Share**”); or (iv) or any combination of Over-Allotment Units, Over-Allotment Shares and/or Over-Allotment Warrants (collectively, the “**Over-Allotment Securities**”), provided that (i) the number of Over-Allotment

Units does not exceed 3,000,000, (ii) the number of Over-Allotment Shares does not exceed 3,000,000, and (iii) the number of Over-Allotment Warrants does not exceed 1,500,000. If the Over-Allotment Option is exercised in full for 3,000,000 Over-Allotment Units, and assuming no President’s List sales, the total “Price to the Public”, “Commission” and “Net Proceeds to the Company” will be approximately \$8,050,000, \$563,500 and \$7,486,500, respectively. This Prospectus Supplement and the Prospectus also qualify the grant of the Over-Allotment Option and the distribution of the Over-Allotment Units upon exercise of the Over-Allotment Option. Any purchaser who acquires Over-Allotment Securities forming part of the over-allocation position of the Underwriters pursuant to the Over-Allotment Option acquires such securities under this Prospectus Supplement, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See “*Plan of Distribution*”.

- (4) Assumes no Units are sold to purchasers on the President’s List and, accordingly, the total Commission in this table has not been reduced in respect of proceeds that may be raised in respect of the President’s List.

Unless the context otherwise requires, when used herein, all references to “Offering” include the exercise of the Over-Allotment Option, all references to “Units” include the Over-Allotment Units issuable upon exercise of the Over-Allotment Option, all references to “Unit Shares” include the Over-Allotment Shares issuable upon exercise of the Over-Allotment Option, all references to “Warrants” include the Over-Allotment Warrants issuable upon exercise of the Over-Allotment Option and all references to “Warrant Shares” include the Over-Allotment Warrant Shares issuable upon exercise of the Over-Allotment Warrants.

The following table sets out the number of securities, if any, that have been issued or may be issued by the Company to the Underwriters pursuant to the Compensation Warrants, Corporate Finance Shares and Over-Allotment Option:

Underwriters’ Position	Maximum Size or Number of Securities Available	Exercise Period or Acquisition Date	Exercise Price or Average Acquisition Price
Compensation Warrants ⁽¹⁾	1,610,000 Compensation Warrants	Exercisable for a period of 24 months following the Closing Date	\$0.35 per Compensation Warrant Share
Corporate Finance Shares ⁽¹⁾	214,285 Common Shares	n/a	n/a
Over-Allotment Option	3,000,000 Over-Allotment Units; and/or 3,000,000 Over-Allotment Shares; and/or 1,500,000 Over-Allotment Warrants	Not later than the 30 th day after the Closing Date	\$0.35 per Over-Allotment Unit \$0.34 per Over-Allotment Share \$0.02 per Over-Allotment Warrant

Notes:

- (1) Assuming the Over-Allotment Option is exercised in full. This Prospectus Supplement qualifies the distribution of the Compensation Warrants and the Corporate Finance Shares. See “*Plan of Distribution*”.

The Underwriters, as principal, conditionally offer the Units, subject to prior sale, if, as and when issued by the Company and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under “*Plan of Distribution*” and subject to approval on behalf of the Company by Miller Thomson LLP with respect to Canadian legal matters, by Dorsey & Whitney LLP with respect to United States legal matters, and on behalf of the Underwriters by DLA Piper (Canada) LLP.

The Underwriters propose to offer the Units initially at the Offering Price. After a reasonable effort has been made to sell all of the Units at the price specified, the Underwriters may subsequently reduce the selling price to investors from time to time in order to sell any of the Units remaining unsold. Any such reduction will not affect the proceeds received by the Company. The Underwriters will inform the Company if the Offering Price is reduced. See “*Plan of Distribution*”.

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. The closing of the Offering is expected to occur on or about October 28, 2021 or such later date as the Company and the Lead Underwriter may agree (the “**Closing Date**”).

Subject to alternative arrangements in respect of President’s List Purchasers, it is anticipated that the Unit Shares and the Warrants comprising the Units will be delivered under the book-based system through CDS Clearing and Depository Services Inc. (“**CDS**”) or its nominee and deposited in electronic form. A purchaser of Units will receive only a customer confirmation from the Underwriters or another registered dealer from or through which the Units are purchased and who is a CDS depository service participant. CDS will record the CDS participants who hold Units on behalf of owners who have purchased Units in accordance with the book-based system. Except in certain limited circumstances, no definitive certificates evidencing the Unit Shares or Warrants comprising the Units will be issued to purchasers in the United States. Notwithstanding the foregoing, all Units, Unit Shares and Warrants and any Warrant Shares, if applicable, offered and sold in the United States or to, or for the account or benefit of, U.S. Persons who are “accredited investors” as such term is defined in Rule 501(a) of Regulation D promulgated under the U.S. Securities Act (the “**U.S. Accredited Investors**”), and who are not “qualified institutional buyers,” as such term is defined in Rule 144A under the U.S. Securities Act (“**Qualified Institutional Buyers**”), and together with the U.S. Accredited Investors, the “**U.S. Purchasers**”) will be issued in certificated, individually registered form. See “*Plan of Distribution*”.

An investment in the Units involves a high degree of risk. Prospective purchasers should consider the risk factors described under “Risk Factors” in this Prospectus Supplement and the “Risk Factors” section beginning on page 10 of the accompanying Prospectus and the documents incorporated by reference herein and therein for a discussion of certain risks that you should consider in connection with an investment in the Units.

Prospective purchasers are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding or disposing of the Units, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian corporation that acquires the Units.

The Company’s head office is located at 407 – 1168 Hamilton Street, Vancouver, British Columbia, V6B 2S2, and its registered and records office is located at Suite 400, 725 Granville Street, Vancouver, British Columbia, V7Y 1G5.

Investors should rely only on current information contained in or incorporated by reference into this Prospectus Supplement and the accompanying Prospectus as such information is accurate only as of the date of the applicable document. The Company has not authorized anyone to provide investors with different information. Information contained on the Company’s website shall not be deemed to be a part of this Prospectus Supplement, the accompanying Prospectus or incorporated by reference and should not be relied upon by prospective investors for the purpose of determining whether to invest in the securities. Investors should assume that the information appearing in this Prospectus Supplement and the accompanying Prospectus is accurate only as of the date on the front of those documents and that information contained in any document incorporated by reference in this Prospectus Supplement and the accompanying Prospectus is accurate only as of the date of that document. The Company will not make an offer of the Units in any jurisdiction where the offer or sale is not permitted.

TABLE OF CONTENTS

Prospectus Supplement

	<u>Page</u>
GENERAL MATTERS	6
PRESENTATION OF FINANCIAL INFORMATION	6
CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS	6
MARKETING MATERIALS	8
BUSINESS OF THE COMPANY	8
RISK FACTORS	9
DESCRIPTION OF SECURITIES BEING DISTRIBUTED	13
USE OF PROCEEDS	15
CONSOLIDATED CAPITALIZATION	16
PRIOR SALES	16
CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS	18
PRICE RANGE AND TRADING VOLUME	22
DIVIDEND POLICY	22
PLAN OF DISTRIBUTION	22
LEGAL MATTERS	26
DOCUMENTS INCORPORATED BY REFERENCE	26
AUDITORS, TRANSFER AGENT AND REGISTRAR	28
INTERESTS OF EXPERTS	28
STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION	28
ELIGIBILITY FOR INVESTMENT	28
CERTIFICATE OF THE COMPANY	C-1
CERTIFICATE OF THE UNDERWRITERS	C-2

Prospectus

ABOUT THIS PROSPECTUS	1
CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS	1
DOCUMENTS INCORPORATED BY REFERENCE	3
SUMMARY DESCRIPTION OF BUSINESS	4
RISK FACTORS	10
USE OF PROCEEDS	28
PRIOR SALES	29
TRADING PRICE AND VOLUME	30
DIVIDEND POLICY	31
CONSOLIDATED CAPITALIZATION	31
DESCRIPTION OF SHARE CAPITAL	31
DESCRIPTION OF SECURITIES OFFERED UNDER THIS PROSPECTUS	31
DENOMINATIONS, REGISTRATION AND TRANSFER	37
PLAN OF DISTRIBUTION	38
CERTAIN INCOME TAX CONSIDERATIONS	39
AUDITOR, TRANSFER AGENT, REGISTRAR AND WARRANT AGENT	39
INTERESTS OF EXPERTS	39
ADDITIONAL INFORMATION	39
PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION	40
 CERTIFICATE OF THE COMPANY	

GENERAL MATTERS

This document is in two parts. The first part is this Prospectus Supplement, which describes the specific terms of the Offering and also adds to and updates certain information contained in the accompanying Prospectus and the documents incorporated by reference therein. The second part is the accompanying Prospectus, which gives more general information, some of which may not apply to the Offering. This Prospectus Supplement is deemed to be incorporated by reference into the accompanying Prospectus solely for the purposes of the Offering. If the description of the Units varies between this Prospectus Supplement and the accompanying Prospectus, you should rely on the information in this Prospectus Supplement. Before investing, you should carefully read both this Prospectus Supplement and the accompanying Prospectus together with the additional information about the Company to which the Company refers you in the section of this Prospectus Supplement entitled “*Documents Incorporated by Reference*”.

You should rely only on the information contained or incorporated by reference in this Prospectus Supplement or in the accompanying Prospectus. The Company has not, and the Underwriters have not, authorized any other person to provide you with different, additional or inconsistent information. If anyone provides you with different, additional or inconsistent information, you should not rely on it. The Company and the Underwriters are not making an offer of the Units in any jurisdiction where the offer is not permitted. You should assume that the information appearing in this Prospectus Supplement and the accompanying Prospectus is accurate only as of the date on the front of those documents and that information contained in any document incorporated by reference in this Prospectus Supplement and the accompanying Prospectus is accurate only as of the date of that document. The Company’s business, financial condition, results of operations and prospects may have changed since those dates.

Market data and certain industry forecasts used in this Prospectus Supplement and the accompanying Prospectus and the documents incorporated by reference herein and therein were obtained from market research, publicly available information and industry publications. The Company believes that these sources are generally reliable, but the accuracy and completeness of this information is not guaranteed. The Company has not independently verified such information, and it does not make any representation as to the accuracy of such information.

Unless otherwise indicated, all information in this Prospectus Supplement assumes no exercise of the Over-Allotment Option.

Unless the context otherwise requires, references in this Prospectus Supplement and the accompanying Prospectus to “**LQwD FinTech**” or the “**Company**” include LQwD FinTech Corp. and its material subsidiaries. All capitalized terms used but not otherwise defined herein have the meanings provided in the accompanying Prospectus.

PRESENTATION OF FINANCIAL INFORMATION

The Company presents its financial statements in Canadian dollars. All dollar figures in this prospectus supplement and the accompanying prospectus are in Canadian dollars, unless otherwise indicated. All of the financial data contained in this prospectus supplement and the accompanying prospectus relating to the Company have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”), as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus Supplement, the accompanying Prospectus and the documents incorporated by reference in this Prospectus Supplement and in the accompanying Prospectus contain certain statements (“**forward-looking statements**”) about the Company’s current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments constitute forward-looking information and/or forward-looking statements within the meaning of applicable securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that are applicable to an issuer (collectively, the “**Securities Laws**”). The words “may”, “will”, “would”, “should”, “could”, “expects”, “plans”, “intends”, “trends”, “indications”, “anticipates”, “believes”, “estimates”, “predicts”, “likely” or “potential” or the negative or other variations of these words or other comparable words or

phrases, are intended to identify forward-looking statements, although not all forward-looking statements contain these words.

Discussions containing forward-looking statements include, among other places, those under “*Summary Description of Business*” and “*Risk Factors*”. Forward-looking statements included or incorporated by reference in this Prospectus Supplement and the Prospectus include, but are not limited to, statements with respect to the completion of the Offering and the use of the net proceeds of the Offering; the listing of the Unit Shares, the Warrant Shares, the Compensation Warrant Shares and the Corporate Finance Shares issuable pursuant to the Offering on the TSXV; future financial or operating performance of the Company and its subsidiaries; the Company’s expectations with respect to future growth; the Company’s expectations with respect to achievement of its business objectives and milestones; the legislative and regulatory environment; the impact of increasing competition; the ability to obtain regulatory and shareholder approvals; the Company’s ability to successfully develop the lighting network (the “**Lighting Network**”); the Company’s expectations with respect to the use of the available funds following completion of the Offering; requirements for additional capital; the Company’s expectations regarding its revenue, expenses and operational costs; the Company’s anticipated cash needs; the Company’s intention to grow the business and its operations; and the Company’s ability to successfully withstand the economic impact of the COVID-19 pandemic.

Forward-looking statements are based on certain assumptions and estimates made by the Company in light of the experience and perception of historical trends, current conditions, expected future developments, including projected growth in the industry of Bitcoin, and other factors the Company believe are appropriate and reasonable in the circumstances, but there can be no assurance that such assumptions and estimates will prove to be correct. These assumptions include, but are not limited to:

- (i) the Company being able to generate cash flow from operations and obtain necessary financing on acceptable terms;
- (ii) general economic, financial market, regulatory and political conditions in which the Company operates will remain the same;
- (iii) the Company being able to compete in the Bitcoin industry;
- (iv) the Company being able to manage anticipated and unanticipated costs;
- (v) the Company being able to maintain internal controls over financial reporting and disclosure and procedures;
- (vi) the Company being able to maintain customer interest in the Company’s products and services;
- (vii) the Company’s ability to obtain qualified staff, tools and services in a timely and cost efficient manner;
- (viii) the Company’s ability to conduct operations in an efficient and effective manner;
- (ix) government regulation of the Company’s activities will remain the same or develop into a positive direction;
- (x) the anticipated trends and challenges in the Company’s business and the markets and jurisdictions in which the Company operates;
- (xi) the Company’s ability to protect, maintain and enforce the Company’s intellectual property rights;
- (xii) the impact of COVID-19 on the Company’s business; and
- (xiii) the Company being able to successfully build or sustain partnerships or relationships with key players in the Bitcoin industry.

Many factors could cause the Company's actual results, level of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the factors, which are discussed in greater detail in the "*Risk Factors*" section of this Prospectus.

Although the Company believes that the expectations reflected in such forward-looking information are reasonable, it can give no assurance that such expectations will prove to have been correct. The purpose of the forward-looking statements is to provide the reader with a description of management's expectations regarding the Company's performance and may not be appropriate for other purposes. Readers should not place undue reliance on forward-looking statements made herein. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause actual results to differ materially from those anticipated in such forward-looking statements. Furthermore, unless otherwise stated, the forward-looking statements contained in this Prospectus Supplement, the Prospectus and the documents incorporated by reference herein and therein are made as of the date of this Prospectus Supplement, the Prospectus or the documents incorporated by reference herein and therein, as the case may be, and the Company has no intention and undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The forward-looking statements contained in this Prospectus Supplement, the Prospectus and the documents incorporated by reference herein and therein are expressly qualified by this cautionary statement.

MARKETING MATERIALS

In connection with the Offering, the Underwriters used the template term sheet dated October 20, 2021, as amended by the term sheet dated October 21, 2021, and as further amended by the term sheet dated October 22, 2021 (the "**Term Sheet**") in connection with the Offering as "marketing materials" (as such terms are defined under applicable Canadian securities laws). The Term Sheet does not form part of this Prospectus Supplement and the accompanying Prospectus to the extent that the contents of the Term Sheet have been modified or superseded by a statement contained in this Prospectus Supplement. Any template version of any marketing materials that has been, or will be, filed on SEDAR (www.sedar.com) before the termination of the distribution under the Offering (including any amendments to, or an amended version of, any template version of any marketing materials) is deemed to be incorporated by reference into this Prospectus Supplement and the accompanying Prospectus solely for the purposes of the Offering.

BUSINESS OF THE COMPANY

The Company

LQwD FinTech, a British Columbia company, is a reporting issuer in all provinces and territories of Canada, except the province of Québec. The Company's Common Shares are listed on the TSXV under the symbol "LQWD" and trade in the United States on the OTCQB under the symbol "LQWDF". The Company's head office is located at 407 – 1168 Hamilton Street, Vancouver, British Columbia, V6B 2S2, and its registered and records office is located at Suite 400, 725 Granville Street, Vancouver, British Columbia, V7Y 1G5.

LQwD FinTech was incorporated on March 1, 1999 under the name "Minera Capital Corporation" pursuant to the *Business Corporations Act* (Yukon). The Company was continued into British Columbia on September 22, 2004. On September 22, 2005, the Company changed its name from "Minera Capital Corporation" to "Coronado Resources Ltd.". On May 28, 2019, the Company changed its name from "Coronado Resources Ltd." to "Interlapse Technologies Corp.". On June 9, 2021, the Company changed its name from "Interlapse Technologies Corp." to "LQwD FinTech Corp." in connection with its acquisition of LQwD Financial Corp. ("**LQwD Financial**").

On June 9, 2021, the Company acquired 100% of the issued and outstanding securities of LQwD Financial, a private company existing under the laws of British Columbia.

As of the date hereof, the Company has six wholly-owned subsidiaries:

Name of Subsidiary ⁽¹⁾	Place of Incorporation	Proportion of Ownership Interest	Principal Activity
LQwD Financial Corp.	British Columbia	100%	Principal Operating Business
Coronado Resources USA LLC	USA	100%	Holding Company
Skyrun Technology Corp.	British Columbia	100%	Operating Activity
0980862 B.C. Ltd.	British Columbia	100%	Holding Company
0997680 B.C. Ltd.	British Columbia	100%	Holding Company
0997684 B.C. Ltd.	British Columbia	100%	Holding Company

Note:

(1) LQwD Financial Corp. and Skyrun Technology Corp. are the Company's material subsidiaries.

Business Matters

LQwD FinTech is a development stage technology-based company engaged in creating enterprise grade infrastructure and institutional liquidity for the Lightning Network to drive Bitcoin adoption. This will allow institutions and large organizations to access the Lightning Network. The Company's services are not offered to end-user entities or individuals, but instead LQwD FinTech software and infrastructure supports companies that engage with entities and/or individuals. The Company is continuing the business of LQwD Financial, which is the Company's primary focus, as well as its existing business of Coincurve.com/BuyBitcoinCanada.com, its online Bitcoin trading platforms. Coincurve.com/BuyBitcoinCanada.com is not a material part of the Company's business.

Recent Developments

On October 13, 2021, the Company announced it had entered into a strategic partnership agreement with Bigg Digital Assets Inc. ("**Bigg**"). Under the agreement, Netcoins, a wholly owned subsidiary of Bigg and a restricted crypto dealer in each province and territory of Canada, will serve as the Company's preferred liquidity provider, which means that the Company will use Netcoins to complete Bitcoin transactions. Additionally, Bigg's Blockchain Intelligence Group and Netcoins affiliate will provide the Company with a suite of institutional-grade and government-grade compliance software, including BitRank and Qlue. Pursuant to the agreement, Netcoins will also establish a node on the Bitcoin Lightning Network through the Company's proprietary Lightning PaaS (platform as a service) software. This marks the first institutional-grade Lightning payment channel for Netcoins and Bigg.

On October 5, 2021, the Company announced it had established routing nodes and deployed Bitcoin into payment channels on the Lightning Network, providing liquidity to support the growth of the Lightning Network over the preceding year. This milestone was the first stage in the Company's Lightning Network platform becoming operational, providing infrastructure, solutions and liquidity to support the development of the network and earning fees in the process.

The documents incorporated by reference in this Prospectus Supplement and the accompanying Prospectus, including the Annual Information Form (as defined herein), contain further details regarding the business of LQwD FinTech. See "*Documents Incorporated by Reference*".

RISK FACTORS

An investment in the securities of the Company is speculative and subject to risks and uncertainties. The occurrence of any one or more of these risks or uncertainties could have a material adverse effect on the value of any investment in the Company and the business, prospects, financial position, financial condition or operating results of the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently deems immaterial may also impair the Company's business operations.

Prospective purchasers should carefully consider all information contained in this Prospectus Supplement, the accompanying Prospectus and the documents incorporated by reference herein and therein before deciding to purchase the Units.

The risks and uncertainties described or incorporated by reference in this Prospectus Supplement, the accompanying Prospectus and the documents incorporated by reference herein and therein are not the only ones the Company may face. Additional risks and uncertainties that the Company is unaware of, or that the Company currently deems not to be material, may also become important factors that affect the Company. If any such risks actually occur, the Company's business, financial condition or results of operations could be materially adversely affected, with the result that the trading price of the Common Shares could decline and purchasers could lose all or part of their investment. Additionally, purchasers should consider the following risk factors:

Risks Related to the Offering

Loss of Entire Investment

An investment in the Units is speculative and may result in the loss of an investor's entire investment. Only potential investors who are experienced in high-risk investments and who can afford to lose their entire investment should consider an investment in the Company.

Completion of the Offering

The completion of the Offering remains subject to a number of conditions. There can be no certainty that the Offering will be completed. Failure by the Company to satisfy all of the conditions precedent to the Offering would result in the Offering not being completed. If the Offering is not completed, the Company may not be able to raise the funds required for the purposes contemplated under "**Use of Proceeds**" from other sources on commercially reasonable terms or at all.

Forward-looking statements may prove to be inaccurate

Investors should not place undue reliance on forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, of both general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Additional information on the risks, assumptions and uncertainties can be found in this under the heading "*Forward-Looking Statements*".

Future issuances or actual or potential sales of securities

The issuance by the Company of the Unit Shares, the Warrant Shares issuable upon exercise of the Warrants, the Compensation Warrant Shares issuable upon exercise of the Compensation Warrants, the Corporate Finance Shares or other securities convertible into Common Shares could result in significant dilution in the equity interest of existing shareholders and adversely affect the market price of the Common Shares. In addition, in the future, the Company may issue additional Common Shares or securities convertible into Common Shares, which may dilute existing shareholders. The Company's articles permit the issuance of an unlimited number of Common Shares, and shareholders will have no pre-emptive rights in connection with such further issuances. Further, additional Common Shares may be issued by the Company upon the exercise of stock options and upon the exercise or conversion of other securities convertible into Common Shares. The issuance of these additional equity securities may have a similar dilutive effect on then existing holders of Common Shares.

The market price of the Common Shares could decline as a result of future issuances by the Company, including issuance of shares issued in connection with strategic alliances, or sales by its existing holders of Common Shares, or the perception that these sales could occur. Sales by shareholders might also make it more difficult for the Company to sell equity securities at a time and price that it deems appropriate, which could reduce its ability to raise capital and have an adverse effect on its business.

Discretion Over the Use of Proceeds

The Company intends to use the net proceeds from the Offering as set forth under “*Use of Proceeds*”; however, the Company maintains broad discretion concerning the use of the net proceeds of the Offering as well as the timing of their expenditure. The Company may re-allocate the net proceeds of the Offering other than as described under the heading “*Use of Proceeds*” if management of the Company believes it would be in the Company’s best interest to do so and in ways that a purchaser may not consider desirable. Until utilized, the net proceeds of the Offering will be held in cash balances in the Company’s bank account or invested at the discretion of the Board of Directors. As a result, a purchaser will be relying on the judgment of management of the Company for the application of the net proceeds of the Offering. The results and the effectiveness of the application of the net proceeds are uncertain. If the net proceeds are not applied effectively, the Company’s results of operations may suffer, which could adversely affect the price of the Common Shares on the open market.

Sales of a Significant Number of Securities

The Company cannot predict the size of future issuances of debt or equity securities or the effect, if any, that such future issuances will have on the market price of the Company’s securities. Sales of a substantial number of securities in the public markets by the Company or its significant securityholders, or the perception that such sales could occur, could depress the market price of the Company’s securities and impair its ability to raise capital through the sale of additional securities. The Company cannot predict the effect that future sales of securities would have on the market price of the securities. The price of the securities could be affected by possible sales of the securities by hedging or arbitrage trading activity which the Company expects to occur involving its securities. With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in our earnings per security.

Additional Financing

The continued development of the Company will require additional financing. There is no guarantee that the Company will be able to achieve its business objectives. The Company intends to fund its future business activities by way of additional offerings of equity and/or debt financing as well as through anticipated positive cash flow from operations in the future. The failure to raise or procure such additional funds or the failure to achieve positive cash flow could result in the delay or indefinite postponement of current business objectives. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, will be on terms acceptable to the Company. If additional funds are raised by offering equity securities, existing shareholders could suffer significant dilution. Any debt financing secured in the future could involve the granting of security against assets of the Company and also contain restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities, including potential acquisitions. The Company will require additional financing to fund its operations until positive cash flow is achieved. See “*Risk Factors – Negative Cash Flow from Operations*”.

The Market Price of the Common Shares is Volatile and May Not Accurately Reflect the Long-Term Value of the Company

Securities markets have a high level of price and volume volatility, and the market price of securities of many companies has experienced substantial volatility in the past. This volatility may affect the ability of holders of Common Shares to sell their securities at an advantageous price. Market price fluctuations in the Common Shares may be due to the Company’s operating results failing to meet expectations of securities analysts or investors in any period, downward revision in securities analysts’ estimates, adverse changes in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Company or its competitors, along with a variety of additional factors. These broad market fluctuations may adversely affect the market price of the Common Shares.

Financial markets historically at times experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Common

Shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted and the trading price of the Common Shares may be materially adversely affected.

No Guarantee of an Active Liquid Market for Securities

There is no guarantee that an active trading market for the Unit Shares or Warrant Shares will be maintained on the TSXV. Investors may not be able to sell their Unit Shares or Warrant Shares quickly, at all, or at the latest market price if trading in the securities is not active.

Absence of a Public Market for the Warrants

The Company has not applied to list the Warrants on the TSXV and has no intention to do so. As a result, there is currently no public market for the Warrants and there can be no assurance that an active public market will develop or be sustained after the closing of the Offering. Even if a market develops for the Warrants, there can be no assurance that it will be liquid and that the price of the Warrants will be the same as the price allocated for the Warrants partially comprising the Units. To the extent the Warrants are exercised, the number of Warrants outstanding will decrease, resulting in diminished liquidity for such remaining outstanding Warrants. A decrease in the liquidity of the Warrants may cause, in turn, an increase in the volatility associated with the price of the Warrants. If an active market for the Warrants does not develop, the liquidity of an investor's investment in the Warrants may be limited and the price may decline below the portion of the Offering Price allocated to the Warrants.

Warrants are speculative in nature and may not have any value

The Warrants do not confer any rights of Common Share ownership on their holders, such as voting rights or the right to receive dividends, but rather merely represent the right to acquire Warrant Shares at a fixed price for a limited period of time. Specifically, commencing on the date of issuance, holders of the Warrants may exercise their right to acquire Warrant Shares and pay an exercise price of \$0.50 per Warrant Share, prior to the date that is 24 months from the Closing Date, subject to adjustment in certain events, after which date any unexercised Warrants will expire and have no further value.

Risks Related to the Business of the Company

Negative Cash Flow from Operations

The Company has historically had negative cash flow. To the extent that the Company has negative operating cash flow in future periods, it will need to allocate a portion of its cash (including net proceeds from the Offering) to fund such negative cash flow. If the Company experiences future negative cash flow, the Company may also be required to raise additional funds through the issuance of equity or debt securities. There can be no assurance that the Company will be able to generate a positive cash flow from its operations, that additional capital or other types of financing will be available when needed, or that these financings will be on terms favourable to the Company.

Risks relating to Coincurve.com

Coincurve.com may be carrying on activity that would require registration, recognition or comparable regulatory authorization under securities legislation to carry on business activities in the jurisdictions in which it conducts business. Certain securities legislation applies to entities that facilitate transactions relating to crypto assets, including buying and selling crypto assets (collectively, "**Platforms**"). Platforms are generally not subject to securities legislation if each of the following apply: (i) the underlying crypto assets are not a security or derivative; and (ii) the contract or instrument for the purchase, sale or delivery of crypto assets result in an obligation to make immediate delivery of the crypto asset, and is settled by the immediate delivery of the crypto asset to the Platform's user according to the Platform's typical commerce practice. The Company may be required to obtain registration, recognition or

comparable regulatory authorizations under securities legislation to operate Coincurve.com, and there is no assurance that the Company will be able to obtain these in a timely manner or at all. The Company cannot predict the time required to secure all appropriate regulatory approvals under securities legislation for Coincurve.com. Any delays in obtaining or failure to obtain regulatory approvals would significantly delay the development of Coincurve.com and could expose the Company to additional risks and liability, which may have an adverse effect on the Company's business, results of operation and financial condition.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

Units

Each Unit will be comprised of one Unit Share and one-half of one Warrant. Each Warrant will entitle the holder to purchase, subject to adjustment in certain circumstances, one Warrant Share at a price of \$0.50 for a period of 24 months following the Closing Date. The Units will separate into Unit Shares and Warrants immediately upon issue.

The Company is authorized to issue an unlimited number of Common Shares without par value. Each Common Share carries the right to attend and vote at all general meetings of shareholders. As at October 21, 2021, 73,901,522 Common Shares were issued and outstanding. Holders of Common Shares are entitled to dividends, if any, as and when declared by the directors, and to one vote per Common Share at meetings of shareholders. In the event of liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, subject to prior rights of the holders of the preferred shares, if any, holders of Common Shares are entitled to receive the remaining property and assets of the Company on a pro rata basis. The Common Shares are not subject to call or assessment rights, redemption rights, rights regarding purchase for cancellation or surrender, or any pre-emptive or conversion rights.

Unit Shares issued to, or for the account or benefit of, persons in the United States or U.S. Persons, will be "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act. Certificates issued representing such securities, if any, will bear a legend to the effect that the securities represented thereby are not registered under the U.S. Securities Act or the securities laws of any state of the United States and may only be offered, sold, pledged or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act and applicable securities laws of any state of the United States.

Warrants

Each Warrant entitles the holder to acquire, subject to adjustment in certain circumstances, one Warrant Share at an exercise price of \$0.50 on or before 4:30 p.m. (Vancouver time) on the date that is 24 months following the Closing Date, after which time the Warrants will be void and of no value.

The Warrants will be governed by a warrant indenture to be entered into on or prior to the Closing Date (the "**Warrant Indenture**") between the Company and the Warrant Agent. The Company will designate the Warrant Agent, in its Vancouver office, as agent for the Warrants. Prior to the closing of the Offering, the Company may name any other agent with respect to the Warrants.

The following is a summary of the principal attributes of the Warrants to be issued pursuant to the Offering and certain anticipated provisions of the Warrant Indenture. The summary does not purport to be complete and is qualified in its entirety by the detailed provisions of the Warrant Indenture. Upon execution, a copy of the Warrant Indenture may be obtained on request from the Company's Corporate Secretary and will be available electronically at www.sedar.com and reference should be made to the Warrant Indenture for the full text of the attributes of the Warrants.

The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain events, including but not limited to:

- (a) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all or substantially all of the holders of Common Shares by way of a stock dividend or other distribution (other

than a dividend paid in the ordinary course or a distribution of Common Shares upon the exercise of any outstanding warrants or options);

- (b) the subdivision, redivision or change of the Common Shares into a greater number of shares;
- (c) the consolidation, reduction or combination of the Common Shares into a lesser number of shares;
- (d) the issuance to all or substantially all of the holders of Common Shares of rights, options or warrants under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance, to subscribe for or purchase Common Shares, or securities exchangeable for or convertible into Common Shares, at a price per Common Share to the holder (or at an exchange or conversion price per share) of less than 95% of the "current market price", as defined in the Warrant Indenture, of Common Shares on such record date; and
- (e) the issuance or distribution to all or substantially all of the holders of Common Shares of securities, including rights, options or warrants to acquire shares of any class or securities exchangeable or convertible into any such shares or property or assets and including evidences of indebtedness, or any property or other assets.

The Warrant Indenture will also provide for adjustment in the class and/or number of securities issuable upon the exercise of the Warrants and/or exercise price per security in the event of the following additional events:

- (a) the reclassification of the Common Shares;
- (b) the capital reorganization of the Company, other than as described above;
- (c) the amalgamation, arrangement or merger with or into any other corporation or other entity (other than an amalgamation, arrangement or merger which does not result in any reclassification of the Company's outstanding Common Shares or a change of the Common Shares into other shares); or
- (d) the sale or conveyance of the Company's property or assets as an entirety or substantially as an entirety to another corporation or other entity.

No adjustment in the exercise price or number of Warrant Shares will be required to be made unless the cumulative effect of such adjustment or adjustments would result in a change of at least 1% in the exercise price or a change in the number of Warrant Shares purchasable upon exercise by at least one one-hundredth (1/100th) of a Common Share, as the case may be.

The Warrants may be issued in uncertificated form. Any Warrants issued in certificated form shall be evidenced by a warrant certificate in the form attached to the Warrant Indenture. All Warrants issued in the name of CDS may be in either a certificated or uncertificated form, such uncertificated form being evidenced by a book-entry position on the register of Warrant holders, which will be maintained by the Warrant Agent at its principal offices in Vancouver, British Columbia. The Company will appoint the principal transfer offices of the Warrant Agent in Vancouver, British Columbia as the location at which the Warrants may be surrendered for exercise, transfer or exchange.

The Company will covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, the Company will give notice to Warrant holders of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants at least 14 days prior to the record date or effective date, as the case may be, of such event.

No fraction of a Warrant Share will be issued upon the exercise of a Warrant and no cash payment will be made in lieu thereof. Any fraction of a Warrant Share will be rounded down to the nearest full Warrant Share, and any holder of Warrants shall not be entitled to any compensation in respect of any such fractional Warrant Share. Warrant holders are not entitled to any voting rights or pre-emptive rights or any other rights conferred upon a person as a result of being a holder of Common Shares.

From time to time, the Company and the Warrant Agent, without the consent of the holders of Warrants, may amend

or supplement the Warrant Indenture for certain purposes, including curing defects or inconsistencies or making any change that does not adversely affect the rights of any holder of Warrants. Any amendment or supplement to the Warrant Indenture that adversely affects the interests of the holders of the Warrants may only be made by “extraordinary resolution”, which will be defined in the Warrant Indenture as a resolution either (1) passed at a meeting of the holders of Warrants at which there are holders of Warrants present in person or represented by proxy representing at least 25% of the aggregate number of the then outstanding Warrants, cumulatively, and passed by the affirmative vote of holders of Warrants representing not less than 66^{2/3}% of the aggregate number of all the then outstanding Warrants represented at the meeting and voted on the poll upon such resolution, or (2) adopted by an instrument in writing signed by the holders of not less than 66^{2/3}% of the aggregate number of all then outstanding Warrants.

The Warrants and the Warrant Shares issuable upon exercise of the Warrants have not been and will not be registered under the U.S. Securities Act or the securities laws of any state in the United States. The Warrants may not be exercised in the United States, or by or for the account of a U.S. Person or a person in the United States except pursuant to exemptions from the registration requirements of the U.S. Securities Act and applicable securities laws of any state of the United States, and the holder has delivered to the Company a written opinion of counsel, in form and substance reasonably satisfactory to the Company; provided, however, that a U.S. Purchaser that purchased the Warrants from the Company in the Offering for its own account, or for the account of another U.S. Purchaser for which it exercised sole investment discretion with respect to such original purchase (an “Original Beneficial Purchaser”) will not be required to deliver an opinion of counsel if it exercises the Warrants for its own account or for the account of the Original Beneficial Purchaser, if any, if each of it and such Original Beneficial Purchaser, if any, is a U.S. Accredited Investor at the time of its purchase and exercise of the Warrants.

Warrant Shares issuable upon exercise of the Warrants to, or for the account or benefit of, persons in the United States or U.S. Persons, will be “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act. Certificates issued representing such securities, if any, will bear a legend to the effect that the securities represented thereby are not registered under the U.S. Securities Act or the securities laws of any state of the United States and may only be offered, sold, pledged or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act and applicable securities laws of any state of the United States.

USE OF PROCEEDS

The estimated net proceeds of the Offering, after deducting the Commission, the Corporate Finance Cash Fee and the estimated expenses of the Offering, will be approximately \$6,135,000 assuming the Over-Allotment Option is not exercised and assuming no President’s List purchasers. See “*Plan of Distribution*”. As of September 30, 2021, the Company’s estimated working capital is approximately \$5,200,000. The Company has total estimated available funds in the amount of approximately \$833,000.

The net proceeds of the Offering are currently intended to be used to acquire Bitcoin, general and administrative expenses and general working capital, as outlined below. The following table also shows the intended use of proceeds for available funds from the Offering:

Principal Use of Available Funds	Amount ⁽¹⁾
Acquire Bitcoin	\$4,000,000
General and Administrative Expenses	\$1,500,000
General Working Capital ⁽²⁾	\$635,000
Total Amount for Principal Purposes	\$6,135,000

Notes:

- (1) Notwithstanding the foregoing, there may be circumstances where, for sound business reasons, a reallocation of funds is necessary in order for the Company to achieve its objectives as set out herein.
- (2) In the event the Over-Allotment Option is exercised in whole or in part, any additional net proceeds will be added to general working capital.

The key business objectives and milestones that the Company intends to achieve with the net proceeds from the Offering are summarized below:

Business Objective	Milestones that must occur for Business Objective to be Accomplished	Anticipated Timing	Estimated Cost (\$)
Addition of Bitcoin to Treasury	After completion of Offering	1 – 3 months	\$4.0M
Generate revenue	Launch of LQwD LN platform, deployment of Bitcoin for liquidity, node and channel ramp up	1 – 3 months	\$150,000
Marketing & Sales	Add sales and marketing team to: (i) build awareness of LQwD LN platform and drive customer acquisition and support customers won; and (ii) increase awareness of LQwD FinTech to drive awareness of the publicly traded parent company and increase shareholder value	2 – 12 months	\$1.0M

If the Over-Allotment Option is exercised in full (and assuming no President’s List purchasers), the estimated net proceeds received by the Company from the Offering will be \$7,111,500 (determined after deducting the Underwriting Commission of \$563,500, the Corporate Finance Cash Fee of \$75,000 and estimated expenses of the Offering of \$300,000). If the Over-Allotment Option is exercised, the additional net proceeds to the Company from the exercise of the Over-Allotment Option, if any, will be added to general working capital.

The actual amount that the Company spends in connection with each of the intended uses of proceeds may vary from the amounts specified above, and will depend on a number of factors, including those listed under the heading “*Risk Factors*” in, or incorporated by reference in, this Prospectus Supplement and the accompanying Prospectus.

Until applied, the net proceeds of the Offering will be held as cash balances in the Company’s bank account or invested in certificates of deposit and other instruments issued by banks or obligations of or guaranteed by the Government of Canada or any province thereof.

CONSOLIDATED CAPITALIZATION

There has not been any material change in the share and loan capital of the Company, on a consolidated basis, since May 31, 2021, being the date of the Company’s financial statements most recently filed in accordance with National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”), except as described under “*Prior Sales*”.

PRIOR SALES

The following table sets forth the details regarding all issuances of Common Shares and securities convertible or exchangeable into Common Shares, during the 12-month period preceding the date of this Prospectus Supplement:

Issue Date	Number of Securities	Type of Security	Issue or Exercise Price per Security	Aggregate Issue or Exercise Price	Purpose
Sept 2, 2021	3,325,000	Options	\$0.60	\$1,995,000	Issued to various directors, officers, employees and consultants of the Company
Jul 20, 2021	40,000	Common Shares	\$0.35	\$14,000	Exercise of options

Issue Date	Number of Securities	Type of Security	Issue or Exercise Price per Security	Aggregate Issue or Exercise Price	Purpose
Jul 8, 2021	10,000	Common Shares	\$0.40	\$4,000	Exercise of warrants
Jun 9, 2021	20,000,000	Common Shares	\$0.25 ⁽¹⁾	\$5,000,000 ⁽¹⁾	Conversion of Subscription Receipts
Jun 9, 2021	10,000,000	Warrants ⁽²⁾	\$0.40	\$4,000,000	Conversion of Subscription Receipts
Jun 9, 2021	35,000	Common Shares	\$0.25 ⁽¹⁾	\$8,750 ⁽¹⁾	Finder's securities issued in connection with Subscription Receipt Financing
Jun 9, 2021	17,500	Warrants ⁽³⁾	\$0.40	\$7,000	Finder's securities issued in connection with Subscription Receipt Financing
Jun 9, 2021	672,000	Warrants ⁽³⁾	\$0.40	\$268,800	Finder's securities issued in connection with Subscription Receipt Financing
Jun 9, 2021	22,400,001	Common Shares	\$0.25 ⁽¹⁾	\$5,600,000.25 ⁽¹⁾	Issued to former shareholders of LQwD Financial in exchange for all common shares of LQwD Financial
May 18, 2021	50,000	Common Shares	\$0.20	\$10,000	Exercise of warrants
April 12, 2021	133,333	Common Shares	\$0.20	\$26,666	Exercise of warrants
April 7, 2021	33,333	Common Shares	\$0.20	\$6,666	Exercise of warrants
March 30, 2021	333,333	Common Shares	\$0.20	\$66,666	Exercise of warrants
March 25, 2021	33,333	Common Shares	\$0.20	\$6,666	Exercise of warrants
Mar 23, 2021	20,000,000	Subscription Receipts	\$0.25	\$5,000,000	Subscription Receipt Financing
Nov 2, 2020	4,904,212	Common Shares ⁽⁴⁾	\$0.15	\$735,631.80	Private placement
Nov 2, 2020	4,904,212	Warrants ⁽⁴⁾⁽⁵⁾	\$0.20	\$980,842.40	Private placement

Notes:

- (1) Deemed price.
- (2) Each warrant entitles the holder thereof to purchase one Common Share at an exercise price of \$0.40 per Common Share until June 9, 2022, subject to accelerated expiry.
- (3) Each warrant entitles the holder thereof to purchase one Common Share at an exercise price of \$0.40 per Common Share until June 8, 2022, subject to accelerated expiry.
- (4) Issued in connection with the closing of a non-brokered private placement consisting of 4,904,212 units, with each unit consisting of one Common Share and one warrant.
- (5) Each warrant entitles the holder thereof to purchase one Common Share at a price of \$0.20 per Common Share until May 2, 2022.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary, as of the date hereof, of the principal Canadian federal income tax considerations under the *Income Tax Act* (Canada) and the regulations thereunder (the “**Tax Act**”) generally applicable to a holder who acquires Units as beneficial owner pursuant to this Offering and who, for the purposes of the Tax Act and at all relevant times, holds Unit Shares and Warrants, and will hold their Warrant Shares issued on the exercise of Warrants as capital property, deals at arm’s length with the Company, the Underwriters and any subsequent purchaser of the Unit Shares, Warrants and Warrant Shares, and is not affiliated with the Company, the Underwriters or any subsequent purchaser of the Unit Shares, Warrants and Warrant Shares (a “**Holder**”). Unit Shares, Warrants and Warrant Shares issued on the exercise of Warrants will generally be considered to be capital property to a Holder provided the Holder does not acquire or hold such Unit Shares, Warrants or Warrant Shares in the course of carrying on a business of buying or selling securities or as part of one or more transactions considered to be an adventure or concern in the nature of trade.

For purposes of this summary, Unit Shares and Warrant Shares are collectively referred to as “Common Shares” unless otherwise indicated.

This summary does not apply to a Holder (i) that is a “financial institution” for the purposes of the mark-to-market rules contained in the Tax Act; (ii) that is a “specified financial institution” as defined in the Tax Act; (iii) an interest in which would be a “tax shelter investment” as defined in the Tax Act; (iv) that has made a functional currency reporting election under the Tax Act; (v) that is exempt from tax under the Tax Act; (vi) that has entered or will enter into a “derivative forward agreement” or “synthetic disposition arrangement”, as those terms are defined in the Tax Act, with respect to the Common Shares or Warrants; (vii) that is a partnership; or (viii) that receives dividends on the Common Shares under or as part of a “dividend rental arrangement”, as defined in the Tax Act. Such Holders should consult their own tax advisors with respect to an investment in Unit Shares and Warrants.

Additional considerations, not discussed herein, may be applicable to a Holder that is a corporation resident in Canada and is, or becomes, or does not deal at arm’s length for purposes of the Tax Act with a corporation resident in Canada that is or becomes, as part of a transaction or series of transactions or events that includes the acquisition of Units or Warrant Shares issued on the exercise of Warrants, controlled by a non-resident person or group of non-resident persons not dealing with each other at arm’s length for purposes of the “foreign affiliate dumping” rules in section 212.3 of the Tax Act. Such Holders should consult their own tax advisors with respect to the consequences of acquiring Units or Warrant Shares issued on the exercise of Warrants.

This summary is based upon the current provisions of the Tax Act and counsel’s understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency (“**CRA**”). The summary also takes into account all specific proposals to amend the Tax Act that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Tax Proposals**”), and assumes that all such Tax Proposals will be enacted in the form proposed. No assurance can be given that the Tax Proposals will be enacted in the form proposed or at all. This summary does not otherwise take into account or anticipate any changes in law, whether by way of legislative, judicial or administrative action or interpretation, nor does it address any provincial, territorial or foreign tax considerations.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder and no representations with respect to the income tax consequences to any particular Holder are made. This summary is not exhaustive of all Canadian federal income tax considerations and does not describe the income tax considerations relating to the deductibility of interest on money borrowed to acquire Units or to exercise Warrants. Accordingly, prospective investors in Units should consult their own tax advisors with respect to their own particular circumstances.

Allocation of Cost

Holders will be required to allocate on a reasonable basis their cost of each Unit between the Unit Share and the one-half of a Warrant comprising such Unit in order to determine their respective costs for purposes of the Tax Act. For its purposes, the Company intends to allocate \$0.34 to each Unit Share and \$0.02 to each Warrant. Although the

Company believes that its allocation is reasonable, it is not binding on the CRA or a Holder and the CRA may not agree with such allocation. Counsel expresses no opinion with respect to such allocation.

The adjusted cost base to a Holder of each Unit Share comprising a part of a Unit acquired pursuant to this Offering will be determined by averaging the cost of such Unit Share with the adjusted cost base to such Holder of all other Common Shares (if any) held by the Holder as capital property immediately prior to the acquisition.

Exercise of Warrants

The exercise of a Warrant to acquire a Warrant Share will be deemed not to constitute a disposition of property for purposes of the Tax Act and consequently no gain or loss will be realized by a Holder upon such an exercise. When a Warrant is exercised, the Holder's cost of the Warrant Share acquired thereby will be the aggregate of the Holder's adjusted cost base of such Warrant and the exercise price paid for the Warrant Share. The Holder's adjusted cost base of the Warrant Share so acquired will be determined by averaging such cost with the adjusted cost base (determined immediately before the acquisition of the Warrant Share) to the Holder of all Common Shares owned by the Holder as capital property immediately prior to such acquisition.

Residents of Canada

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

Certain Resident Holders whose Common Shares might not otherwise qualify as capital property may, in certain circumstances, make the irrevocable election pursuant to subsection 39(4) of the Tax Act to have their Common Shares, and every other "Canadian security", as defined in the Tax Act, owned by such Resident Holder in the taxation year of the election and in all subsequent taxation years, deemed to be capital property. Such election is not available in respect of the Warrants. Resident Holders should consult their own tax advisors for advice as to whether an election under subsection 39(4) of the Tax Act is available, and if available, whether it is advisable in their particular circumstances.

Dividends on Common Shares

A Resident Holder will be required to include in computing its income for a taxation year dividends received or deemed to be received on the Common Shares.

In the case of a Resident Holder who is an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules normally applicable under the Tax Act to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit in respect of dividends designated by the Company as "eligible dividends". There may be limitations on the ability of the Company to designate dividends as "eligible dividends".

In the case of a Resident Holder that is a corporation, the amount of any such taxable dividend must be included in computing its income but will generally also be deductible in computing the corporation's taxable income for that taxation year. In certain circumstances, a dividend received or deemed to be received by a Resident Holder that is a corporation may be deemed to be proceeds of disposition or a capital gain pursuant to subsection 55(2) of the Tax Act. Resident Holders should consult their own tax advisors regarding their particular circumstances.

A Resident Holder that is a "private corporation" (as defined in the Tax Act) or a "subject corporation" (for purposes of Part IV of the Tax Act) will generally be liable to pay an additional tax under Part IV of the Tax Act on dividends received or deemed to be received on a Common Share to the extent such dividends are deductible in computing the Resident Holder's taxable income. Such additional tax may be refundable in certain circumstances.

Disposition of a Common Share or a Warrant

Generally, on a disposition, or a deemed disposition, of a Common Share (other than to the Company unless purchased by the Company in the open market in the manner in which shares are normally purchased by a member of the public in an open market) or a Warrant (which does not include the exercise of a Warrant, and excluding a disposition arising on the expiry of a Warrant), a Resident Holder will realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Common Share or the Warrant, as the case may be, to the Resident Holder immediately before the disposition or deemed disposition. Such capital gain (or capital loss) will be subject to the treatment described below under “*Residents of Canada – Taxation of Capital Gains and Capital Losses*”.

Expiry of Warrants

In the event of the expiry of an unexercised Warrant, a Resident Holder generally will realize a capital loss equal to the Resident Holder’s adjusted cost base of such Warrant. The tax treatment of capital gains and capital losses is discussed in greater detail below under “*Residents of Canada – Taxation of Capital Gains and Capital Losses*”.

Taxation of Capital Gains and Capital Losses

Generally, one-half of any capital gain (a “**taxable capital gain**”) realized by a Resident Holder for a taxation year must be included in computing the Resident Holder’s income for the year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder is required to deduct one-half of any capital loss (an “**allowable capital loss**”) realized in a taxation year from taxable capital gains realized in that taxation year. Allowable capital losses in excess of taxable capital gains for the taxation year of disposition may be carried back and deducted in any of the three preceding taxation years, or in any subsequent year against net taxable capital gains realized in such years.

If the Resident Holder is a corporation, the amount of any capital loss realized on the disposition of a Common Share may be reduced by the amount of any dividends which have been received by the Resident Holder on such Common Share to the extent and in circumstances prescribed by the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns Common Shares, directly or indirectly through a partnership or a trust. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

Refundable Tax

A Resident Holder that is throughout the relevant taxation year a “Canadian-controlled private corporation” (as defined in the Tax Act) may be liable to pay a refundable tax on its “aggregate investment income”, which is defined in the Tax Act to include taxable capital gains and dividends received or deemed to be received on the Common Shares to the extent that such dividends are not deductible in computing the Resident Holder’s taxable income for the taxation year.

Alternative Minimum Tax

Capital gains or dividends realized or deemed to be realized by a Resident Holder that is an individual (other than certain specified trusts) may give rise to liability for alternative minimum tax as calculated under the detailed rules set out in the Tax Act. Resident Holders that are individuals should consult their own tax advisors.

Holders Not Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, is not, and is not deemed to be, resident in Canada for the purposes of the Tax Act or any applicable income tax treaty or convention, and will not use or hold (and will not be deemed to use or hold) the Common Shares or Warrants in, or in the course of, carrying on a business or part of a business in Canada (a “**Non-Resident Holder**”).

This summary does not apply to a Non-Resident Holder that carries on an insurance business in Canada and elsewhere or is an “authorized foreign bank” (as defined in the Tax Act) and such Non-Resident Holders should consult their own tax advisors.

Dividends on Common Shares

Dividends paid or credited, or deemed to be paid or credited, on a Common Share to a Non-Resident Holder will generally be subject to Canadian withholding tax at the rate of 25%, subject to any reduction in the rate of withholding to which that Non-Resident Holder may be entitled under an applicable income tax treaty or convention. For example, where a Non-Resident Holder is a resident of the United States, is fully entitled to the benefits under the Canada-U.S. Tax Convention (1980), as amended, and is the beneficial owner of the dividend, the applicable rate of Canadian withholding tax is generally reduced to 15% of the amount of such dividend (or 5% in the case of a resident of the United States that is a corporation beneficially owning at least 10% of the Company’s voting shares).

Disposition of a Common Share or a Warrant

A Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized by such Non-Resident Holder on a disposition or deemed disposition of a Common Share or a Warrant, nor will any capital loss arising therefrom be recognized under the Tax Act, unless the Common Share or the Warrant, as the case may be, constitutes “taxable Canadian property” (as defined in the Tax Act) of the Non-Resident Holder at the time of disposition and the Non-Resident Holder is not entitled to relief 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 Common Shares are listed on a “designated stock exchange” for the purposes of the Tax Act (which currently includes the TSXV) at the time of disposition, a Common Share or a Warrant, as the case may be, will not constitute taxable Canadian property of a Non-Resident Holder at the time of disposition unless at any time during the 60-month period immediately preceding such time: (a) at least 25% or more of the issued shares of any class or series of the capital stock of the Company were owned by or belonged to one or any combination of (i) the Non-Resident Holder, (ii) persons with whom the Non-Resident Holder did not deal at arm’s length for the purposes of the Tax Act, and (iii) partnerships in which the Non-Resident Holder or a person described in (ii) holds a membership interest directly or indirectly through one or more partnerships; and (b) at such time, more than 50% of the fair market value of the Common Shares was derived directly or indirectly from one, or any combination of, real or immovable property situated in Canada, “Canadian resource property” (as defined in the Tax Act), “timber resource property” (as defined in the Tax Act) or options in respect of, interests in or for civil law rights in, any such property (whether or not such property exists). Notwithstanding the foregoing, a Common Share or a Warrant may also be deemed to be “taxable Canadian property” in certain circumstances.

In cases where a Non-Resident Holder disposes (or is deemed to have disposed) of a Common Share or a Warrant that is taxable Canadian property to that Non-Resident Holder, and the Non-Resident Holder is not entitled to an exemption under an applicable income tax treaty or convention, the consequences described above under the headings “*Residents of Canada – Disposition of a Common Share or a Warrant*” and “*Residents of Canada – Taxation of Capital Gains and Capital Losses*” will generally be applicable to such disposition. Non-Resident Holders for whom a Common Share or a Warrant is, or may be, taxable Canadian property should consult their own tax advisors.

NON-CANADIAN INVESTORS ARE ADVISED TO CONSULT WITH THEIR OWN TAX ADVISOR REGARDING THE SPECIFIC TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP AND DISPOSITION OF UNITS, UNITS SHARES, WARRANTS, AND WARRANT SHARES INCLUDING CANADIAN, DOMESTIC, TREATY AND OTHER TAX CONSEQUENCES OF SUCH ACQUISITION, OWNERSHIP AND DISPOSITION AND OF POTENTIAL CHANGES IN APPLICABLE TAX LAWS.

PRICE RANGE AND TRADING VOLUME

Trading Price and Volume

The Common Shares are listed on the TSXV under the trading symbol “LQWD” and trade in the United States on the OTCQB under the symbol “LQWDF”. The Common Shares were halted from trading on November 19, 2020 and were reinstated for trading on March 22, 2021 in connection with the Company’s acquisition of LQwD Financial. The following table sets out the price ranges and trading volumes on the TSXV of the shares for the dates indicated:

TSXV Price Range			
Month	High (\$)	Low (\$)	Total Volume
October 1 – 21, 2021	0.46	0.325	4,017,565
September 2021	0.58	0.335	1,713,557
August 2021	0.52	0.40	545,751
July 2021	0.78	0.35	1,224,669
June 2021	1.00	0.70	449,410
May 2021	1.00	0.61	966,999
April 2021	1.65	0.67	1,634,654
March 2021	0.94	0.35	2,773,920
February 2021	0.35	0.35	0
January 2021	0.35	0.35	0
December 2020	0.35	0.35	0
November 2020	0.35	0.17	228,655
October 2020	0.19	0.155	275,395

On October 19, 2021, the last trading day prior to announcement of the Offering, the closing price of the Common Shares on the TSXV was \$0.41 per Common Share.

DIVIDEND POLICY

The Company has not declared any dividends or distributions on the Common Shares since incorporation. The Company intends to retain its earnings, if any, to finance the growth and development of the Company’s operations and do not presently anticipate paying any dividends or distributions in the foreseeable future. The board of directors of the Company may, however, declare from time to time such cash dividends or distributions out of the monies legally available for dividends or distributions as the board of directors considers advisable. Any future determination to pay dividends or make distributions will be at the discretion of the board of directors and will depend on the Company’s earnings, financial requirements and such other factors as the board of directors considers relevant.

PLAN OF DISTRIBUTION

General

The Units will be offered in each of the provinces and territories of Canada, except the Province of Québec, and subject to applicable law and the Underwriting Agreement, certain jurisdictions outside of Canada. Pursuant to the Underwriting Agreement, the Company has agreed to issue and sell and the Underwriters have severally agreed to purchase, as principals, on the Closing Date, a total of 20,000,000 Units at the Offering Price of \$0.35 per Unit, payable in cash to the Company against delivery.

The Offering Price and certain other terms of the Offering have been determined by arm's length negotiations between the Company and the Lead Underwriter, on behalf of the Underwriters.

Pursuant to the Underwriting Agreement, the Company has granted the Underwriters the Over-Allotment Option to purchase from the Company up to 3,000,000 Over-Allotment Units, on the same terms and conditions as the Offering. The Over-Allotment Option may be exercised by the Underwriters, in whole or in part, at the sole discretion of the Underwriters, at any time not later than the 30th day after the Closing Date to acquire either: (i) Over-Allotment Units at the Offering Price; (ii) Over-Allotment Shares at a price of \$0.34 per Over-Allotment Share; (iii) Over-Allotment Warrants at a price of \$0.02 per Over-Allotment Warrant; or (iv) any combination of Over-Allotment Units, Over-Allotment Shares or Over-Allotment Warrants, so long as the aggregate number of Over-Allotment Shares and Over-Allotment Warrants issued under the Over-Allotment Option does not exceed 3,000,000 Over-Allotment Shares and 1,500,000 Over-Allotment Warrants for additional gross proceeds of up to \$1,050,000. If the Over-Allotment Option is exercised in full for Over-Allotment Units only, the total "Price to the Public", "Commission" and "Net Proceeds to the Company" will be approximately \$8,050,000, \$563,500 and \$7,486,500 respectively. This Prospectus Supplement also qualifies the grant of the Over-Allotment Option and the distribution of the Over-Allotment Securities issuable upon exercise of the Over-Allotment Option. A purchaser who acquires securities forming part of the Underwriters' over-allocation position acquires those securities under this Prospectus Supplement, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

The obligations of the Underwriters under the Underwriting Agreement are several (and not joint nor joint and several), and may be terminated at their discretion upon the occurrence of certain stated events, including: (a) the state of the financial markets in Canada or the United States is such that, in the reasonable opinion of any of the Underwriters, the Units cannot be marketed profitably; (b) any inquiry, action, suit, investigation or other proceeding in relation to the Company or any of the directors or senior officers of the Company, whether formal or informal (including matters of regulatory transgression or unlawful conduct), is commenced, threatened or publicly announced or any order is made under or pursuant to any statute or by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, stock exchange, regulatory authority, agency or instrumentality or there is any enactment or change of law or regulation, or interpretation or administration thereof, (unless solely based on the activities or alleged activities of the Underwriters), which in the reasonable opinion of the Underwriters (or any of them), could operate to prevent or restrict the trading of the Common Shares or which seriously adversely affects, or will, or could seriously adversely affect the market price or value of the Common Shares; (c) any material change (as defined in the Securities Act (British Columbia)) (actual, anticipated, contemplated, threatened, financial or otherwise) in the assets, liabilities (contingent or otherwise), business, affairs, operations, prospects, capital or control of the Company and its subsidiaries taken as a whole, or there should be discovered any previously undisclosed material or new material fact (as defined in the Securities Act (British Columbia)) (other than a material fact related solely to any of the Underwriters) required to be disclosed in the Prospectus Supplement or any amendment thereto, in each case which, in the reasonable opinion of the Underwriters (or any of them), has resulted in purchasers of a material number of the Units exercising their right under applicable securities laws to withdraw from their purchase thereof or rescind from the purchase thereof or sue for damages in respect thereof or which has or could reasonably be expected to have a significant adverse effect on the market price or value of the Common Shares; (d) if there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence (including by way of the COVID-19 pandemic but only to the extent that there are material adverse impacts related thereto after October 18, 2021, or terrorism) or any new law or regulation or a change thereof which in the reasonable opinion of the Underwriters (or any of them) seriously adversely affects or involves, or will, or could reasonably be expected to, seriously adversely affect, or involve, the financial markets or the business, operations or affairs of the Company and its subsidiaries taken as a whole; and (e) the Company is in material breach of any term, condition or covenant of the Underwriting Agreement or any representation or warranty given by the Company in the Underwriting Agreement becomes or is false. The Underwriters are, however, obligated to take up and pay for all of the Units if any of the securities are purchased under the Underwriting Agreement. The Offering Price was determined by arm's length negotiation between the Company and the Underwriters, with reference to the prevailing market price of the Common Shares. The Underwriters have reserved the right to form a selling group of appropriately registered dealers and brokers, with compensation to be negotiated between the Underwriters and such selling group participants, but at no additional cost to the Company.

Each Unit will consist of one Unit Share and one-half of one Warrant. Each whole Warrant will entitle the holder thereof to acquire, subject to adjustment in certain circumstances, one Warrant Share at an exercise price of \$0.50 per Warrant Share until 4:30 p.m. (Vancouver time) on the date that is 24 months from the Closing Date, after which time the Warrants will be void and of no value. This Prospectus qualifies the distribution of the Unit Shares and the Warrants comprising the Units.

The Warrants will be created and issued pursuant to the terms of the Warrant Indenture. The Warrant Indenture will contain provisions designed to protect holders of the Warrants against dilution upon the occurrence of certain events.

Pursuant to the Underwriting Agreement, the Company has agreed to pay to the Underwriters the Commission equal to 7.0% of the gross proceeds of the Offering, including proceeds from the exercise of the Over-Allotment Option, other than in respect of gross proceeds from the sale of Units to purchasers on the President's List for which the Underwriters will receive a Commission equal to 3.5%. The President's List is comprised of a list of purchasers under the Offering provided by the Company to the Underwriters. As additional compensation, the Company has agreed to issue the Underwriters an aggregate number of Compensation Warrants equal to 7.0% of the aggregate number of Units issued pursuant to the Offering (including any Units issued upon exercise of the Over-Allotment Option), other than in respect of Units sold to purchasers on the President's List for which the Underwriters will receive Compensation Warrants equal to 3.5%. Each Compensation Warrant may be exercised to acquire one Compensation Warrant Share at an exercise price of \$0.35 per Compensation Warrant Share for a period of 24 months from the Closing Date, subject to adjustment in certain events. In addition, the Company has agreed to pay the Lead Underwriter the Corporate Finance Fee in the amount of \$150,000 with 50% of the Corporate Finance Fee in the amount of \$75,000 to be paid in cash through payment of the Corporate Finance Cash Fee and 50% of the Corporate Finance Fee to be paid through the issuance of the Corporate Finance Shares at a deemed price of \$0.35 per Corporate Finance Share for a total of 214,285 Corporate Finance Shares. This Prospectus Supplement qualifies the distribution of the Compensation Warrants and the Corporate Finance Shares. The Company has also agreed to reimburse the Underwriters for their reasonable out-of-pocket fees and expenses and the reasonable fees and disbursements of the Underwriters' legal counsel, subject to an agreed upon maximum, whether or not the Offering is completed.

The Underwriters have reserved the right to offer selling group participation, in the normal course of the brokerage business, to selling groups of other licensed broker-dealers, brokers or investment dealers, who may or may not be offered part of the Corporate Finance Fee.

The Company has applied to list the Unit Shares, the Warrant Shares, the Compensation Warrant Shares and the Corporate Finance Shares on the TSXV. Listing on the TSXV is subject to the Company fulfilling all of the requirements of the TSXV. Conditional approval for listing of these securities on the TSXV is a condition of closing of the Offering.

There is currently no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants purchased under this Prospectus Supplement. This may affect the prices of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See "*Risk Factors*".

Subject to certain exceptions, the Company and the directors and officers of the Company have agreed in favour of the Underwriters that, during the period commencing on the date hereof and ending 90 days after the Closing Date, they will not (and will not cause an affiliate to), directly or indirectly, offer, issue, sell, grant, secure, pledge, or otherwise transfer, dispose of or monetize, or engage in any hedging transaction, or enter into any form of agreement or arrangement the consequence of which is to alter economic exposure to, or announce any intention to do so, in any manner whatsoever, any Common Shares or securities convertible into, exchangeable for, or otherwise exercisable to acquire Common Shares or other equity securities of the Company, without the prior written consent of the Underwriters (such consent not to be unreasonably withheld), except, as applicable in the case of the Company or the applicable person, in conjunction with: (i) the grant or exercise of stock options and other similar issuances pursuant to the share incentive plan of the Company and other share compensation arrangements, provided such stock options and other similar issuances are not granted or issued with an exercise that is less than the Offering Price; (ii) the exercise of outstanding warrants; (iii) obligations of the Company in respect of existing agreements; (iv) the issuance of securities by the Company in connection with acquisitions in the normal course of business; or (v) in the case of a

person other than the Company, in order to accept a bona fide take-over bid made to all securityholders of the Company or similar business combination transaction.

The Units will be offered in all the provinces and territories of Canada other than Québec through the Underwriters or their affiliates who are registered to offer the Units for sale in such provinces and territories and such other registered dealers as may be designated by the Underwriters. Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the Underwriters reserve the right to close the subscription books at any time without notice. The Closing Date is expected to be on or about October 28, 2021, or such other date as may be agreed upon by the Company and the Underwriters. The Offering will be conducted under the book-based system. Except in limited circumstances, a purchaser of Units will receive only a customer confirmation from the registered dealer from or through which the Units are purchased and who is a CDS depository service participant. CDS will record the CDS participants who hold Units on behalf of owners who have purchased Units in accordance with the book-based system.

The Company has agreed in the Underwriting Agreement to indemnify the Underwriters against certain liabilities, including liabilities under the U.S. Securities Act, and Canadian securities laws, and, where such indemnification is unavailable, to contribute to payments that the Underwriters may be required to make in respect of such liabilities.

The summary of certain provisions of the Underwriting Agreement contained herein does not purport to be complete and is qualified in its entirety by reference to the provisions of the Underwriting Agreement, a copy of which has been filed with the securities commissions in Canada and is available on SEDAR at www.sedar.com.

Pursuant to policies of certain Canadian securities regulatory authorities, the Underwriters may not, throughout the period of distribution under the Offering, bid for or purchase Common Shares for its own accounts or for accounts over which it exercises control or direction. The foregoing restriction is subject to certain exceptions, on the condition that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in or raising the price of the Common Shares. These exceptions include a bid or purchase permitted under Universal Market Integrity Rules for Canadian marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities, and a bid or purchase made for or on behalf of a customer where the order was not solicited during the period of distribution. Subject to the foregoing, the Underwriters may effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time.

These stabilizing transactions and syndicate covering transactions may have the effect of preventing or mitigating a decline in the market price of the Common Shares, and may cause the price of the Units to be higher than would otherwise exist in the open market absent such stabilizing activities. As a result, the price of the Unit Shares may be higher than the price that might otherwise exist in the open market. These transactions, if commenced, may be discontinued at any time. The Company has agreed, pursuant to the Underwriting Agreement, to indemnify the Underwriters and their respective affiliates and their respective directors, officers, employees, shareholders, partners, advisors and agents and each other person, if any, controlling the respective Underwriters or their respective affiliates and against certain liabilities, including liabilities under Canadian securities legislation in certain circumstances or to contribute to payments the Underwriters may have to make because of such liabilities.

Offering in the United States

The Units, Unit Shares, Warrants and Warrant Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and may not be offered, sold or delivered, directly or indirectly, to, or for the account or benefit of, a person in the United States or a U.S. Person, unless pursuant to an exemption to the registration requirements of the U.S. Securities Act and applicable securities laws of any state of the United States.

The Underwriters have agreed that they will not offer, sell or deliver the Units, Unit Shares, Warrants or Warrant Shares within the United States except in certain transactions exempt from the registration requirements of the U.S. Securities Act and applicable securities laws of any state of the United States. The Underwriting Agreement will permit the Underwriters to (i) acting through their United States broker-dealers affiliates, offer the Units for sale by the Company in the United States and to or for the account or benefit of U.S. Persons to substituted purchasers that

are U.S. Accredited Investors, in compliance with Rule 506(b) of Regulation D under the U.S. Securities Act and/or Section 4(a)(2) of the U.S. Securities Act and similar exemptions under applicable securities laws of any state of the United States, and (ii) acting through their United States broker-dealer affiliates, offer and resell the Units that they have acquired pursuant to the Underwriting Agreement in the United States and to, or for the account or benefit of U.S. Persons, that are Qualified Institutional Buyers in compliance with Rule 144A under the U.S. Securities Act. Moreover, the Underwriting Agreement provides that the Underwriters will offer and sell the Units outside of the United States to non-U.S. Persons only in accordance with Regulation S under the U.S. Securities Act.

The Unit Shares and Warrants comprising the Units, and the Warrant Shares issuable upon exercise of the Warrants, as applicable, in each instance issued to, or for the account or benefit of, any U.S. Persons or any persons in the United States, will be “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act. Certificates issued representing such securities, if any, will bear a legend to the effect that the securities represented thereby are not registered under the U.S. Securities Act or the securities laws of any state of the United States and may only be offered, sold, pledged or otherwise transferred, directly or indirectly, pursuant to certain exemptions from the registration requirements of the U.S. Securities Act and applicable securities laws of any state of the United States.

This prospectus supplement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities to, or for the account or benefit of, a person in the United States or a U.S. Person. In addition, until 40 days after commencement of the Offering, an offer or sale of the Units, Unit Shares Warrants and Warrant Shares within the United States by any dealer, whether or not participating in the Offering, may violate the registration provisions of the U.S. Securities Act unless such offer or sale is made pursuant to an exemption from registration under the U.S. Securities Act.

Moreover, the Warrants may not be exercised in the United States or by, or on behalf of, a U.S. Person or person in the United States and the Warrant Shares may not be delivered to an address in the United States unless the exercise of the Warrants and issuance and delivery of the Warrant Shares is registered under the U.S. Securities Act and applicable securities laws of any state of the United States or such exercise, issuance and delivery is exempt from such registration requirements.

LEGAL MATTERS

Certain legal matters related to the Units offered pursuant to this prospectus supplement will be passed upon on behalf of the Company by Miller Thomson LLP with respect to Canadian legal matters, by Dorsey & Whitney LLP with respect to United States legal matters, and on behalf of the Underwriters by DLA Piper (Canada) LLP with respect to Canadian legal matters. At the date of this Prospectus Supplement, the designated professionals of Miller Thomson LLP as a group beneficially own less than 1% of the Company’s outstanding securities. At the date of this Prospectus Supplement, the designated professionals of DLA Piper (Canada) LLP as a group beneficially own less than 1% of the Company’s outstanding securities.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus Supplement is deemed to be incorporated by reference into the accompanying Prospectus solely for the purposes of the Offering. Other documents are also incorporated, or are deemed to be incorporated by reference, into the accompanying Prospectus and reference should be made to the accompanying Prospectus for full particulars thereof.

Information has been incorporated by reference in this Prospectus Supplement from documents filed with the securities commissions or similar regulatory authorities in each of the provinces and territories of Canada, except for the province of Québec (the “Commissions”). Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of LQwD FinTech at 407 – 1168 Hamilton Street, Vancouver, British Columbia, V6B 2S2, are also available electronically on SEDAR which can be accessed electronically at www.sedar.com. Information contained or featured on the Company’s website shall not be deemed to be part of this prospectus supplement or the accompanying prospectus.

The following documents, which have been filed by the Company with the Commissions, are specifically incorporated by reference into, and form an integral part of, the accompanying Prospectus, as supplemented by this Prospectus Supplement:

1. the annual information form of LQwD FinTech (the “**Annual Information Form**”) dated June 28, 2021 for the year ended February 28, 2021, filed on SEDAR on June 28, 2021;
2. the audited consolidated financial statements of the Company for the years ended February 28, 2021 and February 29, 2020 together with the notes thereto and the auditor’s report thereon and related management’s discussion and analysis, filed on SEDAR on June 28, 2021;
3. the unaudited condensed consolidated interim financial statements of the Company (the “**Interim Financial Statements**”) for the three months ended May 31, 2021 together with the notes thereto and related management’s discussion and analysis, with the exception of the “Notice of No Auditor Review of Consolidated Interim Financial Statements” on page 2 of the Interim Financial Statements, which is not incorporated by reference into this Prospectus as the Interim Financial Statements have been reviewed by the Company’s auditor as of the date hereof, filed on SEDAR on July 29, 2021;
4. the statement of executive compensation of the Company for the year ended February 28, 2021, filed on SEDAR on August 26, 2021;
5. the business acquisition report of the Company (the “**Business Acquisition Report**”) dated August 23, 2021 in respect of the Company’s acquisition of LQwD Financial, filed on SEDAR on August 23, 2021;
6. the material change report of the Company dated June 10, 2021 in respect of the Company’s acquisition of LQwD Financial, the closing of the Company’s subscription receipt financing and related matters, filed on SEDAR on June 10, 2021;
7. the information circular of the Company (the “**Circular**”) dated April 22, 2021 in respect of its annual general and special meeting of shareholders held on May 24, 2021, filed on SEDAR on April 27, 2021; and
8. the Term Sheet.

Any document of the type referred to in section 11.1 of Form 44-101F1 of National Instrument 44-101 – Short Form Prospectus Distributions and required to be filed by the Company with the securities commissions or similar regulatory authorities in Canada after the date of this Prospectus Supplement and before the termination of the distribution under the Offering shall be deemed to be incorporated by reference in this Prospectus Supplement for the purposes of the Offering.

Any statement contained in this Prospectus Supplement, the accompanying Prospectus or in a document incorporated or deemed to be incorporated by reference herein or therein shall be deemed to be modified or superseded for purposes of the Offering to the extent that a statement contained in this Prospectus Supplement or in any other subsequently filed document which also is or is deemed to be incorporated by reference in the accompanying Prospectus modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of this Prospectus Supplement or the accompanying Prospectus, except as so modified or superseded.

References to the Company’s website in any documents that are incorporated by reference into this Prospectus Supplement and the accompanying Prospectus do not incorporate by reference the information on such website into

this Prospectus Supplement or the accompanying Prospectus, and the Company disclaims any such incorporation by reference.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The external auditor of the Company is De Visser Gray LLP at its principal office located at Suite 401, 905 West Pender Street, Vancouver, British Columbia, V6C 1L6.

The registrar and transfer agent of the Company is Computershare Trust Company of Canada located at 510 Burrard Street, 2nd Floor, Vancouver, British Columbia, V6C 3B9.

INTERESTS OF EXPERTS

The annual financial statements have been audited by De Visser Gray LLP, as set forth in their audit reports. De Visser Gray LLP is the independent auditor of the Company and is independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

The financial statements of LQwD Financial for the year ended December 31, 2020 and for the period from incorporation on November 6, 2019 to December 31, 2019, which have been included in the Business Acquisition Report and the Circular, which are incorporated by reference into this Prospectus Supplement, have been audited by Manning Elliott LLP, as set forth in their audit report. Manning Elliott LLP is the independent auditor of LQwD Financial and is independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus supplement and accompanying prospectus relating to the securities purchased by a purchaser and any amendments thereto. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revision of the price or damages if the prospectus supplement and accompanying prospectus relating to the securities purchased by a purchaser and any amendments thereto contain a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal adviser. Rights and remedies may also be available to purchasers under U.S. law; purchasers may wish to consult with a U.S. lawyer for particulars of these rights.

In an offering of Warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the Prospectus or Prospectus Supplement and any amendment is limited, in certain provincial and territorial securities legislation, to the price at which the Warrants are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces and territories, if the purchaser pays additional amounts upon exercise of the Warrants, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces and territories. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of this right of action for damages or consult with a legal adviser.

ELIGIBILITY FOR INVESTMENT

In the opinion of Miller Thomson LLP, counsel to the Company with respect to Canadian legal matters, and DLA Piper (Canada) LLP, counsel to the Underwriters, based on the provisions of the Tax Act in force as of the date hereof, the Unit Shares, Warrants and Warrant Shares, if issued on the date hereof, would be "qualified investments" under the Tax Act for a trust governed by a registered retirement savings plan (a "RRSP"), a registered retirement income

fund (a “**RRIF**”), a deferred profit sharing plan, a registered education savings plan (a “**RESP**”), a registered disability savings plan (a “**RDSP**”), and a tax-free savings account (a “**TFSA**”) (collectively, the “**Deferred Plans**”) provided that: (i) in the case of the Unit Shares and the Warrant Shares, the Common Shares are listed on a “designated stock exchange” as defined in the Tax Act (which currently includes the TSXV); and (ii) in the case of the Warrants, the Common Shares are listed on a “designated stock exchange” as defined in the Tax Act (which currently includes the TSXV) and neither the Company, nor any person with whom the Company does not deal at arm’s length, is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of the particular Deferred Plan.

Notwithstanding that the Unit Shares, Warrants and Warrant Shares may be qualified investments for a Deferred Plan, the annuitant under an RRSP or RRIF, the holder of a TFSA or RDSP, or the subscriber of an RESP, as the case may be, will be subject to a penalty tax as set out in the Tax Act if such Unit Shares, Warrants and Warrant Shares are a “prohibited investment” (as defined in the Tax Act) for the RRSP, RRIF, RESP, RDSP or TFSA. The Unit Shares, Warrants and Warrant Shares will generally not be a prohibited investment for a particular RRSP, RRIF, RESP, RDSP or TFSA provided that the annuitant under the RRSP or RRIF, the holder of the TFSA or RDSP, or the subscriber of the RESP, as the case may be, (a) deals at arm’s length with the Company for the purposes of the Tax Act, and (b) does not have a “significant interest” (as defined in the Tax Act) in the Company. In addition, the Unit Shares, Warrants and Warrant Shares will not be a prohibited investment if such securities are “excluded property” (as defined in the Tax Act) for the particular RRSP, RRIF, RESP, RDSP or TFSA.

Prospective purchasers who intend to hold Unit Shares, Warrants or Warrant Shares in a Deferred Plan should consult their own tax advisors.

CERTIFICATE OF THE COMPANY

Dated: October 22, 2021

This short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement, as required by the securities legislation of each of the provinces and territories of Canada, except the province of Québec.

(Signed) "Shone Anstey"

Shone Anstey
Chief Executive Officer

(Signed) "Barry MacNeil"

Barry MacNeil
Chief Financial Officer

On behalf of the Board of Directors

(Signed) "Dean Sutton"

Dean Sutton
Director

(Signed) "Ashley Garnnot"

Ashley Garnnot
Director

CERTIFICATE OF THE UNDERWRITERS

Dated: October 22, 2021

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement, as required by the securities legislation of each of the provinces and territories of Canada, except the province of Québec.

CANACCORD GENUITY CORP.

(Signed) "Shoaib Ansari"

Shoaib Ansari
Managing Director, Investment Banking

PI FINANCIAL CORP.

(Signed) "Tim Graham"

Tim Graham
Managing Director, Investment Banking

This short form prospectus is a base shelf prospectus. This short form prospectus has been filed under legislation in each of the provinces and territories of Canada, except the province of Québec, that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities, except in cases where an exemption from such delivery requirements is available.

This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. See “Plan of Distribution”. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of LQwD FinTech Corp. at #2040 - 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8, Telephone 604-669-0912 and are also available electronically at www.sedar.com.

SHORT FORM BASE SHELF PROSPECTUS

New Issue

September 15, 2021



LQwD FINTECH CORP.
#2040 - 885 W. Georgia Street
Vancouver, British Columbia, V6C 3E8

\$50,000,000

COMMON SHARES
WARRANTS
SUBSCRIPTION RECEIPTS
UNITS
DEBT SECURITIES

LQwD FinTech Corp. (the “**Company**” or “**LQwD FinTech**”) may offer and issue from time to time, the securities listed above or any combination thereof with the aggregate initial offering price not to exceed \$50,000,000 during the 25 month period that this short form base shelf prospectus (this “**Prospectus**”), including any amendments thereto, remains effective. The Company’s securities may be offered separately or together, in amounts, at prices and on terms to be determined based on market conditions at the time of sale and set forth in an accompanying shelf prospectus supplement (“**Prospectus Supplement**”).

The specific terms of the securities offered in a particular offering will be set out in the applicable Prospectus Supplement and may include, where applicable: (i) in the case of common shares, the number of common shares offered, the offering price and any other specific terms; (ii) in the case of warrants, the designation, number and terms of the securities issuable upon exercise of the warrants, any procedures that

will result in the adjustment of these numbers, the exercise price, dates and periods of exercise, the currency in which the warrants are issued and any other specific terms; (iii) in the case of subscription receipts, the designation, number and terms of the securities issuable upon satisfaction of certain release conditions, any procedures that will result in the adjustment of these numbers, any additional payments to be made to holders of subscription receipts upon satisfaction of the release conditions, the terms of the release conditions, the terms governing the escrow of all or a portion of the gross proceeds from the sale of the subscription receipts, terms for the refund of all or a portion of the purchase price for the subscription receipts in the event that the release conditions are not met or any other specific terms; (iv) in the case of units, the designation, number and terms of the common shares, warrants or subscription receipts comprising the units; and (v) in the case of debt securities, the specific designation, the aggregate principal amount, the currency or the currency unit for which the debt securities may be purchased, the maturity, the interest provisions, the authorized dominations, the offering price, the covenants, and the events of default, any terms of redemption or retraction, any exchange or conversion terms, whether the debt is senior or subordinate, and any other specific terms of the debt securities being offered. A Prospectus Supplement may include specific variable terms pertaining to the above-described securities that are not within the alternatives or parameters set forth in this Prospectus.

This Prospectus may qualify an “at-the-market” distribution as defined under National Instrument 44-102 – *Shelf Distributions*, including sales made directly on the TSX Venture Exchange (the “TSXV”) or other existing markets for the securities.

All shelf information permitted under applicable securities laws to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus to the extent required by applicable securities laws. Each Prospectus Supplement will be incorporated by reference into this Prospectus for the purposes of securities legislation as of the date of the Prospectus Supplement and only for the purposes of the distribution of the securities to which the Prospectus Supplement pertains.

An investment in the Company’s securities involves a high degree of risk. You should carefully read the “Risk Factors” section detailed in this Prospectus.

This Prospectus may constitute a public offering of the securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. LQwD FinTech may offer and sell securities to, or through, underwriters or dealers and also may offer and sell certain securities directly to other purchasers or through agents pursuant to exemptions from registration or qualification under applicable securities laws. The Prospectus Supplement relating to each issue of securities offered thereby will set forth the names of any underwriters, dealers, or agents involved in the offering and sale of such securities and will set forth the terms of the offering of such securities, the method of distribution of such securities, including, to the extent applicable, the proceeds to the Company and any fees, discounts or any other compensation payable to underwriters, dealers or agents, and any other material terms of the plan of distribution. No underwriter has been involved in the preparation of, or has performed a review of, the contents of this Prospectus.

Securities may be sold from time to time in one or more transactions at a fixed price or prices or at non-fixed prices. If offered on a non-fixed price basis, securities may be offered at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at prices to be negotiated with purchasers at the time of sale, which prices may vary as between purchasers and during the period of distribution of the securities.

In connection with any offering of securities (unless otherwise specified in a Prospectus Supplement), other than an “at-the-market distribution”, the underwriters may over-allot or effect transactions which stabilize or maintain the market price of the securities offered at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. See “*Plan of Distribution*”.

The Company's common shares (the "**Common Shares**") are listed on the TSXV under the trading symbol "LQWD" and on the OTCQB under the symbol "LQWDF". The closing market price of the Common Shares as of September 14, 2021, the last trading day before the date of this Prospectus, was \$0.445. **Unless otherwise specified in a Prospectus Supplement, there is no market through which the Company's warrants, units, subscription receipts, or debt securities may be sold and you may not be able to resell any of such securities, purchased under this Prospectus or any Prospectus Supplement. This may affect the pricing of such securities on the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See "*Risk Factors*".**

TABLE OF CONTENTS

ABOUT THIS PROSPECTUS	1
CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS.....	1
DOCUMENTS INCORPORATED BY REFERENCE.....	3
SUMMARY DESCRIPTION OF BUSINESS	4
RISK FACTORS	10
USE OF PROCEEDS	28
PRIOR SALES.....	29
TRADING PRICE AND VOLUME.....	30
DIVIDEND POLICY.....	31
CONSOLIDATED CAPITALIZATION.....	31
DESCRIPTION OF SHARE CAPITAL.....	31
DESCRIPTION OF SECURITIES OFFERED UNDER THIS PROSPECTUS.....	31
EARNINGS COVERAGE RATIOS	37
DENOMINATIONS, REGISTRATION AND TRANSFER	37
PLAN OF DISTRIBUTION	38
CERTAIN INCOME TAX CONSIDERATIONS.....	39
AUDITOR, TRANSFER AGENT, REGISTRAR AND WARRANT AGENT	39
INTERESTS OF EXPERTS	39
ADDITIONAL INFORMATION.....	39
PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION	40
CERTIFICATE OF THE COMPANY	

ABOUT THIS PROSPECTUS

You should rely only on the information contained in or incorporated by reference into this Prospectus. LQwD FinTech has not authorized anyone to provide you with different information. LQwD FinTech is not making an offer of these securities in any jurisdiction where the offer is not permitted. You should bear in mind that although the information contained in this Prospectus and any Prospectus Supplement is accurate as of any date on the front of such documents, such information may also be amended, supplemented or updated by the subsequent filing of additional documents deemed by law to be or otherwise incorporated by reference into this Prospectus and by any subsequently filed prospectus amendments.

This Prospectus provides a general description of the securities that the Company may offer. Each time the Company sells securities under this Prospectus, it will provide you with a Prospectus Supplement that will contain specific information about the terms of that offering. The Prospectus Supplement may also add, update or change information contained in this Prospectus. Before investing in any securities, you should read both this Prospectus and any applicable Prospectus Supplement together with additional information described below under “*Documents Incorporated by Reference*”.

Unless the context otherwise requires, references in this Prospectus and any Prospectus Supplement to “LQwD FinTech”, the “Company”, “we”, “us” or “our” includes LQwD FinTech Corp. and each of its material subsidiaries.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements (collectively, “**forward-looking statements**”) in this Prospectus and the documents incorporated by reference into this Prospectus about the Company’s current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments constitute forward-looking information and/or forward-looking statements within the meaning of applicable securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that are applicable to an issuer (collectively, “**Securities Laws**”). The words “may”, “will”, “would”, “should”, “could”, “expects”, “plans”, “intends”, “trends”, “indications”, “anticipates”, “believes”, “estimates”, “predicts”, “likely” or “potential” or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements, although not all forward-looking statements contain these words.

Discussions containing forward-looking statements include, among other places, those under “*Summary Description of Business*” and “*Risk Factors*”. Forward-looking statements included or incorporated by reference in this Prospectus include, but are not limited to, statements with respect to the future financial or operating performance of the Company and its subsidiaries; the Company’s expectations with respect to future growth; the Company’s expectations with respect to achievement of its business objectives and milestones; the legislative and regulatory environment; the impact of increasing competition; the ability to obtain regulatory and shareholder approvals; the Company’s ability to successfully develop the lighting network (the “**Lighting Network**”); the Company’s expectations with respect to the use of net proceeds of future offerings and the use of the available funds following completion of such offerings; requirements for additional capital; the Company’s expectations regarding its revenue, expenses and operational costs; the Company’s anticipated cash needs; the Company’s intention to grow the business and its operations; and the Company’s ability to successfully withstand the economic impact of the COVID-19 pandemic.

Forward-looking statements are based on certain assumptions and estimates made by us in light of the experience and perception of historical trends, current conditions, expected future developments, including projected growth in the industry of Bitcoin, and other factors we believe are appropriate and reasonable in the circumstances, but there can be no assurance that such assumptions and estimates will prove to be correct. These assumptions include, but are not limited to:

- (i) the Company being able to generate cash flow from operations and obtain necessary financing on acceptable terms;
- (ii) general economic, financial market, regulatory and political conditions in which the Company operates will remain the same;
- (iii) the Company being able to compete in the Bitcoin industry;
- (iv) the Company being able to manage anticipated and unanticipated costs;
- (v) the Company being able to maintain internal controls over financial reporting and disclosure and procedures;
- (vi) the Company being able to maintain customer interest in the Company's products and services;
- (vii) the Company's ability to obtain qualified staff, tools and services in a timely and cost efficient manner;
- (viii) the Company's ability to conduct operations in an efficient and effective manner;
- (ix) government regulation of the Company's activities will remain the same or develop into a positive direction; and
- (x) the Company being able to successfully build or sustain partnerships or relationships with key players in the Bitcoin industry.

Many factors could cause the Company's actual results, level of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the factors, which are discussed in greater detail in the "*Risk Factors*" section of this Prospectus.

Although the Company believes that the expectations reflected in such forward-looking information are reasonable, it can give no assurance that such expectations will prove to have been correct. The purpose of the forward-looking statements is to provide the reader with a description of management's expectations regarding the Company's performance and may not be appropriate for other purposes. Readers should not place undue reliance on forward-looking statements made herein. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause actual results to differ materially from those anticipated in such forward-looking statements. Furthermore, unless otherwise stated, the forward-looking statements contained in this Prospectus are made as of the date of this Prospectus, and we have no intention and undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The forward-looking statements contained in this Prospectus are expressly qualified by this cautionary statement.

Presentation of Financial Information

The Company presents its financial statements in Canadian dollars. All dollar figures in this Prospectus are in Canadian dollars, unless otherwise indicated. All of the financial data contained in this Prospectus relating to the Company have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"), as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with securities commissions or similar authorities in all of the provinces and territories of Canada, except the province of Québec (the “**Commissions**”). Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of LQwD FinTech at #2040 - 885 W. Georgia Street, Vancouver, British Columbia, V6C 3E8 and are also available electronically on SEDAR which can be accessed electronically at www.sedar.com.

The following documents of the Company, which have been filed with the Commissions, are specifically incorporated by reference into, and form an integral part of, this Prospectus:

- a. the annual information form of LQwD FinTech (the “**Annual Information Form**”) dated June 28, 2021 for the year ended February 28, 2021, filed on SEDAR on June 28, 2021;
- b. the audited consolidated financial statements of the Company for the years ended February 28, 2021 and February 29, 2020 together with the notes thereto and the auditor’s report thereon and related management’s discussion and analysis, filed on SEDAR on June 28, 2021;
- c. the unaudited condensed consolidated interim financial statements of the Company (the “**Interim Financial Statements**”) for the three months ended May 31, 2021 together with the notes thereto and related management’s discussion and analysis, with the exception of the “Notice of No Auditor Review of Consolidated Interim Financial Statements” on page 2 of the Interim Financial Statements, which is not incorporated by reference into this Prospectus as the Interim Financial Statements have been reviewed by the Company’s auditor as of the date hereof, filed on SEDAR on July 29, 2021;
- d. the statement of executive compensation of the Company for the year ended February 28, 2021, filed on SEDAR on August 26, 2021;
- e. the business acquisition report of the Company (the “**Business Acquisition Report**”) dated August 23, 2021 in respect of the Company’s acquisition of LQwD Financial Corp. (“**LQwD Financial**”), filed on SEDAR on August 23, 2021;
- f. the material change report of the Company dated June 10, 2021 in respect of the Company’s acquisition of LQwD Financial, the closing of the Company’s subscription receipt financing and related matters, filed on SEDAR on June 10, 2021; and
- g. the information circular of the Company (the “**Circular**”) dated April 22, 2021 in respect of its annual general and special meeting of shareholders held on May 24, 2021, filed on SEDAR on April 27, 2021.

Any annual information form, material change reports (excluding confidential material change reports), any interim and annual consolidated financial statements and related management discussion and analysis, any information circulars (excluding those portions that, pursuant to National Instrument 44-101 of the Canadian Securities Administrators, are not required to be incorporated by reference herein), any business acquisition reports, any news releases or public communications containing financial information about the Company for a financial period more recent than the periods for which financial statements are incorporated herein by reference, and any other disclosure documents required to be filed pursuant to an undertaking to a provincial or territorial securities regulatory authority that are filed by the Company with various securities commissions or similar authorities in Canada after the date of this Prospectus and prior to the

termination of an offering under any Prospectus Supplement, shall be deemed to be incorporated by reference in this Prospectus.

Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of this Prospectus, except as so modified or superseded.

A Prospectus Supplement containing the specific terms of an offering of securities, updated disclosure of earnings coverage ratios, if applicable, and other information relating to the securities, will be delivered to prospective purchasers of such securities together with this Prospectus and the applicable Prospectus Supplement and will be deemed to be incorporated into this Prospectus as of the date of such Prospectus Supplement only for the purpose of the offering of the securities covered by that Prospectus Supplement.

Upon a new annual information form and the related annual financial statements being filed by the Company with, and, where required, accepted by, the applicable securities commissions or similar regulatory authorities during the currency of this Prospectus, the previous annual information form, the previous annual financial statements and all quarterly financial statements, material change reports and information circulars filed prior to the commencement of the Company's financial year in which the new annual information form is filed shall be deemed no longer to be incorporated into this Prospectus for purposes of further offers and sales of securities hereunder.

SUMMARY DESCRIPTION OF BUSINESS

LQwD FinTech, a British Columbia company, is a reporting issuer in all provinces and territories of Canada, except the province of Québec. The Company's Common Shares are listed for trading on the TSXV under the symbol "LQWD" and on the OTCQB under the symbol "LQWDF". The Company's head office is located at #2040 – 885 W. Georgia Street, Vancouver, British Columbia, V6C 3E8, and its registered and records office is located at Suite 400, 725 Granville Street, Vancouver, British Columbia, V7Y 1G5.

LQwD FinTech was incorporated on March 1, 1999 under the name "Minera Capital Corporation" pursuant to the *Business Corporations Act* (Yukon). The Company was continued into British Columbia on September 22, 2004. On September 22, 2005, the Company changed its name from "Minera Capital Corporation" to "Coronado Resources Ltd.". On May 28, 2019, the Company changed its name from "Coronado Resources Ltd." to "Interlapse Technologies Corp.". On June 9, 2021, the Company changed its name from "Interlapse Technologies Corp." to "LQwD FinTech Corp." in connection with its acquisition of LQwD Financial.

On June 9, 2021, the Company acquired 100% of the issued and outstanding securities of LQwD Financial, a private company existing under the laws of British Columbia.

The Company has determined the acquisition is a business combination under IFRS 3 *Business Combinations* ("IFRS 3"). Significant judgment was applied in reaching this determination, including, but not limited to, the following factors:

- (1) The shareholders of LQwD FinTech retained a higher percentage of the resulting issuer post-completion of the transaction, owning approximately 70% of the Company (42% excluding the concurrent Subscription Receipt Financing (as defined herein)), with voting percentages also favouring its shareholders.
- (2) Under IFRS 3, the acquirer is usually the entity issuing equity interest. LQwD FinTech issued 22,400,001 of its common shares to acquire 100% of and gain control of LQwD Financial, which became a wholly-owned subsidiary of LQwD FinTech.
- (3) LQwD FinTech has intangible assets in the form of Bitcoin software platforms and revenue consisting of service fees earned from customers that use the platforms, thus the Company meets the definition of business under IFRS 3. Namely, LQwD FinTech's business consists of inputs and processes applied to those inputs that have the ability to create outputs: (a) inputs are economic resources including employees, materials and non-current assets (including rights of use); (b) processes are systems, standards, protocols, conventions or rules that when applied to inputs, create outputs. Including strategic management, operations and resource management; (c) outputs provide a return in the form of dividends, lower costs or other economic benefits to stakeholders; (d) as a result of an acquisition, an acquirer may combine the acquiree's inputs and processes with its own with the result that it is not necessary that all pre-acquisition inputs and processes remain unchanged; (e) a business may not have outputs (e.g. where it is in a development stage); (f) a business may or may not have liabilities; and (g) the assessment as to whether a particular set of assets and activities is a business is made by reference to whether the integrated set is capable of being conducted and managed as a business by a market participant.
- (4) LQwD FinTech, the entity with the largest relative size (assets and revenues), initiated the acquisition and obtained control of LQwD Financial, transferring common shares as consideration.

Per the above, it was determined that LQwD FinTech was the entity that obtained 'control' of the acquiree, LQwD Financial [IFRS 3.7]. Under IAS 27, control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The acquisition was accounted for using the acquisition method of accounting, whereby the assets acquired and the liabilities assumed were recorded at their estimated fair value at the acquisition date. The Company applied a cost approach, specifically a historical cost approach, for measuring the fair value of the LQwD Financial Lightning Network platform. This valuation method used the historical costs of development related to the development and enhancement of the LQwD Financial Lightning Network platform.

Details of the purchase consideration, the fair value of the net assets acquired and goodwill are indicated below. **All amounts shown in the table below are unaudited and preliminary.**

Purchase consideration:

22,400,001 common shares issued at \$0.25 per share	\$ 5,600,000
Fair value of 4,000,000 performance warrants	29,454
	<hr/>
	\$5,629,454

Fair value of assets and liabilities acquired:

Cash	4,155
Amounts receivable	14,697
Prepays	2,639
Equipment	2,123
Intangible asset – LQwD Financial Lightning Network platform	158,000

Accounts payable and accrued liabilities	(367,481)
Identifiable net assets acquired	(186,228)
Goodwill	5,815,682
	\$ 5,629,454

The resulting goodwill is attributable to the assembled workforce and the highly specialized nature of the acquired business and is not deductible for tax purposes. The assembled workforce allows LQwD FinTech to continue to operate the acquired business from the acquisition date. Other non-tangible assets that are not separately recognized that contribute to goodwill are: LQwD Financial’s trademark, reputation, brand identity and recognition, and its proprietary technology.

The accounting for this business combination has not yet been finalized and the Company is reporting provisional amounts for the items for which the accounting is not complete. These provisional amounts may be adjusted during the measurement period, or additional assets or liabilities may be recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

Management assesses at the end of each reporting period whether there is any indication from external and internal sources of information, that an asset may be impaired. As at July 29, 2021, the date of filing of the Interim Financial Statements, management assessed whether there were any indicators of impairment of goodwill under IAS 36 and resolved that impairment indicators did not exist.

As of the date hereof, the Company has six wholly-owned subsidiaries:

Name of Subsidiary	Place of Incorporation	Proportion of Ownership Interest	Principal Activity
LQwD Financial Corp.	British Columbia	100%	Principal Operating Business
Coronado Resources USA LLC	USA	100%	Holding Company
Skyrun Technology Corp. (“Skyrun”)	British Columbia	100%	Operating Activity
0980862 B.C. Ltd.	British Columbia	100%	Holding Company
0997680 B.C. Ltd.	British Columbia	100%	Holding Company
0997684 B.C. Ltd.	British Columbia	100%	Holding Company

General

LQwD FinTech is a development stage technology-based company engaged in creating enterprise grade infrastructure and institutional liquidity for the Lightning Network to drive Bitcoin adoption. Services will not be offered to end-user entities or individuals, but instead LQwD FinTech software and infrastructure will support companies that engage with entities and/or individuals. The Company will be continuing the business of LQwD Financial and its existing business of Coincurve.com/BuyBitcoinCanada.com, its online Bitcoin trading platforms.

Lightning Network

Through LQwD Financial, the Company develops and provides infrastructure to support enhanced liquidity for a payment protocol that operates under the name “Lightning Network”. The software that the Company

currently develops allows users to effectively and safely integrate their payments that use Bitcoin on the Lightning Network. Software enables parties to integrate and setup software enabling bitcoin payments, directly to their corporate address, in addition to or beside other traditional payment options. This does not involve the provision of investment advice to or on behalf of any third party, nor does the Company engage in the trading of Bitcoin, other similar utility coins, securities or derivatives for any third party. The Company is not engaged in the creation, development or implementation of a platform or exchange that allows investors to buy or sell Bitcoin. Services will not be offered to end-user entities or individuals, but instead the Company's software and infrastructure will support companies that engage with entities and/or individuals. Further, the primary purpose of the Company is not to invest the money provided to it by its security holders.

Currently the Company is developing a Software as a Service ("**SaaS**") platform that is built upon the Lightning Network and enables the set-up of payment channels as a service. As a Lightning Service Provider ("**LSP**"), the Company will operate in a manner similar to an Internet Service Provider ("**ISP**"). Namely, the Company will connect users to a wider network of Lightning Network nodes (*e.g.* computers), and provide stable and secure payment channels. The Company operates as an LSP with its platform abstracting away the complexities of setting up a Lightning network node. The customer pays a monthly hosting fee and can set up and access their node via a web interface designed for non-technical people. The similarity to ISP lies in the fact that ISPs receive and forward IP packets on behalf of their users, in other words give users access to the Internet at large. An LSP receives and forwards sats or satoshis, the smallest unit of Bitcoin, (1 sat = 10^{-8} BTC) on behalf of their users.

The Company's service platform is at an advanced level of development, with beta testing set to commence in the second quarter of 2021. As a Lightning Network SaaS platform, the Company acts purely as a technology provider, enabling users to access software tools to more effectively and safely interact with their own Bitcoin Lightning Network payments.

The Lightning Network is a solution to scaling the usage of Bitcoin, dramatically improving upon the fees, as well as the instant settlement times, on the main Bitcoin network. The Lightning Network is a Layer 2 protocol, sitting above Layer 1, the Bitcoin layer, intended to facilitate quicker transactions and offer a solution to the Bitcoin network's rising transaction fees and slow transaction processing times. The bitcoin main chain has a fundamental, intentional limitation, because it can only process roughly seven transactions per second, on average. As a result, in times of high demand for bitcoin transactions fees rise as transaction originators compete to get their transaction confirmed. In turn it takes longer for a transaction to be confirmed. The Lightning Network potentially solves Bitcoin's scalability problem, increasing the viability of Bitcoin's mass adoption and use as a medium of daily exchange. The Lightning Network is made up of a network of micropayment channels built on top of the Bitcoin network and is capable of millions to billions of transactions per second across the network. The Lightning Network makes attaching payment per action/click possible without the use of custodians.

The Company, using its in-house team, is developing a Lightning Network SaaS platform that enables the set-up payment channels as a service. The Company's Lightning Network SaaS platform is at an advanced level of development, with beta testing set to commence in the second quarter of 2021.

Beta testing will include: compliant onboarding, user account set-up, node creation and user management. In addition, wallet and application integrations and Application Programming Interfaces ("**API**") will be activated. An API is a software intermediary that allows two applications to communicate with each other. Channel management, routing and oversight via watchtowers and monitoring application will be incorporated. The API roll-out will not include offering services to end-user entities or individuals. Commercial launch is expected to occur in the second or third quarter of 2021 at a further estimated cost of \$100,000. Enterprise API is planned to be rolled out for enterprise data sales in the fourth quarter of 2021 or the first quarter of 2022.

All aspects of the Company’s business require specialized knowledge and technical skill. Such knowledge and skills include the areas of blockchain technology, research and development, digital currency assets, digital currency market, app security, app volume capabilities, sales and marketing, as well as legal compliance, finance and accounting. The Company has found that it can locate and retain competent employees and consultants in such fields and believes it will continue to be able to do so at a reasonable cost.

The Company does not require any material regulatory approvals or licenses to achieve its stated business objectives with respect to the Lightning Network.

As an LSP, the Company will operate in a manner similar to an ISP. The Company will connect users to a wider network of Lightning Network nodes, and stable and secure payment channels. Part of the model requires Bitcoin for the nodes to operate. In short:

1. The Lightning Network rewards fees to companies that run Lightning Network nodes and transit the data, similar in concept to how the Bitcoin ledger participants (“Miners”) earn fees for processing blocks of transactions.
2. The Lightning Network requires Bitcoin to be on these nodes in order to ensure that traffic is routed through these nodes.
3. The more nodes the Company deploys, the more Lightning Network traffic the Company transits and the more fee rewards the Company earns.
4. As part of the model, the Company is building out a significant number of Lightning Network nodes (deployed by through its SaaS), and these nodes require Bitcoin to function.

Presently, LQwD does not have any customers or generate any revenue. The Company anticipates launching beta testing in the second quarter of 2021 and will soon be seeking beta testers. The total projected development timeline is 36.5 months, utilizing a core 9-person team, at an estimated cost of \$2.65 million. There are risks and uncertainties associated with the Company having no customers or revenues and not having secured beta testers yet. See “*Risk Factors – No Customers and No Revenues*”.

Coincurve.com

In addition to the Lightning Network (software platform), the Company also owns and operates Coincurve.com (also referred to herein as “Coincurve”), an online digital platform for users to buy Bitcoin, Bitcoin Cash, Litecoin, and Ethereum or sell Bitcoin and Bitcoin Cash in a streamlined fashion. Coincurve.com is the Company’s signature product that the Company developed and operated prior to its acquisition of LQwD Financial on June 9, 2021.

Coincurve is a non-custodial service, which allows a customer to purchase these crypto assets in a few easy steps with the crypto assets being delivered immediately after the purchase has taken place once payment has been received and necessary Know Your Customer (“KYC”) procedures have been performed. Coincurve has conducted an assessment and believes that such crypto assets are not securities or derivatives. The customer simply arrives at Coincurve’s website, inputs the desired amount of coin to receive, provides verification and personal information, and finally submits payment (via electronic method such as e-Transfer). Coincurve never holds fiat or crypto assets on behalf of an individual. There are no sign ups or accounts a customer creates on Coincurve. Coins are delivered immediately (typically within an hour) to the customer’s address.

Coincurve was created as a digital center for spendable utility coins, namely Bitcoin, Bitcoin Cash, Litecoin and Ethereum. Coincurve does not promote, create, invest or distribute ICO/STO/ITO.

Coincurve is not a marketplace nor does it facilitate the bringing together of buyers and sellers of securities or derivatives. Coincurve acts as a digital center where Coincurve holds the access to the coin liquidity. When a customer wishes to buy, Coincurve converts from fiat to the crypto asset in real-time and distributes to the customer directly at spot rate (+ spread mark up and processing fee).

The coins that Coincurve offers are not classified as securities or derivatives and Coincurve's platform is not a place which facilitates buyers and sellers to transact securities or derivatives.

Coincurve does not act as an intermediary in paying funds, in delivering securities or derivatives (or in doing both); nor does Coincurve provide centralized facilities for clearing trades; nor does Coincurve provide centralized facilities as a depository of securities or derivatives. Accordingly, Coincurve would not constitute as a "clearing agent".

For one, Coincurve does not offer securities or derivatives. Moreover, Coincurve does not clear any trades as there is no trading activity occurring within Coincurve.

Coincurve has full blocks on sanctioned countries,¹ meaning customers cannot access Coincurve's site from these locations. Coincurve only accepts Canadian area codes and IP addresses, so by nature of a transaction, Coincurve only accepts Canadian residents.

As part of the transaction flow, Coincurve collects KYC information from customers. These are checked against various lists (PEP, sanctions, restrictions lists) as part of access restriction. Coincurve has a whitelist of Canadian area codes and capture IP addresses. While a transaction may be generated, the Company will not process a transaction falling outside of its business rules. For sanctioned countries, Coincurve has a full block so visitors from those countries will not be able to advance on our platform.

Customers are not on-boarded, per se, as customers do not sign up for an account with Coincurve. Rather, a customer initiates a transaction by going through Coincurve's purchase flow as described earlier. Customer information - first name, last name, address, email, mobile number and selfie with government ID - are collected and associated with that particular transaction record. This information is run through Coincurve's various lists and Coincurve can determine if a customer is fit to proceed. These, along with other metrics such as IP address, user agents, associated wallet address, etc. are combined and used to verify the authenticity of the customer and the transaction. Coincurve partnered with a third party compliance service to perform validation on government issued IDs.²

Coincurve sorts associated transactions to nest under individual unique UserAgent profiles and groups the transaction together which lands on the same geolocation to see if the Company can deduce any connections they may have or whether it is just coincidence from the same mobile carrier towers or ISP/ASN address. Names are checked against various lists (PEP, sanctions, restrictions lists) as part of access restriction. These along with other markers are combined in identifying, not only the customer but also the validity of the transaction.

Since Coincurve is not a trading platform, Coincurve does not collect fees off any trades. Coincurve's fees come from a mark-up on the spot rate and a processing fee for purchasing the coin.

Customer's hold their own crypto assets in their own wallets. Coincurve is non-custodial and, therefore,

¹ For a list of sanctioned countries, please see Government of Canada, "Current Sanctions Imposed by Canada" (Date Modified: 2021-03-19), <https://international.gc.ca/world-monde/international_relations-relations_internationales/sanctions/current-actuelles.aspx?lang=eng>.

² For more information, please see Tapscape, "iDenfy and Coincurve Join Hands to Offer Virtual Currency Customers a Convenient KYC Compliance Process" (July 21, 2020), <<https://www.tapscape.com/idenfy-and-coincurve-join-hands-to-offer-virtual-currency-customers-a-convenient-kyc-compliance-process/>>.

Coincurve does not hold or handle any customer funds or coins. It also does not maintain any customer wallets. Coincurve maintains history records for each transaction. For each transaction, there are many attributes we record (ex. Timestamp, amount, rate, customer info, etc) including destination wallet address.

Coincurve does not take any deposits or withdrawals as our platform is not a wallet service. Customers can purchase up to \$500 CAD/txn, \$1000 CAD /day, \$5000 CAD /month. By purchasing, customers can select to send payment using e-transfer or Flexepin (voucher). On the sell side, Coincurve offers e-transfer and gift cards.

Accordingly, the Company has no intention to apply for registration as described in CSA/IROC Staff Notice 21-329. Skyrun, the owner of Coincurve and a wholly-owned subsidiary of the Company, is registered as a Money Services Business (M19915056) under FINTRAC within Canada. There are risks associated with not registering Coincurve. See “*Risk Factors – Risks relating to Coincurve.com*”.

BuyBitcoinCanada.com

Skyrun acquired BuyBitcoinCanada on March 31, 2020, a Bitcoin brokerage platform from Canadian blockchain company, Bitaccess Inc.

Founded in 2016 by Bitaccess Inc., BuyBitcoinCanada.com was the first merchant to integrate Flexepin onto their brokerage platform and continued to add additional services such as EFT (Electronic Funds Transfer) making it easier for Canadians to buy and sell Bitcoin.

Skyrun acquired BuyBitcoinCanada’s domain, customer list, website, social media channel and all trademarks and copyright. Skyrun does NOT operate BuyBitcoinCanada as a separate business. The intention of this acquisition is to leverage and redirect all BuyBitcoinCanada’s search ranking and traffic to Coincurve. Since the acquisition is purely a brand and asset play, all risks and obligations reside with Skyrun as mentioned in the previous section.

Recent Developments

Subsequent to the filing of its Annual Information Form on June 28, 2021, the Company accomplished the following:

1. achieved the milestone of establishing LSP services, payment channels and watchtowers, resulting in the vesting of 1,000,000 performance warrants priced at \$0.15 per Common Share with an expiry date of January 2, 2025;
2. added as strategic advisors: Joost Jager, a Lightning Infrastructure Engineer with a M.Sc. in CS and specialization in artificial intelligence; and Roy Sheinfeld, co-founder and CEO of Breez Technology Inc., a privately-held company that combines an LSP, point-of-sale app for merchants, and non-custodial end-user app; and
3. purchased an additional \$0.3 million worth of Bitcoin to bring the Company’s total to \$3.3 million at an average price of \$45,200 per Bitcoin.

RISK FACTORS

An investment in the Company’s securities involves a high degree of risk and must be considered a highly speculative investment due to the nature and present stage of the Company’s business.

You should carefully consider the risks described below, which are qualified in their entirety by reference to, and must be read in conjunction with, the detailed information appearing elsewhere in this Prospectus

and all documents incorporated by reference. Before deciding to invest in any securities, in addition to considering the risks outlined below, you should also carefully consider the risks contained in the section entitled “Cautionary Note Regarding Forward-Looking Statements” above, the risks outlined in the documents incorporated by reference in this Prospectus, the risks described in any Prospectus Supplement, the risks described in the Company’s historical financial statements, the related notes thereto, and the risks described in the Annual Information Form. The risks and uncertainties described below are those LQwD FinTech currently believes to be material, but they are not the only ones the Company faces. If any of the following risks, or any other risks and uncertainties that the Company has not yet identified or that we currently consider not to be material, actually occur or become material risks, its business, prospects, financial condition, results of operations and cash flows and consequently the price of LQwD FinTech securities could be materially and adversely affected.

General

A purchase of any securities of the Company involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in securities of the Company should not constitute a significant portion of an individual’s investment portfolio and should only be made by persons who can afford a total loss of their investment. Prospective subscribers should evaluate carefully the following risk factors associated with an investment in the Company’s securities prior to purchasing securities of the Company.

Business and Operations Risks

Limited operating history.

LQwD Financial has a limited operating history upon which its business and future prospects may be evaluated. As a result, the Company will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its operating goals. In order for the Company to meet future operating and debt service requirements, the Company will need to be successful in its growing, marketing and sales efforts. If the Company’s products and services are not accepted by new customers, the Company’s operating results may be materially and adversely affected.

No customers and no revenues.

The Company has no customers and no revenues. It is uncertain whether the Company will be able to gain enough customers and revenues, if at all, to sustain its business moving forward. The Company is currently in the development stage of the Lightning Network and has not yet commenced beta testing or secured beta testers. The Company might not be able to find adequate beta testers to complete its business objectives according to its anticipated timeline or at all. Failure to complete beta testing could result in the Company not being able to launch the Lightning Network, which could adversely affect its operating results. Not securing customers or revenues could be detrimental to the Company’s business.

Additional financing.

Future capital expenditures may be financed out of funds generated from future equity sales and borrowings. The Company’s ability to do so is dependent on, among other factors, the performance of the Company and its investments, the overall state of capital markets and investor appetite for investments in the financial technology industry and the Common Shares in particular. From time to time, the Company may enter into transactions to acquire assets or the shares of other companies. These transactions may be financed partially or wholly with debt, which may temporarily increase the Company’s debt levels above industry standards.

Failure to obtain any financing necessary for the Company's capital expenditure plans may result in a delay in the development and pursuit of the Company's business. There can be no assurance that the Company will be successful in its efforts to arrange additional financing in amounts sufficient to meet its goals or requirements, or on terms that are acceptable to it. If additional financing is raised by the issuance of Common Shares from treasury of, control of the Company may change and shareholders may suffer additional dilution.

Potential undisclosed liabilities.

Upon acquiring LQwD Financial, LQwD Financial became a wholly-owned subsidiary of the Company and continues to have the liabilities that existed prior to completion of the acquisition. There may be liabilities of LQwD Financial that the Company failed to discover or was unable to accurately assess or quantify in its due diligence.

Changes in technology.

The financial technology industry is characterized by rapid and significant technological advancements and introductions of new products and services utilizing new technologies. Other companies may have greater financial, technical and personnel resources that allow them to benefit from technological advantages and may in the future allow them to implement new technologies before the Company. There can be no assurance that the Company will be able to respond to such competitive pressures and implement such technologies on a timely basis or at an acceptable cost. One or more of the technologies currently utilized by the Company or implemented in the future may become obsolete. If the Company is unable to utilize the most advanced commercially available technology, its business, financial condition and results of operations could also be adversely affected in a material way.

Dependence on management and key personnel.

The Company is dependent upon the personal efforts and commitment of its directors, officers and key personnel. If one or more of the Company's executive officers becomes unavailable for any reason, a severe disruption to the business and operations of the Company could result and the Company may not be able to replace them readily, if at all. As the Company's business activity grows, the Company will require additional key financial, administrative and technical personnel as well as additional operations staff. There can be no assurance that the Company will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increase. If the Company is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Uninsured or uninsurable risks.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. It is not always possible to obtain insurance against all risks and the Company may become subject to liability for risks which are uninsurable or against which it may opt out of insuring due to the high cost of insurance premiums or other factors. The payment of any such liabilities would reduce the funds available for usual business activities. Payment of liabilities for which the Company does not carry insurance may have a material adverse effect on its financial position and operations.

Human error.

Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage the Company's interests and even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to the Company. These could include loss of business or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort the Company might undertake and legal claims for errors or mistakes by the Company personnel.

Information technology systems and cyber-security.

The Company is dependent upon the availability, capacity, reliability and security of information technology infrastructure and its ability to expand and continually update this infrastructure, to conduct daily operations. Further, the Company will be subject to a variety of information technology and system risks as a part of its normal course operations, including potential breakdown, invasion, virus, cyber-attack, cyber-fraud, security breach, and destruction or interruption of the Company's information technology systems by third parties or insiders. Unauthorized access to these systems by employees or third parties could lead to corruption or exposure of confidential, fiduciary or proprietary information, interruption to communications or operations or disruption to the business activities or the Company's competitive position. Further, disruption of critical information technology services, or breaches of information security, could have a negative effect on the performance and earnings, as well the reputation of the Company. The Company will apply technical and process controls in line with industry-accepted standards to protect information assets and systems; however, these controls may not adequately prevent cyber-security breaches. The significance of any such event is difficult to quantify, but may in certain circumstances be material and could have a material adverse effect on the Company's business, financial condition and results of operations.

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company will undertake certain procedures in order to help ensure the reliability of its financial reports, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its independent auditors discover a material weakness in such controls, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's financial statements and have a material adverse effect on the market price of Common Shares.

Legal proceedings.

From time to time, the Company may be a party to legal and regulatory proceedings, including matters involving governmental agencies, entities with whom it does business and other proceedings arising in the ordinary course of business. The Company will evaluate its exposure to these legal and regulatory proceedings and establish reserves for the estimated liabilities in accordance with generally accepted accounting principles. Assessing and predicting the outcome of these matters involves substantial uncertainties. Unexpected outcomes in these legal proceedings, or changes in management's evaluations or predictions and accompanying changes in established reserves, could have an adverse impact on the Company's financial results.

Regulatory compliance.

Achievement of the Company's business objectives is subject to compliance with regulatory requirements enacted by governmental authorities. The Company may incur costs and obligations related to regulatory compliance. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing

operations to cease or be curtailed, and may include corrective measures requiring capital expenditures or remedial actions. The Company may be required to compensate those suffering loss or damage by reason of its operations and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Failure to protect its intellectual property.

Failure to protect the Company's intellectual property could harm its ability to compete effectively. The Company is highly dependent on its ability to protect its proprietary technology. The Company intends to rely on a combination of copyright, trademark and trade secret laws, as well as non-disclosure agreements and other contractual provisions to establish and maintain its proprietary rights. The Company intends to protect its rights vigorously. However, there can be no assurance that these measures will, in all cases, be successful. Enforcement of the Company's intellectual property rights may be difficult, particularly in some nations outside of North America in which the Company may seek to market its products. While U.S. and Canadian copyright laws, international conventions and international treaties may provide meaningful protection against unauthorized duplication of software, the laws of some foreign jurisdictions may not protect proprietary rights to the same extent as the laws of Canada or of the United States. The absence of internationally harmonized intellectual property laws makes it more difficult to ensure consistent protection of the Company's proprietary rights. Software piracy has been, and is expected to be, a persistent problem for the software industry, and piracy of the Company's products represents a loss of revenue to the Company. Despite the precautions the Company may take, unauthorized third parties, including its competitors, may be able to: (i) copy certain portions of its products; or (ii) reverse engineer or obtain and use information that the Company regards as proprietary. Also, the Company's competitors could independently develop technologies that are perceived to be substantially equivalent or superior to the Company's technologies. The Company's competitive position may be materially adversely affected by its possible inability to effectively protect its intellectual property.

Involvement in other business activities.

The Company's directors and officers are involved in other business activities. As a result of their other business endeavors, the directors and officers may not be able to devote sufficient time to the Company's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Company may be periodically interrupted or delayed as a result of its officers' other business interests.

Conflicts of interest.

Certain directors and officers of the Company are, and may continue to be, involved in the financial technology industry through their direct and indirect participation in corporations, partnerships or joint ventures, which are potential competitors of the Company. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to the procedures set out in the *Business Corporations Act* (British Columbia).

Public health crisis.

The Company's business, operations and financial condition could be materially and adversely affected by the outbreak of epidemics or pandemics or other health crises, including the recent outbreak of COVID-19. On January 30, 2020, the World Health Organization declared the outbreak a global health emergency and on March 12, 2020, the World Health Organization declared the outbreak a pandemic. On January 28, 2020, health officials of British Columbia, Canada, announced the first presumptive case of the virus in the province, and on March 18, 2020, the Province of British Columbia declared the pandemic a provincial state of emergency.

To date, there have been a large number of temporary business closures, quarantines and a general reduction in consumer activity across the world. The outbreak has caused companies and various international jurisdictions to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time.

Such public health crises can result in volatility and disruptions in the supply and demand for the Company's services and products, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect interest rates, credit ratings, credit risk and inflation. The risks to the Company of such public health crises also include risks to employee health and safety, a slowdown or temporary suspension of operations impacted by an outbreak, increased labor and fuel costs, regulatory changes, political or economic instabilities or civil unrest. At this point, the extent to which COVID-19 will or may impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations and financial condition.

Dividend policy.

No dividends on the Common Shares have been paid by the Company to date. The Company anticipates that it will retain any earnings and other cash resources for the foreseeable future for the operation and development of its business. The Company does not intend to declare or pay any cash dividends in the foreseeable future. Payment of any future dividends will be at the discretion of the Board of Directors after taking into account a number of factors, including the Company's operating results, financial condition and current and anticipated cash needs.

Bitcoin Risks

The value of Bitcoin may be subject to momentum pricing risk and volatility.

Momentum pricing typically is associated with growth stocks and other assets whose valuation, as determined by the investing public, accounts for anticipated future appreciation in value. Bitcoin market prices are determined primarily using data from various exchanges over-the-counter markets, and derivative platforms. Momentum pricing may have resulted, and may continue to result, in speculation regarding future appreciation in the value of Bitcoin, inflating and making their market prices more volatile. As a result, Bitcoin may be more likely to fluctuate in value due to changing investor confidence in future appreciation (or depreciation) in their market prices, which could adversely affect the value of the Company's financial condition.

The profitability of the Company's operations will be significantly affected by changes in prices of Bitcoin. Bitcoin prices are highly volatile, can fluctuate substantially in a short period of time and are affected by numerous factors beyond the Company's control, including the total number of Bitcoins in existence; global demand for Bitcoin; global supply of Bitcoin; investors' expectations with respect to the rate of inflation of fiat currencies and the rate of deflation of Bitcoin; interest rates; currency exchange rates, including the rates at which Bitcoin may be exchanged for fiat currencies; fiat currency withdrawal and deposit policies of Bitcoin exchanges and liquidity of such Bitcoin exchanges; interruptions in service from or failures of major Bitcoin exchanges; cyber theft of Bitcoin from online Bitcoin wallet providers, or news of such theft from such providers or from individuals' Bitcoin wallets; investment and trading activities of large investors; monetary policies of governments, trade restrictions, currency devaluations and revaluations; regulatory measures, if any, that restrict the use of Bitcoin as a form of payment or the purchase of Bitcoin; the availability and popularity of businesses that provide Bitcoin-related services; global or regional political, economic or financial events and situations; and fees associated with processing a Bitcoin transaction. If Bitcoin prices should decline and remain at low market levels for a sustained period while network difficulty does not decrease proportionally, the Company could determine that it is not economically

feasible to continue activities. Volatility may have a significant and negative impact on the value of the Company's inventory of Bitcoin and financial condition.

In addition, investors should be aware that there is no assurance that Bitcoins will maintain their long-term value in terms of future purchasing power or that the acceptance of Bitcoin payments by mainstream retail merchants and commercial businesses will continue to grow. In the event that the price of Bitcoin declines, the Company expects the value of an investment in the Common Shares to also decline.

The impact of geopolitical events on the supply and demand for Bitcoin is uncertain.

Crises may motivate large-scale purchases of Bitcoin, which could increase the price of Bitcoin rapidly. This may increase the likelihood of a subsequent price decrease as crisis-driven purchasing behavior wanes, adversely affecting the value of the Company's financial condition.

As an alternative to fiat currencies that are backed by central governments, Bitcoin, such as Bitcoin, which are relatively new, are subject to supply and demand forces based upon the desirability of an alternative, decentralized means of buying and selling goods and services, and it is unclear how such supply and demand will be impacted by geopolitical events. Nevertheless, political or economic crises may motivate large-scale acquisitions or sales of Bitcoin either globally or locally. Large-scale sales of Bitcoin would result in a reduction in their market prices and adversely affect the Company's operations, profitability and financial condition.

Bitcoin network difficulty and impact of increased global computing power.

Network difficulty is a measure of how difficult it is to solve the cryptographic hash that is required to validate a block of transactions and earn a Bitcoin reward from mining. If the network difficulty increases and the price of Bitcoin does not increase at the same rate as network difficulty, then the profitability of the Company's operations may be significantly and negatively affected. There can be no assurance that Bitcoin prices will increase in proportion to the rate of increase of network difficulty as network difficulty is subject to volatility in growth and beyond the Company's control.

Limited history of de-centralized financial system.

Compared with traditional and existing centralized financial systems, the Bitcoin financial system is relatively new and has only limited history. Online Bitcoin exchanges and trades therein operate with comparatively little regulation and are particularly liable to platform failures and fraudulent activities, which may have an effect on underlying prices of Bitcoin. In fact, many of the largest online Bitcoin exchanges have been compromised by hackers. Traditional banks and banking services may limit or refuse the provision of banking services to businesses that supply Bitcoin as payment and may refuse to accept money derived from Bitcoin-related businesses. This may make management of bank accounts held by companies operating in the field difficult.

Regulatory changes or actions.

As Bitcoin has grown in both popularity and market size, governments around the world have reacted differently to Bitcoin with certain governments deeming them illegal while others have allowed their use and trade. On-going and future regulatory actions may alter, perhaps to a materially adverse extent, the ability of the Company to continue to operate.

The effect of any future regulatory change on the Company or any Bitcoin is impossible to predict, but such change could be substantial and adverse to the Company. Governments may in the future curtail or outlaw, the acquisition, use or redemption of Bitcoin. Ownership of, holding or trading in Bitcoin may then be considered illegal and subject to sanction. Governments may in the future take regulatory actions that may increase the cost and/or subject Bitcoin companies to additional regulation or prohibit or severely restrict

the right to acquire, own, hold, sell, use or trade Bitcoin or to exchange Bitcoin for fiat currency. By extension, similar actions by other governments, may result in the restriction of the acquisition, ownership, holding, selling, use or trading in the Common Shares. Such a restriction could result in the Company liquidating its Bitcoin or other Bitcoin inventory at unfavorable prices and may adversely affect the shareholders.

Cessation of banking services to Bitcoin businesses.

A number of companies that provide Bitcoin and/or other Bitcoin-related services have been unable to find banks that are willing to provide them with bank accounts and banking services. Similarly, a number of such companies have had their existing bank accounts closed by their banks. Banks may refuse to provide bank accounts and other banking services to Bitcoin and/or other Bitcoin-related companies or companies that accept Bitcoin for a number of reasons, such as perceived compliance risks or costs. The difficulty that many businesses that provide Bitcoin and/or other Bitcoin-related services have and may continue to have in finding banks willing to provide them with bank accounts and other banking services may be currently decreasing the usefulness of Bitcoin as a payment system and harming public perception of Bitcoin or could decrease its usefulness and harm its public perception in the future. Similarly, the usefulness of Bitcoin as a payment system and the public perception of Bitcoin could be damaged if banks were to close the accounts of many or of a few key businesses providing Bitcoin and/or other Bitcoin related services. This could decrease the market prices of Bitcoin and adversely affect the value of the Company's financial condition.

Bitcoin exchanges and other trading venues are relatively new and largely unregulated.

To the extent that Bitcoin exchanges or other trading venues are involved in fraud or experience security failures or other operational issues, this could result in a reduction in Bitcoin prices. Bitcoin market prices depend, directly or indirectly, on the prices set on exchanges and other trading venues, which are new and, in most cases, largely unregulated as compared to established, regulated exchanges for securities, derivatives and other currencies. During the past three years, a number of Bitcoin exchanges have been closed due to fraud, business failure or security breaches.

Potential failure to maintain the Bitcoin Network.

The Bitcoin network operates based on an open-source protocol maintained by the core developers of the Bitcoin network and other contributors. As the Bitcoin network protocol is not sold and its use does not generate revenues for its development team, the core developers are generally not compensated for maintaining and updating the Bitcoin network protocol. Consequently, there is a lack of financial incentive for developers to maintain or develop the Bitcoin network and the core developers may lack the resources to adequately address emerging issues with the Bitcoin Network protocol. Although the Bitcoin network is currently supported by the core developers, there can be no guarantee that such support will continue or be sufficient in the future. To the extent that material issues arise with the Bitcoin network protocol and the core developers and open-source contributors are unable to address the issues adequately or in a timely manner, the Bitcoin network and an investment in the Common Shares may be adversely affected.

Miners may cause delays in recording of transactions.

To the extent that any miner ceases to record transactions in solved blocks, such transactions will not be recorded on the Bitcoin blockchain until a block is solved by a miner who does not require the payment of transaction fees. Currently, there are no known incentives for miners to elect to exclude the recording of transactions in solved blocks. However, to the extent that any such incentives arise (for example, a collective movement among miners or one or more mining pools forcing Bitcoin users to pay transaction fees as a substitute for, or in addition to, the award of new Bitcoins upon the solving of a block), miners could delay the recording and confirmation of a significant number of transactions on the Bitcoin

blockchain. If such delays became systemic, it could result in greater exposure to double-spending transactions and a loss of confidence in the Bitcoin network.

Incorrect or fraudulent coin transactions may be irreversible.

Bitcoin transactions are irrevocable and stolen or incorrectly transferred Bitcoin may be irretrievable. As a result, any incorrectly executed or fraudulent coin transactions could adversely affect the Company's business. Incorrectly executed transactions may be the result of computer or human error, despite rigorous controls to prevent such errors.

Coin transactions are not, from an administrative perspective, reversible without the consent and active participation of the recipient of the transaction. In theory, Bitcoin transactions may be reversible with the control or consent of a majority of processing power on the network. Once a transaction has been verified and recorded in a block that is added to the blockchain, an incorrect transfer of a coin or a theft of coin generally will not be reversible, and the Company may not be capable of seeking compensation for any such transfer or theft. These incorrect or fraudulent coin transactions may negatively impact the public's perception of Bitcoin and adversely affect the Company's business.

If the award of coins for solving blocks and transaction fees are not sufficiently high, Miners may not have an adequate incentive to continue mining and may cease their mining operations.

As the number of coins awarded for solving a block in the blockchain decreases, the incentive for Miners to continue to contribute processing power to the network will transition from a set reward to transaction fees. Either the requirement from Miners of higher transaction fees in exchange for recording transactions in the blockchain or a software upgrade that automatically charges fees for all transactions may decrease demand for the relevant coins and prevent the expansion of the network to retail merchants and commercial businesses, resulting in a reduction in the price of the relevant Bitcoin that could adversely impact the Company's business.

In order to incentivize Miners to continue to contribute processing power to the network, the network may either formally or informally transition from a set reward to transaction fees earned upon solving for a block. This transition could be accomplished either by Miners independently electing to record on the blocks they solve only those transactions that include payment of a transaction fee or by the network adopting software upgrades that require the payment of a minimum transaction fee for all transactions. If transaction fees paid for the recording of transactions in the blockchain become too high, the marketplace may be reluctant to accept network as a means of payment and existing users may be motivated to switch between Bitcoin or back to fiat currency. Decreased use and demand for coins may adversely affect their value and result in a reduction in the market price of coins.

If the award of coins for solving blocks and transaction fees are not sufficiently high, miners may not have an adequate incentive to continue mining and may cease their mining operations. Miners ceasing operations would reduce collective processing power, which would adversely affect the confirmation process for transactions (i.e., decreasing the speed at which blocks are added to the blockchain until the next scheduled adjustment in difficulty for block solutions) and make the network more vulnerable to a malicious actor or botnet obtaining control in excess of fifty percent of the processing power. Any reduction in confidence in the confirmation process or processing power of the network may adversely impact the Company's mining activities, inventory of coins, and future investment strategies.

Global financial conditions.

Global financial conditions over the last few years have been characterized by volatility and the bankruptcy of several financial institutions or the rescue thereof by governmental authorities. These factors may affect the ability of the Company to obtain equity or debt financing in the future on terms favourable to it.

Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. If such levels of volatility and market turmoil continue, the operations of the Company may suffer adverse impact and the price of the Common Shares may be adversely affected.

Further development and acceptance of the cryptographic and algorithmic protocols governing the issuance of and transactions in Bitcoin is subject to a variety of factors that are difficult to evaluate.

The use of Bitcoin to, among other things, buy and sell goods and services and complete other transactions, is part of a new and rapidly evolving industry that employs digital assets based upon a computer-generated mathematical and/or cryptographic protocol. The growth of this industry in general, and the use of Bitcoin in particular, is subject to a high degree of uncertainty, and the slowing or stopping of the development or acceptance of developing protocols may adversely affect the Company's operations. A significant portion of Bitcoin demand may be attributable to speculation. The failure of retail and commercial marketplaces to adopt Bitcoin payment methods may result in increased volatility and/or a reduction in market prices, either of which may adversely impact the Company's operations and profitability. The factors affecting the further development of the industry, include, but are not limited to:

- Continued worldwide growth in the adoption and use of Bitcoin;
- Governmental and quasi-governmental regulation of Bitcoin and their use, or restrictions on or regulation of access to and operation of the network or similar Bitcoin systems;
- Changes in customer demographics and public tastes and preferences;
- The maintenance and development of the open-source software protocol of the network;
- The availability and popularity of other forms or methods of buying and selling goods and services, including new means of using fiat currencies;
- General economic conditions and the regulatory environment relating to digital assets; and
- Negative customer sentiment and perception of Bitcoin.

Acceptance and/or widespread use of Bitcoin is uncertain.

Currently, there is relatively small use of Bitcoin in the retail and commercial marketplace in comparison to relatively large use by speculators, thus contributing to price volatility that could adversely affect the Company's operations, investment strategies, and profitability.

As relatively new products and technologies, Bitcoin and their underlying networks have not been widely adopted as a means of payment for goods and services by major retail and commercial outlets. Conversely, a significant portion of Bitcoin demand is generated by speculators and investors seeking to profit from the short-term or long-term holding of Bitcoin. The relative lack of acceptance of Bitcoin in the retail and commercial marketplace limits the ability of end-users to use them to pay for goods and services. A lack of expansion by Bitcoin into retail and commercial markets, or a contraction of such use, may result in increased volatility or a reduction in their market prices, either of which could adversely impact the Company's operations, investment strategies, and profitability. Further, if fees increase for recording transactions in blockchains, demand for Bitcoin may be reduced and prevent the expansion of Bitcoin networks to retail merchants and commercial businesses, resulting in a reduction in the price of Bitcoin generally.

Potential Manipulation of Blockchain.

If a malicious actor or botnet (a volunteer or hacked collection of computers controlled by networked software coordinating the actions of the computers) obtains control of more than 50% of the processing power dedicated to mining on the Bitcoin network, it may be able to alter or manipulate the blockchain on which the Bitcoin network and most Bitcoin transactions rely by constructing fraudulent blocks or preventing certain transactions from completing in a timely manner, or at all. The malicious actor or botnet could control, exclude or modify the ordering of transactions, though it could not generate new Bitcoins or transactions using such control. The malicious actor could “double-spend” its own Bitcoins (i.e., spend the same Bitcoins in more than one transaction) and prevent the confirmation of other users’ transactions for so long as it maintained control. To the extent that such malicious actor or botnet did not yield its control of the processing power on the Bitcoin network or the Bitcoin community did not reject the fraudulent blocks as malicious, reversing any changes made to the blockchain may not be possible. Although there are no known reports of malicious activity or control of the Bitcoin blockchain achieved through controlling over 50% of the processing power on the network, it is believed that certain mining pools may have exceeded the 50% threshold. The possible crossing of the 50% threshold indicates a greater risk that a single mining pool could exert authority over the validation of Bitcoin transactions. To the extent that the Bitcoin ecosystem, including the core developers and the administrators of mining pools, do not act to ensure greater decentralization of Bitcoin mining processing power, the feasibility of a malicious actor obtaining control of the processing power on the Bitcoin network will increase, which may adversely affect an investment in the Company.

Response to changing security needs.

As technological change occurs, the security threats to the Company’s Bitcoin inventory will likely adapt and previously unknown threats may emerge. The Company’s ability to adopt technology in response to changing security needs or trends may pose a challenge to the safekeeping of the Company’s Bitcoin inventory. To the extent that the Company is unable to identify and mitigate or stop new security threats, the Company’s Bitcoin inventory may be subject to theft, loss, destruction or other attack.

Changes to prominence of Bitcoin and other digital assets.

Demand for Bitcoins is driven, in part, by its status as the most prominent and secure digital asset. It is possible that a digital asset other than Bitcoin could have features that make it more desirable to a material portion of the digital asset user base, resulting in a reduction in demand for Bitcoins, which could have a negative impact on the price of Bitcoins. The Bitcoin network and Bitcoins, as an asset, hold a “first-to-market” advantage over other digital assets. This first-to-market advantage is driven in large part by having the largest user base and, more importantly, the largest combined mining power in use to secure the Bitcoin blockchain and transaction verification system. Having a large mining network results in greater user confidence regarding the security and long-term stability of a digital asset’s network and its blockchain; as a result, the advantage of more users and miners makes a digital asset more secure, which makes it more attractive to new users and miners, resulting in a network effect that strengthens the first-to-market advantage. Despite the marked first-mover advantage of the Bitcoin Network over other digital assets, it is possible that an alternative coin could become materially popular due to either a perceived or exposed shortcoming of the Bitcoin network protocol that is not immediately addressed by the core developers or a perceived advantage of an altcoin that includes features not incorporated into Bitcoin. If an alternative coin obtains significant market share (either in market capitalization, mining power or use as a payment technology), this could reduce Bitcoin’s market share and have a negative impact on the demand for, and price of, Bitcoins.

Bitcoin halving risk.

Bitcoin halving is an event where the block reward for mining new Bitcoin is halved, meaning that Bitcoin Miners will receive 50% less Bitcoin for every transaction they verify. In 2009, when Bitcoin was first launched the reward for mining a new block was 50 Bitcoins. As of the most recent halving in May 2020, the reward is only 6.25 Bitcoin per block as of the date of this Prospectus.

It is anticipated that each subsequent halving event will cause many less efficient Miners to shut off their Miners in the medium to long term unless the price of Bitcoin rises significantly. This will result in a decrease in the Bitcoin network's overall hashrate and the corresponding difficulty number. Without a corresponding increase in the price of Bitcoin, the Company's revenue will be negatively impacted. If the price of Bitcoin and the network hashrate and difficulty numbers remain flat, the Company's corresponding revenue would be reduced by 50%. The future price of Bitcoin and the difficulty number are challenging to forecast. The Company believes that although the halving event would reduce the block reward by 50%, other market factors such as the network difficulty rate and price of Bitcoin would change to offset the impact of the halving sufficiently for the Company to maintain profitability. Nevertheless, there is a risk that a halving event will render the Company unprofitable and have a material adverse impact on the Company's business, financial conditions and operations.

The price of Bitcoin may be affected by the sale of coins by other vehicles investing in coins or tracking Bitcoin markets.

To the extent that other vehicles investing in coins or tracking Bitcoin markets form and come to represent a significant proportion of the demand for coins, large redemptions of the securities of those vehicles and the subsequent sale of coins by such vehicles could negatively affect Bitcoin prices and therefore affect the value of the inventory held by the Company.

Company Specific Risks*Negative cash flow from operations.*

The Company had negative cash flow for the financial year ended February 28, 2021. To the extent that the Company has negative operating cash flow in future periods, it will need to allocate a portion of its cash (including proceeds from any offering) to fund such negative cash flow. If the Company experiences future negative cash flow, the Company may also be required to raise additional funds through the issuance of equity or debt securities. There can be no assurance that the Company will be able to generate a positive cash flow from its operations, that additional capital or other types of financing will be available when needed, or that these financings will be on terms favourable to the Company.

Risks relating to Coincurve.com

Coincurve.com may be carrying on activity that would require registration, recognition or comparable regulatory authorization under securities legislation to carry on business activities in the jurisdictions in which it conducts business. Certain securities legislation applies to entities that facilitate transactions relating to crypto assets, including buying and selling crypto assets (collectively, "**Platforms**"). Platforms are generally not subject to securities legislation if each of the following apply: (i) the underlying crypto assets are not a security or derivative; and (ii) the contract or instrument for the purchase, sale or delivery of crypto assets result in an obligation to make immediate delivery of the crypto asset, and is settled by the immediate delivery of the crypto asset to the Platform's user according to the Platform's typical commerce practice. The Company may be required to obtain registration, recognition or comparable regulatory authorizations under securities legislation to operate Coincurve.com, and there is no assurance that the Company will be able to obtain these in a timely manner or at all. The Company cannot predict the time required to secure all appropriate regulatory approvals under securities legislation for Coincurve.com. Any

delays in obtaining or failure to obtain regulatory approvals would significantly delay the development of Coincurve.com and could expose the Company to additional risks and liability, which may have an adverse effect on the Company's business, results of operation and financial condition.

The Company's Bitcoin inventory may be exposed to cybersecurity threats and hacks.

Security breaches, computer malware and computer hacking attacks have been a prevalent concern in the Bitcoin exchange market since the launch of the Bitcoin network. Any security breach caused by hacking, which involves efforts to gain unauthorized access to information or systems, or to cause intentional malfunctions or loss or corruption of data, software, hardware or other computer equipment, and the inadvertent transmission of computer viruses, could materially harm the Company's business operations or result in loss of the Company's assets. Any breach of the Company's infrastructure could result in damage to the Company's reputation and reduce demand for the Company's services, in which could materially and adversely affect the Company's business and results of operations. Furthermore, the Company believes that if its assets grow, it may become a more appealing target for security threats. As with any other computer code, flaws in the Bitcoin codes have been exposed by certain malicious actors. Several errors and defects have been found and corrected, including those that disabled some functionality for users and exposed users' information. Although discovery of flaws in or exploitations of the source code that allow malicious actors to take or create money have historically occurred somewhat regularly, more recently, they have been becoming relatively rarer.

The computer network operated by the Company may further be vulnerable to intrusions by hackers who could interfere with and introduce defects to the mining operation. Private keys which enable holders to transfer funds may also be lost or stolen, resulting in irreversible losses of Bitcoin.

Cyber incidents can result from deliberate attacks or unintentional events, and may arise from internal sources (i.e., employees, contractors, service providers, suppliers and operational risks) or external sources (i.e., nation states, terrorists, hackers, competitors and acts of nature). Cyber incidents include, but are not limited to, unauthorized access to information systems and data (i.e., through hacking or malicious software) for purposes of misappropriating or corrupting data or causing operational disruption. Cyber incidents also may be caused in a manner that does not require unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Additionally, outside parties may attempt to fraudulently induce employees of the Company to disclose sensitive information in order to gain access to the Company's infrastructure. As the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently, or may be designed to remain dormant until a predetermined event, and often are not recognized until launched against a target, the Company may be unable to anticipate these techniques or implement adequate preventative measures.

A cyber incident that affects the Company or its service providers might cause disruptions and adversely affect their respective business operations and might also result in violations of applicable law (i.e., personal information protection laws), each of which might result in potentially significant financial losses and liabilities, regulatory fines and penalties, reputational harm, and reimbursement and other compensation costs. In addition, substantial costs might be incurred to investigate, remediate and prevent cyber incidents.

The Company believes that the security procedures in place, such as hardware redundancy, segregation and offline data storage protocols (i.e., the maintenance of data on computers and/or storage media that is not directly connected to, or accessible from, the internet and/or networked with other computers, also known as "cold storage") are reasonably designed to safeguard the Company's Bitcoin inventory from theft, loss, destruction or other issues relating to hackers and technological attack. Nevertheless, the security procedures cannot guarantee the prevention of any loss due to a security breach, software defect or act of God that may be borne by the Company.

Possibility of less frequent or cessation of monetization of Bitcoin.

A decision by the Company to cease monetization of Bitcoin or to monetize Bitcoin less frequently can increase the risk of Bitcoin held decreasing in value and the risk of loss or theft of Bitcoin. This in turn, may increase the level of audit risk for the Company's auditors in the area of auditing the existence and ownership rights of crypto-asset holdings. If the Company's auditors deem the audit risk too high, there is risk that the Company's auditors would withdraw from the audit which, in turn, would increase the risk of the Company's ability to comply with the requirement for reporting annual audited financial statements as part of its ongoing continuous disclosure reporting requirements as a publicly listed company under applicable Canadian securities laws. Failure by the Company to comply with its continuous disclosure reporting obligations could result in the Company's securities being cease traded by Canadian securities regulators, which would have a significant adverse impact on the liquidity of the Common Shares and Shareholders may suffer a significant decline or total loss in value of its investment in the Common Shares as a result.

Server failures.

There is a risk of serious malfunctions in servers or central processing units and/or their collapse. The Company works to reduce this risk by employing and training a team with experience in building and managing data centres. The Company utilizes this team of experts that enables, among other things, control, management and reporting of malfunctions in real time, which enables ongoing control over the operation of the equipment, including its cooling. Malfunctions or damage in central servers or central processing units may cause significant economic damage to the Company.

The Company may be required to sell its inventory of Bitcoin to pay suppliers.

The Company may sell its inventory of Bitcoin to pay necessary expenses, irrespective of then-current Bitcoin prices. Consequently, the Company's inventory of Bitcoin may be sold at a time when the price is low, resulting in a negative effect on the Company's profitability.

The Company's operations, investment strategies, and profitability may be adversely affected by competition from other methods of investing in Bitcoin.

The Company competes with other users and/or companies that are mining Bitcoin and other potential financial vehicles, possibly including securities backed by or linked to Bitcoin through entities similar to the Company. Market and financial conditions, and other conditions beyond the Company's control, may make it more attractive to invest in other financial vehicles, or to invest in Bitcoin directly which could limit the market for the Common Shares and reduce their liquidity.

Regulation of Bitcoin outside of Canada has led some mining companies to consider Canada as a jurisdiction in which to operate. This may increase competition to the Company. Such competition could erode the Company's expected market share and could adversely impact the Company's profitability. Increased competition could result in increased network computing resources and consequently increased hashrate difficulty.

The Company's Bitcoin inventory may be subject to loss, theft or restriction on access.

There is a risk that some or all of the Company's Bitcoin inventory could be lost or stolen. Access to the Company's Bitcoin could also be restricted by cybercrime (such as a denial of service attack) against a service at which the Company maintains a hosted online wallet. Any of these events may adversely affect the operations of the Company and, consequently, its investments and profitability.

Risks related to potential undetected errors in the Company's software.

The Company's software apps and products could contain undetected errors or "bugs", vulnerabilities or defects that could adversely affect their performance. The Company regularly updates and enhances its apps and other online systems, introducing new versions of its software apps and products. The occurrence of errors in any of these may cause the Company to lose market share, damage its reputation and brand name, and reduce its revenues.

Permits and licences.

The operations of the Company may require licences and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licences and permits that may be required.

Custody and Safeguarding of Crypto Assets.

The Company has made safeguarding and custody of customer assets a priority and has dedicated significant time and resources to evaluating third-party custody providers to ensure the solution offered through the Company provides the most integrity and security to its customers. The Company will not maintain custody of (or otherwise hold) Crypto Assets owned by customers. BitGo Trust Company, Inc. ("**BitGo**") will act as a third party custodian for the Company's Crypto Assets (including providing cold wallet custodianservices for Ether). BitGo is solely responsible for holding and safeguarding the Crypto Assets. BitGo acts as a payment processor in connection with their custodian service arrangements with the Company.

BitGo is a trust company organized under the laws of the State of South Dakota and regulated as a trust company by the Division of Banking in South Dakota. BitGo has not appointed any sub-custodian to hold any of the Crypto Assets. All of the Crypto Assets will be held through BitGo. All of the Company's long-term Bitcoin investment holdings will be held in cold storage with BitGo.

BitGo provides insured wallet management and custody solutions for a variety of digital assets. BitGo maintains a comprehensive insurance policy for digital assets covering \$100 million in losses for Crypto Assets held in cold storage and in hot wallets, including the assets owned by the Company's customers. BitGo is not responsible for any losses resulting from inaccurate instructions and the Company is responsible for maintaining adequate security and control of any and all keys, IDs, passwords, hints, personal identification numbers, non-custodial wallet keys, APIkeys, yubikeys, 2-factor authentication devices or backups, or any other codes that the Company uses to access BitGo. Furthermore, BitGo is not responsible for any damage or interruptions caused by any computer viruses, spyware, scareware, Trojan horses, worms or other malware that may affect the Company's computer or other equipment, or any phishing, spoofing or other attack, unless such damage or interruption directly resulted from BitGo's gross negligence, fraud, or willful misconduct. There are no limitations on liability if BitGo breaches its confidentiality obligations or if any damage or interruptions directly result from BitGo's gross negligence, fraud, or willful misconduct. All other damages are limited to the fees paid to BitGo within the twelve-month period preceding the incident giving rise to such liability.

The due diligence process for BitGo included the following:

- Review of SOC 2 Type 2 report and certification (System and Organization Controls Report Relevant to Security conducted by Deloitte for the periods of December 1, 2019 to September 30, 2020 and from December 1, 2018 to November 30, 2019);

- Review of BitGo’s comprehensive insurance policy for digital assets which currently covers \$100 million in losses for funds held in cold storage, includes a set of corporate insurance policies, and optional hot wallet insurance;
- Confirmation that BitGo will hold all Crypto Assets in trust for customers of the Company in an omnibus account in the name of the Company, and separate and distinct from the assets of the Company and all of BitGo’s other clients;
- Review of BitGo systems that permit the Company to generate a unique address for each customer account so it can track who sent the funds in, and which account to credit. When a customer sends funds, it creates a new BitGo sub-account, which feeds into one main account which is in the name of the Company. Once a customer account is funded with the relevant Crypto Asset, BitGo custodies the Crypto Asset. BitGo utilizes 100% multi-signature technology to remove single points of failure, user and wallet controls to establish and enforce internal policies and procedures, and two-factor authentication for all accounts;
- Review of BitGo’s policies and procedures which it has established and applied that manage and mitigate the custodial risks, including, but not limited to, an effective system of controls and supervision to safeguard the Crypto Assets for which it acts as custodian; and
- Confirmation that BitGo has an independent internal audit performed by Eide Bailly LLP, a public accounting firm.

The Company has conducted due diligence on BitGo and has not identified any material concerns. The Company is not aware of anything with regards to BitGo’s operations that would adversely affect the Company’s ability to obtain an unqualified audit opinion on its audited financial statements. The Company is not aware of any security breaches or other similar incidents involving BitGo as a result of which crypto assets have been lost or stolen. There are no restrictions on the Company’s ability to move crypto assets from the custodianship of BitGo, and these transfers can occur immediately, subject to the control processes, such as two video conferences to authorize cold storage transfers.

The Company has assessed the risks and benefits of using BitGo and has determined that in comparison to a Canadian custodian it is more beneficial to use BitGo, a U.S. custodian, to hold client assets than using a Canadian custodian, as there is not a suitable Canadian custodian option at this time.

In addition to the initial due diligence on BitGo, the Company continues to conduct ongoing due diligence on BitGo. As part of an annual review, the Company will require BitGo to:

- provide copies of any completed SOC reports and reviewing same for any increase risk to the Company;
- confirm from BitGo that it maintains adequate insurance coverage;
- verify the amount of BitGo’s equity and other financial metrics to address counterparty risk; and
- verify that BitGo maintains any requisite licenses including licenses issued by the Division of Banking in South Dakota or any other regulator.

The Company plans to use warm, hot and cold wallet systems within BitGo.

- A cold wallet is completely segregated, is not connected to the internet and will be used for long term storage of Crypto Assets. The cold wallet will require two authorized signatories, as representatives of the Company, to verify any transfers from the cold wallet via video conference.
- A warm wallet is connected to the internet, but not connected to the Company web application via API and does not require video verification to initiate transactions. The warm wallet is whitelisted directly to the hot wallet, meaning funds can only be transferred from the warm wallet to the hot wallet. The warm wallet will require manual review and verification from two authorized signatories.
- A hot wallet is connected through the internet, is connected to the Company web application via API and all customer deposits and withdrawals are processed through the hot wallet. As thresholds are met, transfers will be reviewed and signed manually by one authorized signatories. The relevant thresholds include limits of 4 BTC per transaction, 30 BTC per hour, or 100 BTC per day.

Use of Open Source Software.

The Company's software makes use of and incorporates open source software components. These components are developed by third parties over whom the Company has no control. There are no assurances that those components do not infringe upon the intellectual property rights of others. The Company could be exposed to infringement claims and liability in connection with the use of those open source software components, and the Company may be forced to replace those components with internally developed software or software obtained from another supplier, which may increase its expenses. The developers of open source software are usually under no obligation to maintain or update that software, and the Company may be forced to maintain or update such software itself or replace such software with internally developed software or software obtained from another supplier, which may increase its expenses. Making such replacements could also delay enhancements to its products. Certain open source software licenses provide that the licensed software may be freely used, modified and distributed to others provided that any modifications made to such software, including the source code to such modifications, are also made available under the same terms and conditions. As a result, any modifications the Company makes to such software will be available to all downstream users of the software, including its competitors. In addition, certain open source licenses provide that if the Company wishes to combine the licensed software, in whole or in part, with its proprietary software, and distribute copies of the resulting combined work, the Company may only do so if such copies are distributed under the same terms and conditions as the open source software component of the work was licensed to the Company, including the requirement to make the source code to the entire work available to recipients of such copies. The types of combinations of open source software and proprietary code that are covered by the requirement to release the source code to the entire combined work are uncertain and much debated by users of open source software. An incorrect determination as to whether a combination is governed by such provisions will result in non-compliance with the terms of the open source license. Such non-compliance could result in the termination of the Company's license to use, modify and distribute copies of the affected open source software and the Company may be forced to replace such open source software with internally developed software or software obtained from another supplier, which may increase its expenses. In addition to terminating the affected open source license, the licensor of such open source software may seek to have a court order that the proprietary software that was combined with the open source software be made available to others, including its competitors, under the terms and conditions of the applicable open source license.

Risks Related to Common Shares

No returns.

The Company intends to retain any future earnings to finance the development of its business and the business of the Company. The Company does not anticipate paying any cash dividends on the Common Shares in the near future. Unless the Company pays dividends, its shareholders will not be able to receive a return on their shares unless they sell them.

Market volatility.

The market price of a publicly traded stock, especially a junior financial technology issuer such as the Company, is affected by many variables in addition to those directly related to successes or failures, some of which will be outside of the Company's control. Such factors include the general condition of markets, the strength of the economy generally, the availability and attractiveness of alternative investments, analysts' recommendations and their estimates of financial performance, investor perception and reactions to disclosure made by the Company and by the Company's competitors, and the breadth of the public markets for the stock. Therefore, investors could suffer significant losses if Common Shares will be depressed or illiquid when an investor seeks liquidity.

Decline in price.

A prolonged decline in the price of Common Shares could result in a reduction in the liquidity of Common Shares and a reduction in the Company's ability to raise capital. A decline in the price of Common Shares could be detrimental to its liquidity and its operations. Such reductions may force the Company to reallocate funds from other planned uses and may have a significant negative effect on its business plan and operations, including its ability to continue its current operations. If its share price declines, the Company can offer no assurance that the Company will be able to raise additional capital or generate funds from operations sufficient to meet its obligations. If the Company is unable to raise sufficient capital in the future, the Company may not be able to have the resources to continue its normal operations.

The market price for Common Shares may also be affected by its ability to meet or exceed expectations of analysts or investors. Any failure to meet these expectations, even if minor, may have a material adverse effect on the market price of Common Shares.

Analyst coverage.

The trading market for Common Shares will, to some extent, depend on the research and reports that securities or industry analysts publish about the Company or its business. The Company will not have any control over these analysts. If one or more of the analysts who covers the Company should downgrade Common Shares or change their opinion of the Company's business prospects, the Company's share price would likely decline. If one or more of these analysts ceases coverage of the Company or fails to regularly publish reports on the Company, the Company could lose visibility in the financial markets, which could cause the Company's share price or trading volume to decline.

Tax issues.

There may be income tax consequences in relation to Common Shares, which will vary according to circumstances of each investor. Prospective investors should seek independent advice from their own tax and legal advisers.

Dilution.

Issuances of additional securities including, but not limited to, Common Shares or some form of convertible debentures, may result in a substantial dilution of the equity interests of any of the Company's shareholders.

USE OF PROCEEDS

Unless otherwise specified in a Prospectus Supplement, the net proceeds of any offering of securities under a Prospectus Supplement will be used for the continued development and growth of Company and its businesses, including future acquisitions, research and development, and marketing initiatives. More detailed information regarding the use of proceeds from a sale of securities will be included in the applicable Prospectus Supplement.

All expenses relating to an offering of securities and any compensation paid to underwriters, dealers or agents, as the case may be, will be paid out of the Company's general funds, unless otherwise stated in the applicable Prospectus Supplement.

Although the Company cannot estimate the long-term potential impact of the COVID-19 pandemic on its business and operations, the current impact of the pandemic on the Company has not been significant. The Company has, for the time being, implemented social distancing and mask wearing measures recommended by local authorities. However, since the Company is able to operate its business virtually with little in-person interaction, the COVID-19 pandemic has not significantly affected the Company's day-to-day operations as workers are able to work remotely. Management continues to monitor the situation. The Company cannot estimate whether or to what extent this outbreak and its potential impact may extend into the future. Such public health crises can result in volatility and disruptions in global supply chains and financial markets, as well as declining trade and market sentiment, and reduced mobility of people, all of which could affect commodity prices, interest rates, credit ratings, credit risk and inflation. See "*Risk Factors – Public health crisis*".

The Company has experienced and is experiencing negative operating cash flow. If the Company does not achieve positive cash flow, it will be necessary for the Company to raise additional equity or debt. There is no assurance that additional equity or debt will be available to the Company or on terms acceptable to the Company.

Use of Proceeds from Subscription Receipt Financing and Acquisition of LQwD Financial

On March 23, 2021, the Company closed a non-brokered private placement of 20,000,000 subscription receipts (the "**Subscription Receipts**") at a price of \$0.25 per Subscription Receipt for estimated net proceeds of approximately \$4,750,850 (the "**Subscription Receipt Financing**"). Together with the Company's estimated working capital as of December 31, 2020 (\$1,222,816) and LQwD Financial's estimated working capital as of December 31, 2020 (\$21,520), minus the estimated transaction costs, the Company had estimated available funds in the amount of \$5,795,186 following its acquisition of LQwD Financial and the closing of the Subscription Receipt Financing. The Company intended to use the available funds as follows:

Use of Funds	Estimated Amount to be Expended	Approximate Amount Expended as of the date of this Prospectus
Purchase of Bitcoin ⁽¹⁾	\$2,750,000	\$3,000,000
Development of the Lightning Network SaaS platform	\$1,250,000 ⁽²⁾	\$330,000

General and administrative expenses	\$700,000	\$670,000
Unallocated working capital	\$1,095,186	\$250,000
Total	\$5,795,186	\$4,250,000

Notes:

- (1) For use as an operating asset in the Company's LSP SaaS platform and activities.
- (2) Projected cost, utilizing a core 9-person team, over an estimated 36.5 months.

The difference in the amount expended in the table above has no impact on the Company's stated objectives and milestones.

PRIOR SALES

The following table sets forth for the 12-month period prior to the date of this Prospectus details of the price at which securities have been issued or are to be issued by the Company, the number of securities issued at that price and the date on which the securities were issued:

Issue Date	Number of Securities	Type of Security	Issue or Exercise Price per Security	Aggregate Issue or Exercise Price	Purpose
Sept 2, 2021	3,325,000	Options	\$0.60	\$1,995,000	Issued to various directors, officers, employees and consultants of the Company
Jul 20, 2021	40,000	Common Shares	\$0.35	\$14,000	Exercise of options
Jul 8, 2021	10,000	Common Shares	\$0.40	\$4,000	Exercise of warrants
Jun 9, 2021	20,000,000	Common Shares	\$0.25 ⁽¹⁾	\$5,000,000 ⁽¹⁾	Conversion of Subscription Receipts
Jun 9, 2021	10,000,000	Warrants ⁽²⁾	\$0.40	\$4,000,000	Conversion of Subscription Receipts
Jun 9, 2021	35,000	Common Shares	\$0.25 ⁽¹⁾	\$8,750 ⁽¹⁾	Finder's securities issued in connection with Subscription Receipt Financing
Jun 9, 2021	17,500	Warrants ⁽³⁾	\$0.40	\$7,000	Finder's securities issued in connection with Subscription Receipt Financing
Jun 9, 2021	672,000	Warrants ⁽³⁾	\$0.40	\$268,800	Finder's securities issued in connection with Subscription Receipt Financing
Jun 9, 2021	22,400,001	Common Shares	\$0.25 ⁽¹⁾	\$5,600,000.25 ⁽¹⁾	Issued to former shareholders of LQwD Financial in exchange for all common shares of LQwD Financial
May 18, 2021	50,000	Common Shares	\$0.20	\$10,000	Exercise of warrants
April 12, 2021	133,333	Common Shares	\$0.20	\$26,666	Exercise of warrants
April 7, 2021	33,333	Common Shares	\$0.20	\$6,666	Exercise of warrants

Issue Date	Number of Securities	Type of Security	Issue or Exercise Price per Security	Aggregate Issue or Exercise Price	Purpose
March 30, 2021	333,333	Common Shares	\$0.20	\$66,666	Exercise of warrants
March 25, 2021	33,333	Common Shares	\$0.20	\$6,666	Exercise of warrants
Mar 23, 2021	20,000,000	Subscription Receipts	\$0.25	\$5,000,000	Subscription Receipt Financing
Nov 2, 2020	4,904,212	Common Shares ⁽⁴⁾	\$0.15	\$735,631.80	Private placement
Nov 2, 2020	4,904,212	Warrants ⁽⁴⁾⁽⁵⁾	\$0.15	\$735,631.80	Private placement

Notes:

- (1) Deemed price.
- (2) Each warrant entitles the holder thereof to purchase one Common Share at an exercise price of \$0.40 per Common Share until June 9, 2022, subject to accelerated expiry.
- (3) Each warrant entitles the holder thereof to purchase one Common Share at an exercise price of \$0.40 per Common Share until June 8, 2022, subject to accelerated expiry.
- (4) Issued in connection with the closing of a non-brokered private placement consisting of 4,904,212 units, with each unit consisting of one Common Share and one warrant.
- (5) Each warrant entitles the holder thereof to purchase one Common Share at a price of \$0.20 per Common Share until May 2, 2022.

TRADING PRICE AND VOLUME

The Common Shares are listed on the TSXV under the trading symbol “LQWD” and on the OTCQB under the symbol “LQWDF”. The Common Shares were halted from trading on November 19, 2020 and were reinstated for trading on March 22, 2021 in connection with the Company’s acquisition of LQWDF Financial. The following table sets out the price ranges and trading volumes on the TSXV of the shares for the dates indicated:

TSXV Price Range			
Month	High (\$)	Low (\$)	Total Volume
September 1 – 14, 2021	0.58	0.42	772,285
August 2021	0.52	0.40	545,751
July 2021	0.78	0.35	1,224,669
June 2021	1.00	0.70	449,410
May 2021	0.83	0.61	966,999
April 2021	1.65	0.67	1,634,654
March 2021	0.35	0.8	2,773,920
February 2021	0.35	0.35	0
January 2021	0.35	0.35	0
December 2020	0.35	0.35	0
November 2020	0.35	0.17	228,655

October 2020	0.19	0.155	275,395
September 2020	0.17	0.125	115,735

DIVIDEND POLICY

The Company has not declared or paid dividends since incorporation and has no present intention to declare or pay any dividends in the foreseeable future. Dividends paid by the Company would be subject to tax and, potentially, withholdings. Any decision to declare or pay dividends will be made by the Company's Board of Directors based upon the Company's earnings, financial requirements and other conditions existing at such future time.

CONSOLIDATED CAPITALIZATION

The applicable Prospectus Supplement will describe any material change, and the effect of such material change, on the share and loan capitalization of the Company that will result from the issuance of securities pursuant to such Prospectus Supplement.

There has not been any material change in the share and loan capital of the Company, on a consolidated basis, since May 31, 2021, being the date of the Company's financial statements most recently filed in accordance with National Instrument 51-102 – *Continuous Disclosure Obligations*, except as described under "*Prior Sales*".

DESCRIPTION OF SHARE CAPITAL

Common Shares

As of the date of this Prospectus, the authorized capital of the Company consisted of an unlimited number of Common Shares without par value. As of the date of this Prospectus, 73,751,522 Common Shares are issued and outstanding.

Warrants

As at the date of this Prospectus, the Company has 19,000,380 warrants outstanding to purchase Common Shares of the Company, including warrants issued to finders in connection with the Subscription Receipt Financing. The warrants have an exercise price of \$0.40, \$0.20 or \$0.15 and are exercisable until June 9, 2022, May 2, 2022 or January 2, 2025.

Options

As at the date of this Prospectus, the Company has (i) 830,000 options outstanding to purchase Common Shares at an exercise price of \$0.35 until May 28, 2024, (ii) 1,000,000 options outstanding to purchase Common Shares at an exercise price of \$0.65 until May 20, 2026, and (iii) 3,325,000 options outstanding to purchase Common Share at an exercise price of \$0.60 until September 2, 2026.

DESCRIPTION OF SECURITIES OFFERED UNDER THIS PROSPECTUS

The Company may offer common shares, warrants, subscription receipts, units or debt securities with a total value of up to \$50,000,000 from time to time under this Prospectus, together with any applicable Prospectus Supplement, at prices and on terms to be determined by market conditions at the time of offering. This Prospectus provides you with a general description of the securities the Company may offer. Each

time the Company offers securities, it will provide a Prospectus Supplement that will describe the specific amounts, prices and other important terms of the securities, including, to the extent applicable:

- designation or classification;
- aggregate offering price;
- original issue discount, if any;
- rates and times of payment of dividends, if any;
- redemption, conversion or exchange terms, if any;
- conversion or exchange prices, if any, and, if applicable, any provisions for changes to or adjustments in the conversion or exchange prices and in the securities or other property receivable upon conversion or exchange;
- restrictive covenants, if any;
- voting or other rights, if any; and
- important Canadian federal income tax considerations.

A Prospectus Supplement may also add, update or change information contained in this Prospectus or in documents the Company has incorporated by reference. However, no Prospectus Supplement will offer a security that is not described in this Prospectus.

Description of Common Shares

The Company may offer common shares, which the Company may issue independently or together with warrants or subscription receipts, and the common shares may be separate from or attached to such securities. All of the Company's common shares have equal voting rights, and none of the common shares are subject to any further call or assessment. There are no special rights or restrictions of any nature attaching to any of the common shares and they all rank *pari passu* each with the other as to all benefits which might accrue to the holders of the common shares. The common shares are not convertible into shares of any other class and are not redeemable or retractable.

Description of Warrants

Warrants may be offered separately or together with other securities, as the case may be. Each series of warrants will be issued under a separate warrant indenture to be entered into between the Company and one or more banks or trust companies acting as warrant agent. The applicable Prospectus Supplement will include details of the terms and conditions of the warrants being offered. The warrant agent will act solely as the Company's agent and will not assume a relationship of agency with any holders of warrant certificates or beneficial owners of warrants.

The particular terms of each issue of warrants will be described in the related Prospectus Supplement. This description will include, where applicable:

- the designation and aggregate number of warrants;

- the price at which the warrants will be offered;
- the currency or currencies in which the warrants will be offered;
- whether the warrants will be listed on the TSXV;
- the designation and terms of the common shares purchasable upon exercise of the warrants;
- the date on which the right to exercise the warrants will commence and the date on which the right will expire;
- the number of common shares that may be purchased upon exercise of each warrant and the price at which and currency or currencies in which the common shares may be purchased upon exercise of each warrant;
- the designation and terms of any securities with which the warrants will be offered, if any, and the number of the warrants that will be offered with each security;
- the date or dates, if any, on or after which the warrants and the related securities will be transferable separately;
- whether the warrants will be subject to redemption or call and, if so, the terms of such redemption or call provisions;
- material Canadian tax consequences of owning the warrants; and
- any other material terms or conditions of the warrants.

Prior to the exercise of their warrants, holders of warrants will not have any of the rights of holders of common shares issuable upon exercise of the warrants.

The Company reserves the right to set forth in a Prospectus Supplement specific terms of the warrants that are not within the options and parameters set forth in this Prospectus. In addition, to the extent that any particular terms of the warrants described in a Prospectus Supplement differ from any of the terms described in this Prospectus, the description of such terms set forth in this Prospectus shall be deemed to have been superseded by the description of such differing terms set forth in such Prospectus Supplement with respect to such warrants.

Description of Subscription Receipts

The Company may issue subscription receipts, which will entitle holders to receive upon satisfaction of certain release conditions and for no additional consideration, common shares, warrants or a combination thereof. Subscription receipts will be issued pursuant to one or more subscription receipt agreements (each, a “**Subscription Receipt Agreement**”), each to be entered into between the Company and an escrow agent (the “**Escrow Agent**”), which will establish the terms and conditions of the subscription receipts. Each Escrow Agent will be a financial institution organized under the laws of Canada or a province thereof and authorized to carry on business as a trustee. The Company will file on SEDAR a copy of any Subscription Receipt Agreement after the Company has entered into it.

The following description sets forth certain general terms and provisions of subscription receipts and is not intended to be complete. The statements made in this Prospectus relating to any Subscription Receipt Agreement and subscription receipts to be issued thereunder are summaries of certain anticipated provisions

thereof and are subject to, and are qualified in their entirety by reference to, all provisions of the applicable Subscription Receipt Agreement and the Prospectus Supplement describing such Subscription Receipt Agreement. The Company urges you to read the applicable Prospectus Supplement related to the particular subscription receipts that the Company sells under this Prospectus, as well as the complete Subscription Receipt Agreement.

The Prospectus Supplement and the Subscription Receipt Agreement for any subscription receipts the Company offers will describe the specific terms of the subscription receipts and may include, but are not limited to, any of the following:

- the designation and aggregate number of subscription receipts offered;
- the price at which the subscription receipts will be offered;
- the currency or currencies in which the subscription receipts will be offered;
- the designation, number and terms of the common shares, warrants or combination thereof to be received by holders of subscription receipts upon satisfaction of the release conditions, and the procedures that will result in the adjustment of those numbers;
- the conditions (the “**Release Conditions**”) that must be met in order for holders of subscription receipts to receive for no additional consideration common shares, warrants or a combination thereof;
- the procedures for the issuance and delivery of common shares, warrants or a combination thereof to holders of subscription receipts upon satisfaction of the Release Conditions;
- whether any payments will be made to holders of subscription receipts upon delivery of the common shares, warrants or a combination thereof upon satisfaction of the Release Conditions (e.g., an amount equal to dividends declared on common shares by the Company to holders of record during the period from the date of issuance of the subscription receipts to the date of issuance of any common shares pursuant to the terms of the Subscription Receipt Agreement);
- the terms and conditions under which the Escrow Agent will hold all or a portion of the gross proceeds from the sale of subscription receipts, together with interest and income earned thereon (collectively, the “**Escrowed Funds**”), pending satisfaction of the Release Conditions;
- the terms and conditions pursuant to which the Escrow Agent will hold common shares, warrants or a combination thereof pending satisfaction of the Release Conditions;
- the terms and conditions under which the Escrow Agent will release all or a portion of the Escrowed Funds to the Company upon satisfaction of the Release Conditions;
- if the subscription receipts are sold to or through underwriters or agents, the terms and conditions under which the Escrow Agent will release a portion of the Escrowed Funds to such underwriters or agents in payment of all or a portion of their fees or commission in connection with the sale of the subscription receipts;
- procedures for the refund by the Escrow Agent to holders of subscription receipts of all or a portion of the subscription price for their subscription receipts, plus any pro rata entitlement to interest earned or income generated on such amount, if the Release Conditions are not satisfied;

- any contractual right of rescission to be granted to initial purchasers of subscription receipts in the event this Prospectus, the Prospectus Supplement under which subscription receipts are issued, or any amendment hereto or thereto contains a misrepresentation;
- any entitlement of the Company to purchase the subscription receipts in the open market by private agreement or otherwise;
- whether the Company will issue the subscription receipts as global securities and, if so, the identity of the depositary for the global securities;
- whether the Company will issue the subscription receipts as bearer securities, registered securities or both;
- provisions as to modification, amendment or variation of the Subscription Receipt Agreement or any rights or terms attaching to the subscription receipts;
- the identity of the Escrow Agent;
- whether the subscription receipts will be listed on any exchange;
- material Canadian federal tax consequences of owning the subscription receipts; and
- any other terms of the subscription receipts.

The holders of subscription receipts will not be shareholders of the Company. Holders of subscription receipts are entitled only to receive common shares, warrants or a combination thereof on exchange of their subscription receipts, plus any cash payments provided for under the Subscription Receipt Agreement, if the Release Conditions are satisfied. If the Release Conditions are not satisfied, the holders of subscription receipts shall be entitled to a refund of all or a portion of the subscription price therefor and all or a portion of the pro rata share of interest earned or income generated thereon, as provided in the Subscription Receipt Agreement.

The Company reserves the right to set forth in a Prospectus Supplement specific terms of the subscription receipts that are not within the options and parameters set forth in this Prospectus. In addition, to the extent that any particular terms of the subscription receipts described in a Prospectus Supplement differ from any of the terms described in this Prospectus, the description of such terms set forth in this Prospectus shall be deemed to have been superseded by the description of such differing terms set forth in such Prospectus Supplement with respect to such subscription receipts.

Description of Units

The Company may issue units comprised of one or more of the other securities described in this Prospectus in any combination. Each unit will be issued so that the holder of the unit is also the holder of each security included in the unit. Thus, the holder of a unit will have the rights and obligations of a holder of each included security. The unit agreement, if any, under which a unit is issued may provide that the securities comprising the unit may not be held or transferred separately, at any time or at any time before a specified date.

The particular terms and provisions of each issue of units will be described in the related Prospectus Supplement. This description will include, where applicable:

- the designation and aggregate number of units offered;

- the price at which the units will be offered;
- if other than Canadian dollars, the currency or currency unit in which the units are denominated;
- the terms of the units and of the securities comprising the units, including whether and under what circumstances those securities may be held or transferred separately;
- the number of securities that may be purchased upon exercise of each unit and the price at which and currency or currency unit in which that amount of securities may be purchased upon exercise of each unit;
- any provisions for the issuance, payment, settlement, transfer or exchange of the units or of the securities comprising the units; and
- any other material terms, conditions and rights (or limitations on such rights) of the units.

The Company reserves the right to set forth in a Prospectus Supplement specific terms of the units that are not within the options and parameters set forth in this Prospectus. In addition, to the extent that any particular terms of the units described in a Prospectus Supplement differ from any of the terms described in this Prospectus, the description of such terms set forth in this Prospectus shall be deemed to have been superseded by the description of such differing terms set forth in such Prospectus Supplement with respect to such units.

Description of Debt Securities

The debt securities will be issued under one or more indentures, in each case between the Company and a trustee determined by the Company in accordance with applicable laws. A copy of any such trust indenture will be available on SEDAR at www.sedar.com.

The debt securities will be direct obligations of the Company and may be guaranteed by one or more subsidiaries of the Company. The debt securities may be senior or subordinated indebtedness of the Company and may be secured or unsecured, all as will be described in the relevant Prospectus Supplement.

The Prospectus Supplement relating to any debt securities being offered will include specific terms relating to the offering. These terms will include some or all of the following:

- the designation of the debt securities;
- any limit upon the aggregate principal amount of the debt securities;
- the date or dates on which the principal and any premium of the series of the debt securities is payable;
- the rate or rates at which the series of the debt securities shall bear interest, if any, the date or dates from which such interest shall accrue, on which such interest shall be payable and on which a record, if any, shall be taken for the determination of holders to whom such interest shall be payable and/or the method or methods by which such rate or rates or date or dates shall be determined;
- the authorized denominations of the debt securities;
- the right, if any, of the Company to redeem the series of the debt securities, in whole or in part, at its option and the period or periods within which, the price or prices at which and any terms and

conditions upon which, the series of the debt securities may be so redeemed, pursuant to any sinking fund or otherwise;

- the obligation, if any, of the Company to redeem, purchase or repay the series of the debt securities pursuant to any mandatory redemption, sinking fund or analogous provisions or at the option of a holder thereof and the price or prices at which, the period or periods within which, the date or dates on which, and any terms and conditions upon which, the series of the debt securities shall be redeemed, purchased or repaid, in whole or in part, pursuant to such obligations;
- whether and under what circumstances the series of the debt securities will be convertible into or exchangeable for securities of the Company;
- any terms for subordination of the debt securities;
- whether the debt securities will be secured by any assets or guaranteed by any subsidiaries of the Company;
- any events of default or covenants with respect to the debt securities;
- the currency or currencies in which the series of the debt securities are issuable;
- any trustees, depositaries, authenticating or paying agents, transfer agents or registrars or any other agent with respect to the series of the debt securities; and
- any other material terms and conditions of the series of the debt securities.

If any debt securities being offered will be guaranteed by one or more subsidiaries of the Company, then: (a) the Prospectus Supplement relating to such offering will include the credit supporter disclosure about the guarantors required by section 12.1 of Form 44-101F1 or, if applicable, will disclose that the Company is relying on an exemption in item 13 of Form 44-101F1 from providing such credit supporter disclosure; and (b) the Company will file with the Prospectus Supplement relating to such offering any undertaking in respect of credit supporter disclosure required by paragraph 4.2(a)(ix) of NI 44-101, which undertaking may be to provide disclosure in respect of the Company and its subsidiaries similar to the disclosure required under section 12.1 of Form 44-101F1.

EARNINGS COVERAGE RATIOS

Earnings coverage ratios will be provided in the applicable Prospectus Supplement(s) with respect to any issuance and sale of debt securities pursuant to this Prospectus.

DENOMINATIONS, REGISTRATION AND TRANSFER

The securities will be issued in fully registered form without coupons attached in either global or definitive form and in denominations and integral multiples as set out in the applicable Prospectus Supplement. Other than in the case of book-entry only securities, securities may be presented for registration of transfer (with the form of transfer endorsed thereon duly executed) in the city specified for such purpose at the office of the registrar or transfer agent designated by the Company for such purpose with respect to any issue of securities referred to in the Prospectus Supplement. No service charge will be made for any transfer, conversion or exchange of the securities, but we may require payment of a sum to cover any transfer tax or other governmental charge payable in connection therewith. Such transfer, conversion or exchange will be effected upon such registrar or transfer agent being satisfied with the documents of title and the identity of the person making the request. If a Prospectus Supplement refers to any registrar or transfer agent

designated by the Company with respect to any issue of securities, we may at any time rescind the designation of any such registrar or transfer agent and appoint another in its place or approve any change in the location through which such registrar or transfer agent acts.

In the case of book-entry only securities, a global certificate or certificates representing the securities will be held by a designated depository for its participants. The securities must be purchased or transferred through such participants, which includes securities brokers and dealers, banks and trust companies. The depository will establish and maintain book-entry accounts for its participants acting on behalf of holders of the securities. The interests of such holders of securities will be represented by entries in the records maintained by the participants. Holders of securities issued in book-entry only form will not be entitled to receive a certificate or other instrument evidencing their ownership thereof, except in limited circumstances. Each holder will receive a customer confirmation of purchase from the participants from which the securities are purchased in accordance with the practices and procedures of that participant.

PLAN OF DISTRIBUTION

LQwD FinTech may sell the securities to or through underwriters or dealers, and also may sell securities to one or more other purchasers directly or through agents. Each Prospectus Supplement will set forth the terms of the offering, including the name or names of any underwriters or agents, the purchase price or prices of the securities and the proceeds to the Company from the sale of the securities. Only those underwriters, dealers or agents named in a Prospectus Supplement will be the underwriters, dealers or agents in connection with the securities offered thereby.

The securities may be sold, from time to time, in one or more transactions at a fixed price or prices which may be changed or at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices, including sales in transactions deemed to be “at the market distributions” as defined in National Instrument 44-102 – *Shelf Distributions*, including sales made directly on the TSXV or other existing markets for the securities. Additionally, this Prospectus and any Prospectus Supplement may also cover the initial resale of the securities purchased pursuant thereto. The prices at which the securities may be offered may vary as between purchasers and during the period of distribution. If, in connection with the offering of securities at a fixed price or prices, the underwriters have made a bona fide effort to sell all of the securities at the initial offering price fixed in the applicable Prospectus Supplement, the public offering price may be decreased and thereafter further changed, from time to time, to an amount not greater than the initial public offering price fixed in such Prospectus Supplement, in which case the compensation realized by the underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Securities is less than the gross proceeds paid by the underwriters to the Company.

In connection with any offering of securities, other than an “at-the-market distribution”, the underwriters may over-allot or effect transactions which stabilize or maintain the market price of the securities offered at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

Unless otherwise specified in a Prospectus Supplement, there is no market through which the Company's warrants, units, subscription receipts, or debt securities may be sold and you may not be able to resell any such securities purchased under this Prospectus or any Prospectus Supplement. Unless otherwise specified in the applicable Prospectus Supplement, the securities (excluding any common shares) will not be listed on any securities exchange. This may affect the pricing of such securities on the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See “Risk Factors”.

In connection with the sale of securities, underwriters, dealers and agents may receive compensation from the Company or from purchasers of the securities from whom they may act as agents in the form of discounts, concessions or commissions. Any such commissions will be paid out of the Company’s general

funds. Underwriters, dealers and agents that participate in the distribution of securities may be deemed to be underwriters and any discounts or commissions received by them from the Company and any profit on the resale of securities by them may be deemed to be underwriting discounts and commissions under applicable securities legislation.

Underwriters, dealers and agents who participate in the distribution of the securities may be entitled under agreements to be entered into with the Company to indemnification by the Company against certain liabilities, including liabilities under Canadian securities legislation, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof. Those underwriters, dealers and agents may be customers of, engage in transactions with, or perform services for, the Company in the ordinary course of business.

CERTAIN INCOME TAX CONSIDERATIONS

Owning or holding any of the Company's securities may subject you to tax consequences in Canada and elsewhere.

Although the applicable Prospectus Supplement may describe certain Canadian federal income tax consequences of the acquisition, ownership and disposition of any securities offered under this Prospectus by an initial investor, the Prospectus Supplement may not describe these tax consequences fully. You should consult your own tax advisor with respect to your particular circumstances.

AUDITOR, TRANSFER AGENT, REGISTRAR AND WARRANT AGENT

The external auditor of the Company is De Visser Gray LLP at its principal office located at Suite 401, 905 West Pender Street, Vancouver, British Columbia, V6C 1L6.

The registrar and transfer agent of the Company is Computershare Trust Company of Canada located at 510 Burrard Street, 2nd Floor, Vancouver, British Columbia, V6C 3B9.

INTERESTS OF EXPERTS

The annual financial statements have been audited by De Visser Gray LLP, as set forth in their audit reports. De Visser Gray LLP is the independent auditor of the Company and is independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

The financial statements of LQwD Financial for the year ended December 31, 2020 and for the period from incorporation on November 6, 2019 to December 31, 2019, which have been included in the Business Acquisition Report and the Circular, which are incorporated by reference into this Prospectus, have been audited by Manning Elliott LLP, as set forth in their audit report. Manning Elliott LLP is the independent auditor of LQwD Financial and is independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

ADDITIONAL INFORMATION

The Company's public filings are available on the System for Electronic Document Analysis and Retrieval, or SEDAR, at www.sedar.com. Unless specifically incorporated by reference herein, documents filed or furnished by the Company on SEDAR are neither incorporated in nor a part of this Prospectus.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may only be exercised within two business days after receipt or deemed receipt of a Prospectus, the accompanying Prospectus Supplement relating to securities purchased by a purchaser and any amendment thereto. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or damages if the Prospectus, the accompanying Prospectus Supplement relating to securities purchased by a purchaser and any amendment thereto contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal adviser.

Original purchasers of warrants (if offered separately) and subscription receipts will have a contractual right of rescission against the Company in respect of the conversion, exchange or exercise of such warrant and subscription receipt, as the case may be. The contractual right of rescission will entitle such original purchasers to receive, in addition to the amount paid on original purchase of the warrant or subscription receipt, as the case may be, the amount paid upon conversion, exchange or exercise upon surrender of the underlying securities gained thereby, in the event that this Prospectus (as supplemented or amended) contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this Prospectus; and (ii) the right of rescission is exercised within 180 days of the date of purchase of the convertible, exchangeable or exercisable security under this Prospectus. This contractual right of rescission will be consistent with the statutory right of rescission described under section 131 of the *Securities Act* (British Columbia), and is in addition to any other right or remedy available to original purchasers under section 131 of the *Securities Act* (British Columbia) or otherwise at law.

Original purchasers are further advised that in certain provinces and territories the statutory right of action for damages in connection with a prospectus misrepresentation is limited to the amount paid for the convertible, exchangeable or exercisable security that was purchased under a prospectus, and therefore a further payment at the time of conversion, exchange or exercise may not be recoverable in a statutory action for damages. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights, or consult with a legal adviser.

CERTIFICATE OF LQWD FINTECH CORP.

Dated: September 15, 2021

This short form prospectus, together with the documents incorporated herein by reference, will, as of the date of a particular distribution of securities under the prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement as required by the securities legislation of all of the provinces and territories of Canada, except the province of Québec.

(signed) "*Shone Anstey*"

(signed) "*Barry Macneil*"

Shone Anstey
Chief Executive Officer

Barry Macneil
Chief Financial Officer

On behalf of the Board of Directors

(signed) "*Dean Sutton*"

(signed) "*Ashley Garnot*"

Dean Sutton
Director

Ashley Garnot
Director