

Ethereum Mining Profitability & Scenario Analysis (NVIDIA)

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| Prepared on: | June 26, 2021 |
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*All dollar amounts in CAD

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|--|--------------------------|--------|-----------|---------------|----------------|-------|----------|---------|
| | Electricity Cost (¢/kWh) | 10.325 | ETH Price | 2312 | Block Time (s) | 13.23 | ¢/MH/Day | 6.49431 |
| | Network Hashrate (TH/s) | 477.50 | | Eth Mined/Day | | 13413 | | |

| Current | Card | 1070 | 1070 Ti | 1080 | 1080 Ti | 1660s | 2060 | 2060s | 2070 | 2070s | 2080 | 2080s | 2080 Ti | 3060 Ti | 3070 | 3080 | 3090 |
|---------|-------------------------------|------|---------|------|---------|-------|------|-------|------|-------|------|-------|---------|---------|------|------|-------|
| | Revenue/Day | 1.95 | 2.07 | 2.34 | 2.99 | 1.95 | 2.08 | 2.74 | 2.86 | 2.79 | 2.79 | 2.74 | 3.84 | 3.93 | 3.93 | 6.23 | 7.79 |
| | Hashrate (MH/s) | 30.0 | 31.9 | 36.0 | 46.0 | 30.0 | 32.0 | 42.3 | 44.0 | 43.0 | 43.0 | 42.2 | 59.2 | 60.5 | 60.6 | 96.0 | 120.0 |
| | Power Usage (W) | 120 | 135 | 135 | 240 | 90 | 90 | 110 | 120 | 125 | 108 | 140 | 230 | 120 | 120 | 220 | 285 |
| | El. Costs (\$ /Day) | 0.30 | 0.33 | 0.33 | 0.59 | 0.22 | 0.22 | 0.27 | 0.30 | 0.31 | 0.27 | 0.35 | 0.57 | 0.30 | 0.30 | 0.55 | 0.71 |
| | Gross Profit/Day ¹ | 1.65 | 1.74 | 2.00 | 2.39 | 1.73 | 1.86 | 2.47 | 2.56 | 2.48 | 2.52 | 2.39 | 3.27 | 3.63 | 3.64 | 5.69 | 7.09 |
| | Market Price ² | 600 | 650 | 700 | 950 | 500 | 800 | 950 | 1000 | 1000 | 1000 | 1000 | 1200 | 1200 | 1300 | 1850 | 2777 |
| | Efficiency (kH/s/W) | 250 | 236 | 267 | 192 | 333 | 356 | 384 | 367 | 344 | 398 | 301 | 257 | 504 | 505 | 436 | 421 |
| | ROI Time (Days) | 363 | 374 | 349 | 397 | 290 | 431 | 384 | 391 | 403 | 396 | 418 | 366 | 330 | 358 | 325 | 392 |
| | Annual Returns ³ | 100% | 98% | 104% | 92% | 126% | 85% | 95% | 93% | 91% | 92% | 87% | 100% | 110% | 102% | 112% | 93% |

¹ Gross profits take into account only cost of electricity. Taxes, withdrawal fees, transaction fees and depreciation has not been considered.

² Sourced from historic Ebay sold listings in Canada on May 1, 2021. These are approximate prices and subject to volatility in demand and supply.

³ Return on investment into a graphics card to be used for mining 100% of the time for a period of 365 days.

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|-----|------------------------|------|---------|------|---------|-------|------|-------|------|-------|------|-------|---------|---------|------|------|------|
| 559 | Discount | 3% | | | | | | | | | | | | | | | |
| | Card | 1070 | 1070 Ti | 1080 | 1080 Ti | 1660s | 2060 | 2060s | 2070 | 2070s | 2080 | 2080s | 2080 Ti | 3060 Ti | 3070 | 3080 | 3090 |
| | Revenue/Day (CAD)* | 1.90 | 2.02 | 2.28 | 2.91 | 1.90 | 2.02 | 2.67 | 2.78 | 2.72 | 2.72 | 2.67 | 3.74 | 3.83 | 3.83 | 6.07 | 7.59 |
| | Gross Profit/Day (CAD) | 1.60 | 1.68 | 1.94 | 2.31 | 1.67 | 1.80 | 2.40 | 2.49 | 2.41 | 2.45 | 2.32 | 3.17 | 3.53 | 3.53 | 5.53 | 6.88 |
| | ROI Time (days) | 375 | 386 | 360 | 411 | 299 | 444 | 396 | 402 | 415 | 408 | 431 | 378 | 340 | 368 | 335 | 403 |
| | Annual Returns | 97% | 94% | 101% | 89% | 122% | 82% | 92% | 91% | 88% | 89% | 85% | 97% | 107% | 99% | 109% | 90% |

VERY LIKELY

* This scenario takes into account the effects of the EIP-1559 resolution. The current average block reward on May 1, 2021 is 2.5 eth (from etherscan) and the profitability numbers above reflect this amount. After the EIP-1559 resolution is implemented (expected in sometime July 2021), this block reward will be lowered to the standard 2 ether per block (plus rush fees). This will lower our profits from mining from its current number to 2/2.5 of what it is now, or 80% of what it is now (a decrease of 20%). Note that due to miners potentially exiting the network from the reduced fees, we may see a reduced network difficulty, so this is a conservative estimate of the results. Furthermore, the block reward will not only be the 2 ether per block, but will also include priority transaction fees. So the amount of discount in this scenario represents a worst-case scenario for a reduced block reward. This scenario discounts the revenue from mining by 35% to simulate the effects of EIP-1559.

| t Crash | Discount | 94% | | | | | | | | | | | | | | | |
|---------|------------------------|-------|---------|-------|---------|-------|-------|-------|-------|-------|-------|-------|---------|---------|-------|-------|-------|
| | Card | 1070 | 1070 Ti | 1080 | 1080 Ti | 1660s | 2060 | 2060s | 2070 | 2070s | 2080 | 2080s | 2080 Ti | 3060 Ti | 3070 | 3080 | 3090 |
| | Revenue/Day (CAD)* | 0.12 | 0.12 | 0.14 | 0.18 | 0.12 | 0.12 | 0.16 | 0.17 | 0.16 | 0.16 | 0.16 | 0.23 | 0.23 | 0.23 | 0.37 | 0.46 |
| | Gross Profit/Day (CAD) | -0.18 | -0.21 | -0.20 | -0.42 | -0.11 | -0.10 | -0.11 | -0.13 | -0.14 | -0.10 | -0.19 | -0.34 | -0.07 | -0.07 | -0.18 | -0.25 |
| | ROI Time (days) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| | Annual Returns | -11% | -12% | -10% | -16% | -8% | -5% | -4% | -5% | -5% | -4% | -7% | -10% | -2% | -2% | -3% | -3% |

VERY UNLIKELY

* This scenario will consider then impacts of an immediate market crash similar to the one following the 2017-2018 speculative bubble into cryptocurrencies. In 2018, the price of Ethereum fell from a high of \$1405 on Jan 9 to 83 USD at the lowest point on Dec 15 (from Coindesk). This reflects a 94% reduction in price and hence mining profits. This scenario discounts revenue by 94% to simulate a market crash. Note that in this scenario, in contrast to the above scenario, the loss of mining revenue is due to a discounted price of Ethereum whereas in the above scenario, revenue decreased from a reduction in ETH paid as a block reward for mining.

| Correction | Discount | 65% | | | | | | | | | | | | | | | |
|------------|------------------------|------|---------|------|---------|-------|------|-------|------|-------|------|-------|---------|---------|------|------|------|
| | Card | 1070 | 1070 Ti | 1080 | 1080 Ti | 1660s | 2060 | 2060s | 2070 | 2070s | 2080 | 2080s | 2080 Ti | 3060 Ti | 3070 | 3080 | 3090 |
| | Revenue/Day (CAD)* | 0.67 | 0.72 | 0.81 | 1.03 | 0.67 | 0.72 | 0.95 | 0.99 | 0.96 | 0.96 | 0.95 | 1.33 | 1.36 | 1.36 | 2.15 | 2.69 |
| | Gross Profit/Day (CAD) | 0.38 | 0.38 | 0.47 | 0.44 | 0.45 | 0.49 | 0.67 | 0.69 | 0.65 | 0.70 | 0.60 | 0.76 | 1.06 | 1.06 | 1.61 | 1.98 |
| | ROI Time (days) | 1599 | 1708 | 1481 | 2176 | 1112 | 1618 | 1408 | 1451 | 1529 | 1436 | 1669 | 1585 | 1133 | 1226 | 1151 | 1400 |
| | Annual Returns | 23% | 21% | 25% | 17% | 33% | 23% | 26% | 25% | 24% | 25% | 22% | 33% | 32% | 30% | 32% | 26% |

et LIKELY

* This scenario recognizes that the price depreciation from a market correction will not be instantaneous and will take time similar to the previous crash. This scenario will consider the impacts that a market pullback of similar proportion to the one observed in 2018. In that market pullback from Jan 9 to Dec 15 2018, the average daily closing price of Ethereum was \$485 compared to the peak of \$1405 USD. In this scenario, we will consider a revenue reduction in Ethereum by 65% to simulate the actual average daily profitability in the case of a similar market decline.

Ethereum Mining Profitability & Scenario Analysis (AMD)

Prepared on: June 26, 2021

*All dollar amounts in CAD

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|---------|--------------------------|---------|------|------|------|------|--------|--------|------|--------|--------|------|--------|--------|--------|--------|------|
| Current | Electricity Cost (¢/kWh) | 10.325 | | | | | | | | | | | | | | | |
| | Network Hashrate (TH/s) | 477.50 | | | | | | | | | | | | | | | |
| | ETH Price | 2312 | | | | | | | | | | | | | | | |
| | Eth Mined/Day | 13413 | | | | | | | | | | | | | | | |
| | Block Time (s) | 13.23 | | | | | | | | | | | | | | | |
| | Block Reward | 2.054 | | | | | | | | | | | | | | | |
| | ¢/MH/Day | 6.49431 | | | | | | | | | | | | | | | |
| | Card | 470 | 480 | 570 | 580 | 590 | 5500XT | 5600XT | 5700 | 5700XT | 6700XT | 6800 | 6800XT | 6900XT | Vega56 | Vega64 | VII |
| | Revenue/Day | 1.97 | 1.97 | 1.98 | 2.03 | 2.00 | 1.69 | 2.40 | 3.47 | 3.55 | 3.05 | 4.12 | 4.18 | 4.16 | 2.51 | 3.05 | 5.88 |
| | Hashrate (MH/s) | 30.4 | 30.4 | 30.5 | 31.3 | 30.8 | 26.0 | 37.0 | 53.5 | 54.7 | 47.0 | 63.4 | 64.4 | 64.0 | 38.6 | 47.0 | 90.5 |

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|-----------|------------------------|------|------|------|------|------|--------|--------|------|--------|--------|------|--------|--------|--------|--------|------|
| EIP- 1559 | Discount | 3% | | | | | | | | | | | | | | | |
| | Card | 470 | 480 | 570 | 580 | 590 | 5500XT | 5600XT | 5700 | 5700XT | 6700XT | 6800 | 6800XT | 6900XT | Vega56 | Vega64 | VII |
| | Revenue/Day (CAD)* | 1.92 | 1.92 | 1.93 | 1.98 | 1.95 | 1.64 | 2.34 | 3.38 | 3.46 | 2.97 | 4.01 | 4.07 | 4.05 | 2.44 | 2.97 | 5.72 |
| | Gross Profit/Day (CAD) | 1.63 | 1.60 | 1.61 | 1.66 | 1.63 | 1.47 | 2.09 | 2.99 | 3.11 | 2.55 | 3.58 | 3.60 | 3.50 | 1.91 | 2.43 | 5.18 |
| | ROI Time (days) | 308 | 312 | 311 | 302 | 308 | 340 | 311 | 301 | 305 | 392 | 364 | 472 | 628 | 367 | 350 | 406 |

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|-------|------------------------|-------|-------|-------|-------|-------|--------|--------|-------|--------|--------|-------|--------|--------|--------|--------|-------|
| Crash | Discount | 94% | | | | | | | | | | | | | | | |
| | Card | 470 | 480 | 570 | 580 | 590 | 5500XT | 5600XT | 5700 | 5700XT | 6700XT | 6800 | 6800XT | 6900XT | Vega56 | Vega64 | VII |
| | Revenue/Day (CAD)* | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 0.10 | 0.14 | 0.21 | 0.21 | 0.18 | 0.24 | 0.25 | 0.25 | 0.15 | 0.18 | 0.35 |
| | Gross Profit/Day (CAD) | -0.18 | -0.21 | -0.21 | -0.20 | -0.20 | -0.07 | -0.11 | -0.19 | -0.14 | -0.24 | -0.19 | -0.22 | -0.30 | -0.38 | -0.36 | -0.20 |
| | ROI Time (days) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

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|---------|------------------------|------|------|------|------|------|--------|--------|------|--------|--------|------|--------|--------|--------|--------|------|
| Correct | Discount | 65% | | | | | | | | | | | | | | | |
| | Card | 470 | 480 | 570 | 580 | 590 | 5500XT | 5600XT | 5700 | 5700XT | 6700XT | 6800 | 6800XT | 6900XT | Vega56 | Vega64 | VII |
| | Revenue/Day (CAD)* | 0.68 | 0.68 | 0.68 | 0.70 | 0.69 | 0.58 | 0.83 | 1.20 | 1.23 | 1.05 | 1.42 | 1.44 | 1.43 | 0.87 | 1.05 | 2.03 |
| | Gross Profit/Day (CAD) | 0.38 | 0.36 | 0.36 | 0.38 | 0.37 | 0.41 | 0.58 | 0.80 | 0.88 | 0.63 | 0.99 | 0.97 | 0.89 | 0.33 | 0.51 | 1.48 |
| | ROI Time (days) | 1302 | 1391 | 1383 | 1317 | 1357 | 1221 | 1117 | 1121 | 1080 | 1581 | 1316 | 1747 | 2473 | 2105 | 1672 | 1415 |