

Convertible Promissory Note
(With Land Sale Profit Participation Rider)

Issuer: BSLA, LLC, a Texas limited liability company (the “Company”)

Parent: Big Star Blockchain Inc., a Texas corporation (the “Parent”)

Governing Law: State of Texas

THE SECURITIES EVIDENCED BY THIS NOTE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE SECURITIES LAWS AND ARE BEING ISSUED IN RELIANCE UPON EXEMPTIONS FROM REGISTRATION PROVIDED BY SECTION 4(a)(2) OF THE SECURITIES ACT AND REGULATION D, RULE 506 PROMULGATED THEREUNDER. THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION OR ANY STATE REGULATORY AUTHORITY, NOR HAS ANY SUCH AUTHORITY PASSED UPON THE MERITS OF THIS NOTE. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

1. Principal and Status of Indebtedness

This Convertible Promissory Note (this “Note”) evidences a loan from the holder identified on the signature page (the “Holder”) to the Company in the original principal amount set forth on the signature page (the “Principal”).

This Note constitutes senior indebtedness of the Company and ranks senior in right of payment to any subordinated indebtedness of the Company. This Note is not secured by any collateral or security interest.

The Principal is non-amortizing and shall not be reduced by any interest, profit participation payments, distributions, or other cash consideration unless the Company expressly elects to retire this Note in cash prior to conversion.

2. Interest

Interest shall accrue on the Principal at the rate set forth on the signature page. Any payment of interest shall be independent of, and shall not reduce, the Principal or affect the conversion mechanics of this Note.

3. Profit Participation

The Holder shall be entitled to receive profit participation payments pursuant to the Land Sale Profit Participation Rider attached hereto as Exhibit A. All such payments are contractual cash payments and shall not reduce, offset, or otherwise affect the Principal or any conversion rights under this Note.

4. Sunset Events; Mandatory Conversion

This Note shall automatically convert upon the earliest occurrence of any of the following events (each, a “Sunset Event”):

- (a) One Hundred Twenty Percent (120%) Return Event. Upon the Company paying the Holder aggregate cash proceeds equal to one hundred twenty percent (120%) of the original Principal from any source.
- (b) Public Listing. Upon the listing of equity securities of the Parent on any national or international securities exchange approved by the Board of Directors of the Parent.
- (c) Time-Based Conversion. On the date that is thirty-six (36) months from the issuance date of this Note.

5. Conversion Mechanics

Upon the occurrence of a Sunset Event, one hundred percent (100%) of the original Principal shall automatically convert into shares of common stock of the Parent at a conversion price of \$1.50 per share, subject to customary adjustments. Upon conversion, this Note shall be deemed fully satisfied and extinguished.

6. Events of Default

Each of the following shall constitute an “Event of Default”: (a) the Company or the Parent commences or has commenced against it any bankruptcy, insolvency, reorganization, or similar proceeding; (b) an assignment for the benefit of creditors; (c) any material breach of this Note or the Subscription Agreement that remains uncured for thirty (30) days after written notice; (d) failure to reserve sufficient shares for conversion.

7. Remedies

Upon the occurrence and during the continuance of an Event of Default, the Holder may exercise any and all rights and remedies available at law or in equity as a holder of senior Convertible Promissory Note, including, without limitation, the right to seek monetary damages, specific performance, and other equitable relief. All rights and remedies of the Holder shall be cumulative and may be exercised concurrently or separately, and the exercise of any one remedy shall not preclude the exercise of any other remedy.

8. Representations of the Company

The Company and the Parent represent and warrant that they are duly organized, validly existing, and in good standing; that the execution and performance of this Note has been duly authorized; that this Note constitutes a legal, valid, and binding obligation enforceable in accordance with its terms; and that sufficient authorized shares of common stock of the Parent have been reserved to satisfy all conversion obligations.

9. Securities Law Compliance

The Holder represents that the Securities are being acquired for investment only and not with a view to distribution. All securities issued upon conversion shall be restricted securities and shall bear appropriate legends.

10. Assignment

This Note may not be assigned by the Holder without the prior written consent of the Company, except in compliance with applicable securities laws.

11. No Partnership or Fiduciary Relationship

Nothing contained in this Note shall be deemed to create any partnership, joint venture, fiduciary, or agency relationship between the Company, the Parent, and the Holder.

12. Arbitration; Waiver of Jury Trial

Any dispute arising out of or relating to this Note shall be resolved by binding arbitration in Texas under the Federal Arbitration Act and the Commercial Arbitration Rules of the American Arbitration Association. THE PARTIES HEREBY WAIVE ANY RIGHT TO A TRIAL BY JURY.

13. Amendment

This Note may be amended only by a written instrument executed by the Company and the Holder.

14. Governing Law

This Note shall be governed by and construed in accordance with the laws of the State of Texas.

15. Counterparts; Electronic Signatures

This Note may be executed in counterparts and by electronic signature, each of which shall be deemed an original.

EXHIBIT A

LAND SALE PROFIT PARTICIPATION RIDER

1. Participation Right

The Holder shall be entitled to receive a percentage of Net Profits derived from qualifying land sale transactions conducted by the Company.

2. Definition of Net Profits

“Net Profits” shall mean the gross cash proceeds actually received by the Company from a qualifying land sale transaction, less only the direct, transaction-specific costs of acquisition, ownership, and disposition of the applicable land asset, including without limitation: (i) the purchase price of the land; (ii) power studies, engineering, feasibility, and interconnection-related costs; (iii) environmental or regulatory diligence costs; (iv) title insurance premiums; (v) escrow, settlement, and closing fees; and (vi) third-party legal fees and closing attorney fees directly attributable to such transaction. For the avoidance of doubt, no general and administrative expenses (G&A), overhead, corporate salaries, financing costs, or unrelated operating expenses shall be deducted in the calculation of Net Profits.”.

3. Notice of Land Sale

The Company shall provide written notice to the Holder of any qualifying land sale transaction within a reasonable period following execution of a definitive purchase and sale agreement.

4. Distribution Timing

Profit participation distributions, if any, shall be calculated and paid on a quarterly basis following the end of each fiscal quarter in which Net Profits are realized. Distributions are not guaranteed and shall be made solely from Net Profits, if any, as determined by the Company.

5. Independent Payments

All profit participation payments are contractual cash payments independent of the Note and shall not reduce Principal or affect conversion rights under the Note.

6. No Partnership or Fiduciary Relationship

Nothing contained herein shall be deemed to create a partnership, joint venture, fiduciary relationship, or agency relationship between the Company and the Holder.

7. Effect of Sunset Event on Pending Transactions

Notwithstanding the occurrence of any conversion event, Sunset Event, or automatic conversion of the Note, if the Company has entered into a binding purchase and sale agreement or other definitive agreement for the disposition of a land asset prior to the occurrence of such event, the Holder shall remain entitled to receive any profit participation payments attributable to such transaction in accordance with the terms of this Rider. The occurrence of a Sunset Event shall not eliminate, reduce, or otherwise affect the Holder's right to receive profit participation payments with respect to any land transaction that was under contract prior to such event.