



## Tokens.com and COIN Hodl Announce Signing of Definitive Agreement and Provide an Update on Proposed Reverse Takeover

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TORONTO, March 09, 2021 (GLOBE NEWSWIRE) -- Tokens.com Inc. ("**Tokens**") and COIN Hodl Inc. (TSXV: COIN) ("**COIN**") are pleased to announce that they have executed a definitive transaction agreement dated March 9, 2021 (the "**Definitive Agreement**"), which, subject to the satisfaction of certain conditions, including receipt of all necessary stock exchange approvals, will result in the reverse takeover of COIN by Tokens (the "**Transaction**"). As previously announced, in connection with the Transaction, Tokens is undertaking a brokered and non-brokered private placement offering (the "**Concurrent Financing**") of subscription receipts of Tokens (each, a "**Subscription Receipt**"), which is expected to close on or about March 10, 2021.

### The Transaction

The parties have made significant progress with respect to due diligence, completion of Tokens' audited financial statements and the drafting of a filing statement in connection with the Transaction.

Pursuant to the terms of the Definitive Agreement, the Transaction will be structured as a "three-cornered amalgamation" involving COIN, a wholly-owned subsidiary of COIN ("**COIN Subco**") and Tokens (the "**Amalgamation**"). In connection with the closing of the Transaction (the "**Closing**"), it is expected that:

- COIN will distribute to the pre-Closing COIN Shareholders, on a pro-rata basis as a tax-free return of capital, an approximate amount between \$1,600,000 and \$3,400,000 in cash and all of the shares of Abaxx Technologies Inc. held by COIN;

- Tokens will subdivide all of the then issued and outstanding class A common shares of Tokens (each, a “**Tokens Share**”) on the basis of approximately 3.133 new Tokens Shares for each existing Tokens Share (the “**Split**”);
- COIN will consolidate all of the then issued and outstanding common shares of COIN (each, a “**COIN Share**”) on a consolidation ratio that will result in there being such number of COIN Shares outstanding immediately prior to the Closing (after giving effect to any COIN option exercises that occur prior to the Closing) as have an aggregate value of \$1,050,000 based on the price (on a post-Split basis) per Subscription Receipt under the Concurrent Financing, which, as at the date of this Agreement, is expected to be an aggregate of 1,399,851 COIN Shares based on an expected post-Split price of \$0.75 per Subscription Receipt (the “**Consolidation**”);
- Tokens and COIN Subco will amalgamate under the *Business Corporations Act* (Ontario) with the amalgamated company to be named “Tokens.com Capital Corp.”, or such other name as may be determined by Tokens, and will be a wholly-owned subsidiary of COIN;
- COIN will change its name to “Tokens.com Corp.”, or such other name as determined by Tokens (on a post-Closing basis, the “**Resulting Issuer**”);
- COIN will have at least \$360,000 in available cash and no liabilities; and
- each Tokens Share will be cancelled, and the former holders of Tokens Shares will receive one post-Consolidation COIN Share (each, a “**Resulting Issuer Share**”) for each Tokens Share held.

The Resulting Issuer will carry on the business of Tokens, which is the operation of technology that secures next generation blockchain networks through “proof-of-stake” technology that supports the growth of decentralized finance applications, which are built on top of blockchains. The Closing is expected to occur in Q2 2021, and no later than 120 days from the closing of the Concurrent Financing.

Assuming completion of the Concurrent Financing and the Transaction, it is expected that, following the Closing, the Resulting Issuer will have approximately 75.0 million Resulting Issuer Shares outstanding, with former Tokens’ shareholders holding approximately 40.3 million Resulting Issuer Shares, representing approximately 54% of the Resulting Issuer Shares, and, together with subscribers under the Concurrent Financing, holding approximately 98% of the Resulting Issuer Shares.

Pursuant to Section 4.1 of Policy 5.2 of the TSX Venture Exchange’s Corporate Finance Manual (the “**Manual**”), COIN does not intend to seek the approval of the shareholders of COIN for the Transaction because: (i) the Transaction is not a “Related Party Transaction” (as defined in Policy 1.1 of the Manual), and no other circumstances exist which may compromise the independence of COIN or other interested parties (including the directors and officers of COIN) with respect to the Transaction; (ii) based on COIN’s business operations over the previous 12 months and the state of COIN’s asset base, COIN is without active operations; (iii) COIN is not and will not be subject to a cease trade order or otherwise be suspended from trading on completion of the

transaction; and (iv) approval of the COIN shareholders for the Amalgamation is not required under applicable corporate or securities laws (although COIN shareholder approval will be sought for certain ancillary matters including the proposed name change of COIN and consolidation of the COIN Shares).

### **Selected Consolidated Financial Information of Tokens**

The following table sets out selected financial information for Tokens as at December 31, 2020:

<b>Item</b>	<b>As at and for the period from incorporation on November 9, 2020 until December 31, 2020(US\$) - (unaudited)</b>
Total Assets	2,332,003
Total Liabilities	43,872
Shareholders' Equity	2,288,131
Income per common share – basic and diluted	\$(0.01)
Revenue	5,932
Expenses	137,489
Comprehensive income	(11,690)

### **Directors and Officers of the Resulting Issuer**

Following the Closing, the proposed directors, officers and other insiders of the Resulting Issuer are expected to be:

*Andrew Kiguel – Chief Executive Officer and Director*

Mr. Kiguel is an accomplished executive with leadership experience in Canadian capital markets, corporate governance and entrepreneurship. He co-founded Tokens and has served as its CEO and as a director since incorporation. Prior to co-founding Tokens, he

was the co-founder, CEO, President and a director of Hut 8 Mining Corp. (“**Hut 8**”), one of the largest publicly-listed bitcoin miners in the world. Prior to that, he spent over 18 years at GMP Securities LP in investment banking, with his most recent title as a Managing Director.

*Kyle Appleby – CFO and Secretary*

Mr. Appleby has been providing chief financial officer services to public and private companies since 2007. He assists companies with financial reporting and controls, governance, operations, regulatory compliance and taxation. He has served as CFO of Tokens since December 1, 2020 and previously served as CFO of Nuinsco Resources Inc. from May 2015 to February 2021. Prior to 2007, Mr. Appleby worked for several public accounting firms in Canada. He is a member in good standing of the Chartered Professional Accountants of Canada and the Chartered Professional Accountants of Ontario.

*Deven Soni – Chief Operating Officer*

Mr. Soni is an experienced operations executive and investor. Prior to joining Tokens as Chief Operating Officer, effective as of January 1, 2021, he co-founded Sprayable Inc., the maker of what are believed to be the world’s first topical caffeine and melatonin sprays, in 2013. He spent several years as a technology-focused investor at Goldman Sachs and Highland Capital Partners, where he helped fund several top technology businesses. He is the co-founder of Wired Investors, a private equity fund focused on small cap buyouts. He is also a founding director of Polymath and an active investor in the digital assets space.

*Andrew D’Souza – Director*

Mr. D’Souza is the co-founder and CEO of Clearbanc, the biggest ecommerce investor in the world. Clearbanc has invested \$1 billion into 2,200+ ecommerce and software companies. Mr. D’Souza has raised hundreds of millions of dollars in venture capital and is an adviser and investor to companies such as WealthSimple, Properly and Tulip Retail. Prior to Clearbanc, Mr. D’Souza was the president of Nymi, a wearable platform focused on identity and security, and the Chief Operating Officer of education startup, TopHat.

*Frederick T. Pye – Director*

Mr. Pye has been the President and CEO of 3iQ Corp., a leading Canadian digital asset fund manager, since July 2012. Previously, he was a founder, and the President and CEO, of Argentum Management and Research Corporation, a company dedicated to managing and distributing quantitative investment portfolios, including the first long-short mutual fund in Canada, as well as Senior Vice-President and National Sales Manager at Fidelity Investments Canada. Mr. Pye also held various positions with Guardian Trust Company, which listed the first gold, silver and platinum certificates on the Montreal Exchange. He holds a Masters Degree in Business Administration from Concordia University.

*Jimmy Vaiopoulos – Director*

Mr. Vaiopoulos is the CFO and former interim CEO of Hut 8, one of the first and largest public bitcoin miners in the world. Mr. Vaiopoulos was the CFO of UGE International Ltd. and with KPMG in both their advisory and audit practices.

## **Insiders**

Upon completion of the Transaction, Andrew Kiguel (proposed CEO and director), Kyle Appleby (proposed CFO and secretary), Deven Soni (proposed COO), Frederick Pye (proposed director), Jimmy Vaiopoulos (proposed director) and Andrew D'Szoua (proposed director) are expected to be insiders of the Resulting Issuer by virtue of them being directors or officers of the Resulting Issuer.

Additional information with respect to the Transaction and the Concurrent Financing can be found in news releases dated January 25, 2021, February 2, 2021, February 18, 2021 and February 25, 2021, which are available on COIN's SEDAR profile at [www.sedar.com](http://www.sedar.com).

None of the securities to be issued in connection with the Transaction or the Concurrent Financing have been, or will be, registered under the United States *Securities Act of 1933*, as amended (the "**1933 Act**"), or any state securities laws, and may not be offered or sold within the United States or to any U.S. Person (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws or an exemption from such registration is available. This news release does not constitute an offer to sell or a solicitation of an offer to sell any securities in any jurisdiction where such offer or solicitation would be unlawful, including the United States.

***Completion of the Transaction is subject to a number of conditions, including but not limited to, acceptance of the TSX Venture Exchange (the "Exchange") and if applicable, disinterested shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.***

***Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of COIN should be considered highly speculative.***

***The Exchange has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this news release.***

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***Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.***

**ABOUT TOKENS.COM INC.**

Tokens.com is a Proof-of-Stake (PoS) technology company that powers digital asset transactions, including Decentralized Finance (DeFi) applications. Its founding team includes blockchain entrepreneur, Andrew Kiguel, co-founder and former CEO of Hut 8 Mining Corp, one of North America's largest bitcoin miners. Tokens provides investors with access and exposure to PoS, a sustainable process that powers digital asset transactions.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION:

*This news release contains “forward-looking information” and “forward-looking statements” (collectively, “forward-looking statements”) within the meaning of applicable Canadian securities laws. All statements other than statements of historical fact are forward-looking statements, and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance often using phrases such as “expects”, “anticipates”, “plans”, “budget”, “scheduled”, “forecasts”, “estimates”, “believes” or “intends”, or variations of such words and phrases, or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur or be achieved, are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements relate, among other things, to the terms and conditions of the Transaction, the Concurrent Financing, the Consolidation, the Split and the Return of Capital; the current business of Tokens; the business and operations of COIN and Tokens following the Closing; and expected directors and officers of the Resulting Issuer following the Closing. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include: general business, economic, competitive, political and social uncertainties; delay or failure to receive any necessary board, shareholder or regulatory approvals, including the approval of any applicable regulatory authority; the risk that a regulatory authority may not approve the Transaction on the terms proposed or at all; the risk that the escrow release conditions related to the subscription receipts sold under the Concurrent Financing may not be satisfied prior to the applicable deadline; that factors may occur which impede or prevent Tokens’ future business plans; and other factors beyond the control of COIN and Tokens. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. The terms and conditions of the Transaction and the Concurrent Financing may change based on the receipt of tax, corporate and securities law advice for each of the parties. Except as required by law, COIN and Tokens assume no obligation to update the forward-looking statements, whether they change as a result of new information, future events or otherwise, except as required by law.*