

# PAYWARD CANADA INC.

## CRYPTO ASSET STATEMENT

### MINA

#### Mina (MINA)

Last updated on August 07, 2025

#### Disclaimer

*Payward Canada Inc. (Kraken) is registered under Canadian securities laws as a restricted dealer and is offering Crypto Contracts on crypto assets in reliance on a prospectus exemption contained in the exemptive relief decision [Re Payward Canada Inc.](#) dated 04/01/2025 (the Decision). The statutory rights in section 130.1 of the Securities Act (Ontario), and, if applicable, similar statutory rights under the securities legislation of each other province and territory in Canada, do not apply in respect of the Crypto Asset Statement to the extent a Crypto Contract is distributed under the prospectus relief in the Decision.*

*No securities regulatory authority has expressed an opinion about the Crypto Contracts or any Crypto Assets (as defined in the Risk Statement) made available on the Kraken platform, including an opinion that MINA is not itself a security and/or derivative. Changes to applicable law may adversely affect the use, transfer, exchange, or value of any of your crypto assets, and such changes may be sudden and without notice.*

*Please note that this Crypto Asset Statement may not be exhaustive of all risks associated with trading MINA. Please review the [Risk Statement](#) and [Fee Schedule](#) for additional discussion of general risks and transaction fees associated with the Crypto Contracts and Crypto Assets made available through the Canadian Platform. These materials are for general information purposes only and are not investment advice or a recommendation or solicitation to buy, sell or hold any crypto asset or to engage in any specific trading strategy. The information contained in this Crypto Asset Statement is based on publicly available information provided by third parties.*

#### What is Mina and how does it work?

Mina Protocol is built as an ultra-light blockchain whose entire history can be compressed into a recursive zk-SNARK of about 22 kB. Because this proof remains the same size no matter how many transactions are added, anyone can download and verify the network almost instantly—even from a typical smartphone or directly in a web browser.

Mina runs a Proof-of-Stake consensus. Two specialized roles keep the network efficient:

- **Block producers** choose transactions, create new blocks, and earn block rewards and fees – functionally similar to “validators” on other PoS chains.
- **Snark workers** generate proofs that compress transaction data; block producers buy these proofs in exchange for MINA.

For more information on MINA staking and fees, please visit our crypto staking and overview of on-chain staking pages.

Since the 2024 Berkeley upgrade, Mina’s zero-knowledge smart-contract framework (zkApps) is live on mainnet, enabling private, off-chain-friendly computation and interoperability use-cases such as zkBridges and zkOracles.

Mina’s latest proof system, Kimchi, further reduces proving time and supports advanced zk-application features while preserving the chain’s fixed size.

**Who is behind the project?**

Mina was initiated in 2017 by Evan Shapiro and Izaak Meckler at O(1) Labs, which incubated the protocol and continues to contribute core engineering. The independent Mina Foundation, established in Switzerland, stewards network governance and grant programmes.

Leadership has evolved: Kurt Hemecker, formerly COO, was appointed CEO of the Foundation in December 2023, replacing founder Evan Shapiro (who remains chairman). In March 2025, Josh Cincinnati took over as interim CEO to guide a strategic shift focused on decentralising treasury management and deepening ecosystem engagement. The main-net launched on March 23 2021 and is maintained by a global community of block producers and developers.

**Tokenomics of MINA**

MINA is required for staking, paying transaction fees and purchasing SNARK proofs in the Snarketplace.

MINA launched with an initial total supply of 1 billion tokens and an annual supply inflation target of 12%, reducing to 7% by the fifth year from token launch. The distribution of MINA’s initial supply at launch was as follows:

Allocation Category	Percentage (%)	MINA Amount
MINA Community	42.3%	423,000,000
Core Contributors	23.6%	236,000,000
Early Investors ("Backers")	20.5%	205,000,000
O(1) Labs’ Endowment Fund	7.5%	75,000,000
Mina Foundation	6.0%	60,000,000
<b>Total</b>	<b>100%</b>	<b>1,000,000,000</b>

As of August 2025, the circulating supply of MINA is approximately 1.24 billion MINA tokens.

**General Risks**

Like all other digital assets, there are some general risks to investing in MINA. These include short history risk, volatility risk, liquidity risk, demand risk, forking risk, code defects, cryptography risk, regulatory risk, concentration risk, electronic trading risk and cyber security risk. For more information on general risks associated with smart contracts and digital assets, see Kraken’s Risk Statement.

Some blockchains on which staked Crypto Assets are maintained may prescribe bonding and/or unbonding periods, which are waiting periods after a token holder has transmitted an instruction to stake or un-stake a token prior to the beginning or ending of the staking process. During this waiting period, no Staking Rewards are earned and a holder cannot access their staked Crypto Assets (e.g. for a sale of transfer).

### **Risks specific to MINA**

#### **Competition**

The Mina network faces competition from other smart contract platforms such as Ethereum, Binance Chain, and many others. MINA's value derives from the Mina network's broader adoption in the market. If the Mina network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of MINA.

#### **Developer Dependence**

Although there are many developers working on the Mina network, there are no guarantees that they will continue to contribute. MINA could be negatively affected by an inability to retain and/or attract developers to continue to build out its smart contract platform and applications that utilize the network.

#### **Staking Risk**

Staking MINA does not divorce the holder from the same market and technical risks of merely holding MINA. The yield earned through staking is denominated and earned in MINA. Over time, the total balance of MINA will increase for stakers but this does not guarantee its market value also increases in tandem. Lackluster market adoption and unforeseen technical problems can negatively impact a holder's return on staked MINA. For more information on staking risks associated with smart contracts and digital assets, see [Kraken's Risk Statement](#).

### **Due Diligence**

Prior to listing on the Kraken platform, Kraken performed due diligence on MINA and determined that MINA is unlikely to be a security or derivative under Canadian securities legislation. Our analysis generally includes, but is not limited to, reviewing publicly available information on the following:

- The creation, governance, usage and design of MINA, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created MINA;
- The supply, demand, maturity, utility and liquidity of MINA;
- Material technical risks associated with MINA, including any code defects, security breaches and other threats concerning MINA and its supporting blockchain (such as the susceptibility to hacking and impact of forking), or the practices and protocols that apply to them; and
- Legal and regulatory risks associated with MINA, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of MINA, and (ii) consideration of statements made by any regulators or securities regulatory

authorities in Canada, other regulators of the International Organization of Securities Commissions, or the regulator with the most significant connection to MINA about whether MINA, or generally about whether the type of crypto asset, is a security and/or derivative.

In addition to performing due diligence on MINA and prior to making MINA available to clients for staking on the Kraken platform, Kraken performed a review of the following:

- the operation of the Proof of Stake blockchain for MINA;
- the staking protocols for MINA ;
- the risk of loss of staked MINA, including from software bugs and hacks of the protocol;
- due diligence with respect to the staking infrastructure operated by Kraken's affiliate, Staked Cayman Ltd., including but not limited to, information about:
  - the persons or entities that manage and direct the operations of the affiliate,
  - the affiliate's reputation and use by others,
  - the approximate amount of crypto assets the affiliate has staked on its own nodes,
  - the measures in place by the affiliate to operate the nodes securely and reliably,
  - the quality of the affiliate's work (i.e., the amount of downtime of the staking infrastructure, any past history of "double signing" and "double attestation/voting", etc.),
  - any losses of Crypto Assets related to the affiliate's actions or inactions, including losses resulting from slashing, jailing or other penalties incurred by the affiliate,
  - any guarantees offered by the affiliate against slashing or other penalties and any insurance obtained by the affiliate that may cover this risk, and
  - the financial status of the affiliate.