

# PAYWARD CANADA INC.

## CRYPTO ASSET STATEMENT

### Mantra (MANTRA)

Last updated on March 18, 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 MANTRA 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 MANTRA. 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 Mantra and how does it work?

MANTRA is a Layer 1 blockchain focused on real-world assets (RWA) and regulatory compliant decentralized finance. It enables the tokenization, issuance, and management of real world assets on-chain while incorporating compliance requirements. The network uses a proof-of-stake (PoS) consensus mechanism, where validators secure the blockchain and process transactions. It is built within the Cosmos ecosystem, allowing interoperability with other compatible blockchains.

MANTRA is the native token of the network and is used for transaction fees, governance, and staking. It is required to pay for transactions processed on the blockchain. Token holders can stake MANTRA to support network security and earn rewards, while also participating in governance decisions such as protocol updates.

#### Who is behind the project?

Mantra's DAO was established in 2020. The project was co-founded by John Patrick Mullin and Jayant Ramanad. As of May 2024, Charu Pareek serves as Head of Product and Matthew Crooks is Mantra's Chief Technology Officer.

## Tokenomics of MANTRA

MANTRA has a maximum supply of 10 billion tokens, they are allocated as follows:

Category	Amount
OM Upgrade	67.5%
MANTRA Chain Association	12.8%
Core Contributors	16.9%
Airdrops	2.8%
<b>Total</b>	<b>100%</b>

## General Risks

Like all other digital assets, there are some general risks to investing in MANTRA. These include short history risk, volatility, and 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](#).

## Risks specific to MANTRA

### *Competition Risks*

MANTRA faces competition from other RWAs projects such as CPOOL and ONDO. MANTRA's value derives from the protocol's broader adoption in the market. If MANTRA fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of MANTRA.

## Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on MANTRA and determined that MANTRA 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 MANTRA, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created MANTRA;
- The supply, demand, maturity, utility and liquidity of MANTRA;
- Material technical risks associated with MANTRA, including any code defects, security breaches and other threats concerning MANTRA 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 MANTRA, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of MANTRA, 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 MANTRA about whether MANTRA, or generally about whether the type of crypto asset, is a security and/or derivative.