PAYWARD CANADA INC.

CRYPTO ASSET STATEMENT

Magic Internet Money (MIM)

Last updated on August 31, 2026

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 MIM 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 MIM. 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 Magic Internet Money and how does it work?

Magic Internet Money (MIM) is a memecoin that exists on the Bitcoin blockchain, drawing inspiration from the early internet culture surrounding Bitcoin. Its name is derived from the iconic "Magic Internet Money" meme that circulated on Reddit in 2013. This phrase, and the artwork behind it, captured the whimsical and rebellious spirit of the early crypto community.

The project was brought to life a decade later by the original meme's artist, Mavensbot, who first launched it as a BRC-20 token named $WZRD in March 2023. In April 2024, the token migrated to the newer Runes protocol, a more efficient fungible token framework native to Bitcoin, and was rebranded as MAGIC•INTERNET•MONEY. The project's focus is largely cultural and nostalgic. The MIM token has no utility beyond entertainment and social commentary.

Who is behind the project?

The project is operated under the name Magic Internet Money DAO. Individuals associated with the project are not publicly identified.

Tokenomics of Magic Internet Money

Magic Internet Money's deployment was a fair launch with no presale, no premine, and no insider allocations.

General Risks

Like all other digital assets, there are some general risks to investing in MIM. 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 Magic Internet Money

Competition

The Magic Internet Money network faces competition from other memecoin projects such as Doge, Shiba Inu, and others. MIM's value derives from its broader adoption in the market. If the Magic Internet Money network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of MIM.

Due Diligence

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