

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 10-K**

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended: **December 31, 2021**

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 000-55049

**CURRENCYWORKS INC.**

(Exact name of registrant as specified in its charter)

**Nevada**  
State or other jurisdiction of  
incorporation or organization

**27-3098487**  
(I.R.S. Employer  
Identification No.)

**3250 Oakland Hills Court, Fairfield, CA 94534**  
(Address of principal executive offices and Zip Code)

Registrant's telephone number, including area code: **424.570.9446**

Securities registered pursuant to Section 12(b) of the Act:

Title of each Class	Trading Symbol(s)	Name of each exchange on which registered
Nil	N/A	N/A

Securities registered pursuant to Section 12(g) of the Act

**Common Stock**  
(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer   
Non-accelerated filer

Accelerated filer   
Smaller reporting company   
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes  No

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter.

\$66,464,184.22 based on a price of \$1.105 per share multiplied by 60,148,583 shares of common stock held by non-affiliates.

(APPLICABLE ONLY TO CORPORATE REGISTRANTS)

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date: As of March 24, 2022, there were 77,953,057 shares of common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

List hereunder the following documents if incorporated by reference and the Part of the Form 10-K (e.g., Part I, Part II, etc.) into which the document is incorporated: (1) Any annual report to security holders; (2) Any proxy or information statement; and (3) Any prospectus filed pursuant to Rule 424(b) or (c) of the Securities Act of 1933. The listed documents should be clearly described for identification purposes (e.g., annual report to security holders for fiscal year ended December 24, 1980).

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## PART I

### ITEM 1. BUSINESS

#### Forward-Looking Statements

This annual report contains forward-looking statements. Forward-looking statements are projections of events, revenues, income, future economic performance or management's plans and objectives for future operations. In some cases, forward-looking statements can be identified by the use of terminology such as "may", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential" or "continues" or the negative of these terms or other comparable terminology. Examples of forward-looking statements made in this annual report include or may include, among others, statements about:

- our proposed plan of operations;
- our financial and operating objectives and strategies to achieve them;
- the costs and timing of our services;
- our use of available funds;
- our capital and funding requirements; and
- our other financial or operating performances.

The material assumptions supporting these forward-looking statements include, among other things:

- our future growth potential, results of operations, future prospects and opportunities;
- execution of our business strategy;
- there being no material variations in current regulatory environments;
- our operating expenses, including general and administrative expenses;
- our ability to obtain any necessary financing on acceptable terms;
- timing and amount of capital expenditures;
- retention of skilled personnel;
- continuation of current tax and regulatory regimes; and
- general economic and financial market conditions.

Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

These forward-looking statements are only predictions and involve known and unknown risks, uncertainties and other factors, including:

- inability to efficiently manage our operations;
- general economic and business conditions;
- our negative operating cash flow;
- our ability to obtain additional financing;
- our ability to collect outstanding loans;
- increases in capital and operating costs;
- general cryptocurrency risks;
- technological changes and developments in the blockchain and cryptocurrencies;
- risks relating to regulatory changes or actions;
- competition for blockchain platforms and technologies; and
- other factors discussed under the section entitled "Risk Factors",

any of which may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Further, although we have attempted to identify factors that could cause actual results, levels of activity, performance or achievements to differ materially from those described in forward-looking statements, there may be other factors that cause results, levels of activity, performance or achievements not to be as anticipated, estimated or intended.

While these forward-looking statements and any assumptions upon which they are based are made in good faith and reflect management's current judgment regarding the direction of our business, actual results may vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested herein. Accordingly, readers should not place undue reliance on forward-looking statements. Except as required by applicable law, including the securities laws of the United States and Canada, we do not intend to update any of the forward-looking statements to conform these statements to actual results. All forward-looking statements in this annual report are qualified by this cautionary statement.

All financial information contained herein is shown in United States dollars unless otherwise stated. Our financial statements are prepared in accordance with United States generally accepted accounting principles. Unless otherwise stated, "\$" refers to United States dollars.

In this annual report, unless otherwise specified, all references to "shares" refer to shares of common stock in the capital of our company.

As used in this annual report, the terms "we", "us", "the Company", "our" and "CurrencyWorks" mean CurrencyWorks Inc. and its wholly-owned subsidiary, CurrencyWorks USA Inc., and its majority-owned subsidiaries EnderbyWorks LLC, and Motoclub LLC, unless otherwise specified.

## **Corporate Overview**

We were incorporated under the laws of the State of Nevada on July 20, 2010.

We have three subsidiaries CurrencyWorks USA Inc., EnderbyWorks LLC, and Motoclub LLC. We have 100% ownership of CurrencyWorks USA Inc., 51% ownership of EnderbyWorks LLC, and 80% ownership of Motoclub LLC.

## **General Development of Business**

CurrencyWorks aims to build and operate a full-service blockchain platform for Non Fungible Tokens (NFTs), digital currencies, digital assets and security tokens.

Since 2017, our services and development business provides a turnkey set of services for companies to develop and integrate blockchain and payment technologies into their business operations. We intend to offer Fintech (financial technology) services and infrastructure offerings in key categories, including: digital currencies; digital assets including Non Fungible Tokens (NFTs); and, digital securities.

We anticipate that we will enable companies to digitize, sell and manage new or existing asset classes on blockchain infrastructure, transact in digital/ cryptocurrencies (Payments, Rewards and Credit infrastructure), issue or create digital/crypto assets and/or manage their digital/crypto assets (Non Fungible Tokens, Fungible Cold Storage, Mining).

CurrencyWorks has developed expertise in a number of key areas of the crypto ecosystem and we plan to build on these initiatives to drive our growth, including:

### **Non Fungible Tokens**

- Our work with Topps Inc on NFTs for Garbage Pail Kids has positioned CurrencyWorks for further growth in the fast-growing NFT market.
- Our image rights management blockchain platform initiative, first launched with Eastman Kodak, is seeing new opportunities in the emerging NFT sector.
  - Our work launching the award winning Vuele.io NFT platform for feature movies sector
  - Our work launching the MusicFX.io NFT platform for the music sector
  - Our work launching Motoclub.io NFT platform for the collector car sector

## Digital Payment for Cryptos

- Our work in digital payments with the Bitrail stable coin payment platform, with its high efficiency KYC/AML platform and money transmitter license in most US states for the regulated US firearms market, is further establishing our credentials in payments in the crypto economy.

## Security Tokens

- Our work with The Canadian Stock Exchange and Odyssey Trust on STOs (security token offerings) is continuing to design back-office reporting infrastructure for the trading of tokens as registered securities.

## Mergers & Acquisitions:

In the next year we will continue to explore synergistic and opportunistic M&A initiatives, including but not limited to the areas of Non Fungible Tokens (NFTs), Fungible Cold Storage, Mining, Payments and Trading infrastructure.

Our core revenue streams are expected to remain as consulting revenues and transaction fees. We may also earn equity stakes in payment for our services, to the extent permitted under applicable law.

## Description of Business

### *Overview*

Our business builds and operates FinTech Platforms-as-a-Service for digital currencies, digital securities tokens and digital assets. We anticipate that we will enable companies to digitise, sell and manage new or existing asset classes on blockchain infrastructure, transact in digital/cryptocurrencies (Payments, Rewards and Credit infrastructure), issue or create digital/crypto assets and/or manage their digital/crypto assets (Non Fungible Tokens, Fungible Cold Storage, Mining).

### *FinTech: Financial Technology*

Fintech encompasses innovative technologies and infrastructure for the financial sector including sectors such as payments, banking, trading, funds and eCommerce.

### *Blockchain Technology*

Blockchain is a continuously growing list of records called blocks, which are linked and secured using cryptography. Each block contains typically a hash pointer as a link to a previous block, a timestamp and transaction data. By design, blockchains are inherently resistant to modification of the data. Functionally, a blockchain can serve as an open, distributed ledger that can record transactions between two parties efficiently and in a verifiable and permanent way. For use as a distributed ledger, a blockchain is typically managed by a peer-to-peer network collectively adhering to a protocol for validating new blocks. Once recorded, the data in any given block cannot be altered retroactively without the alteration of all subsequent blocks and a collusion of the network majority. Blockchains are secure by design and are an example of a distributed computing system and decentralization can be achieved with a blockchain. This makes blockchains potentially suitable for the recording of events, medical records and other record management activities, such as identity management, documenting provenance, digital asset registration and transaction processing.

### *Principal Services*

We plan to generate revenue through the creation, development and management of fintech platforms for companies by:

#### **1. Business Development and Technical Services**

- Earning fees for consulting and development services
- Earning fees for business development, program management and strategic planning
- Licensing fees on fintech platforms
- Transactions fees
- Earned equity stakes in projects

## 2. Blockchain and Technology Program Management

- Product vision and road-mapping;
- Program development and project management; and
- Product development and testing.

## 3. Customer Development

- Customer discovery and scoping (not including any distribution or marketing related services, or assistance regarding the offer or sale of any tokens or coins); and
- Product commercialization and support.

## 4. Business Launch Services

- Public relations; business development plans and strategies maximizing physical and digital outreach (not including any distribution or marketing related services, or assistance regarding the offer or sale of any tokens or coins).
- Initial community development & management strategy;
- Establish digital/social media strategy and presence;

## 5. Post-Business Launch Support Services

- Public relations to support (not including any distribution or marketing related services, or assistance regarding the offer or sale of any tokens or coins);
- Community development and management; and
- General support.

We do not intend to find or make referrals to, or otherwise solicit, or assist in any way in the solicitation of, investors for investment in any of our clients' coin offerings, act as a placement agent for the sale of our clients' coins, or otherwise engage in any activity that would require us to register under Section 15(b) of the Securities Exchange Act of 1934, or similar provisions under state law.

### *Sales and Marketing*

We intend to implement our sales and marketing plan to attract new clients to our fintech-as-a-service and consulting business as follows:

- Direct sales pipeline development and management with management signing and managing qualified business prospects
- Maintain an online presence through our website and social media channels by utilizing video, written content and social implementations to create awareness;
- Speaking engagements at industry conferences;
- Networking within our established channels
- Direct sales channel management programs including both inbound and outbound programs and client referrals; and
- Public relations campaigns.

### *Competition*

We are in a novel business of providing services for companies to develop and integrate blockchain and cryptocurrency technologies into their business operations. We compete with the following competitors:

- **ConsenSys**

ConsenSys is a venture production studio building decentralized applications and various developer and end-user tools for blockchain ecosystems, primarily focused on Ethereum. The ConsenSys "hub" coordinates, incubates, accelerates and spawns "spoke" ventures through development, resource sharing, acquisitions, investments and the formation of joint ventures. These spokes benefit from foundational components built by ConsenSys that enable new services and business models to be built on the blockchain. In addition to the development of internal projects and consulting work, ConsenSys is engaged in the identification, development and acquisition of talent and projects on an ongoing basis.

- **IBM**

With thousands of technical experts, IBM is moving quickly into enterprise blockchain and claims the leading blockchain for business platform. This is primarily B2B focused work.

Many of our current and potential competitors may have greater brand recognition, longer operating histories, larger customer bases and significantly greater financial, marketing and other resources than we do. Accordingly, these competitors may be able to spend greater amounts on product development, marketing and distribution. This advantage could enable our competitors to acquire larger market share and develop and offer more competitive products and services. Such competition could adversely impact our ability to attain the financing necessary for us to develop our business plan. In the face of competition, we may not be successful in sufficient market share to make our business profitable.

- Many of the large management consultancy firms are developing blockchain-specific practice areas including Accenture, Deloitte and Bain.

### ***Intellectual Property and Technology***

We do not currently own any intellectual property. We intend to aggressively assert our rights under trade secret, patents, trademark and copyright laws to protect any intellectual property that we create, including product design, product research and concepts and recognized trademarks. These rights may be protected through the acquisition of patents and trademark registrations, the maintenance of trade secrets, the development of trade dress, and, where appropriate, litigation against those who are, in our opinion, infringing these rights.

We may initiate claims or litigation against third parties for infringement of our proprietary rights or to establish the validity of our proprietary rights. In addition, while we are not aware that our services or proprietary rights infringe the proprietary rights of third parties, we may receive notices from third parties asserting that we have infringed their patents, trademarks, copyrights or other intellectual property rights. Any such claims could be time-consuming, result in costly litigation, cause service stoppages or lead us to enter into royalty or licensing agreements rather than disputing the merits of such claims. An adverse outcome in litigation or similar proceedings could subject us to significant liabilities to third parties, require expenditure of significant resources to develop non-infringing technology, require disputed rights to be licensed from others, or require us to cease operating our business, any of which could have a material adverse effect on our business, operating results and financial condition.

As we are still in the early stages of developing our business, we have devoted no substantial efforts to research and development within the last three fiscal years.

### ***Government Regulation***

Current and future legislation and rulemaking and other regulatory developments, including interpretations released by a regulatory authority, may impact the manner in which bitcoins or other cryptocurrency is viewed or treated for classification and clearing purposes. In particular, bitcoins and other cryptocurrency may not be excluded from the definition of “security” by regulatory rulemaking or interpretation requiring registration of all transactions, unless an exemption is available, including transacting in bitcoin or cryptocurrency amongst owners, and require registration of trading platforms as “exchanges” such as Coinsquare. We cannot be certain as to how future regulatory developments will impact the treatment of bitcoins and other cryptocurrencies under the law. If we determine not to comply with such additional regulatory and registration requirements, we may seek to cease certain of our operations or be subjected to fines, penalties and other governmental action. Any such action may adversely affect an investment in us. Such circumstances would have a material adverse effect on our ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on our business, prospects or operations and potentially the value of any cryptocurrencies we hold or expect to acquire for our own account and harm investors.

We intend to comply with any applicable anti-money laundering or know your customer rules relating to tokens imposed by the SEC and Canadian securities regulators.

### ***Investment Company Act of 1940 Considerations***

We intend to conduct our operations so that we do not fall within, or are excluded from the definition of an “investment company” under the Investment Company Act of 1940.



Under Section 3(a)(1)(A) of the Investment Company Act of 1940, a company is deemed to be an “investment company” if it is, or holds itself out as being, engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities. We believe that we will not be considered an investment company under Section 3(a)(1)(A) of the Investment Company Act of 1940 because we will not engage primarily or hold ourselves out as being engaged primarily in the business of investing, reinvesting or trading in securities. Rather, our new business is a services and development business that provides a turnkey set of services for companies to develop and integrate blockchain and cryptocurrency technologies into their business operations.

Under Section 3(a)(1)(C) of the Investment Company Act of 1940, a company is deemed to be an “investment company” if it is engaged, or proposes to engage, in the business of investing, reinvesting, owning, holding or trading in securities and owns or proposes to acquire “investment securities” having a value exceeding 40% of the value of our company’s total assets (exclusive of U.S. Government securities and cash items) on an unconsolidated basis, which we refer to as the “40% test.” We intend to monitor our holdings and conduct operations so that on an unconsolidated basis we will comply with the 40% test. Nevertheless, because we may accept tokens, coins or equity in payment for our services, to the extent permitted under applicable law, we may acquire “investment securities” having a value exceeding 40% of the value of our company’s total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis. In that case, we intend to rely on a safe harbor exemption from the Investment Company Act of 1940 for so-called “transient investment companies.”

Consistent with the “transient investment company” safe harbor, we will have to reduce our holdings of “investment securities to not more than 40% of our total assets as soon as is reasonably possible and in any event within one year from the earlier of (i) the date on which we own securities and/or cash having a value exceeding 50% of the value of our company’s total assets on either a consolidated or unconsolidated basis or (ii) the date on which we own or propose to acquire “investment securities” having a value exceeding 40% of the value of our company’s total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis. This reduction could be attempted in a number of ways, including the disposition of securities and the acquisition of other assets that would not constitute investment securities for purposes of the Investment Company Act of 1940. If we are required to sell securities, we may sell them sooner than we otherwise would, the sales may be at depressed prices, and we may never realize anticipated benefits from, or may incur losses on, those investments. We may not be able to sell some investments due to contractual or legal restrictions or the inability to locate a suitable buyer. We may also incur tax liabilities when we sell our assets. If we decide to try to acquire additional assets that would not constitute investment securities, we may not be able to identify and acquire suitable assets. If these steps do not achieve a sufficient reduction in our holdings of investment securities within the prescribed period, we will be forced to liquidate some of our securities holdings and invest the proceeds in U.S. government securities and cash items, with a potential loss.

Because we can rely on the “transient investment company” safe harbor only once during any three-year period, we may not accept tokens, coins or equity in payment for our services during the period that this safe harbor is not available.

If we become obligated to register our company as an investment company, we would have to comply with a variety of substantive requirements under the Investment Company Act of 1940 imposing, among other things:

- limitations on capital structure;
- restrictions on specified investments;
- prohibitions on transactions with affiliates; and
- compliance with reporting, record keeping, voting, proxy disclosure and other rules and regulations that would significantly change our operations.

If we were required to register our company as an investment company but failed to do so, we would be prohibited from engaging in our business, and criminal and civil actions could be brought against us. In addition, our contracts would be unenforceable unless a court required enforcement, and a court could appoint a receiver to take control of us and liquidate our business, all of which would have a material adverse effect on us.

### ***Employees***

As at March 24, 2022, we have two executive officers, Bruce Elliott, who is our president, and Swapan Kakumanu, who is our chief financial officer, secretary, and treasurer and no employees. Our management oversees all responsibilities in the areas of corporate administration, business development, and research. We also employ consultants on an as-needed-basis to provide specific expertise in areas of product design and development and other business functions including marketing and accounting. We intend to expand our current management to retain skilled directors, officers, and employees with experience relevant to our business focus.

## ITEM 1A. RISK FACTORS

An investment in our common stock involves a number of very significant risks. You should carefully consider the following risks and uncertainties in addition to other information in this annual report in evaluating our company and our business before purchasing our securities. Our business, operating results and financial condition could be seriously harmed as a result of the occurrence of any of the following risks. You could lose all or part of your investment due to any of these risks. You should invest in our common stock only if you can afford to lose your entire investment.

### General Cryptocurrency Risks

***Cryptocurrency exchanges and other trading venues are relatively new and, in most cases, largely unregulated and may therefore be subject to fraud and failures.***

When cryptocurrency exchanges or other trading venues are involved in fraud or experience security failures or other operational issues, such events could result in a reduction in cryptocurrency prices or confidence and impact our success and have a material adverse effect on our ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on our business, prospects and operations.

Cryptocurrency market prices depend, directly or indirectly, on the prices set on exchanges and other trading venues, which are new and, in most cases, largely unregulated as compared to established, regulated exchanges for securities, commodities or currencies. For example, during the past three years, a number of bitcoin exchanges have closed due to fraud, business failure or security breaches. In many of these instances, the customers of the closed exchanges were not compensated or made whole for partial or complete losses of their account balances. While smaller exchanges are less likely to have the infrastructure and capitalization that may provide larger exchanges with some stability, larger exchanges may be more likely to be appealing targets for hackers and “malware” (i.e., software used or programmed by attackers to disrupt computer operation, gather sensitive information or gain access to private computer systems) and may be more likely to be targets of regulatory enforcement action. We do not maintain any insurance to protect from such risks, and do not expect any insurance for customer accounts to be available (such as federal deposit insurance) at any time in the future, putting customer accounts at risk from such events. In the event we face fraud, security failures, operational issues or similar events such factors would have a material adverse effect on our ability of to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on our business, prospects and operations.

***Regulatory changes or actions may alter the nature of an investment in us or restrict the use of cryptocurrencies in a manner that adversely affects our business, prospects or operations.***

As cryptocurrencies have grown in both popularity and market size, governments around the world have reacted differently to cryptocurrencies, with certain governments deeming them illegal while others have allowed their use and trade.

Governments may in the future curtail or outlaw the acquisition, use or redemption of cryptocurrencies. Ownership of, holding or trading in cryptocurrencies may then be considered illegal and subject to sanction. Governments may also take regulatory action that may increase the cost and/or subject cryptocurrency companies to additional regulation. The effect of any future regulatory change on our business or any cryptocurrency that may impact our business is impossible to predict, but such change could be substantial and would have a material adverse effect on our business, prospects and operations.

Governments may in the future take regulatory actions that prohibit or severely restrict the right to acquire, own, hold, sell, use or trade cryptocurrencies or to exchange cryptocurrencies for fiat currency. Similar actions by governments or regulatory bodies could result in restriction of the acquisition, ownership, holding, selling, use or trading in our securities. Such a restriction could have a material adverse effect on our ability to continue as a going concern or to pursue this segment at all, raise new capital which would have a material adverse effect on our business, prospects or operations and harm investors in our securities.

On-going and future regulatory actions and regulatory change related to our business or cryptocurrencies, may impact our ability to continue to operate and such actions could affect our ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on our business, prospects or operations.

***The development and acceptance of cryptographic and algorithmic protocols governing the issuance of and transactions in cryptocurrencies is subject to a variety of factors that are difficult to evaluate.***

The use of cryptocurrencies to, among other things, buy and sell goods and services and complete transactions, is part of a new and rapidly evolving industry that employs digital assets based upon a computer-generated mathematical and/or cryptographic protocol. The growth of this industry in general, and the use of cryptocurrencies in particular, is subject to a high degree of uncertainty, and the slowing or stopping of the development or acceptance of developing protocols may occur and is unpredictable. The factors include, but are not limited to:

- Continued worldwide growth in the adoption and use of cryptocurrencies;
- Governmental and quasi-governmental regulation of cryptocurrencies and their use, or restrictions on or regulation of access to and operation of the network or similar cryptocurrency systems;
- Changes in consumer demographics and public tastes and preferences;
- The maintenance and development of the open-source software protocol of the network;
- The availability and popularity of other forms or methods of buying and selling goods and services, including new means of using fiat currencies;
- General economic conditions and the regulatory environment relating to digital assets; and
- Negative consumer sentiment and perception of bitcoin specifically and cryptocurrencies generally.

Such events would have a material adverse effect on our ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on our business, prospects or operations and potentially the value of any cryptocurrencies we hold or expect to acquire for our own account and harm investors in our securities.

***Banks and financial institutions may not provide banking services, or may cut off services, to businesses that provide cryptocurrency-related services or that accept cryptocurrencies as payment, including financial institutions of investors in our securities.***

A number of companies that provide bitcoin and/or other cryptocurrency-related services have been unable to find banks or financial institutions that are willing to provide them with bank accounts and other services. Similarly, a number of companies and individuals or businesses associated with cryptocurrencies may have had and may continue to have their existing bank accounts closed or services discontinued with financial institutions. We also may be unable to obtain or maintain these services for our business. The difficulty that many businesses that provide bitcoin and/or other cryptocurrency-related services have and may continue to have in finding banks and financial institutions willing to provide them services may be decreasing the usefulness of cryptocurrencies as a payment system and harming public perception of cryptocurrencies and could decrease its usefulness and harm its public perception in the future. Similarly, the usefulness of cryptocurrencies as a payment system and the public perception of cryptocurrencies could be damaged if banks or financial institutions were to close the accounts of businesses providing bitcoin and/or other cryptocurrency-related services. This could occur as a result of compliance risk, cost, government regulation or public pressure. The risk applies to securities firms, clearance and settlement firms, national stock and commodities exchanges, the over the counter market and the Depository Trust Company, which, if any of such entities adopts or implements similar policies, rules or regulations, could result in the inability of our investors to open or maintain stock or commodities accounts, including the ability to deposit, maintain or trade our securities. Such factors would have a material adverse effect on our ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on our business, prospects or operations and harm investors.

***The impact of geopolitical events on the supply and demand for cryptocurrencies is uncertain.***

Crises may motivate large-scale purchases of cryptocurrencies which could increase the price of cryptocurrencies rapidly. This may increase the likelihood of a subsequent price decrease as crisis-driven purchasing behavior wanes, adversely affecting the value of any cryptocurrencies we hold or expect to acquire for our own account. Such risks are similar to the risks of purchasing commodities in general uncertain times, such as the risk of purchasing, holding or selling gold.

As an alternative to gold or fiat currencies that are backed by central governments, cryptocurrencies, which are relatively new, are subject to supply and demand forces. How such supply and demand will be impacted by geopolitical events is uncertain but could be harmful to us and investors in our securities. Nevertheless, political or economic crises may motivate large-scale acquisitions or sales of cryptocurrencies either globally or locally. Such events would have a material adverse effect on our ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on our business, prospects or operations and potentially the value of any cryptocurrencies we hold or expect to acquire for our own account.

***Acceptance and/or widespread use of cryptocurrency is uncertain.***

Currently, there is a relatively small use of bitcoins and/or other cryptocurrencies in the retail and commercial marketplace for goods or services. In comparison there is relatively large use by speculators contributing to price volatility.

The relative lack of acceptance of cryptocurrencies in the retail and commercial marketplace limits the ability of end-users to use them to pay for goods and services. Such lack of acceptance or decline in acceptances would have a material adverse effect on our ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on our business, prospects or operations and potentially the value of any cryptocurrencies we hold or expect to acquire for our own account.

***Political or economic crises may motivate large-scale sales of Bitcoins and Ethereum, or other cryptocurrencies, which could result in a reduction in value and adversely affect us.***

As an alternative to fiat currencies that are backed by central governments, digital assets such as bitcoins and Ethereum, which are relatively new, are subject to supply and demand forces based upon the desirability of an alternative, decentralized means of buying and selling goods and services, and it is unclear how such supply and demand will be impacted by geopolitical events. Nevertheless, political or economic crises may motivate large-scale acquisitions or sales of bitcoins and Ethereum and other cryptocurrencies either globally or locally. Large-scale sales of bitcoins and Ethereum or other cryptocurrencies would result in a reduction in their value and could adversely affect us. Such circumstances would have a material adverse effect on our ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on our business, prospects or operations and potentially the value of any cryptocurrencies we hold or expect to acquire for our own account and harm investors.

***It may be illegal now, or in the future, to acquire, own, hold, sell or use Bitcoin, Ethereum, or other cryptocurrencies, participate in the blockchain or utilize similar digital assets in one or more countries, the ruling of which would adversely affect us.***

Although currently bitcoins, Ethereum, and other cryptocurrencies, the blockchain and digital assets generally are not regulated or are lightly regulated in most countries, including the United States, one or more countries such as China and Russia may take regulatory actions in the future that could severely restrict the right to acquire, own, hold, sell or use these digital assets or to exchange for fiat currency. Such restrictions may adversely affect us. Such circumstances would have a material adverse effect on our ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on our business, prospects or operations and potentially the value of any cryptocurrencies we hold or expect to acquire for our own account and harm investors.

***If regulatory changes or interpretations require the regulation of bitcoins or other digital assets under the securities laws of the United States or elsewhere, including the Securities Act of 1933, the Securities Exchange Act of 1934 and the Investment Company Act of 1940 or similar laws of other jurisdictions and interpretations by the SEC, CFTC, IRS, Department of Treasury or other agencies or authorities, we may be required to register and comply with such regulations, including at a state or local level. To the extent that we decide to continue operations, the required registrations and regulatory compliance steps may result in extraordinary expense or burdens to us. We may also decide to cease certain operations. Any disruption of our operations in response to the changed regulatory circumstances may be at a time that is disadvantageous to us.***

Current and future legislation and SEC rulemaking and other regulatory developments, including interpretations released by a regulatory authority, may impact the manner in which bitcoins or other cryptocurrency is viewed or treated for classification and clearing purposes. In particular, bitcoins and other cryptocurrency may not be excluded from the definition of “security” by SEC rulemaking or interpretation requiring registration of all transactions, unless another exemption is available, including transacting in bitcoin or cryptocurrency amongst owners and require registration of trading platforms as “exchanges” such as Coinsquare. We cannot be certain as to how future regulatory developments will impact the treatment of bitcoins and other cryptocurrencies under the law. If we determine not to comply with such additional regulatory and registration requirements, we may seek to cease certain of our operations or be subjected to fines, penalties and other governmental action. Any such action may adversely affect an investment in us. Such circumstances would have a material adverse effect on our ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on our business, prospects or operations and potentially the value of any cryptocurrencies we hold or expect to acquire for our own account and harm investors.

***Lack of liquid markets, and possible manipulation of blockchain/cryptocurrency-based assets may adversely affect us.***

Digital assets that are represented and trade on a ledger-based platform may not necessarily benefit from viable trading markets. Stock exchanges have listing requirements and vet issuers, requiring them to be subjected to rigorous listing standards and rules and monitoring investors transacting on such platform for fraud and other improprieties. These conditions may not necessarily be replicated on a distributed ledger platform, depending on the platform's controls and other policies. The more lax a distributed ledger platform is about vetting issuers of digital assets or users that transact on the platform, the higher the potential risk for fraud or the manipulation of digital assets. These factors may decrease liquidity or volume, or increase volatility of digital securities or other assets trading on a ledger-based system, which may adversely affect us. Such circumstances would have a material adverse effect on our ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on our business, prospects or operations and potentially the value of any cryptocurrencies we hold or expect to acquire for our own account and harm investors.

**Risks Related to Our Business**

***We have an evolving business model.***

As fintech and blockchain technologies become more widely available, we expect the services and products associated with them to evolve. As a result, to stay current with the industry, our business model may need to evolve as well. From time to time, we may modify aspects of our business model relating to our product mix and service offerings. We cannot offer any assurance that these or any other modifications will be successful or will not result in harm to the business. We may not be able to manage growth effectively, which could damage our reputation, limit our growth and negatively affect our operating results. Such circumstances would have a material adverse effect on our ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on our business, prospects or operations and potentially the value of any cryptocurrencies we hold or expect to acquire for our own account and harm investors.

***The loss or potential loss of our exclusion from regulation pursuant to the Investment Company Act of 1940, the Investment Advisors Act of 1940 or any related state exemptions, could require us to restructure our operations.***

The SEC heavily regulates the manner in which "investment companies," "investment advisors," and "broker-dealers" are permitted to conduct their business activities. We believe we will conduct our business in a manner that does not result in us being characterized as an investment company, an investment advisor or a broker-dealer, as we do not believe that we will engage in any of the activities that require registration under the Investment Company Act of 1940, the Investment Advisors Act of 1940 or any similar provisions under state law. We intend to continue to conduct our business in such manner. If, however, we are deemed to be an investment company, an investment advisor, or a broker-dealer, we may be required to institute burdensome compliance requirements and our activities may be restricted, which would affect our business to a material degree. The loss or potential loss of our exclusion from regulation pursuant to the Investment Company Act of 1940, the Investment Advisors Act of 1940 or any related state exemptions, could require us to restructure our operations, which could have an adverse effect on our financial condition and results of operations. In addition, we are determined to have engaged in activities that require any such registration, without obtaining such registration, we could be subject to civil and/or criminal liability, which could have an adverse effect on our financial condition and results of operations.

***Cryptocurrency inventory, including that maintained by or for us, may be exposed to cybersecurity threats and hacks.***

As with any computer code generally, flaws in cryptocurrency codes may be exposed by malicious actors. Several errors and defects have been found previously, including those that disabled some functionality for users and exposed users' information. Flaws in and exploitations of the source code allow malicious actors to take or create money have previously occurred. To date, several hackings have become public knowledge whereby hackers have exploited security vulnerabilities in computer code used by cryptocurrency exchanges, digital wallets and companies that hold cryptocurrency to steal the equivalent of hundreds of millions of dollars based on current exchange rates. Such events would have a material adverse effect on our ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on our business, prospects or operations and potentially the value of any cryptocurrencies we hold or expect to acquire for our own account.

***Competing fintech and blockchain platforms and technologies may adversely affect our business.***

The development and acceptance of competing blockchain platforms or technologies may cause consumers to use alternative distributed ledgers or an alternative to distributed ledgers altogether. This may adversely affect us and our exposure to various blockchain technologies. Such circumstances would have a material adverse effect on our ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on our business, prospects or operations and potentially the value of any cryptocurrencies we hold or expect to acquire for our own account and harm investors.

***Competition in our market could harm our business.***

Many of our current and potential competitors may have greater brand recognition, longer operating histories, larger customer bases and significantly greater financial, marketing and other resources than we do. Accordingly, these competitors may be able to spend greater amounts on product development, marketing and distribution. This advantage could enable our competitors to acquire larger market share and develop and offer more competitive products and services. Such competition could adversely impact our ability to attain the financing necessary for us to develop our business plan. In the face of competition, we may not be successful in sufficient market share to make our business profitable.

***The cryptocurrency assets we may hold may be subject to loss, theft or restriction on access.***

There is a risk that some or all of the cryptocurrency assets we hold from time to time could be lost or stolen. Access to the cryptocurrency assets we hold from time to time could also be restricted by cybercrime (such as a denial of service attack) against a service at which we maintain a hosted online wallet. Any of these events may adversely affect our operations and, consequently, our investments and profitability. The loss or destruction of a private key required to access our digital wallets may be irreversible and we may be denied access for all time to our cryptocurrency holdings. Our loss of access to our private keys or our experience of a data loss relating to our digital wallets could adversely affect our investments and assets.

Cryptocurrencies are controllable only by the possessor of both the unique public and private keys relating to the local or online digital wallet in which they are held, which wallet's public key or address is reflected in the network's public blockchain. We will publish the public key relating to digital wallets in use when we verify the receipt of transfers and disseminate such information into the network, but we will need to safeguard the private keys relating to such digital wallets. To the extent such private keys are lost, destroyed or otherwise compromised, we will be unable to access the cryptocurrency assets we hold from time to time and such private keys will not be capable of being restored by any network. Any loss of private keys relating to digital wallets used to store the cryptocurrency assets we hold from time to time would have a material adverse effect on our ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on our business, prospects or operations and potentially the value of any cryptocurrencies we hold or expect to acquire for our own account.

***Incorrect or fraudulent coin transactions may be irreversible.***

Cryptocurrency transactions are irrevocable and stolen or incorrectly transferred coins may be irretrievable. As a result, any incorrectly executed or fraudulent coin transactions could adversely affect our investments and assets.

Coin transactions are not, from an administrative perspective, reversible without the consent and active participation of the recipient of the transaction. In theory, cryptocurrency transactions may be reversible with the control or consent of a majority of processing power on the network. Once a transaction has been verified and recorded in a block that is added to the blockchain, an incorrect transfer of a coin or a theft of coin generally will not be reversible and we may not be capable of seeking compensation for any such transfer or theft. It is possible that, through computer or human error, or through theft or criminal action, our coins could be transferred in incorrect amounts or to unauthorized third parties, or to uncontrolled accounts. Such events would have a material adverse effect on our ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on our business, prospects or operations and potentially the value of any cryptocurrencies we hold or expect to acquire for our own account.

***Since there has been limited precedence set for financial accounting of bitcoin, Ethereum, and other digital assets, it is unclear how we will be required to account for digital assets transactions in the future.***

Since there has been limited precedence set for the financial accounting of digital assets, it is unclear how we will be required to account for digital asset transactions or assets. Furthermore, a change in regulatory or financial accounting standards could result in the necessity to restate our financial statements. Such a restatement could negatively impact our business, prospects, financial condition and results of operation. Such circumstances would have a material adverse effect on our ability to continue as a going concern or to pursue this segment at all, which would have a material adverse effect on our business, prospects or operations and potentially the value of any cryptocurrencies we hold or expect to acquire for our own account and harm investors.

***The current state of capital markets, particularly for small companies, is expected to reduce our ability to obtain the financing necessary to continue our business. If we cannot raise the funds that we need to operate and expand our new business, we may go out of business and investors may lose their entire investment in us.***

Like other smaller companies, we face difficulties in raising capital for our continued operations and to operate and expand our new business. We may not be able to raise money through the sale of our equity securities or through borrowing funds on terms we find acceptable.

***We have had negative cash flows from operations and if we are not able to obtain further financing, our business operations may fail.***

We had cash and cash equivalents in the amount of \$567,030 and working deficit of \$644,813 as of December 31, 2021, and cash and cash equivalents of \$33,342 and working deficit of \$1,656,536 as of December 31, 2020. We anticipate that we will require additional financing while we operate our business. Further, we anticipate that we will not have sufficient capital to fund our ongoing operations for the next twelve months. We would likely secure any additional financing necessary through a private placement of our common stock through a debt financing. There can be no assurance that any financing will be available to us, or, even if it is, if it will be offered on terms and conditions acceptable to us. Our inability to obtain additional financing in a sufficient amount when needed and upon terms and conditions acceptable to us, could have a material adverse effect upon us. If additional funds are raised by issuing equity securities, dilution to existing or future stockholders will result. If adequate funds are not available on acceptable terms when needed, we may be required to delay, scale back or eliminate the expansion of our new business.

***Our chief financial officer devotes approximately 50% of his working time to our company.***

Swapan Kakumanu, our chief financial officer, devotes approximately 50% of his working time, or approximately up to 20 hours per week, to our company. Because Mr. Kakumanu works only part-time, instances may occur where he may not be immediately available to provide solutions to problems or address concerns that arise in the course of us conducting our business and thus adversely affect our business. In addition, Mr. Kakumanu can become subject to conflicts of interest because he devotes part of his working time to other business endeavors, including consulting relationships with other entities, and have responsibilities to these other entities. Such conflicts include deciding how much time to devote to our affairs, as well as what business opportunities should be presented to us. Because of these relationships, Mr. Kakumanu could be subject to conflicts of interest.

The directors and officers of our company, including Mr. Kakumanu, are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosures by the directors and officers of conflicts of interest, and we will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of our directors and officers. All such conflicts are to be disclosed by such directors or officers in accordance with applicable laws and the directors and officers are to govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

### **Risks Related to Our Common Stock**

***Because we can issue additional shares of common stock, our stockholders may experience dilution in the future.***

We are authorized to issue up to 400,000,000 shares of common stock, of which 77,953,057 shares of common stock were issued and outstanding as of March 24, 2022. Our board of directors has the authority to cause us to issue additional shares of common stock without consent of our stockholders. Consequently, stockholders may experience dilution in their ownership of our stock in the future.

If the outstanding stock options or convertible notes are exercised or converted, then we would be required to issue additional shares of our common stock, which will result in dilution to our stockholders' ownership of our stock.

***Because we do not intend to pay any cash dividends on our common stock in the near future, our stockholders will not be able to receive a return on their shares unless they sell them.***

We do not anticipate paying any cash dividends on our common stock in the near future. The declaration, payment and amount of any future dividends will be made at the discretion of the board of directors, and will depend upon, among other things, our results of operations, cash flows and financial condition, operating and capital requirements, and other factors the board considers relevant. We may never pay any dividends. Unless we pay dividends, our stockholders will not be able to receive a return on their shares unless they sell them.

***Our stock is a penny stock. Trading of our stock is restricted by the SEC's penny stock regulations, which may limit a stockholder's ability to buy and sell our stock.***

Our stock is a penny stock. The SEC has adopted Rule 15c-9 which generally defines "penny stock" to be any equity security that has a market price (as defined in Rule 15c-9) less than \$5.00 per share or an exercise price of less than \$5.00 per share, subject to certain exceptions. Our securities are covered by the penny stock rules, which impose additional sales practice requirements on broker-dealers who sell to persons other than established customers and "accredited investors". The term "accredited investor" refers generally to institutions with assets in excess of \$5,000,000 or individuals with a net worth in excess of \$1,000,000 or annual income exceeding \$200,000 or \$300,000 jointly with their spouse. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document in a form prepared by the SEC, which provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotations, and the broker-dealer and salesperson compensation information, must be given to the customer orally or in writing prior to effecting the transaction and must be given to the customer in writing before or with the customer's confirmation. In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from these rules; the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for the stock that is subject to these penny stock rules. Consequently, these penny stock rules may affect the ability of broker-dealers to trade our securities. We believe that the penny stock rules discourage investor interest in and limit the marketability of our common stock.



*The Financial Industry Regulatory Authority sales practice requirements may also limit a stockholder's ability to buy and sell our stock.*

In addition to the “penny stock” rules promulgated by the SEC, the Financial Industry Regulatory Authority (“FINRA”) has adopted rules that require that in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Prior to recommending speculative low priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer’s financial status, tax status, investment objectives and other information. Under interpretations of these rules, FINRA believes that there is a high probability that speculative low priced securities will not be suitable for at least some customers. FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy our common stock, which may limit your ability to buy and sell our stock.

#### ***Risks related to Covid-19***

Our business could be adversely affected by the effects of health epidemics, including the global COVID-19 pandemic.

On March 11, 2020, the Coronavirus COVID-19 (“COVID-19”) outbreak was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the United States government and the Canadian government, enacting emergency measures to combat the spread of the virus. These measures include implementation of travel bans, self-imposed quarantine periods and social distancing, which are causing material disruption to businesses globally, resulting in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. While some of these restrictions are being lifted in stages, significant economic uncertainties persist which require increased judgment for many of the Company’s estimates and assumptions.

However the ultimate effects of how the outbreak will impact the Company’s business in future periods cannot be reasonably estimated at this time. Management has been closely monitoring its investment portfolios and overall operating results.

#### **ITEM 1B. UNRESOLVED STAFF COMMENTS**

Not applicable.

#### **ITEM 2. PROPERTIES**

We do not own any property. Our principal offices are located at 3250 Oakland Hills Court, Fairfield, CA 94534. We believe that our office premises are suitable and adequate for our present needs.

#### **ITEM 3. LEGAL PROCEEDINGS**

We know of no material pending legal proceedings to which our company or subsidiaries is a party or of which any of our properties, or the properties of our subsidiaries, is the subject. In addition, we do not know of any such proceedings contemplated by any governmental authorities.

We know of no material proceedings in which any of our directors, officers or affiliates, or any registered or beneficial stockholder is a party adverse to our company or subsidiaries or has a material interest adverse to our company or subsidiaries.

#### **ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

## PART II

### ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

#### Market Information

Our common stock is quoted on the OTCQB operated by the OTC Markets Group and is listed on the Canadian Securities Exchange under the symbol "CWRK".

Trading in stocks quoted on the OTCQB or the Canadian Stock Exchange is often thin and is characterized by wide fluctuations in trading prices due to many factors that may be unrelated or have little to do with a company's operations or business prospects. We cannot assure you that there will be a market for our common stock in the future.

#### Holders of Common Stock

As of March 24, 2022, the 77,953,057 issued and outstanding shares of our common stock were held by a total of 131 stockholders of record.

#### Dividends

We have not declared any dividends since incorporation and do not anticipate that we will do so in the foreseeable future. Our intention is to retain future earnings, if any, for use in our operations and the expansion of our business.

## Securities Authorized for Issuance under Equity Compensation Plans

The following table summarizes certain information regarding our equity compensation plans as at December 31, 2021:

Plan category	Number of securities to be issued upon exercise of outstanding options (a)	Number of securities to be issued upon exercise of outstanding warrants and rights (b)	Weighted-average exercise price of outstanding options, warrants and rights (c)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a + b)) (d)
Equity compensation plans approved by security holders (2017 Equity Incentive Plan)	8,301,666	18,102,771	0.76	4,998,334
Equity compensation plans not approved by security holders	Nil	Nil	N/A	Nil
<b>Total</b>	8,301,666	18,102,771	0.76	4,998,334

## Recent Sales of Unregistered Securities

Other than as disclosed below, since the beginning of our fiscal year ended December 31, 2021, we have not sold any equity securities that were not registered under the Securities Act of 1933 that were not previously reported in a quarterly report on Form 10-Q or in a current report on Form 8-K.

On January 7, 2021, we issued 200,000 shares of our common stock upon exercise of the stock options with an exercise price of US\$0.10 per share for gross proceeds of US\$20,000. We issued these shares to one non-U.S. Person (as that term is defined in Regulation S of the Securities Act of 1933) in an offshore transaction relying on Regulation S promulgated under the Securities Act of 1933 and/or /Section 4(a)(2) of the Securities Act of 1933.

On January 12, 2021, we issued 541,250 shares of our common stock upon exercise of the warrants with an exercise price of CDN\$0.10 per share for gross proceeds of CDN\$54,125. We issued these shares to two non-U.S. Person (as that term is defined in Regulation S of the Securities Act of 1933) in an offshore transaction relying on Regulation S promulgated under the Securities Act of 1933 and/or /Section 4(a)(2) of the Securities Act of 1933.

On January 14, 2021, we issued 100,000 shares of our common stock upon exercise of the stock options with an exercise price of US\$0.60 per share for gross proceeds of US\$60,000. We issued these shares to one non-U.S. Person (as that term is defined in Regulation S of the Securities Act of 1933) in an offshore transaction relying on Regulation S promulgated under the Securities Act of 1933 and/or /Section 4(a)(2) of the Securities Act of 1933.

On January 27, 2021, we issued 400,000 shares of our common stock upon exercise of the warrants with an exercise price of CDN\$0.10 per share for gross proceeds of CDN\$40,000. We issued these shares to one non-U.S. Person (as that term is defined in Regulation S of the Securities Act of 1933) in an offshore transaction relying on Regulation S promulgated under the Securities Act of 1933 and/or /Section 4(a)(2) of the Securities Act of 1933.

On February 3, 2021, we issued 1,000,000 shares of our common stock upon exercise of the warrants with an exercise price of CDN\$0.10 per share for gross proceeds of CDN\$100,000. We issued these shares to one non-U.S. Person (as that term is defined in Regulation S of the Securities Act of 1933) in an offshore transaction relying on Regulation S promulgated under the Securities Act of 1933 and/or /Section 4(a)(2) of the Securities Act of 1933.

On February 18, 2021, we issued 25,000 shares of our common stock upon exercise of the stock options with an exercise price of US\$0.10 per share for gross proceeds of US\$2,500. We issued these shares to one U.S. Person (as that term is defined in Regulation S of the Securities Act of 1933) and in issuing these shares, we relied on the exemption from the registration requirements of the Securities Act of 1933 provided by Section 4(a)(2) of the Securities Act of 1933.

On March 18, 2021, we issued 1,000,000 shares of our common stock upon exercise of the warrants with an exercise price of CDN\$0.10 per share for gross proceeds of CDN\$100,000. We issued these shares to one non-U.S. Person (as that term is defined in Regulation S of the Securities Act of 1933) in an offshore transaction relying on Regulation S promulgated under the Securities Act of 1933 and/or /Section 4(a)(2) of the Securities Act of 1933.

On March 18, 2021, we issued 1,000,000 shares of our common stock upon exercise of the warrants with an exercise price of CDN\$0.165 per share for gross proceeds of CDN\$165,000. We issued these shares to one non-U.S. Person (as that term is defined in Regulation S of the Securities Act of 1933) in an offshore transaction relying on Regulation S promulgated under the Securities Act of 1933 and/or /Section 4(a)(2) of the Securities Act of 1933.

On March 22, 2021, we issued 1,000,000 shares of our common stock upon exercise of the warrants with an exercise price of CDN\$0.10 per share for gross proceeds of CDN\$100,000. We issued these shares to one non-U.S. Person (as that term is defined in Regulation S of the Securities Act of 1933) in an offshore transaction relying on Regulation S promulgated under the Securities Act of 1933 and/or /Section 4(a)(2) of the Securities Act of 1933.

On April 14, 2021, we issued 1,000,000 shares of our common stock upon exercise of the warrants with an exercise price of CDN\$0.10 per share for gross proceeds of CDN\$100,000. We issued these shares to one non-U.S. Person (as that term is defined in Regulation S of the Securities Act of 1933) in an offshore transaction relying on Regulation S promulgated under the Securities Act of 1933 and/or /Section 4(a)(2) of the Securities Act of 1933.

On April 29, 2021, we issued 400,000 shares of our common stock upon exercise of the warrants with an exercise price of CDN\$0.165 per share for gross proceeds of CDN\$66,000. We issued these shares to one non-U.S. Person (as that term is defined in Regulation S of the Securities Act of 1933) in an offshore transaction relying on Regulation S promulgated under the Securities Act of 1933 and/or /Section 4(a)(2) of the Securities Act of 1933.

On April 29, 2021, we issued 100,000 shares of our common stock upon exercise of the warrants with an exercise price of CDN\$0.75 per share for gross proceeds of CDN\$75,000. We issued these shares to one non-U.S. Person (as that term is defined in Regulation S of the Securities Act of 1933) in an offshore transaction relying on Regulation S promulgated under the Securities Act of 1933 and/or /Section 4(a)(2) of the Securities Act of 1933.

On May 10, 2021, we issued 2,000,000 shares of our common stock upon exercise of the warrants with an exercise price of CDN\$0.10 per share for gross proceeds of CDN\$200,000. We issued these shares to one non-U.S. Person (as that term is defined in Regulation S of the Securities Act of 1933) in an offshore transaction relying on Regulation S promulgated under the Securities Act of 1933 and/or /Section 4(a)(2) of the Securities Act of 1933.

On May 10, 2021, we issued 1,000,000 shares of our common stock upon exercise of the warrants with an exercise price of CDN\$0.165 per share for gross proceeds of CDN\$165,000. We issued these shares to one non-U.S. Person (as that term is defined in Regulation S of the Securities Act of 1933) in an offshore transaction relying on Regulation S promulgated under the Securities Act of 1933 and/or /Section 4(a)(2) of the Securities Act of 1933.

On May 11, 2021, we issued an aggregate of 4,504,600 shares of our common stock upon conversion of the aggregate principal amounts of US\$135,138 of convertible notes. We issued the shares to two non-U.S. persons (as that term is defined in Regulation S of the Securities Act of 1933, as amended) in an offshore transaction in which we relied on the exemptions from the registration requirements provided for in Regulation S and/or Section 4(a)(2) of the Securities Act of 1933, as amended.

#### **Purchases of Equity Securities by the Issuer and Affiliated Purchasers**

None.

#### **ITEM 6. SELECTED FINANCIAL DATA**

Not applicable.

#### **ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

Our management's discussion and analysis provides a narrative about our financial performance and condition that should be read in conjunction with the audited consolidated financial statements and related notes thereto included in this annual report. This discussion contains forward looking statements reflecting our current expectations and estimates and assumptions about events and trends that may affect our future operating results or financial position. Our actual results and the timing of certain events could differ materially from those discussed in these forward-looking statements due to a number of factors, including, but not limited to, those set forth in the sections of this annual report titled "Risk Factors" and "Forward-Looking Statements".

## Overview

Our business is a services and development business that provides a turnkey set of services for companies to develop and integrate blockchain and payment technologies into their business operations. We anticipate that we will enable companies to focus on their core competencies while providing the necessary resources and expertise to execute a strategy that will enable companies to integrate new blockchain plus payment technologies into their business operations. Our plan is to be compensated on a fee-for-services model, technology licensing model and reoccurring transactions revenue model. We may accept tokens, coins or equity in payment for our services, to the extent permitted under applicable law.

## Results of Operations

### Revenue

We recognized total revenue of \$472,435 with \$336,435 coming from the sale of NFTs and \$136,000 from consulting services for the year ended December 31, 2021 compared to \$nil from the sale of NFTs and \$190,333 from consulting services in 2020.

### Operating Expenses

We incurred operating expenses of \$10,508,073 and \$795,239 for the years ended December 31, 2021 and 2020, respectively, representing an increase of \$9,712,834 between the two periods. These expenses consisted primarily of consulting fees, service costs, professional fees, stock-based compensation, interest and bank charges, and other general and administrative expenses. The increase in operating expenses between the two periods related to an increase in consulting expenses from \$307,431 in 2020 to \$1,904,868 in 2021 due to amending consulting agreement with individuals to provide strategic and project management services and increased activity in 2021, an increase in professional fees from \$84,726 in 2020 to \$501,954 in 2021 due to increased activity in 2021, and an increase in other general and administrative expenses from \$328,750 in 2020 to \$5,960,924 in 2021 as new agreements were entered into in the current year and travel costs and advertising expenses have increased due to higher activity in 2021. The Company increased spending on project costs from \$22,376 in 2020 to \$2,122,899 in 2021 due to higher activity levels.

### Net Loss from Operations

We incurred net losses from operations of \$10,035,638 and \$604,906 for the years ended December 31, 2021 and 2020, respectively, representing an increase of \$9,430,732 primarily attributable to the factors discussed above under the heading "Operating Expenses".

### Other Income (Expense)

Other income (expense) includes \$186,880 of principal and interest receivables collected for the year ended December 31, 2021 on a loan receivable to a related party compared to \$314,974 for the period ended December 31, 2020. Other income include interest revenue on convertible notes of \$24,773 compared to \$nil interest expense for the same period last year. Other expenses include interest expense on convertible notes of \$65,499 compared to \$150,992 interest expense for the same period last year. There were warrants issued for the year ended December 31, 2021 with a derivative liability of \$13,771,835 (2020 – \$3,615,149).

## Liquidity and Capital Resources

### Working Capital

	As at December 31, 2021	As at December 31, 2020
Current Assets	\$ 655,321	\$ 142,024
Current Liabilities	1,249,904	1,798,560
Working Capital (Deficit)	\$ (594,583)	\$ (1,656,536)

### Current Assets

Current assets of \$655,321 as at December 31, 2021 and \$129,904 as at December 31, 2020 were comprised of only cash and cash equivalents, prepaid expenses, an outstanding loan receivable, deferred service costs and our capitalized service costs. The increase in current assets as at December 31, 2021 is mainly due to cash and cash equivalents increase by \$533,688 from financing.

### ***Current Liabilities***

Current liabilities as at December 31, 2021 were attributable to \$1,300,134 in accounts payable compared to \$144,461 in accounts payable and accrued expenses and \$135,965 in accounts payable, related party, \$32,489 in loans payable and accrued interest, related party, and \$1,050,765 in convertible notes and accrued interest as at December 31, 2020.

### ***Cash Flow***

Our cash flows for the years ended December 31, 2021 and December 31, 2020 are as follows:

	<b>Year ended December 31, 2021</b>	<b>Year ended December 31, 2020</b>
Net cash (used in) operating activities	\$ (4,763,314)	\$ (337,855)
Net cash (used in) investing activities	(4,250,000)	-
Net cash provided by financing activities	9,547,002	369,928
Net changes in cash and cash equivalents	<u>\$ 533,688</u>	<u>\$ 32,073</u>

### ***Operating Activities***

Net cash used in operating activities was \$4,763,314 for the year ended December 31, 2021, as compared to \$337,855 for the year ended December 31, 2020, an increase of \$4,497,672. The increase in net cash used in operating activities was primarily due to new consulting agreements and amended agreements in 2021 increasing operational expenses.

### ***Investing Activities***

Net cash used in investing activities was \$4,250,000 for the year ended December 31, 2021, as compared to \$nil for the year ended December 31, 2020, an increase of \$4,250,000. The increase in net cash used in investing activities was primarily due to the purchase of intangible assets and loan to Fogdog.

### ***Financing Activities***

Financing activities provided cash of \$9,547,002 for the year ended December 31, 2021 and \$369,928 for the year ended December 31, 2020. On June 12, 2021, the Company received aggregate gross proceeds of \$8,894,831 (the "Offering"), proceeds from warrant exercises of \$1,362,234, and proceeds of \$32,500 from options exercises net of \$742,563 of issuance costs. On December 31, 2021, warrants were exercised for proceeds of \$50,000. In 2020, warrants were exercised for proceeds of \$36,000, net proceeds of \$329,948 were raised in a private placement.

### ***Cash Requirements***

We expect that we will require \$2,400,000, including our current working capital, to fund our operating expenditures for the next twelve months. Projected working capital requirements for the next twelve months are as follows:

#### Estimated Working Capital Expenditures During the Next Twelve Months

General and administrative expenses	\$ 2,400,000
<b>Total</b>	<b><u>\$ 2,400,000</u></b>

Our estimated general and administrative expenses for the next 12 months are \$2,400,000 and are comprised of: consulting fees, accounting services, board of directors and our advisory board, investor relations consultants, and to our public relations and marketing consultants; legal and professional fees (including auditing fees); for insurance; marketing and advertising expenses; trade shows; travel expenses; office rent and miscellaneous and office expenses.

We will require additional cash resources to meet our planned capital expenditures and working capital requirements for the next 12 months. We expect to derive such cash through the sale of equity or debt securities or by obtaining a credit facility. The sale of additional equity securities will result in dilution to our stockholders. The incurrence of indebtedness will result in debt service obligations, could cause additional dilution to our stockholders, and could require us to agree to financial covenants that could restrict our operations or modify our plans to source a new business opportunity. Financing may not be available in amounts or on terms acceptable to us, if at all. Failure to raise additional funds could cause our company to fail.

**Going Concern**

Our consolidated financial statements are prepared using generally accepted accounting principles in the United States of America applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. We have not yet established a source of revenues sufficient to cover our operating costs and to allow us to continue as a going concern. We have incurred losses since inception resulting in an accumulated deficit of \$35,248,384 as at December 31, 2021 (December 31, 2020: \$13,323,375). Our ability to operate as a going concern is dependent on obtaining adequate capital to fund operating losses until we become profitable.

In its report on our financial statements for the years ended December 31, 2021 and 2020, our independent registered public accounting firm included an explanatory paragraph regarding substantial doubt about our ability to continue as a going concern. Our consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

**Off-Balance Sheet Arrangements**

We have no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

**ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Not applicable.

**ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

See next page.

## FINANCIAL STATEMENTS

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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and  
Stockholders of CurrencyWorks, Inc.

### **Opinion on the Financial Statements**

We have audited the accompanying balance sheets of CurrencyWorks, Inc. (the Company) as of December 31, 2021 and the related statements of operations, stockholders' equity (deficit), and cash flows for each of the years in the two-year period ended December 31, 2021 and 2020, and the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

### **Consideration of the Company's Ability to Continue as a Going Concern**

The accompanying consolidated financial statements have been prepared assuming that CurrencyWorks, Inc. will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company has recurring losses from operations and negative cash flows from operations. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1 to the consolidated financial statements. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. If the Company is unable to obtain additional financing, there could be a material adverse effect on the Company.

### **Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

### **Critical Audit Matters**

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

#### *Complex Financing Transactions*

##### Description of the Matter:

As discussed in Note 6 to the consolidated financial statements, the Company's financing transactions include warrants that are denominated in a currency other than the Company's functional currency which requires derivative accounting. Derivative accounting is complex, involves judgements, and estimation.

##### How We Addressed the Matter in Our Audit

We reviewed the underlying warrant agreements, evaluated management's selection of a valuation method, tested the inputs used in the Black-Scholes calculation by agreeing terms to the warrant agreements and market information to third-party sites, and recalculated the derivative liability. We also reviewed the Company's convertible note agreements to determine if there were unidentified derivatives.

#### *NFT Revenue Recognition*

##### Description of the Matter:

NFTs are intangible assets with subjective value and limited regulatory and accounting guidance.

##### How We Addressed the Matter in Our Audit

We reviewed the terms of selected NFT sales, information from third-party sites, proof of payment and documentation that ownership of the NFT was transferred to the purchaser.

#### *Complex Stock Options*

##### Description of the Matter:

The Company has stock options, which requires fair value calculations that are complex and subject to critical judgment.

##### How We Addressed the Matter in Our Audit

We reviewed stock option agreements, tested inputs used in the Black-Scholes calculation by agreeing terms to the agreements and market information to third-party sites, and recalculated the stock-based compensation expense.

#### *Investment Value*

##### Description of the Matter:

The Company holds stock in a private entity and the investment was obtained through a noncash exchange of shares.

##### How We Addressed the Matter in Our Audit

We reviewed the stock exchange agreement and a public filing that disclosed the private placements which were used for the valuation.

#### *Intangible Asset Value*

##### Description of the Matter:

The recorded intangible asset is subject to impairment if future cash flows will not exceed the unamortized cost.

##### How We Addressed the Matter in Our Audit

We reviewed support for cash generated during and subsequent to the year and considered management's plans to generate additional revenue.

#### *Consolidation*

##### Description of the Matter:

The Company has multiple subsidiaries with intercompany balances and transactions and spun-off a subsidiary that involved debt conversion and required a gain/loss calculation.

##### How We Addressed the Matter in Our Audit

We reviewed detailed transactions and consolidation reports to ensure related party transactions and balances were properly eliminated. We reviewed management's assessment of new subsidiaries and the sale of a subsidiary and recalculated the non-controlling interest at year-end and the gain on the subsidiary deconsolidation.

Haynie & Company  
Salt Lake City, Utah  
April 14, 2022

We have served as the Company's auditor since 2018.

**CurrencyWorks Inc.**  
**Consolidated Balance Sheets**

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 567,030	\$ 33,342
Accounts receivable	-	90,333
Prepaid expenses	88,291	18,349
<b>Total Current Assets</b>	<u>655,321</u>	<u>142,024</u>
Intangible asset	2,925,000	-
Notes receivable– related party	1,250,000	-
Investment, related party	480,780	37
Interest receivable– related party	24,773	-
<b>Total Assets</b>	<u>\$ 5,335,874</u>	<u>\$ 142,061</u>
<b>Liabilities and Stockholders' (Deficit)</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	\$ 1,249,904	\$ 144,461
Accounts payable and accrued expenses, related party	-	135,965
Loans payable, related party	-	434,880
Accrued interest on loans payable, related party	-	32,489
Current portion of convertible notes	-	924,825
Current portion of interest on convertible notes	-	125,940
<b>Total Current Liabilities</b>	<u>1,249,904</u>	<u>1,798,560</u>
Derivative liability	474,595	3,747,600
Convertible notes payable	-	101,500
Accrued interest on convertible notes	-	220,431
<b>Total Liabilities</b>	<u>1,724,499</u>	<u>5,868,091</u>
<b>Commitments and Contingencies</b>	-	-
<b>Stockholders' (Deficit)</b>		
Common stock, \$0.001 par value, 400,000,000 shares authorized; 73,359,430 and 35,426,033 shares issued and outstanding as at December 31, 2021 and 2020, respectively	73,359	35,425
Additional paid-in-capital	39,681,142	7,895,335
Accumulated deficit	(35,248,384)	(13,323,375)
<b>Total CurrencyWorks Stockholders' Equity (Deficit)</b>	<u>4,506,117</u>	<u>(5,392,615)</u>
Non-controlling Interest	(894,742)	(333,415)
<b>Total Stockholders' (Deficit)</b>	<u>3,611,375</u>	<u>(5,726,030)</u>
<b>Total Liabilities and Stockholders' Equity (Deficit)</b>	<u>\$ 5,335,874</u>	<u>\$ 142,061</u>

The accompanying notes are an integral part of these consolidated financial statements.

**CurrencyWorks Inc.**  
**Consolidated Statements of Operations**

	<u>Year Ended</u> <u>December 31, 2021</u>	<u>Year Ended</u> <u>December 31, 2020</u>
<b>Revenues</b>		
Revenue	\$ 472,435	\$ 190,333
Total revenues	<u>472,435</u>	<u>190,333</u>
<b>Operating expenses</b>		
General and administrative expense	8,435,404	772,863
Service costs	<u>2,072,669</u>	<u>22,376</u>
Total operating expenses	<u>10,508,073</u>	<u>795,239</u>
Net loss from operations	(10,035,638)	(604,906)
<b>Other income (expense)</b>		
Other income	186,880	314,974
Note interest revenue	24,773	-
Note interest expense	(65,499)	(150,992)
Derivative liability	<u>(13,771,835)</u>	<u>(3,615,149)</u>
Total other income (expense)	<u>(13,625,681)</u>	<u>(3,451,167)</u>
Provision for taxes	<u>-</u>	<u>-</u>
Net loss	<u>\$ (23,661,319)</u>	<u>\$ (4,056,073)</u>
Loss from non-controlling interest	<u>(912,269)</u>	<u>(43,474)</u>
Net loss attributable to CurrencyWorks	<u>\$ (22,749,050)</u>	<u>\$ (4,012,599)</u>
Loss per common share – Basic and diluted	<u>\$ (0.37)</u>	<u>\$ (0.13)</u>
<b>Weighted average number of common shares outstanding, basic and diluted</b>	<u>61,125,454</u>	<u>29,922,263</u>

The accompanying notes are an integral part of these consolidated financial statements.

**CurrencyWorks Inc.**  
**Consolidated Statements of Cash Flows**

	Year Ended December 31, 2021	Year Ended December 31, 2020
<b>Operating activities</b>		
Net loss for the year	\$ (23,661,319)	\$ (4,056,073)
Adjustments to reconcile net loss to net cash used in operating activities		
Stock-based compensation	786,271	4,988
Stock-based compensation, related party	3,799,141	15,529
Amortization	75,000	-
Derivative liability	13,771,835	3,615,149
Deconsolidation	(120,478)	-
Changes in operating assets and liabilities		
Accounts receivable	90,333	(90,333)
Accounts receivable, related party	-	-
Prepaid expense	(69,942)	8,268
Prepaid expense, related party	-	15,000
Accrued interest loans receivable	(24,773)	-
Accounts payable and accrued expenses	1,105,443	(57,869)
Accounts payable and accrued expenses, related party	(135,965)	57,557
Accrued interest on loans payable, related party	(378,860)	23,989
Accrued interest on notes payable	-	125,940
Net cash (used in) operating activities	<u>(4,763,314)</u>	<u>(337,855)</u>
<b>Investing activities</b>		
Loan to Fogdog	(1,250,000)	-
Purchase of intangible assets	(3,000,000)	-
Net cash (used in) investing activities	<u>(4,250,000)</u>	<u>-</u>
<b>Financing activities</b>		
Proceeds from issuance of loans payable, related party	-	10,000
Proceeds from warrants exercised	1,362,234	50,000
Proceeds from issuance of convertible notes	32,500	26,000
Repayment of loans payable	(469,753)	(36,000)
Proceeds from share issuance	8,894,831	320,908
Costs from share issuance	(272,810)	(980)
Net cash provided by financing activities	<u>9,547,002</u>	<u>369,928</u>
Net changes in cash and equivalents	<u>533,688</u>	<u>32,073</u>
Cash and equivalents at beginning of the year	<u>33,342</u>	<u>1,269</u>
Cash and equivalents at end of the year	<u>\$ 567,030</u>	<u>\$ 33,342</u>

**SUPPLEMENTAL CASH FLOW INFORMATION**

	Year Ended December 31, 2021	Year Ended December 31, 2020
Cash paid in interest	\$ -	\$ -
Cash paid for income taxes	\$ -	\$ -
Non-cash share issue costs	\$ -	\$ 5,383

**SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES**

Stock-based compensation	\$ 786,271	\$ 4,988
Stock-based compensation, related party	\$ 3,799,141	\$ 15,529
Derivative liability	\$ 15,091,477	\$ 132,451
Conversion of convertible debt	\$ 476,509	\$ 65,460
Conversion of accounts payable	\$ -	\$ 25,375

The accompanying notes are an integral part of these consolidated financial statements.

**CurrencyWorks Inc.**  
**Consolidated Statements of Changes in Stockholders' Equity (Deficit)**

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Non- Controlling Interest	Total Stockholders' Equity (Deficit)
	Number of Shares	Amount				
Balance, December 31, 2019	23,756,033	23,755	7,558,174	(9,310,776)	(289,941)	(2,018,788)
Private placement issued June 12, 2020	11,170,000	11,170	267,162	-	-	278,332
Warrants exercised	500,000	500	49,480	-	-	49,980
Stock-based compensation	-	-	4,988	-	-	4,988
Stock-based compensation, related party	-	-	15,529	-	-	15,529
Net loss for the period	-	-	-	(4,012,599)	(43,474)	(4,056,073)
Balance, December 31, 2020	<u>35,426,033</u>	<u>\$ 35,425</u>	<u>\$ 7,895,335</u>	<u>\$(13,323,375)</u>	<u>\$ (333,415)</u>	<u>\$ (5,726,030)</u>
Stock-based compensation	-	-	786,271	-	-	786,271
Stock-based compensation, related party	-	-	3,799,140	-	-	3,799,140
Share issuances	11,600,000	11,600	2,506,486	-	-	2,518,086
Options exercised	325,000	325	32,175	-	-	32,500
Warrants exercised	11,221,250	11,221	19,895,861	-	-	19,907,082
Debt conversion	7,918,300	7,919	468,590	-	-	476,509
Private placement	6,868,847	6,869	4,297,284	-	-	4,304,153
Deconsolidation	-	-	-	824,041	350,942	1,174,983
Net loss for the period	-	-	-	(22,749,050)	(912,269)	(23,661,319)
Balance, December 31, 2021	<u>73,359,430</u>	<u>\$ 73,359</u>	<u>39,681,142</u>	<u>(35,248,384)</u>	<u>(894,742)</u>	<u>3,611,375</u>

The accompanying notes are an integral part of these consolidated financial statements.

**CurrencyWorks Inc.**  
**(formerly ICOx Innovations Inc.)**  
**Notes to Consolidated Financial Statements**  
**December 31, 2021 and 2020**

**1. NATURE AND CONTINUANCE OF OPERATIONS**

CurrencyWorks Inc. (the “Company”) was incorporated under the laws of the State of Nevada on July 20, 2010, with an authorized capital of 400,000,000 common shares, having a par value of \$0.001 per share. During the period ended December 31, 2010, the Company commenced operations by issuing shares and developing its publishing service business, focused on representing authors to publishers.

On November 28, 2018, we incorporated a new Delaware subsidiary, Cathio, Inc, to provide blockchain technology opportunities to the Catholic community. Cathio was dissolved on October 20, 2020.

Effective February 6, 2019, we effected a name change for our subsidiary from “GN1, Inc.” to “sBetOne, Inc.”. On August 12, 2021, the Company’s subsidiary sBetOne, Inc. (“sBetOne”) entered into a business combination with a related party, VON Acquisition Inc. (“VON”) whereby sBetOne became a wholly owned subsidiary of VON. Please see Note 17.

On September 3, 2019, the Company changed its name from “ICOx Innovations Inc.” to “CurrencyWorks Inc.” and a subsidiary of the Company changed its name from “ICOx USA, Inc.” to “CurrencyWorks USA Inc.”.

On June 22, 2021, we incorporated a new Delaware subsidiary, Motoclub LLC, to create a marketplace for digital automotive collectibles.

On June 22, 2021, we incorporated a new Delaware subsidiary, EnderbyWorks, LLC, to create a direct-to-consumer, feature-length film viewing and distribution platform delivering feature-length films and digital collectible entertainment content as NFTs.

The Company’s business model is to provide a turnkey set of services for companies to develop and integrate blockchain and cryptocurrency technologies into their business operations. The Company will enable its customers to focus on their core competencies while providing the necessary resources and expertise to execute a strategy that will enable companies to integrate new blockchain plus cryptocurrency technologies into their business operations. The Company will be compensated on a fee-for-services model. The Company may also accept tokens or coins in payment for its services, to the extent permitted under applicable law.

The Company’s services will include strategic planning, project planning, structure development and administration, business plan modeling, technology development support, whitepaper preparation, due diligence reporting, governance planning and management.

**Going Concern**

These consolidated financial statements have been prepared on a going concern basis which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred losses since inception resulting in an accumulated deficit of \$35,248,384 and \$13,323,375 as of December 31, 2021 and December 31, 2020, respectively, and further losses are anticipated in the pursuit of the Company’s new service business opportunity, raising substantial doubt about the Company’s ability to continue as a going concern. The ability to continue as a going concern is dependent upon the Company generating profitable operations in the future and/or obtaining the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. Management intends to finance operating costs over the next twelve months with existing cash on hand, loans from directors and/or the private placement of common stock/warrants.

**CurrencyWorks Inc.**  
**(formerly ICOx Innovations Inc.)**  
**Notes to Consolidated Financial Statements**  
**December 31, 2021 and 2020**

**1. NATURE AND CONTINUANCE OF OPERATIONS (CONT'D)**

The financial statements do not include any adjustments relating to the recoverability and classification of assets or the amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

The consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles (“GAAP”) in the United States of America.

Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries, CurrencyWorks USA Inc. (formerly ICOx USA, Inc.), MotoClub, and its majority-owned subsidiary, EnderbyWorks, LLC. All intercompany transactions and balances have been eliminated.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and these differences could be material.

Cash and Cash Equivalents

Cash and cash equivalents include short-term, highly liquid investments, such as certificates of deposit or money market funds that are readily convertible to known amounts of cash and have original maturities of three months or less. All cash balances are held by major banking institutions.

The carrying amounts of cash and cash equivalents, prepaid expenses, short-term loans receivable, trade payables and convertible notes payable approximate their fair value due to the short-term maturity of such instruments.

Contingent Liabilities:

The Company accounts for its contingent liabilities in accordance with ASC No. 450 “Contingencies”. A provision is recorded when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated.

With respect to legal matters, provisions are reviewed and adjusted to reflect the impact of negotiations, estimated settlements, legal rulings, advice of legal counsel and other information and events pertaining to a particular matter. As of December 31, 2021 and 2020, the Company was not a party to any litigation that could have a material adverse effect on the Company’s business, financial position, results of operations or cash flows.

Income Taxes

The Company follows the liability method of accounting for income taxes. Under this method, deferred income tax assets and liabilities are recognized for the estimated tax consequences attributable to differences between the financial statement carrying values and their respective income tax basis (temporary differences). The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.



**CurrencyWorks Inc.**  
**(formerly ICOx Innovations Inc.)**  
**Notes to Consolidated Financial Statements**  
**December 31, 2021 and 2020**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

FASB Accounting Standards Codification Topic 740, Income Taxes (“ASC 740”), clarifies the accounting for uncertainty in income taxes recognized in the financial statements. ASC 740 provides that a tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits of the position. Income tax positions must meet a more-likely-than-not recognition threshold to be recognized. ASC 740 also provides guidance on measurement, derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. We have determined that the Company does not have uncertain tax positions on its tax returns for the years 2020, 2018, and prior. Based on evaluation of the 2020 transactions and events, the Company does not have any material uncertain tax positions that require measurement.

Our policy is to recognize interest and/or penalties related to income tax matters in income tax expense. We had no accrual for interest or penalties on our consolidated balance sheets at December 31, 2021 or 2020, and have not recognized interest and/or penalties in the consolidated statement of operations for the years ended December 31, 2021 or 2020.

We are subject to taxation in the U.S. and the state of California. All of our tax years are subject to examination by the U.S. and California tax authorities due to the carry-forward of unutilized net operating losses.

Collectability of Accounts Receivable

In considering the collectability of accounts receivable, the Company takes into account the legal obligation for payment by the customer, as well as the financial capacity of the customer to fund its obligation to the Company.

Earnings per Share

The Company computes earnings (loss) per share in accordance with ASC 105, “Earnings per Share” which requires presentation of both basic and diluted earnings per share on the face of the statement of operations. Basic earnings (loss) per share is computed by dividing net loss available to common stockholders by the weighted average number of outstanding common shares during the period. Diluted earnings (loss) per share gives effect to all dilutive potential common shares outstanding during the period. At December 31, 2021, common shares from the conversion of debt (nil shares) and outstanding of stock options (8,301,666 shares) (Note 14) have been excluded as their effect is anti-dilutive. At December 31, 2020, common shares from the conversion of debt (12,019,929 shares) and stock options (3,500,000 shares) have been excluded as their effects are anti-dilutive.

Stock-Based Compensation

The Company has adopted FASB guidance on stock-based compensation. Under FASB ASC 718-10-30-2, all share-based payments to employees, including grants of employee stock options, to be recognized in the income statement based on their fair values. The fair value of the options is calculated based off the Black Scholes valuation model (Note 14).

The Company has issued stock options to employees and non-employees. Stock options granted to non-employees for services or performance not yet rendered would be expensed over the service period or until the goals had been reached. The fair value calculation valued as at the grant date. The stock options granted to non-employees during the year ended December 31, 2021 were for services to be rendered and, as such, the expense will be amortized over the service period.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Fair Value of Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, convertible notes, and payables. The carrying amount of cash and cash equivalents and payables approximates fair value because of the short-term nature of these items.

When determining fair value, whenever possible, the Company use observable market data, and relies on unobservable inputs only when observable market data is not available. As of December 31, 2021, and December 31, 2020, the Company did not have any level 1 or 2 financial instruments. Please see note 8 for additional information on level 3 fair value of financial instruments.

Recent Accounting Pronouncements

In August 2020, the FASB issued ASU No. 2020-06, Debt - Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and *Contracts in an Entity's Own Equity*. ASU 2020-06 will simplify the accounting for convertible instruments by reducing the number of accounting models for convertible debt instruments and convertible preferred stock. Limiting the accounting models results in fewer embedded conversion features being separately recognized from the host contract as compared with current GAAP. Convertible instruments that continue to be subject to separation models are (1) those with embedded conversion features that are not clearly and closely related to the host contract, that meet the definition of a derivative, and that do not qualify for a scope exception from derivative accounting and (2) convertible debt instruments issued with substantial premiums for which the premiums are recorded as paid-in capital. ASU 2020-06 also amends the guidance for the derivatives scope exception for contracts in an entity's own equity to reduce form-over-substance-based accounting conclusions. ASU 2020-06 will be effective for public companies for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. Management has not yet evaluated the impact that the adoption of ASU 2020-06 will have on the Company's consolidated financial statement presentation or disclosures.

Digital Currency Valuation

Digital currencies consist of cryptocurrency denominated assets and are included in current assets. Digital currencies are carried at their fair market value determined by an average spot rate of the most liquid digital currency exchanges. On an interim basis, we recognize decreases in the value of the assets caused by market declines. Subsequent increases in the value of these assets through market price recoveries during the same fiscal year are recognized in the later interim period, but may not exceed the total previously recognized decreases in value during the same year. Such unrealized gains or losses resulting from changes the value of the digital currency are recorded in Other Income, net in the consolidated statements of operations. Gains and losses realized upon sale of digital currencies are also recorded in Other Income, net in the consolidated statement of operations.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Fair market value is determined by taking the average spot rate from the most liquid digital currency exchanges. Digital currencies are measured using level one fair values, determined by taking the rate from market currency exchanges. Digital currency prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and the global political and economic conditions. The Company may not be able to liquidate its inventory of digital currency at its desired price if required. A decline in the market prices for digital currencies could negatively impact the Company's future operations. The digital currency market is still a new market and is highly volatile; historical prices are not necessarily indicative of future value; a significant change in the market prices for digital currencies would have a significant impact on the Company's earnings and financial position.

The Company did not hold any digital currency at December 31, 2021 and December 31, 2020.

Revenue Recognition

Revenue is recognized in accordance with FASB ASC Topic 606, Revenue Recognition. The Company recognizes revenue when persuasive evidence of an arrangement exists, the related services are rendered or delivery has occurred.

The Company generates revenues from two main sources, NFT sales and professional services consulting agreements. These arrangements are generally recognized upon the sale of the NFT through live auctions and online sales or as consulting revenues on a contingent fee basis. There is no prepayment or retainer required prior to performing services and the entire fees is earned on a contingent basis. The Company also provides monthly post-business launch support services. The recurring monthly post-business launch support services are recognized as revenue each month that the subscription is maintained. The Company's subsidiaries generate revenue from the sale of NFTs that are auctioned or sold directly. NFT revenue is not recognized until it has been sold.

The Company enters into arrangements for which revenues are contingent upon achieving a pre-determined deliverable or future outcome. Any contingent revenue for these arrangements is not recognized until the contingency is resolved and collectability is reasonably assured.

Differences between the timing of billings and the recognition of revenue are recognized as either unbilled revenue (a component of accounts receivable) or deferred revenue on the consolidated balance sheet. Revenues recognized for services performed but not yet billed to clients are recorded as unbilled revenue.

Reimbursable expenses, including those relating to travel, other out-of-pocket expenses and any third-party costs, are included as a component of revenues. Typically, an equivalent amount of reimbursable expenses are included in total direct client service costs. Taxes collected from customers and remitted to governmental authorities are presented in the statement of operations on a net basis.

Costs to obtain contracts are capitalized and amortized over the course of the revenue cycle.

Service costs

The Company's policy is to defer direct service costs that relate to the earning of contingent fee revenue. These deferred costs are expensed when the contingent fee revenue is recognized or when the earning the contingent fee revenue is in doubt. When there are multiple obligations in an agreement or contract, the service costs are recognized based on when it has met the performance obligation and recognized inline with revenues.

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**3. ACCOUNTS RECEIVABLE**

As at December 31, 2021, the Company had outstanding accounts receivables of \$nil compared to \$90,333 as at December 31, 2020.

**4. NOTES RECEIVABLE – RELATED PARTY**

Effective as of May 5, 2021, we loaned \$400,000 to Fogdog Energy Solutions Inc. (“Fogdog”) pursuant to convertible promissory note. The note bears interest at a rate of 4% per annum and comes due on May 5, 2022. The note may not be prepaid without the written consent of our company. Under certain conditions as outlined in the promissory note, the Company may convert the outstanding loan into common shares. Our chief financial officer, secretary and treasurer, Swapan Kakumanu, is a director, chief financial officer and a shareholder of Fogdog.

Effective as of August 20, 2021, we loaned an additional \$850,000 to Fogdog Energy Solutions Inc. pursuant to convertible promissory note. The note bears interest at a rate of 10% per annum and comes due on August 20, 2027. The note may not be prepaid without the written consent of our company. Our chief financial officer, secretary and treasurer, Swapan Kakumanu, is a director, chief financial officer and a shareholder of Fogdog. Accrued interest on the total loan as at December 31, 2021 is \$24,773.

**5. INTANGIBLE ASSET**

On July 6, 2021, the Company, through one of its subsidiaries, acquired the rights to a movie for a period of 10 years. This acquisition is linked to one of the Company’s subsidiary projects for movie-related NFTs. The Company has spent \$3,000,000 in 2021 (2020 - \$nil). This asset will be amortized on a straight-line basis over the 10-year life of the asset.

	Intangible Asset
Cost	
Balance at December 31, 2020	\$ -
Additions	3,000,000
Balance at December 31, 2021	<u>\$ 3,000,000</u>
Accumulated depreciation	
Balance at December 31, 2020	\$ -
Charge for the year	75,000
Balance at December 31, 2021	<u>\$ 75,000</u>
Net book value:	
December 31, 2020	\$ -
December 31, 2021	<u>\$ 2,925,000</u>

**6. INVESTMENTS, RELATED PARTY**

On August 12, 2021, the Company’s subsidiary sBetOne, Inc. (“sBetOne”) entered into a business combination with a related party, VON Acquisition Inc. (“VON”) whereby sBetOne became a wholly owned subsidiary of VON. The Company received 5,902,174 common shares or 6.31% of the total outstanding common shares of VON as at the date of the business combination. The transition from having a 59.02% ownership in sBetOne to having a 6.31% ownership in VON has led the Company to deconsolidate sBetOne from the Company’s financial statements and record the ownership of VON as an investment. The common shares were valued at \$0.10 CAD per share.

The sBetOne carrying amount in liabilities of \$824,041 and loss in NCI of \$350,942 were removed from the Company and converted into shares of VON, resulting in a gain of \$120,478 upon deconsolidation of sBetOne recorded in other income.

	December 31, 2021	December 31, 2020
Investments, related party	<u>\$ 480,780</u>	<u>\$ 37</u>

**7. NOTES PAYABLE**

The Company has no convertible notes outstanding as at December 31, 2021 as the notes were repaid in the year.

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**7. NOTES PAYABLE (CONT'D)**

The balances of the convertible notes outstanding as at December 31, 2020 were as follows:

	<u>Start Date</u>	<u>Maturity Date</u>	<u>Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Note 1 <sup>(1)</sup>	09-14-2015	09-14-2021	8%	\$ 73,825	\$ 54,999	\$ 128,824
Note 2 <sup>(1)</sup>	12-30-2016	12-30-2021	8%	50,000	25,611	75,611
Note 3 <sup>(1)</sup>	12-30-2016	12-30-2021	8%	21,500	11,013	32,513
Note 4 <sup>(1)</sup>	03-02-2017	03-02-2022	8%	20,000	9,633	29,633
Note 5 <sup>(1)</sup>	06-08-2017	06-08-2022	8%	10,000	4,333	14,333
Note 6 <sup>(2)</sup>	10-30-2017	10-30-2021	10%	250,000	79,315	329,315
Note 7 <sup>(2)(3)</sup>	10-30-2017	10-30-2021	10%	-	8,938	8,938
Note 8 <sup>(5)</sup>	02-13-2019	08-12-2021	15%	25,000	7,058	32,058
Note 9 <sup>(5)</sup>	02-22-2019	08-21-2021	15%	225,000	62,692	287,692
Note 10 <sup>(5)</sup>	02-27-2019	08-26-2021	15%	50,000	13,829	63,829
Note 11 <sup>(5)</sup>	03-12-2019	09-11-2021	15%	25,000	6,781	31,781
Note 12 <sup>(5)</sup>	09-05-2019	08-11-2021	15%	250,000	61,849	311,849
Note 13 <sup>(5)</sup>	11-15-2019		5%	50,000	2,822	52,822
Note 14 <sup>(4)</sup>	07-18-2019		5%	250,000	18,219	268,219
Note 15 <sup>(4)</sup>	08-09-2019		5%	25,000	1,747	26,747
Note 16 <sup>(4)</sup>	09-13-2019		5%	45,000	2,928	47,928
Note 17 <sup>(4)</sup>	10-04-2019		5%	54,880	4,666	59,546
Note 18 <sup>(4)</sup>	11-19-2019		5%	-	851	851
Note 19 <sup>(4)</sup>	12-18-2019		5%	-	767	767
Note 20 <sup>(4)</sup>	01-09-2020		5%	10,000	489	10,489
Note 21 <sup>(4)</sup>	03-12-2019		12%	26,000	321	26,321
Total				<u>\$ 1,461,205</u>	<u>\$ 378,861</u>	<u>\$ 1,840,066</u>

- (1) The principal of the note, and the interest calculated up to November 30, 2018, may be converted into shares of common stock of the Company at a conversion price of \$0.03 per share.
- (2) The note may be converted into shares of common stock of the Company at a conversion price of \$0.10 per share.
- (3) The principal of the note has been converted into equity with the remaining interest outstanding to be payable.
- (4) These promissory notes are un-secured and payable on demand with no maturity date.
- (5) The principle notes were converted into 5,902,174 shares of VON and remaining interest of \$28,804 is in accounts payable.

**8. DERIVATIVE LIABILITIES**

In connection with warrants, the Company records derivative liabilities since the strike price is denominated in a currency other than the Company's functional currency. The warrants are valued on the date of issuance and revalued at each reporting period. The Company recorded initial derivative liabilities on June 12, 2021 of \$132,451 based upon the following Black-Sholes option pricing model assumptions: an exercise price of CAD\$0.10, our stock price on the date of grant of CAD\$0.09, expected dividend yield of 0%, expected volatility of 38.16%, risk free interest rate of 0.19%, expected term of 2.0 years and foreign exchange rate of 1.3596.

The derivative liabilities were revalued at USD\$474,595, resulting in a loss of \$13,771,835 for the year ended December 31, 2021, related to the change in fair market value of the derivative liabilities. The derivative liabilities were revalued using the Black-Scholes option pricing model with the following assumptions: an average exercise price of CAD\$0.61, our stock price on the date of valuation of CAD\$0.34, expected dividend yield of 0%, average expected volatility of 54.03%, average risk-free interest rate of 0.34%, an expected term of 0.9 years and foreign exchange rate of \$1.2678.

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**9. WARRANTS**

From January 1, 2021, through December 31, 2021, the Company issued 18,494,021 warrants.

The fair value of each warrant is estimated using the Black-Scholes valuation method. Assumptions used in calculating the fair value at December 31, 2021 were as follows:

	<b>Weighted Average Inputs Used</b>
Annual dividend yield	\$ -
Expected life (years)	0.45-1.10
Risk-free interest rate	0.19-0.39
Expected volatility	47.31-56.06%
Common stock price (CAD)	\$ 0.34

Since the expected life of the warrants was greater than the Company's historical stock information available, the Company determined the expected volatility based on price fluctuations of comparable public companies.

The issuances, exercises and pricing re-sets during the twelve months ended December 31, 2021, are as follows:

Outstanding at December 31, 2020	10,830,000
Issuances	18,494,021
Exercises	(11,221,250)
Anti-Dilution/Modification	-
Forfeitures/cancellations	-
Outstanding at December 31, 2021	18,102,771
Weighted Average Price at December 31, 2021 (CAD)	\$ 0.7088

The intrinsic value of the 11,221,250 warrants exercised on December 31, 2021 is \$3,985,225.

**10. COMMITMENTS**

The Company has no outstanding commitments as at December 31, 2021.

Litigation

From time to time, the Company may be subject to legal proceedings and claims which arise in the ordinary course of business. As of December 31, 2021, there are no legal proceedings.

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## **11. RELATED PARTY TRANSACTIONS**

In support of the Company's efforts and cash requirements, it may rely on advances from stockholders until such time as the Company can support its operations through revenue generation or attain adequate financing through sales of its equity or traditional debt financing. There is no formal written commitment for continued support by stockholders. Amounts represent advances or amounts paid in satisfaction of liabilities.

The Company engaged two clients to build out their business models, technology strategy, market entry strategy, and capital structure, including a blockchain platform launch. The Company signed an agreement with BIG in which 80% of the revenue received is reimbursed to BIG for expenses incurred to meet the performance obligations as outlined

As of January 15, 2021, Business Instincts Group ("BIG") is no longer considered a related party due to Cameron Chell's resignation as director and officer from BIG. Cameron also no longer has any beneficial ownership in BIG.

On December 4, 2018, the Company appointed Swapan Kakumanu as Chief Financial Officer. Previously, on October 9, 2017, the Company had signed an agreement with a company owned by Swapan Kakumanu to complete the accounting functions of the Company. As of December 31, 2021, the Company had trade and other payables owing to this related party of \$46,688 (December 31, 2020 - \$10,013). On May 5, 2021, the Company loaned Fogdog Energy Solutions Inc. \$400,000 of which our CFO is a director, chief financial officer and shareholder of (Note 4).

Effective as of August 20, 2021, we loaned an additional \$850,000 to Fogdog Energy Solutions Inc. pursuant to convertible promissory note. The note bears interest at a rate of 10% per annum and comes due on August 20, 2027. The note may not be prepaid without the written consent of our company.

As at December 31, 2021, the Company had outstanding notes and interest receivable from a related party of \$1,274,773 compared to \$nil as at December 31, 2020.

## **12. REVENUE**

The majority of the revenue streams in 2021 related to NFT sales with the remainder related to consulting revenue. Please refer to Note 2 for revenue recognition methodology.

## **13. SHARE CAPITAL**

On June 12, 2020, the Company completed a non-brokered private placement consisting of the issuance of 11,170,000 units (each, a "Unit") at a price of USD\$0.04 per unit. Each unit consisted of one share of common stock and one warrant with an exercise price of CAD \$0.10 per warrant share for a period of 2 years from the date of closing. The Company received aggregate gross proceeds of USD\$410,783 (the "Offering") of which \$278,332 is allocated to common shares and \$132,451 is allocated to the warrants. See Note 8 and Note 9 for calculations. The warrants issued by the Company are denominated in CAD at issuance. The Company's functional currency is the USD. Under U.S. GAAP, where the strike price of warrants is denominated in a currency other than an entity's functional currency the warrants would not be considered indexed to the entity's own stock and would consequently be considered to be a derivative liability. Therefore, the value of the warrants needs to be included as a derivative liability.

In connection with the offering, the Company has agreed to issue 80,000 broker's warrants to the Finders. Each broker warrant entitles the holder to purchase one Unit (each, a "Broker Unit") at a price of \$0.05 per Broker Unit, with each Broker Unit consisting of one Share and one share purchase warrant entitling the holder to purchase an additional share at a price of \$0.10 for a period of two years.

On December 31, 2021, there were 11,221,250 warrants exercised (2020 – 500,000) for common shares.

On January 5, 2021 the Company completed a private placement where 2,400,000 units were issued, consisting of one common share and one common share purchase warrant issued at a price of \$0.40 (Canadian dollars ("CAD")) for total gross proceeds of \$300,000 CAD (\$236,090 (United States dollars ("USD"))). The derivative liability valuation of the warrants issued is \$1,559,108.

February 4, 2021 the Company completed a private placement where 8,000,000 units were issued, consisting of one common share and one common share purchase warrant issued at a price of \$0.54 CAD for total gross proceeds of \$4,000,000 CAD (\$3,118,179 USD). The derivative liability valuation of the warrants issued is \$1,818,140.

On March 23, 2021, the Company completed a private placement where 1,200,000 units were issued, consisting of one common share and one common share purchase warrant issued at a price of \$1 USD for total gross proceeds of \$1,200,000 USD.

On May 11, 2021, 4,504,600 common shares were issued for debt conversion of \$135,138. On June 25, 2021, 3,413,700 common shares were issued for debt conversion of \$341,370. The sBetOne Inc. debt of \$824,041 was converted into shares of VON upon deconsolidation

On July 14, 2021, the Company completed a registered direct offering where 4,687,500 units were issued, consisting of one common share and one common share purchase warrant issued at a price of \$0.80 USD for total gross proceeds of \$3,750,000 USD.

On November 29, 2021, the Company converted debt for services rendered where 51,217 units were issued.

On December 29, 2021, the Company completed a registered direct offering where 1,956,521 units were issued, consisting of one common share and one common share purchase warrant issued at a price of \$0.23 USD for total gross proceeds of \$450,000 USD.

On December 29, 2021, the Company completed a private placement where 173,609 common shares were issued to directors and officers of the Company at a price of \$0.288 USD for total gross proceeds of \$50,000 USD.



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**14. STOCK-BASED COMPENSATION**

The Company has adopted the 2017 Equity Incentive Plan (“the Plan”) under which non-transferable options to purchase common shares of the Company may be granted to directors, officers, employees, or consultants of the Company. The terms of the Plan provide that our board of directors may grant options to acquire common shares of the Company at not less than 100% of the greater of: (i) the fair market value of the shares underlying the options on the grant date and (ii) the fair market value of the shares underlying the options on the date preceding the grant date at terms of up to ten years. No amounts are paid or payable by the recipient on receipt of the options. On December 7, 2021, the maximum number of options available for grant was increased to 6,985,207 shares. As of December 31, 2021, there are 4,809,995 stock options issued (December 31, 2020 – 2,900,000) and 2,175,212 stock options unissued (December 31, 2020 – 100,000).

The Company has also granted stock options to non-employees. These stock options were granted to consultants who have provided their services for cash compensation below cost, with the stock options providing additional compensation in lieu of cash.

On February 13, 2020, the Company granted a total of 100,000 stock options to a consultant. The stock options are exercisable at the exercise price of \$0.60 per share for a period of ten years from the date of grant. The stock options have a fair value of \$0.25 and are exercisable as follows:

- (i) 1/3 on the first anniversary date;
- (ii) 1/3 on the second anniversary date; and
- (iii) 1/3 on the third anniversary date.

On February 10, 2021, the Company granted a total of 2,066,666 stock options to consultants. The stock options are exercisable at the exercise price of \$1.17 per share for a period of ten years from the date of grant. The stock options have a fair value of \$1.09 and are exercisable as follows:

- (i) 1/3 on the first anniversary date;
- (ii) 1/3 on the second anniversary date; and
- (iii) 1/3 on the third anniversary date.

On March 19, 2021, the Company granted a total of 180,000 stock options to a consultant. The stock options are exercisable at the exercise price of \$3.19 per share for a period of ten years from the date of grant. The stock options have a fair value of \$2.87 and are exercisable as follows:

- (i) 1/3 on the first anniversary date;
- (ii) 1/3 on the second anniversary date; and
- (iii) 1/3 on the third anniversary date.

On May 5, 2021, the Company granted a total of 180,000 stock options to a consultant. The stock options are exercisable at the exercise price of \$1.78 per share for a period of ten years from the date of grant. The stock options have a fair value of \$1.65 and are exercisable as follows:

- (i) 1/3 on the first anniversary date;
- (ii) 1/3 on the second anniversary date; and
- (iii) 1/3 on the third anniversary date.

On June 15, 2021, the Company granted a total of 2,900,000 stock options to a consultant. The stock options are exercisable at the exercise price of \$1.16 per share for a period of ten years from the date of grant. The stock options have a fair value of \$1.07 and are exercisable as follows:

- (i) 1/3 on the first anniversary date;
- (ii) 1/3 on the second anniversary date; and
- (iii) 1/3 on the third anniversary date.

On September 9, 2021, the Company granted a total of 250,000 stock options to a consultant. The stock options are exercisable at the exercise price of \$0.55 per share for a period of five years from the date of grant. The stock options have a fair value of \$0.32 and are exercisable as follows:

- (i) 1/5 on the first anniversary date;
- (ii) 1/5 on the second anniversary date;
- (iii) 1/5 on the third anniversary date;
- (iv) 1/5 on the fourth anniversary date; and
- (v) 1/5 on the fifth anniversary date.

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**14. STOCK-BASED COMPENSATION (CONT'D)**

Stock-based compensation expense recognized for the years ended December 31, 2021 and 2020 were \$4,585,411 and \$20,517, respectively. Stock options granted are valued at the fair value calculation based off the Black-Scholes valuation model. The weighted average assumptions used in the calculation are as follows:

	<u>Years Ended December 31,</u>	
	<u>2021</u>	<u>2020</u>
Share price	\$ 0.34	\$ 0.43
Exercise price	\$ 0.10-3.19	\$ 0.10-1.00
Time to maturity (years)	5-10	9
Risk-free interest rate	0.79%-1.74%	0.66%-2.41%
Expected volatility	62.10%-112.45%	115.21%-145.24%
Dividend per share	\$ 0.00	\$ 0.00
Forfeiture rate	Nil	Nil

	<u>Number of Options</u>	<u>Weighted Average Grant- Date Fair Value (\$)</u>	<u>Weighted Average Exercise Price (\$)</u>	<u>Weighted Average Remaining Life (Yrs)</u>
<b>Options outstanding, December 31, 2019</b>	<b>3,400,000</b>	<b>0.17</b>	<b>0.18</b>	<b>8.6</b>
Granted	100,000	0.55	0.64	8.5
Exercised	-	-	-	-
Forfeited	-	-	-	-
<b>Options outstanding, December 31, 2020</b>	<b>3,500,000</b>	<b>0.17</b>	<b>0.19</b>	<b>7.8</b>
Granted	5,326,666	1.12	1.22	9.1
Exercised	(325,000)	0.15	0.25	7.2
Forfeited	(200,000)	0.34	0.58	5.2
<b>Options outstanding, December 31, 2021</b>	<b>8,301,666</b>	<b>0.79</b>	<b>0.86</b>	<b>8.1</b>
<b>Options exercisable, December 31, 2021</b>	<b>4,759,995</b>	<b>0.53</b>	<b>0.56</b>	<b>7.1</b>

Nonvested shares are valued at the date of the grant at the fair value of the common stock and are expensed over the vesting period. As vesting conditions are not wholly dependent on the employee and there is no timeline for them, for accounting purposes, the fair value will be calculated and the expense will be recognized upon the achievement of the milestones.

sBetOne, Inc. ("sBetOne"), a subsidiary of the Company, has issued nonvested shares to a member of the Board of Directors of sBetOne.

On March 22, 2019, sBetOne granted a total of 150,000 nonvested shares to a member of the Board of Directors of sBetOne. These nonvested shares vest 1/36 starting April 1, 2019 and at the beginning of the month for the following 35 months, have no exercise price, exercise immediately upon vesting, and do not expire except upon resignation of the employee or by a resolution by the Board of Directors.

On August 12, 2021, the Company's subsidiary sBetOne, Inc. ("sBetOne") entered into a business combination with a related party, VON Acquisition Inc. ("VON") whereby sBetOne became a wholly owned subsidiary of VON.

Nonvested shares are valued at the date of the grant at the fair value of the common stock and are expensed over the vesting period. Please see Note 6. As at the grant date of the nonvested shares, the fair value of the common stock was based upon the issuance of the founder shares at \$0.0001 per share.

**CurrencyWorks Inc.**  
**(formerly ICOx Innovations Inc.)**  
**Notes to Consolidated Financial Statements**  
**December 31, 2021 and 2020**

**14. STOCK-BASED COMPENSATION (CONT'D)**

On June 12, 2019, June 27, 2019, and June 28, 2019, sBetOne granted a total of 150,000 stock options to three advisors. The stock options are exercisable at the price of \$0.01 per share for a period of ten years from the date of grant. The fair values of the stock options were \$0.7880, \$0.7380, and \$0.7680, respectively. The stock options are exercisable as follows:

- (i) 1/2 upon the date of grant; and
- (ii) 1/2 on the first anniversary date.

**15. INCOME TAXES**

For the fiscal years 2021 and 2020, there was no provision for income taxes and deferred tax assets have been entirely offset by valuation allowances.

As of December 31, 2021 and 2020, the Company had net operating loss carry forwards of approximately \$17,934,390 and \$12,970,232, respectively. The carry forwards expire through the year 2042. The Company's net operating loss carry forwards may be subject to annual limitations, which could reduce or defer the utilization of the losses as a result of an ownership change as defined in Section 382 of the Internal Revenue Code.

The Tax Cuts and Jobs Act was enacted on December 22, 2017 which reduced the U.S. corporate statutory tax rate from 35% to 21% beginning on January 1, 2018. We used 21% as an effective rate. The Company's tax expense differs from the "expected" tax expense for Federal income tax purposes (computed by applying the United States Federal tax rate of 21% to loss before taxes (2018 – 21%)), as follows:

	<b>For the years ended December 31,</b>	
	<b>2021</b>	<b>2020</b>
Net operating loss before taxes	\$ (22,749,050)	\$ (4,012,599)
Federal income tax rate	21%	21%
Tax expense (benefit) at the statutory rate	(4,777,301)	(842,646)
Non-deductible items		
Tax effect of stock-based compensation (non-qualifying options)	962,936	4,309
Change in Derivatives	2,892,085	759,181
Change in valuation allowance	930,251	79,156
Total	\$ -	\$ -

The tax effects of the temporary differences between reportable financial statement income and taxable income are recognized as deferred tax assets and liabilities. The tax effect of significant components of the Company's deferred tax assets at December 31, 2021 and 2020, respectively, are as follows:

	<b>2021</b>	<b>2020</b>
Deferred tax asset:		
Net operating loss carry forwards	\$ 2,890,509	\$ 1,960,259
Total gross deferred tax assets	2,890,509	1,960,259
Less: Deferred tax asset valuation allowance	(2,890,509)	(1,960,259)
Total net deferred tax assets	\$ -	\$ -

In assessing the ability to realize the deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

The returns filed from the year 2017 going-forward are subject to examination by the IRS.

**CurrencyWorks Inc.**  
**(formerly ICOx Innovations Inc.)**  
**Notes to Consolidated Financial Statements**  
**December 31, 2021 and 2020**

**16. FINANCIAL INSTRUMENTS**

Fair value is an exit price representing the amount that would be received to sell an asset or aid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or a liability.

A three-tier fair value hierarchy is established as a base for considering such assumptions and for inputs used in the valuation methodologies in measuring fair value:

Level 1: Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2: Observable inputs that reflect quoted prices for identical assets or liabilities in markets that are not active; quoted prices for similar assets or liabilities in active markets; inputs other than quoted prices that are observable for the assets or liabilities; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: unobservable inputs reflecting our own assumptions incorporated in valuation techniques used to determine fair value. These assumptions are required to be consistent with market participants assumptions that are reasonably available.

**Investment in related party**

The derivative liabilities would be classified as a level 3 financial instrument.

	<b>As of December 31,</b>	
	<b>2021</b>	<b>2020</b>
Investment in related party	\$ 480,780	\$ 37

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

	<b>Warrants</b>
Derivative liability at December 31, 2020	\$ 3,747,600
Addition of new conversion option derivatives	20,263,747
Warrant exercise	(12,471,678)
Change in fair value	(11,065,074)
Derivative liability at December 31, 2021	\$ 474,595

Please see note 8 for additional information on the related observable inputs.

**17. NON-CONTROLLING INTEREST**

For sBetOne, Inc., on April 1, 2019, the Company transferred 2,000,000 of its shares to a third-party and cancelled 1,097,826 of its shares. Additionally, 2,097,826 shares of sBetOne, Inc. were issued to third-parties, reducing the Company's ownership in this subsidiary to 59.02%.

**CurrencyWorks Inc.**  
**(formerly ICOx Innovations Inc.)**  
**Notes to Consolidated Financial Statements**  
**December 31, 2021 and 2020**

**17. NON-CONTROLLING INTEREST (CONT'D)**

On August 12, 2021, the Company's subsidiary sBetOne, Inc. ("sBetOne") entered into a business combination with a related party, VON Acquisition Inc. ("VON") whereby sBetOne became a wholly owned subsidiary of VON. The Company received 5,902,174 common shares or 6.31% of the total outstanding common shares of VON as at the date of the business combination. The transition from having a 59.02% ownership in sBetOne to having a 6.31% ownership in VON has led the Company to deconsolidate sBetOne from the Company's financial statements and record the ownership of VON as an investment.

On June 22, 2021, the Company incorporated a new Delaware subsidiary, EnderbyWorks, LLC, in which the Company owns 51%. CurrencyWorks also has an 80% ownership of Motoclub LLC.

The following table sets forth a summary of the changes in non-controlling interest:

Non-controlling interest at December 31, 2020	\$	(333,415)
Net loss		(912,269)
Deconsolidation		350,942
<b>Non-controlling interest at December 31, 2021</b>	<b>\$</b>	<b>(894,742)</b>

**18. SUBSEQUENT EVENTS**

From January 1, 2022 through February 28, 2022, the Company issued 4,593,627 shares of common stock for warrants exercised and 325,000 shares of common stock for options exercised.

On January 28, 2022, the Company issued 1,221,001 units comprising of one common share and one share purchase warrant at a price of \$0.1638 per unit. The warrants have an exercise price of \$0.2048 and expire two years from the issue date.

On January 28, 2022, the Company issued 244,139 common shares to directors and officers of the Company at a price of \$0.2048 per share.

On January 28, 2022, the Company settled \$100,000 owed to one creditor of the Company by the issuance of 488,281 shares of common stock at a deemed price of \$0.2048 per share.

On February 11, 2022, the Company issued 47,614 common shares at a deemed price of \$0.21 to a service provider pursuant to a service agreement dated November 5, 2021.

On February 28, 2022, the Company issued 2,592,592 units comprising of one common share and one share purchase warrant at a price of \$0.135 per unit. The warrants have an exercise price of \$0.1682 and expire two years from the issue date.

In accordance with the Subsequent Events Topic of the FASB ASC 855, we have evaluated subsequent events, through the filing date and noted no further subsequent events.

## ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

### ITEM 9A. CONTROLS AND PROCEDURES

#### Disclosure Controls and Procedures

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed by our company is recorded, processed, summarized and reported, within the time periods specified in the rules and forms of the SEC. Our principal executive officer, who is our president, and our principal financial officer, who is our chief financial officer, are responsible for establishing and maintaining disclosure controls and procedures for our company.

Our management conducted an evaluation, with the participation of our principal executive officer and our principal financial officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) under the Securities Exchange Act of 1934, as of the end of the period covered by this annual report on Form 10-K. Based upon that evaluation, our principal executive officer and our principal financial officer concluded that as a result of the material weaknesses in our internal control over financial reporting described below, our disclosure controls and procedures were not effective as of December 31, 2021.

#### Management's Annual Report on Internal Control over Financial Reporting

Our principal executive officer and our principal financial officer are responsible for establishing and maintaining adequate internal control over financial reporting. Our principal executive officer and our principal financial officer have assessed the effectiveness of our internal control over financial reporting as of the end of the period covered by this annual report on Form 10-K based on the criteria for effective internal control described Internal Control-Integrated Framework issued by the Committee of Sponsoring Organization of the Treadway Commission 2013. Based on this assessment, our principal executive officer and our principal financial officer have concluded our internal control over the financial reporting is not effective due to the following material weaknesses, which existed as of December 31, 2021:

- **Financial Reporting Systems:** We did not maintain a fully integrated financial reporting system throughout the period and as a result, extensive manual analysis, reconciliation and adjustments were required in order to produce financial statements for external reporting purposes; and
- **Segregation of Duties:** We do not currently have a sufficient complement of technical accounting and external reporting personnel commensurate to support standalone external financial reporting under U.S. generally accepted accounting principles ("U.S. GAAP") or SEC requirements. Specifically, we did not effectively segregate certain accounting duties due to the small size of our accounting staff, and inability to maintain a sufficient number of adequately trained personnel who have the knowledge and experience with U.S. GAAP and SEC reporting necessary to anticipate and identify risks critical to financial reporting and the closing process. In addition, there were inadequate reviews and approvals by our personnel of certain reconciliations and other processes in day-to-day operations due to the lack of a full complement of accounting staff.

We believe that our material weaknesses in internal control over financial reporting and our disclosure controls and procedures relate in part to the fact that we are an emerging business with limited personnel. Management and our board of directors believe that we must allocate additional human and financial resources to address these matters. Throughout the year, we have been continuously improving our monitoring of current reporting systems and our personnel. We intend to continue to make improvements in our internal control over financial reporting and disclosure controls and procedures until our material weaknesses are remediated.

#### Limitations on the Effectiveness of Controls and Permitted Omission from Management's Assessment

Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. GAAP. All internal control systems, no matter how well designed, have inherent limitations, including the possibility of human error and the circumvention or overriding of controls. Accordingly, even effective internal control over financial reporting can only provide reasonable assurance with respect to financial statement preparation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In light of the material weaknesses described above, additional procedures were performed by our management to ensure that the consolidated financial statements included in this report were prepared in accordance with U.S. GAAP.

#### Changes in Internal Control over Financial Reporting during the Fourth Quarter of 2021

During the fourth quarter ended December 31, 2021, there were no changes to our internal control over financial reporting that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

### ITEM 9B. OTHER INFORMATION

None.

### ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

None.



## PART III

### ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

#### Directors and Executive Officers

The following individuals serve as our directors and executive officers. All of our directors hold office until the next annual meeting of our stockholders or until their successors have been elected and qualified, or until their death, resignation or removal. Our executive officers are appointed by our board of directors and hold office until their death, resignation or removal from office.

<u>Name</u>	<u>Position Held with Our Company</u>	<u>Age</u>	<u>Date First Elected or Appointed</u>
Bruce Elliott	President	58	October 15, 2017
Swapam Kakumanu	Chief Financial Officer, Secretary and Treasurer	52	December 4, 2018
Cameron Chell	Chairman and Director	53	August 21, 2017
James P. Geiskopf	Lead Director	62	August 28, 2014
Edmund C. Moy	Director	64	February 9, 2018
Shelly Murphy	Director	50	June 17, 2021

#### Business Experience

The following is a brief account of the education and business experience during at least the past five years of each director and executive officer, indicating the person's principal occupation during that period, and the name and principal business of the organization in which such occupation and employment were carried out.

##### *Bruce Elliott*

On October 15, 2017, Bruce Elliott was appointed as the president of our company. From April 2012 to October 2017, Mr. Elliott served as director of Boston Limited, Isle of Man, a regulated fiduciary and corporate service provider. From January 2013 to October 2017, Mr. Elliott served as director of Boston Ventures Limited, Isle of Man. From December 2017 to February 2018, Mr. Elliott served as the chief marketing officer of Ryde. From August 23, 2021 until present, Bruce Elliott is a Director and CEO of Memory Lane Games Limited, Isle of Man and as of October 2021 to present, a Director of VON.

Mr. Elliott is a 25-year eCommerce veteran having held senior leadership roles in privately held and listed companies in online payments, gaming, venture capital and trust and corporate service sectors in North America and Europe. Mr. Elliott is a recognized international conference speaker on entrepreneurship, venture capital and emerging technology trends and has also led venture capital investments into clean tech, gaming, blockchain, fintech and digital health companies.

##### *Swapam Kakumanu*

On December 4, 2018, Swapam Kakumanu was appointed as the chief financial officer of our company. Mr. Kakumanu had been the controller of our company since October 2017.

Mr. Kakumanu has been a partner, controller and chief financial officer for Red to Black Inc., a financial services firm offering chief financial officer, controller and strategic consulting services to both public and private companies, since November 2012. Mr. Kakumanu has been the chief financial officer of RYDE Holding Inc. since October 2018 to November 2019, the chief financial officer and a director of BLOCKStrain Technology Corp (now TruTrace Technologies Inc.) (CSE: TTT) since September 2018 to March 2020, and the chief financial officer of Pounce Technologies Inc. since July 2016 to December 2019. Mr. Kakumanu was also the chief financial officer of Intercept Energy Services Inc. from June 2014 to September 2018, the chief financial officer of Vogogo Inc. from August 2017 to April 2018, On September 16, 2021 we appointed Mr. Kakumanu as our secretary and treasurer.

Mr. Kakumanu has over 20 years of senior finance and operations experience. He has served at the executive levels in both public and private companies including senior roles as president, chief executive officer, chief financial officer and company secretary, as well as director roles on boards. Mr. Kakumanu has extensive experience in public company reporting, investor relations, ERP implementations, mergers and acquisitions, internal controls and general overall financial, strategic and operations management. His diverse industry experience spans commercializing technologies and launching software solutions, blockchain, manufacturing, distribution, oilfield services, healthcare technologies and multi-jurisdictional operations. He holds CPA.CGA, ACA (Chartered Accountant, India) and ACMA (Certified Management Accountant, India) designations.



### ***Cameron Chell***

On August 21, 2017, Cameron Chell was appointed as the president and chief executive officer and a director of our company. On October 15, 2017, Mr. Chell resigned as our president and chief executive officer in order to accommodate the appointment of Bruce Elliott as our president. On the same day, Mr. Chell was appointed as the non-executive chairman.

Mr. Chell has been the CEO of Business Instincts Group Inc. since November 2009. Business Instincts Group is a venture creation accelerator and services firm whose focus is building high-tech startups. The companies that Business Instincts Group has helped build include Draganfly, RaptorRig, ColdBore, UrtheCast, the first commercial video platform on the International Space Station and Slyce, the visual purchasing engine. As well, Mr. Chell has founded several startups including Futurelink, the original cloud computing company. Mr. Chell is currently involved with creating and sourcing new projects, and overseeing corporate development for Business Instincts Group. Business Instincts Group's venture creation process involves management services that integrate a proprietary strategic planning process (The RIPKIT) into organizations fostering strategic growth, valuation appreciation, liquidity, and management accountability. In this regard Mr Chell's primary responsibility is to provide project and strategic management facilitation while working with his co-founders, executives, and investors to determine what is most important and specifically how to get it done. Mr. Chell has also been a director and secretary of Ryde from December 2017 and chairman of Ryde from February 2018.

We believe that Mr. Chell is qualified to serve on our board of directors because of his extensive business experience derived from his current and past occupation.

### ***James P. Geiskopf***

Effective August 28, 2014, Mr. Geiskopf was appointed as president, secretary, treasurer and director of our company. On August 21, 2017, Mr. Geiskopf resigned as our president. On October 9, 2017, Mr. Geiskopf resigned as our secretary and treasurer. Mr. Geiskopf has been our lead director since August 21, 2017.

Mr. Geiskopf currently serves on the board of directors of Verb Technology Company, Inc. (VERB: NASDAQ), formerly nFusz, Inc. (since May 7, 2014), a company having shares of common stock registered under the Securities Exchange Act of 1934. He served as a director of Electronic Cigarettes International Group, Ltd. from June 2013 to March 2017. He was the president, secretary, treasurer and a director of Searchbyheadlines.com (now Naked Brand Group Inc.) from December 22, 2011 to July 30, 2012, and the president and director of The Resource Group from 2007 to 2009. From 1986 to 2007, he served as the president and chief executive officer of Budget Rent-a-Car of Fairfield, California. Mr. Geiskopf also served on the board of directors of Suisun Valley Bank from 1986 to 1993 and on the board of directors of Napa Valley Bancorp. from 1991 to 1993.

We believe that Mr. Geiskopf is qualified to serve on our board of directors because of his extensive business management and financial expertise derived from his past occupation and his past and current board participation.

### ***Edmund C. Moy***

On February 9, 2018, we appointed Edmund C. Moy as a director of our company.

Mr. Moy has been self-employed since July 2013. He has provided autographs for Numismatic Guarantee Corporation since December 2015 and to Profession Coin Grading Services, a division of Collectors Universe (CLCT: NASDAQ) from November 2013 to November 2015. Mr. Moy has also been an author with Whitman Publishing since December 2013, and was a provider of endorsement to Fortress Gold Group from August 2014 to July 2017 and to Morgan Gold from November 2011 to July 2014. As a consultant since August 2013, he has advised the U.S. Department of Labor and the U.S. Department of Transportation during most of 2017 and worked on projects to develop the first Bitcoin IRA and the first state gold bullion depository in America. He has also been a professional speaker since August 2013. He was the vice president for corporate infrastructure of L&L Energy, Inc. from January 2011 to July 2013 and a director of L&L Energy, Inc. from January 2012 to September 2012. From September 2006 to January 2011, Mr. Moy served as Director of the United States Mint, the world's largest manufacturer of coins and medals. He was appointed by President George W. Bush and unanimously confirmed by the U.S. Senate.

He currently serves on the advisory board or board of directors of several privately-held companies: AID:Tech (a blockchain company that fights global corruption in foreign aid and relief with digital identification), OmniSparx (develops healthy decentralized token ecosystems), and Valaurum (which sells the smallest verifiable unit of gold in the world). He is also a member of the Executive Advisory Board for the School of Business & Economics of Seattle Pacific University, the Board of Regents for Trinity International University, and the National Council for C3 Leaders.

Mr. Moy has served on public, private and non-profit boards and advisory boards, including coin.co, Axon Connected, LLC, L&L Energy, Inc. (NASDAQ: LLEN), Xactimed, Emerald Health Network, Christianity Today International, and Tau Kappa Epsilon International Fraternity.

We believe that Mr. Moy is qualified to serve on our board of directors because of his extensive business experience derived from his current and past occupation.

### ***Shelly Murphy***

On June 14, 2021, we appointed Shelly Murphy as a director of our company.

Shelly Murphy is the CEO and Managing Partner of GSD Group, the innovation and strategy group behind Atari Hotels, and the Foundation Chair of the Woz Innovation Foundation, Steve Wozniak's non-profit organization to help build the future of technology.

Ms. Murphy is at the nexus of creating new verticals in technology, education, and entertainment. Murphy has an extensive background and career experience in executive leadership, management, business development, and over two decades of experience in finance with over \$900MM USD issued in private activity bonds. Murphy established her career and was appointed by Governor's Executive Order as the Executive Director and CEO of Arizona Higher Education Loan Authority, a not-for-profit organization with a mission to provide low-cost education financing solutions.

Ms. Murphy currently serves on the Advisory Boards for OfferPad, an industry leader in innovative end-to-end real estate transactions, and The Game Fund Partners, a venture fund focused on Gaming, Esports, and related media.

### **Family Relationships**

There are no family relationships among our directors or officers.

### **Involvement in Certain Legal Proceedings**

None of our directors or executive officers have been involved in any of the following events during the past ten years:

- (a) any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- (b) any conviction in a criminal proceeding or being subject to a pending criminal proceeding (excluding traffic violations and other minor offences);
- (c) being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities;
- (d) being found by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated;
- (e) being the subject of, or a party to, any federal or state judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of: (i) any federal or state securities or commodities law or regulation; or (ii) any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease- and-desist order, or removal or prohibition order; or (iii) any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or
- (f) being the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Securities Exchange Act of 1934), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

## Delinquent Section 16(a) Reports

Section 16(a) of the Securities Exchange Act of 1934 requires our executive officers and directors, and persons who own more than 10% of our common stock, to file reports regarding ownership of, and transactions in, our securities with the Securities and Exchange Commission and to provide us with copies of those filings. Based solely on our review of the copies of such forms received by us, or written representations from certain reporting persons we believe that during year ended December 31, 2021 all filing requirements applicable to our executive officers and directors, and persons who own more than 10% of our common stock were complied with, with the exception of the following:

<b>Name</b>	<b>Number of Late Reports</b>	<b>Number of Transactions Not Reported on a Timely Basis</b>	<b>Failure to File Requested Forms</b>
Cameron Chell	1	1	Nil

## Code of Ethics

On December 20, 2017, our board of directors adopted a code of ethics and business conduct for directors, senior officers and employees of our company. We adopted the code of ethics and business conduct for the purpose of promoting:

- honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest;
- full, fair, accurate, timely and understandable disclosure in all reports and documents that we file with, or submits to, the Securities and Exchange Commission and in other public communications made by our company;
- compliance with applicable governmental laws, rules and regulations;
- the protection of our assets, including corporate opportunities and confidential information;
- fair dealing practices;
- the prompt internal reporting of violations of the code of ethics and business conduct; and
- accountability for adherence to the code of ethics and business conduct.

## Audit Committee

We have an audit committee consisting of James P. Geiskopf, Edmund C. Moy, and Shelly Murphy. Our audit committee assists our board of directors in fulfilling its responsibility to our stockholders relating to corporate accounting matters, the financial reporting practices of our company, and the quality and integrity of the financial reports of our company.

## Audit Committee Financial Expert

Our board of directors has determined that it does not have a member that qualifies as an “audit committee financial expert” as defined in Item 407(d)(5)(ii) of Regulation S-K. We believe that our board of directors is capable of analyzing and evaluating our financial statements and understanding internal controls and procedures for financial reporting. In addition, we believe that retaining an independent director who would qualify as an “audit committee financial expert” would be overly costly and burdensome and is not warranted in our circumstances given the early stages of our development.

## Other Committees of Board of Directors

We do not have nominating or compensation committees or committees performing similar functions nor do we have a written nominating or compensation committee charter. Our board of directors does not believe that it is necessary to have such committees because it believes that the functions of such committees can be adequately performed by our board of directors.

We do not have any defined policy or procedure requirements for our stockholders to submit recommendations or nominations for directors. We do not currently have any specific or minimum criteria for the election of nominees to our board of directors and we do not have any specific process or procedure for evaluating such nominees. Our board of directors assesses all candidates, whether submitted by management or stockholders, and makes recommendations for election or appointment.

A stockholder who wishes to communicate with our board of directors may do so by directing a written request to the address appearing on the first page of this annual report.

## ITEM 11. EXECUTIVE COMPENSATION

### Summary Compensation

The particulars of compensation paid to the following persons:

- (a) all individuals serving as our principal executive officer during the year ended December 31, 2021;
- (b) each of two most highly compensated executive officers other than our principal executive officer who were serving as executive officers at December 31, 2021; and
- (c) up to two additional individuals for whom disclosure would have been provided under (b) but for the fact that the individual was not serving as our executive officer at December 31, 2021,

who we will collectively refer to as the named executive officers, for all services rendered in all capacities to our company for the years ended December 31, 2021 and 2020 are set out in the following summary compensation table:

### Summary Compensation Table – Years Ended December 31, 2021 and 2020

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Bruce Elliott <i>President</i>	2021	-	-	-	435,600(2)	-	-	-	435,600
	2020	-	-	-	-	-	-	-	-
Swapan Kakumanu <i>Chief Financial Officer</i>	2021	-	-	-	1,239,600(2)	-	-	-	1,239,600
<i>Secretary and Treasurer</i> <sup>(1)</sup>	2020	-	-	-	-	-	-	-	-

**Notes:**

- (1) On December 4, 2018, Mr. Kakumanu was appointed as the chief financial officer of our company. On September 16, 2020, we appointed Mr. Kakumanu as our secretary and treasurer.
- (2) Reflects the grant date fair value computed in accordance with FASB ASC Topic 718. See Note 7 of our annual financial statements for the years ended December 31, 2021 and 2020 for a description of the assumptions made in the valuation of these stock options.

## Narrative Disclosure to Summary Compensation Table

In connection with the appointment of Bruce Elliott as president, we have entered into an independent consultant agreement dated October 15, 2017 with Bruce Elliott whereby we agreed to pay Mr. Elliott a signing bonus of \$7,500, payable within 30 days, and a consulting fee in the amount of \$10,000 per month, which was increased to \$12,000 per month commencing on February 1, 2018 with the approval of our board of directors. On June 1, 2018, his consulting fee increased to \$16,000 per month with the approval of our board of directors. On December 1, 2019, his consulting fee decreased to \$1 per month. Subject to compliance with all applicable securities laws, we also agreed to grant to Mr. Elliott 200,000 stock options within 60 days at a price of \$0.10 per share, which stock options become exercisable as follows: (i) 1/3 upon the date of grant; (ii) 1/3 on the first anniversary date and (iii) 1/3 on the second anniversary date. The agreement continues for twelve months terms which will automatically be renewed unless we provide 90 days prior written notice of our intention to not renew the agreement. The agreement may be terminated by (i) Mr. Elliott by providing at least 90 days advance notice in writing, (ii) us by giving at least 90 days advance notice in writing, or (iii) us without notice in the event that Mr. Elliott: (a) breaches any term of the agreement, (b) neglects the services or any other duty to be performed under the agreement, (c) engages in any conduct which is dishonest, or damages our reputation or standing, (d) is convicted of any criminal act, (e) engages in any act of moral turpitude, (f) files a voluntary petition in bankruptcy, or (g) is adjudicated as bankrupt or insolvent. Mr. Elliott has also agreed for the term of the agreement not to compete with us in the business of providing services for blockchain initial coin offerings. During the term of the agreement and for a period of one year immediately following the termination or expiration of the agreement, Mr. Elliott has agreed not to solicit or induce any customer, prospective customer, supplier, sales personnel, employee or independent contractor involved with us to terminate or breach any employment, contractual or other relationship with us, or to otherwise discontinue or alter such third party's relationship with us.

Since October 1, 2017, we have paid Red to Black Inc., a company controlled by Swapan Kakumanu \$4,000 per month which was amended to \$10,000 per month from February 1, 2018 for providing accounting and controller services. On December 4, 2018, we removed Michael Blum as our chief financial officer in order to accommodate the appointment of Swapan Kakumanu as our chief financial officer in connection with our application to list our common stock on the TSX Venture Exchange. In connection with the appointment of Swapan Kakumanu as chief financial officer, we have entered into an independent consultant agreement dated December 4, 2018 with Swapan Kakumanu whereby we agreed to pay a consulting fee of \$5,000 per month. Commencing December 1, 2019, the consulting agreement was amended to pay \$1 per month. Subject to compliance with all applicable securities laws, we also agreed to grant to Mr. Kakumanu stock options in an amount to be determined by our board of directors. The agreement continues for a twelve month term, which will automatically be renewed unless we provide 30 days prior written notice of our intention to not renew the agreement. The agreement may be terminated by (i) Mr. Kakumanu by providing at least 30 days advance notice in writing, (ii) us by giving at least 30 days advance notice in writing, or (iii) us without notice in the event that Mr. Kakumanu: (a) breaches any term of the agreement, (b) neglects the services or any other duty to be performed under the agreement, (c) engages in any conduct which is dishonest or damages our reputation or standing, (d) is convicted of any criminal act, (e) engages in any act of moral turpitude, (f) files a voluntary petition in bankruptcy, or (g) is adjudicated as bankrupt or insolvent. Mr. Kakumanu has also agreed, for the term of the agreement, not to compete with us in the business of providing services for blockchain initial coin offerings. During the term of the agreement, and for a period of one year immediately following the termination or expiration of the agreement, Mr. Kakumanu has agreed not to solicit or induce any customer, prospective customer, supplier, sales personnel, employee, or independent contractor involved with us to terminate or breach any employment, contractual or other relationship with us, or to otherwise discontinue or alter such third party's relationship with us.

On October 15, 2017, as amended on January 22, 2018, November 22, 2018, and December 7, 2020, our board of directors adopted and approved the 2017 Equity Incentive Plan. The purpose of the plan is to (a) enable us and any of our affiliates to attract and retain the types of employees, consultants and directors who will contribute to our long range success; (b) provide incentives that align the interests of employees, consultants and directors with those of our stockholders; and (c) promote the success of our business. On November 22, 2018, our board of directors amended our 2017 Equity Incentive Plan in connection with our application to list our common stock on the TSX Venture Exchange. On December 7, 2020, the plan was amended to provide that a total of 6,985,207 shares of our common stock will be available for the grant of stock options and no shares will be available for the grant of non-stock option awards.

On February 10, 2021, we granted 400,000 stock options to Bruce Elliott, and 400,000 stock options to Swapan Kakumanu. Each stock option is exercisable for a period of 10 years at a price of \$1.17 per share. The stock options vest as to one-third on the date of grant, one-third on the first anniversary of the date of grant and one-third on the second anniversary of the date of grant.

On June 15, 2021, we granted 750,000 stock options to Swapan Kakumanu. Each stock option is exercisable for a period of 10 years at a price of \$1.16 per share. The stock options vest as to one-third on the date of grant, one-third on the first anniversary of the date of grant and one-third on the second anniversary of the date of grant.

## Retirement or Similar Benefit Plans

There are no arrangements or plans in which we provide retirement or similar benefits for our directors or executive officers.

## Resignation, Retirement, Other Termination, or Change in Control Arrangements

We have no contract, agreement, plan or arrangement, whether written or unwritten, that provides for payments to our directors or executive officers at, following, or in connection with the resignation, retirement or other termination of its directors or executive officers, or a change in control of our company or a change in our directors' or executive officers' responsibilities following a change in control.

## Outstanding Equity Awards at Fiscal Year-End

The following table sets forth for each named executive officer certain information concerning the outstanding equity awards as of December 31, 2021:

Name	Option awards				Stock awards				
	Number of securities underlying unexercised options (#) exercisable	Number of securities underlying unexercised options (#) unexercisable	Equity incentive plan awards: Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Number of shares or units of stock that have not vested (#)	Market value of shares that have not vested (\$)	Equity incentive plan awards: Number of shares, units or rights that have not vested (#)	Equity incentive plan awards: Market or payout value of unearned shares, units or rights that have not vested (\$)
Bruce Elliott	333,333 <sup>(1)</sup>	266,667	-	0.10	October 15, 2027	-	-	-	-
Swapan Kakumanu	100,000 <sup>(4)</sup>	-	-	0.10	October 15, 2027	-	-	-	-
Swapan Kakumanu	75,000 <sup>(4)</sup>	-	-	0.60	June 8, 2028	-	-	-	-
Swapan Kakumanu	133,333 <sup>(2)</sup>	266,667 <sup>(2)</sup>	-	0.10	February 10, 2031	-	-	-	-
Swapan Kakumanu	250,000 <sup>(2)</sup>	500,000 <sup>(2)</sup>	-	0.10	June 15, 2031	-	-	-	-

### Notes:

- (1) The stock options become exercisable as follows: (i) 1/3 upon the date of grant (October 15, 2017); (ii) 1/3 on the first anniversary date and (iii) 1/3 on the second anniversary date.
- (2) The stock options become exercisable as follows: (i) 1/3 on the first anniversary date of grant; (ii) 1/3 on the second anniversary date and (iii) 1/3 on the third anniversary date.
- (3) The stock options become exercisable as follows: (i) 1/3 upon the date of grant (June 8, 2018); (ii) 1/3 on the first anniversary date and (iii) 1/3 on the second anniversary date.
- (4) These stock options are held by Red to Black Inc., a company controlled by Swapan Kakumanu

## Compensation of Directors

During the year ended December 31, 2021, compensation to directors of our company is set out in the director compensation table below:

### Director Compensation

Name	Fees earned or paid in cash (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Cameron Chell <sup>(1)</sup>	135,000	-	1,507,600 <sup>(2)</sup> <del>(11)</del>	-	-	-	1,642,600
James P. Geiskopf	155,000	-	1,239,600 <sup>(3)</sup> <del>(11)</del>	-	-	-	1,394,600
Edmund C. Moy	-	-	432,200 <sup>(4)</sup> <del>(11)</del>	-	-	-	432,200
Shelly Murphy <sup>(5)</sup>	-	-	214,400 <sup>(6)</sup> <del>(11)</del>	-	-	-	214,400
Michael Blum <sup>(7)</sup>	-	-	217,800 <sup>(8)</sup> <del>(11)</del>	-	-	-	217,800
James M. Carter <sup>(9)</sup>	-	-	217,800 <sup>(10)</sup> <del>(11)</del>	-	-	-	217,800

(1) Does not include the fees and stock options received by Business Instincts Group Inc. On October 18, 2017, we entered into a business services agreement with Business Instincts Group Inc., a company of which Mr. Chell was a director, officer and indirect shareholder until January 15, 2021. The fees and stock options received by Business Instincts Group Inc. are compensation for the services provided by that company as a whole and we did not compensate Mr. Chell separately for these services.

(2) As of December 31, 2021, Mr. Chell owned the following stock options: stock options to purchase 400,000 shares of our common stock at an exercise price of \$0.10 per share until October 15, 2027 pursuant to the stock option agreement dated October 15, 2017, stock options to purchase 400,000 shares of our common stock at an exercise price of \$1.17 per share until February 10, 2031 pursuant to the stock option agreement dated February 10, 2021 and stock options to purchase 1,000,000 shares of our common stock at an exercise price of \$1.16 per share until June 15, 2031 pursuant to the stock option agreement dated June 15, 2021.

(3) As of December 31, 2021, Mr. Geiskopf owned the following stock options: stock options to purchase 400,000 shares of our common stock at an exercise price of \$0.10 per share until October 15, 2027 pursuant to the stock option agreement dated October 15, 2017, stock options to purchase 400,000 shares of our common stock at an exercise price of \$1.17 per share until February 10, 2031 pursuant to the stock option agreement dated February 10, 2021 and stock options to purchase 750,000 shares of our common stock at an exercise price of \$1.16 per share until June 15, 2031 pursuant to the stock option agreement dated June 15, 2021.

(4) As of December 31, 2021, Mr. Moy owned the following stock options: stock options to purchase 100,000 shares of our common stock at an exercise price of \$0.60 per share until February 9, 2028 pursuant to the stock option agreement dated February 9, 2018, stock options to purchase 200,000 shares of our common stock at an exercise price of \$1.17 per share until February 10, 2031 pursuant to the stock option agreement dated February 10, 2021 and stock options to purchase 200,000 shares of our common stock at an exercise price of \$1.16 per share until June 15, 2031 pursuant to the stock option agreement dated June 15, 2021.

(5) On June 14, 2021, Ms. Murphy was appointed a director of our company.

(6) As of December 31, 2021, Ms. Murphy owned the following stock options: stock options to purchase 200,000 shares of our common stock at an exercise price of \$1.16 per share until June 15, 2031 pursuant to the stock option agreement dated June 15, 2021.

(7) On June 14, 2021, Mr. Blum resigned as a director of our company.

(8) As of December 31, 2021, Mr. Blum owned no stock options of our company.

(9) On June 14, 2021, Mr. Carter resigned as a director of our company.

(10) As of December 31, 2021, Mr. Carter owned no stock options of our company.

(11) Reflects the grant date fair value computed in accordance with FASB ASC Topic 718. See Note 7 of our annual financial statements for the years ended December 31, 2021 and 2020 for a description of the assumptions made in the valuation of these stock options.



On January 22, 2018, we entered into an offer letter with James P. Geiskopf, pursuant to which, among other things, we agreed to pay Mr. Geiskopf \$120,000 in annual cash compensation commencing on January 1, 2018. On June 26, 2019, Mr. Geiskopf agreed to a credit \$30,000 of his annual cash compensation. On December 20, 2019, Mr. Geiskopf agreed to credit the remaining outstanding invoices of \$50,000.

In connection with the appointment of Edmund C. Moy as a director on February 9, 2018, we entered into an offer letter dated February 9, 2018 with Mr. Moy, pursuant to which, among other things, we agreed to pay Mr. Moy \$50,000 in annual cash compensation and grant 100,000 stock options. Effective February 9, 2018, we granted to Mr. Moy 100,000 stock options, which are exercisable at an exercise price of \$0.60 per share until February 9, 2028. The stock options become exercisable as follows: (i) 1/3 on the grant date, (ii) 1/3 on the first anniversary of the grant date and (iii) 1/3 on the second anniversary of the grant date. On December 20, 2019, Mr. Moy agreed to credit the remaining outstanding invoices of \$33,333.

In connection with the appointment of Shelly Murphy as a director on June 15, 2021, we entered into an offer letter dated June 15, 2021 with Ms. Murphy, pursuant to which, among other things, we granted to Ms. Murphy 200,000 stock options, which are exercisable at an exercise price of \$1.16 per share until June 15, 2031. The stock options become exercisable monthly over 36 months as follows: 1/36 of the stock options vesting each month commencing on June 15, 2021.

On February 10, 2021, we granted stock options to our directors (200,000 stock options to Michael Blum, 400,000 stock options to Cameron Chell, 400,000 stock options to James P. Geiskopf, 200,000 to Edmund Moy, and 200,000 to James M. Carter). Each stock option is exercisable for a period of 10 years at a price of \$1.17 per share. The stock options vest as to one-third on the date of grant, one-third on the first anniversary of the date of grant and one-third on the second anniversary of the date of grant.

On June 15, 2021, we granted stock options to our directors (1,000,000 stock options to Cameron Chell, 750,000 stock options to James P. Geiskopf, 200,000 to Edmund Moy, and 200,000 to Shelly Murphy). Each stock option is exercisable for a period of 10 years at a price of \$1.16 per share. The stock options vest as to one-third on the date of grant, one-third on the first anniversary of the date of grant and one-third on the second anniversary of the date of grant.

## **ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS**

The following table sets forth, as of March 24, 2022, certain information with respect to the beneficial ownership of our common stock by each stockholder known by us to be the beneficial owner of more than 5% of any class of our voting securities and by each of our directors, our named executive officers and by our executive officers and directors as a group.

<b>Name</b>	<b>Title of Class</b>	<b>Amount and Nature of Beneficial Ownership<sup>(1)</sup></b>	<b>Percentage of Class<sup>(1)</sup> (2)</b>
Bruce Elliott	Common Stock	466,666 <sup>(3)</sup>	*
Swapan Kakumanu	Common Stock	879,523 <sup>(4)</sup>	1.1%
Cameron Chell	Common Stock	1,213,033 <sup>(5)</sup>	1.5%
James P. Geiskopf	Common Stock	4,554,523 <sup>(6)</sup>	5.7%
Edmund C. Moy	Common Stock	300,999 <sup>(7)</sup>	*
Shelly Murphy	Common Stock	66,666 <sup>(8)</sup>	*
All executive officers and directors as a group (6 persons)	Common Stock	7,481,410	9.1%

#### **Notes**

\* Less than 1%.

- (1) Except as otherwise indicated, we believe that the beneficial owners of the common stock listed above, based on information furnished by such owners, have sole investment and voting power with respect to such shares, subject to community property laws where applicable. Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. Common stock subject to options or warrants currently exercisable or exercisable within 60 days, are deemed outstanding for purposes of computing the percentage ownership of the person holding such option or warrants, but are not deemed outstanding for purposes of computing the percentage ownership of any other person.
- (2) Percentage of ownership is based on 77,953,057 shares of our common stock issued and outstanding as of March 24, 2022.
- (3) Consists of 466,666 shares of our common stock underlying 466,666 stock options that are vested or will be vested within 60 days.
- (4) Consists of 137,857 shares of our common stock held directly and 50,000 shares of our common stock held by Red to Black Inc., a company controlled by Mr. Kakumanu, 175,000 shares of our common stock underlying 175,000 stock options granted to Red to Black Inc. that are vested or will be vested within 60 days, 516,666 shares of our common stock underlying 516,666 stock options that are vested or will be vested within 60 days.
- (5) Consists of 213,034 shares of our common stock held directly, 999,999 shares of our common stock underlying 999,999 stock options that are vested or will be vested within 60 days.
- (6) Consists of 2,637,857 shares of our common stock, 1,000,000 shares of our common stock underlying 1,000,000 warrants and 916,666 shares of our common stock underlying 916,666 stock options that are vested or will be vested within 60 days.
- (7) Consists of 1,000 shares of our common stock and 299,999 shares of our common stock underlying 299,999 stock options that are vested or will be vested within 60 days.
- (8) Consists of 66,666 shares of our common stock underlying 66,666 stock options that are vested or will be vested within 60 days.

#### **Changes in Control**

We are unaware of any arrangement the operation of which may at a subsequent date result in a change of control of our company.

#### **ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE**

##### **Transactions with Related Persons**

Other than as disclosed below, there has been no transaction, since January 1, 2020, or currently proposed transaction, in which the Company were or are to be a participant and the amount involved exceeds \$54,069.05, being the lesser of \$120,000 or one percent of the average of its total assets at year end for the last two completed fiscal years, and in which any of the following persons had or will have a direct or indirect material interest:

- (i) any director or executive officer of our company;
- (ii) any person who beneficially owns, directly or indirectly, shares carrying more than 5% of any class of our voting securities;
- (iii) any person who acquired control of our company when it was a shell company or any person that is part of a group, consisting of two or more persons that agreed to act together for the purpose of acquiring, holding, voting or disposing of our common stock, that acquired control of our company when it was a shell company; and
- (iv) any member of the immediate family (including spouse, parents, children, siblings and in-laws) of any of the foregoing persons.

The Company entered into 7 promissory notes with rate of interest payable at 5% per annum on July 18, 2019, August 9, 2019, September 13, 2019, October 4, 2019, November 19, 2019, December 18, 2019, and January 9, 2020 with Business Instincts Group Inc. (“BIG”). The Company repaid BIG \$101,460 of the principal amount owing in the fiscal year ended December 31, 2020. As of March 24, 2022, the Company owed \$28,804 in principal and interest (December 31, 2020 - \$414,547 and December 31, 2019 - \$484,525). The largest aggregate principal outstanding during the period from January 1, 2020 to December 31, 2021 was \$1,915,205, with \$nil outstanding as at December 31, 2021. No interest was paid in the period from January 1, 2020 to December 31, 2021. Our chairman and director, Cameron Chell, was a director, officer and an indirect shareholder of BIG until January 15, 2021.

The Company engaged two clients to build out their business models, technology strategy, market entry strategy, and capital structure, including a blockchain platform launch. The Company signed an agreement with BIG in which 80% of the revenue received is reimbursed to BIG for expenses incurred to meet the performance obligations as outlined above. For the year ended December 31, 2020, the Company incurred expenses of \$132,266 of which \$102,267 was payable as at December 31, 2020 to BIG related to these customers.

For the year ended December 31, 2021, the Company incurred expenses of which \$140,000 was payable as at December 31, 2021 to BIG related to these customers.

Effective as of December 10, 2020, we entered into a business services agreement with BIG, whereby we retained the services of BIG to provide various business and product development services. The term of the business services agreement, the services to be provided by BIG under the business services agreement and the amounts to be paid to BIG for providing the services under the business services agreement (the “Fees”) will be set out separately in the future as separate schedules to the business services agreement. We and BIG have agreed that the Fees be calculated based on new business services agreements we sign with our customers and such Fees will not be more than eighty percent of the fees that we charge our customers. We expect that the Fees will be eighty percent of the fees that we charge our customers for most of our customers. Under the business services agreement, the Fees are to be calculated only on the revenue earned and collected by us from our customers that relates to monthly services fee and product development fees and the Fees will not be calculated on any revenues earned and collected by us from our customers that are based on transaction processing fees or any revenue earned in the form of equity or joint venture or profit-sharing arrangements in our customer’s company. Under the business services agreement, we are responsible for paying specific disbursements charged by third parties to BIG relating to the business services agreement, including graphic design, creative, legal and other advisory fees. We have also agreed to reimburse BIG for any out-of-pocket expenses incurred by BIG in connection with the business services agreement and carrying out the services once we collect these out-of-pocket expenses from our customers. Any out-of-pocket expenses and disbursements to be charged by third parties must be pre-approved by us.

Effective as of May 5, 2021, we loaned \$400,000 to Fogdog Energy Solutions Inc. pursuant to convertible promissory note. The note bears interest at a rate of 4% per annum and comes due on May 5, 2022. The note may not be prepaid without the written consent of our company. Under certain conditions as outlined in the promissory note, the Company may convert the outstanding loan into common shares. Our chief financial officer, secretary and treasurer, Swapan Kakumanu, is a director, chief financial officer and a shareholder of Fogdog. Accrued interest as at December 31, 2021 is \$24,773. Effective as of August 20, 2021, we loaned an additional \$850,000 to Fogdog Energy Solutions Inc. pursuant to convertible promissory note. The note bears interest at a rate of 10% per annum and comes due on August 20, 2027. The note may not be prepaid without the written consent of our company. Under certain conditions as outlined in the promissory note, we may convert the outstanding loan into common shares. Our chief financial officer, secretary and treasurer, Swapan Kakumanu, is a director, chief financial officer and a shareholder of Fogdog. The largest aggregate amount of principal outstanding during the period for which disclosure is provided and the amount thereof outstanding as of the latest practicable date is \$1,250,000. The amount of principal and accrued interest paid during the periods for which disclosure is provided is \$nil. Accrued interest as at December 31, 2021 is \$24,773.

On December 29, 2021, we completed a private placement of an aggregate of 173,609 shares of common stock at a price of \$0.288 per share for aggregate gross proceeds of \$50,000. Of the 173,609 shares: (i) Cameron Chell, our chairman and director, subscribed for 59,027 shares of our common stock; (ii) Swapan Kakumanu, our Chief Financial Officer, subscribed for 57,291 shares of our common stock; and (iii) James P. Geiskopf, our lead director, subscribed for 57,291 shares of our common stock.

On January 28, 2022, we completed a private placement of an aggregate of 244,139 shares of common stock at a price of \$0.2048 per share for aggregate gross proceeds of \$50,000. Of the 244,139 shares: (i) Cameron Chell, our chairman and director, subscribed for 83,007 shares of our common stock; (ii) Swapan Kakumanu, our Chief Financial Officer, subscribed for 80,566 shares of our common stock; and (iii) James P. Geiskopf, our lead director, subscribed for 80,566 shares of our common stock.

## Compensation for Executive Officers and Directors

For information regarding compensation for our executive officers and directors, see “Executive Compensation”.

### Director Independence

We currently act with four directors consisting of Cameron Chell, James P. Geiskopf, Edmund C. Moy, and Shelly Murphy. Our common stock is quoted on the TSX, which does not impose any director independence requirements. Under NASDAQ rule 5605(a)(2), a director is not independent if he or she is also an executive officer or employee of the corporation or was, at any time during the past three years, employed by the corporation. Using this definition of independent director, we have three independent directors, James Geiskopf, Edmund C. Moy, and Shelly Murphy.

## ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

### Audit Fees

The following table sets forth the fees billed or expected to be billed to our company for the years ended December 31, 2021 and December 31, 2020 for professional services rendered by Haynie & Company, our independent registered public accounting firm:

<b>Fees</b>	<b>2021</b>	<b>2020</b>
Audit Fees	\$ 55,000*	\$ 55,542
Audit Related Fees	-	-
Tax Fees	-	-
Other Fees	-	-
<b>Total Fees</b>	<b>\$ 55,000</b>	<b>\$ 55,542</b>

\*Estimated.

### Pre-Approval Policies and Procedures

Our audit committee pre-approves all services provided by our independent registered public accountants. All of the above services and fees were reviewed and approved by our board of directors or our audit committee before the respective services were rendered.

Our board of directors has considered the nature and amount of fees billed by our independent registered public accountants and believes that the provision of services for activities unrelated to the audit is compatible with maintaining the independence of our independent registered public accountants.

## PART IV

## ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

<b>Exhibit Number</b>	<b>Description</b>
<b>(3)</b>	<b>Articles of Incorporation and Bylaws</b>
3.1	<a href="#">Articles of Incorporation (incorporated by reference from our Current Report on Form S-1, filed on March 30, 2011)</a>
3.2	<a href="#">Articles of Merger (incorporated by reference from our Current Report on Form 8-K filed on August 23, 2017)</a>
3.3	<a href="#">Articles of Merger (incorporated by reference from our Current Report on Form 8-K filed on February 15, 2018)</a>
3.4	<a href="#">Articles of Merger dated effective September 3, 2019 (incorporated by reference from our Current Report on Form 8-K, filed on September 9, 2019)</a>
3.5	<a href="#">Certificate of Amendment to Articles of Incorporation (incorporated by reference from our Current Report on Form 8-K, filed on June 3, 2021)</a>
3.6*	<a href="#">Amended and Restated Bylaws</a>

Exhibit Number	Description
<b>(10)</b>	<b>Material Contracts</b>
10.1	<a href="#"><u>Private Placement Subscription Agreement with Oceanside Strategies Inc. dated September 14, 2015 (incorporated by reference from our Current Report on Form 8-K, filed on September 15, 2015)</u></a>
10.2	<a href="#"><u>18% Unsecured Convertible Note with Oceanside Strategies Inc. dated September 14, 2015 (incorporated by reference from our Current Report on Form 8-K, filed on September 15, 2015)</u></a>
10.3	<a href="#"><u>Private Placement Subscription Agreement with Oceanside Strategies Inc. dated December 30, 2016 (incorporated by reference from our Current Report on Form 8-K, filed on January 5, 2017)</u></a>
10.4	<a href="#"><u>18% Unsecured Convertible Note with Oceanside Strategies Inc. dated December 30, 2016 (incorporated by reference from our Current Report on Form 8-K, filed on January 5, 2017)</u></a>
10.5	<a href="#"><u>Private Placement Subscription Agreement with Oceanside Strategies Inc. dated December 30, 2016 (incorporated by reference from our Current Report on Form 8-K, filed on January 2, 2018)</u></a>
10.6	<a href="#"><u>18% Unsecured Convertible Note with Oceanside Strategies Inc. dated December 30, 2016 (incorporated by reference from our Current Report on Form 8-K, filed on January 2, 2018)</u></a>
10.7	<a href="#"><u>Private Placement Subscription Agreement with Oceanside Strategies Inc. dated March 2, 2017 (incorporated by reference from our Current Report on Form 8-K, filed on March 24, 2017)</u></a>
10.8	<a href="#"><u>18% Unsecured Convertible Note with Oceanside Strategies Inc. dated March 2, 2017 (incorporated by reference from our Current Report on Form 8-K, filed on March 24, 2017)</u></a>
10.9	<a href="#"><u>Private Placement Subscription Agreement with Oceanside Strategies Inc. dated June 8, 2017 (incorporated by reference from our Current Report on Form 8-K, filed on January 2, 2018)</u></a>
10.10	<a href="#"><u>18% Unsecured Convertible Note with Oceanside Strategies Inc. dated June 8, 2017 (incorporated by reference from our Current Report on Form 8-K, filed on January 2, 2018)</u></a>
10.11	<a href="#"><u>Transfer Agreement dated August 21, 2017 with Blockchain Fund GP Inc. (incorporated by reference from our Current Report on Form 8-K filed on August 23, 2017)</u></a>
10.12	<a href="#"><u>Business Services Agreement with Business Instincts Group Inc. dated October 18, 2017. (incorporated by reference from our Current Report on Form 8-K filed on October 19, 2017)</u></a>
10.13	<a href="#"><u>Private Placement Subscription Agreement with Oceanside Strategies Inc. dated October 30, 2017 (incorporated by reference from our Annual Report on Form 10-K filed on April 2, 2017)</u></a>
10.14	<a href="#"><u>10% Unsecured Convertible Note dated October 30, 2017 issued in connection with Private Placement Subscription Agreement with Oceanside Strategies Inc. dated October 30, 2017 (incorporated by reference from our Annual Report on Form 10-K filed on April 2, 2017)</u></a>
10.15	<a href="#"><u>Private Placement Subscription Agreement with Hospitality Investors Special Situation Group Pvt. Ltd. dated October 30, 2017 (incorporated by reference from our Annual Report on Form 10-K filed on April 2, 2017)</u></a>
10.16	<a href="#"><u>10% Unsecured Convertible Note dated October 30, 2017 issued in connection with Private Placement Subscription Agreement with Hospitality Investors Special Situation Group Pvt. Ltd. dated October 30, 2017 (incorporated by reference from our Annual Report on Form 10-K filed on April 2, 2017)</u></a>
10.17	<a href="#"><u>Form of Private Placement Subscription Agreement for Common Stock Offering (incorporated by reference from our Current Report on Form 8-K filed on October 31, 2017)</u></a>
10.18	<a href="#"><u>Loan Agreement dated November 20, 2017 with WENN Digital Inc. (incorporated by reference from our Current Report on Form 8-K filed on November 27, 2017)</u></a>
10.19	<a href="#"><u>Independent Consultant Agreement dated effective October 9, 2017 with Bruce Elliott (incorporated by reference from our Current Report on Form 8-K, filed on January 2, 2018)</u></a>
10.20	<a href="#"><u>Independent Consultant Agreement dated effective October 9, 2017 with Michael Blum (incorporated by reference from our Current Report on Form 8-K, filed on January 2, 2018)</u></a>
10.21	<a href="#"><u>Business Services Agreement dated effective December 29, 2017 with WENN Digital Inc. (incorporated by reference from our Current Report on Form 8-K, filed on January 2, 2018)</u></a>
10.22	<a href="#"><u>Form of Subscription Agreement (incorporated by reference from our Current Report on Form 8-K, filed on March 14, 2018)</u></a>
10.23	<a href="#"><u>Amendment No. 1 to Business Services Agreement dated as of March 24, 2018 with WENN Digital Inc. (incorporated by reference from our Current Report on Form 8-K, filed on March 20, 2018)</u></a>
10.24	<a href="#"><u>Offer Letter dated January 22, 2018 with James P. Geiskopf (incorporated by reference from our Annual Report on Form 10-K filed on April 2, 2017)</u></a>

Exhibit Number	Description
10.25	<a href="#">Offer Letter dated February 9, 2018 with Edmund C. Moy (incorporated by reference from our Annual Report on Form 10-K filed on April 2, 2017)</a>
10.26	<a href="#">2017 Equity Incentive Plan (incorporated by reference from our Annual Report on Form 10-K filed on April 2, 2017)</a>
10.27	<a href="#">Stock Option Agreement dated October 15, 2017 with James P. Geiskopf (incorporated by reference from our Annual Report on Form 10-K filed on April 2, 2017)</a>
10.28	<a href="#">Stock Option Agreement dated October 15, 2017 with Cameron Chell (incorporated by reference from our Annual Report on Form 10-K filed on April 2, 2017)</a>
10.29	<a href="#">Stock Option Agreement dated October 15, 2017 with Michael Blum (incorporated by reference from our Annual Report on Form 10-K filed on April 2, 2017)</a>
10.30	<a href="#">Stock Option Agreement dated October 15, 2017 with Bruce Elliott (incorporated by reference from our Annual Report on Form 10-K filed on April 2, 2017)</a>
10.31	<a href="#">Stock Option Agreement dated October 15, 2017 with Business Instincts Group Inc. (incorporated by reference from our Annual Report on Form 10-K filed on April 2, 2017)</a>
10.32	<a href="#">Stock Option Agreement dated February 9, 2018 with Edmund C. Moy (incorporated by reference from our Annual Report on Form 10-K filed on April 2, 2017)</a>
10.33	<a href="#">Indemnification Agreement dated December 20, 2017 with James P. Geiskopf (incorporated by reference from our Annual Report on Form 10-K filed on April 2, 2017)</a>
10.34	<a href="#">Indemnification Agreement dated December 20, 2017 with Cameron Chell (incorporated by reference from our Annual Report on Form 10-K filed on April 2, 2017)</a>
10.35	<a href="#">Indemnification Agreement dated December 20, 2017 with Michael Blum (incorporated by reference from our Annual Report on Form 10-K filed on April 2, 2017)</a>
10.36	<a href="#">Indemnification Agreement dated December 20, 2017 with Bruce Elliott (incorporated by reference from our Annual Report on Form 10-K filed on April 2, 2017)</a>
10.37	<a href="#">Indemnification Agreement dated February 9, 2018 with Edmund C. Moy (incorporated by reference from our Annual Report on Form 10-K filed on April 2, 2017)</a>
10.38	<a href="#">Offer Letter dated May 17, 2018 with James Carter (incorporated by reference from our Registration Statement on Form S-1/A filed on July 17, 2018)</a>
10.39	<a href="#">Stock Option Agreement dated May 17, 2018 with James Carter (incorporated by reference from our Registration Statement on Form S-1/A filed on July 17, 2018)</a>
10.40	<a href="#">Indemnification Agreement dated May 17, 2018 with James Carter (incorporated by reference from our Registration Statement on Form S-1/A filed on July 17, 2018)</a>
10.41	<a href="#">Offer Letter dated June 22, 2018 with Alphonso Jackson (incorporated by reference from our Registration Statement on Form S-1/A filed on July 17, 2018)</a>
10.42	<a href="#">Stock Option Agreement dated June 7, 2018 with Alphonso Jackson (incorporated by reference from our Registration Statement on Form S-1/A filed on July 17, 2018)</a>
10.43	<a href="#">Indemnification Agreement June 22, 2018 with Alphonso Jackson (incorporated by reference from our Registration Statement on Form S-1/A filed on July 17, 2018)</a>
10.44	<a href="#">Amendment Agreement dated effective as of June 25, 2018 to Business Services Agreement dated October 18, 2017 with Business Instincts Group Inc. (incorporated by reference from our Current Report on Form 8-K, filed on June 29, 2018)</a>
10.45	<a href="#">Loan Agreement dated July 9, 2018 with Ryde Holding Inc. (formerly WENN Digital Inc.) (incorporated by reference from our Current Report on Form 8-K, filed on July 11, 2018)</a>
10.46	<a href="#">Corporate Guaranty dated July 9, 2018 by Ryde GmbH (incorporated by reference from our Current Report on Form 8-K, filed on July 11, 2018)</a>
10.47	<a href="#">Amendment No. 2 to Business Services Agreement dated as of July 9, 2018 with Ryde Holding Inc. (formerly WENN Digital Inc.) (incorporated by reference from our Current Report on Form 8-K, filed on July 11, 2018)</a>
10.48	<a href="#">Loan Agreement entered into as of August 29, 2018 with Ryde GmbH (incorporated by reference from our Current Report on Form 8-K, filed on August 31, 2018)</a>
10.49	<a href="#">Corporate Guaranty entered into as of August 29, 2018 by Ryde Holding Inc. (formerly WENN Digital Inc.) (incorporated by reference from our Current Report on Form 8-K, filed on August 31, 2018)</a>



Exhibit Number	Description
10.50	<a href="#"><u>Security Agreement entered into as of August 29, 2018 with Ryde Holding Inc. (formerly WENN Digital Inc.) (incorporated by reference from our Current Report on Form 8-K, filed on August 31, 2018)</u></a>
10.51	<a href="#"><u>Security Assignment Agreement entered into as of August 29, 2018 with Ryde GmbH (incorporated by reference from our Current Report on Form 8-K, filed on August 31, 2018)</u></a>
10.52	<a href="#"><u>Master Services Agreement dated effective October 19, 2018 between ICOx USA, Inc. and BitRail, LLC (incorporated by reference from our Current Report on Form 8-K, filed on October 24, 2018)</u></a>
10.53	<a href="#"><u>Software Services Statement of Work dated effective October 19, 2018 between ICOx USA, Inc. and BitRail, LLC (incorporated by reference from our Current Report on Form 8-K, filed on October 24, 2018)</u></a>
10.54	<a href="#"><u>Amendment No. 3 to Business Services Agreement dated as of October 29, 2018 with Ryde Holding Inc. (incorporated by reference from our Current Report on Form 8-K, filed on October 31, 2018)</u></a>
10.55	<a href="#"><u>Amendment Agreement dated November 5, 2018 with Oceanside Strategies Inc. (incorporated by reference from our Current Report on Form 8-K, filed on November 7, 2018)</u></a>
10.56	<a href="#"><u>Amendment Agreement dated November 5, 2018 with Oceanside Strategies Inc. (incorporated by reference from our Current Report on Form 8-K, filed on November 7, 2018)</u></a>
10.57	<a href="#"><u>Amendment Agreement dated November 5, 2018 with Oceanside Strategies Inc. (incorporated by reference from our Current Report on Form 8-K, filed on November 7, 2018)</u></a>
10.58	<a href="#"><u>Amendment Agreement dated November 5, 2018 with Oceanside Strategies Inc. (incorporated by reference from our Current Report on Form 8-K, filed on November 7, 2018)</u></a>
10.59	<a href="#"><u>Amendment Agreement dated November 5, 2018 with Oceanside Strategies Inc. (incorporated by reference from our Current Report on Form 8-K, filed on November 7, 2018)</u></a>
10.60	<a href="#"><u>2017 Equity Incentive Plan (incorporated by reference from our Current Report on Form 8-K, filed on November 23, 2018)</u></a>
10.61	<a href="#"><u>Form of Private Placement Subscription Agreement (incorporated by reference from our Current Report on Form 8-K, filed on November 29, 2018)</u></a>
10.62	<a href="#"><u>Amendment to Independent Consultant Agreement dated December 4, 2018 with Michael Blum (incorporated by reference from our Current Report on Form 8-K, filed on December 4, 2018)</u></a>
10.63	<a href="#"><u>Master Services Agreement dated effective January 21, 2019 between ICOx USA, Inc. and FreedomCoin, LLC (incorporated by reference from our Current Report on Form 8-K, filed on February 4, 2019)</u></a>
10.64	<a href="#"><u>Software Services Statement of Work dated effective January 21, 2019 between ICOx USA, Inc. and FreedomCoin, LLC (incorporated by reference from our Current Report on Form 8-K, filed on February 4, 2019)</u></a>
10.65	<a href="#"><u>Stock Option Agreement dated October 15, 2017 with Red to Black Inc. (incorporated by reference from our Annual Report on Form 10-K, filed on March 26, 2019)</u></a>
10.66	<a href="#"><u>Stock Option Agreement dated June 8, 2018 with Red to Black Inc. (incorporated by reference from our Annual Report on Form 10-K, filed on March 26, 2019)</u></a>
10.67	<a href="#"><u>Independent Consultant Agreement dated effective December 4, 2018 with Swapan Kakumanu (incorporated by reference from our Annual Report on Form 10-K, filed on March 26, 2019)</u></a>
10.68	<a href="#"><u>Indemnification Agreement with Swapan Kakumanu (incorporated by reference from our Annual Report on Form 10-K, filed on March 26, 2019)</u></a>
10.69	<a href="#"><u>Form of Private Placement Subscription Agreement (incorporated by reference from our Current Report on Form 8-K, filed on May 20, 2019)</u></a>
10.70	<a href="#"><u>Amendment Agreement dated January 21, 2020 with an effective date of December 1, 2019 to Consulting Agreement dated effective October 9, 2017 between CurrencyWorks Inc. and Bruce Elliott (incorporated by reference from our Current Report on Form 8-K, filed on January 27, 2020)</u></a>
10.71	<a href="#"><u>Amendment Agreement dated January 21, 2020 with an effective date of December 1, 2019 to Offer Letter dated January 22, 2018 between CurrencyWorks Inc. and James P. Geiskopf (incorporated by reference from our Current Report on Form 8-K, filed on January 27, 2020)</u></a>
10.72	<a href="#"><u>Amendment Agreement dated January 21, 2020 with an effective date of December 1, 2019 to Offer Letter dated February 9, 2018 between CurrencyWorks Inc. and Edmund C. Moy (incorporated by reference from our Current Report on Form 8-K, filed on January 27, 2020)</u></a>
10.73	<a href="#"><u>Amendment Agreement dated January 21, 2020 with an effective date of December 1, 2019 to Offer Letter dated May 17, 2018 between CurrencyWorks Inc. and James Carter (incorporated by reference from our Current Report on Form 8-K, filed on January 27, 2020)</u></a>
10.74	<a href="#"><u>Amendment Agreement dated January 21, 2020 with an effective date of December 1, 2019 to Offer Letter dated June 22, 2018 between CurrencyWorks Inc. and Alphonso Jackson (incorporated by reference from our Current Report on Form 8-K, filed on January 27, 2020)</u></a>
10.75	<a href="#"><u>Amendment Agreement dated January 21, 2020 with an effective date of December 1, 2019 to Consulting Agreement dated effective October 9, 2017, as amended on November 30, 2018 and July 1, 2019 between CurrencyWorks Inc. and Michael Blum (incorporated by reference from our Current Report on Form 8-K, filed on January 27, 2020)</u></a>
10.76	<a href="#"><u>Amendment Agreement dated January 21, 2020 with an effective date of December 1, 2019 to Business Services Agreement dated effective October 18, 2017 as amended on June 26, 2018 between CurrencyWorks Inc. and Business Instincts Group Inc. (incorporated by reference from our Current Report on Form 8-K, filed on January 27, 2020)</u></a>
10.77	<a href="#"><u>Amendment Agreement dated January 21, 2020 with an effective date of December 1, 2019 to Consulting Agreement dated effective December 4, 2018 between CurrencyWorks Inc. and Swapan Kakumanu (incorporated by reference from our Current Report on Form 8-K, filed on January 27, 2020)</u></a>
10.78	<a href="#"><u>Amendment to Loan Agreement and Termination of Business Services Agreement dated February 7, 2020 with Ryde GmbH and Ryde Holding Inc. (incorporated by reference from our Current Report on Form 8-K, filed on February 12, 2020)</u></a>
10.79	<a href="#"><u>Form of Private Placement Subscription Agreement (incorporated by reference from our Current Report on Form 8-K, filed on June 16, 2020)</u></a>
10.80	<a href="#"><u>Business Services Agreement with Business Instincts Group Inc. dated December 10, 2020 (incorporated by reference from our Current Report on Form 8-K, filed on December 11, 2020)</u></a>

- 10.81 [Form of Private Placement Subscription Agreement \(incorporated by reference from our Current Report on Form 8-K, filed on January 7, 2021\)](#)
- 10.82 [Form of Private Placement Subscription Agreement \(incorporated by reference from our Current Report on Form 8-K, filed on February 11, 2021\)](#)



Exhibit Number	Description
10.83	<a href="#">Convertible Promissory Note with Fogdog Energy Solutions Inc. dated May 5, 2021 (incorporated by reference from our Current Report on Form 8-K, filed on May 6, 2021)</a>
10.84	<a href="#">Amended 2017 Equity Incentive Plan (incorporated by reference from our Current Report on Form 8-K, filed on June 3, 2021)</a>
10.85	<a href="#">Limited Liability Company Agreement dated July 6, 2021 with EnderbyWorks, LLC, Enderby Entertainment, Inc. and CurrencyWorks USA, Inc. (incorporated by reference from our Current Report on Form 8-K, filed on July 7, 2021)</a>
10.86	<a href="#">LLC Member Services Master Agreement dated July 6, 2021 with EnderbyWorks, LLC, Enderby Entertainment, Inc. and CurrencyWorks USA, Inc. (incorporated by reference from our Current Report on Form 8-K, filed on July 7, 2021)</a>
10.87	<a href="#">Technology Operating and License Agreement dated July 6, 2021 with EnderbyWorks, LLC and CurrencyWorks USA, Inc. (incorporated by reference from our Current Report on Form 8-K, filed on July 7, 2021)</a>
10.88	<a href="#">Secured Promissory Note dated July 6, 2021 with EnderbyWorks, LLC and CurrencyWorks USA, Inc. (incorporated by reference from our Current Report on Form 8-K, filed on July 7, 2021)</a>
10.89	<a href="#">Security Agreement dated July 6, 2021 with EnderbyWorks, LLC and CurrencyWorks USA, Inc. (incorporated by reference from our Current Report on Form 8-K, filed on July 7, 2021)</a>
10.90	<a href="#">Distribution License Agreement dated July 6, 2021 with EnderbyWorks, LLC and 92 Films, LLC (incorporated by reference from our Current Report on Form 8-K, filed on July 7, 2021)</a>
10.91	<a href="#">Form of Securities Purchase Agreement (incorporated by reference from our Current Report on Form 8-K, filed on July 13, 2021)</a>
10.92	<a href="#">Form of Common Warrant (incorporated by reference from our Current Report on Form 8-K, filed on July 13, 2021)</a>
10.93	<a href="#">Engagement Letter dated June 15, 2021 with H.C. Wainwright &amp; Co., LLC (incorporated by reference from our Current Report on Form 8-K, filed on July 13, 2021)</a>
10.94	<a href="#">Amendment to Engagement Letter dated July 10, 2021 with H.C. Wainwright &amp; Co., LLC (incorporated by reference from our Current Report on Form 8-K, filed on July 13, 2021)</a>
10.95	<a href="#">Services Agreement with Fogdog Energy Solutions Inc. dated August 20, 2021 (incorporated by reference from our Current Report on Form 8-K, filed on August 24, 2021)</a>
10.96	<a href="#">Loan Agreement with Fogdog Energy Solutions Inc. dated August 20, 2021 (incorporated by reference from our Current Report on Form 8-K, filed on August 24, 2021)</a>
10.97	<a href="#">General Security Agreement with Fogdog Solutions Inc. dated August 20, 2021 (incorporated by reference from our Current Report on Form 8-K, filed on August 24, 2021)</a>
10.98	<a href="#">Form of Securities Purchase Agreement (incorporated by reference from our Current Report on Form 8-K, filed on December 29, 2021)</a>
10.99	<a href="#">Form of Common Warrant (incorporated by reference from our Current Report on Form 8-K, filed on December 29, 2021)</a>
10.100	<a href="#">Form of Private Placement Subscription Agreement (incorporated by reference from our Current Report on Form 8-K, filed on December 30, 2021)</a>
10.101	<a href="#">Form of Securities Purchase Agreement (incorporated by reference from our Current Report on Form 8-K, filed on January 28, 2022)</a>
10.102	<a href="#">Form of Common Warrant (incorporated by reference from our Current Report on Form 8-K, filed on January 28, 2022)</a>
10.103	<a href="#">Form of Private Placement Subscription Agreement (incorporated by reference from our Current Report on Form 8-K, filed on January 31, 2022)</a>
10.104	<a href="#">Form of Securities Purchase Agreement (incorporated by reference from our Current Report on Form 8-K, filed on February 28, 2022)</a>
10.105	<a href="#">Form of Common Warrant (incorporated by reference from our Current Report on Form 8-K, filed on February 28, 2022)</a>
<b>(14)</b>	<b>Code of Ethics</b>
14.1	<a href="#">Code of Ethics and Business Conduct (incorporated by reference from our Annual Report on Form 10-K, filed on April 2, 2018)</a>
<b>(16)</b>	<b>Letter re Change in Certifying Accountant</b>
16.1	<a href="#">Letter from Pritchett, Siler &amp; Hardy P.C. dated January 22, 2018 (incorporated by reference from our Current Report on Form 8-K, filed on January 22, 2018)</a>
<b>(21)</b>	<b>Subsidiaries</b>
21.1	<a href="#">Subsidiaries of CurrencyWorks Inc.</a> <a href="#">CurrencyWorks USA Inc., Nevada corporation</a> <a href="#">EnderbyWorks LLC., Delaware corporation, limited liability company</a> <a href="#">Motoclub LLC, Delaware corporation, limited liability company</a>
23.1*	<a href="#">Consent of Haynie &amp; Company</a>
<b>(31)</b>	<b>Rule 13a-14(a) Certifications</b>
31.1*	<a href="#">Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>
31.2*	<a href="#">Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>
<b>(32)</b>	<b>Section 1350 Certifications</b>
32.1*	<a href="#">Certification of Principal Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
32.2*	<a href="#">Certification of Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>



Exhibit Number	Description
<b>(101)</b>	<b>Interactive Data File</b>
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

\*Filed herewith.

**ITEM 16. FORM 10-K SUMMARY**

None.

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**CURRENCYWORKS INC.**

By:

*/s/ Bruce Elliott*

\_\_\_\_\_  
Bruce Elliott  
President  
(Principal Executive Officer)  
Date: April 15, 2022

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

*/s/ Bruce Elliott*

\_\_\_\_\_  
Bruce Elliott  
President  
(Principal Executive Officer)

Date: April 15, 2022

*/s/ Swapan Kakumanu*

\_\_\_\_\_  
Swapan Kakumanu  
Chief Financial Officer, Treasurer and Secretary  
(Principal Financial Officer and Principal Accounting Officer)

Date: April 15, 2022

*/s/ Cameron Chell*

\_\_\_\_\_  
Cameron Chell  
Director

Date: April 15, 2022

*/s/ James P. Geiskopf*

\_\_\_\_\_  
James P. Geiskopf  
Director

Date: April 15, 2022

*/s/ Edmund C. Moy*

\_\_\_\_\_  
Edmund C. Moy  
Director

Date: April 15, 2022

*/s/ Shelly Murphy*

\_\_\_\_\_  
James M. Carter  
Director

Date: April 15, 2022