

THE SECURITIES OFFERED PURSUANT TO THIS PRIVATE PLACEMENT MEMORANDUM HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), AND MAY ONLY BE OFFERED OR SOLD IN THE UNITED STATES TO “ACCREDITED INVESTORS” AS DEFINED IN RULE 501 OF REGULATION D UNDER THE SECURITIES ACT.

THIS PRIVATE PLACEMENT MEMORANDUM, THE INFORMATION PROVIDED HEREIN AND ANY ADDITIONAL INFORMATION OR MATERIALS PROVIDED TO YOU IN CONNECTION HEREWITH OR THE CONTEMPLATED SALE AND ANY ADDITIONAL COMMUNICATIONS RELATED TO THE CONTEMPLATED OFFERING ARE CONFIDENTIAL. YOU MAY NOT COPY THIS DOCUMENT (EXCEPT THAT YOU MAY MAKE COPIES FOR YOUR ADVISORS). YOU MAY USE THIS DOCUMENT ONLY TO EVALUATE THE CONTEMPLATED OFFERING. THIS DOCUMENT SHOULD NOT BE DEEMED TO CONSTITUTE OR CONTAIN ANY LEGAL, TAX OR INVESTMENT ADVICE. YOU SHOULD CONSULT YOUR OWN ADVISORS FOR SUCH ADVICE.

ELYS NETWORK INC.

Private Placement Memorandum

**Purchase of \$ELYS Tokens
Regulation D Offering – \$360,000**

**SEE “TERMS OF THE OFFERING” FOR PRICING AND OTHER INFORMATION
December 3, 2024**

This Private Placement Memorandum (this “**Private Placement Memorandum**” or “**Memorandum**”) has been prepared by Elys Network Inc., a company incorporated under the laws of Panama on March 14, 2023 (“**We**”, “**we**”, “**Elys**,” or the “**Company**”, interchangeably), for use by certain prospective qualified purchasers (each, a “**Purchaser**” and collectively, the “**Purchasers**”) to whom the Company is offering (the “**Offering**”) the opportunity to purchase Elys Tokens, the native unit of value built upon the Elys protocol (“**Elys Tokens**” or “**Tokens**”), for use on the Elys Network (“**Elys Network**”) and its associated website and services (collectively, the “**Elys Network Platform**”). The foregoing right to acquire Elys Tokens will be embodied in, and documented by, a Token Purchase Agreement with respect to the Elys Tokens (as may be amended, restated and/or otherwise modified from time to time, a “**TPA**”; and together with the Elys Tokens, the “**Interests**”) to be entered into between the Company and the qualified purchasers purchasing such Interests in the Offering.

The Company is the sole issuer of any Interests (defined above) being offered and sold pursuant to this Memorandum.

No public market for the Elys Tokens currently exists or may ever develop, or, if a public market in Elys Tokens develops, it may do so without the involvement of the Company.

The Elys Tokens purchased may be subject to restrictions on transferability and resale, and generally may not be transferred or resold except as specified herein and in the applicable Offering Document. For purposes of this Memorandum, “**Offering Document**” means this Memorandum, TPA, and the Elys Token Terms and Conditions (as defined below). Purchasers of Elys Tokens should be aware that they will be required to bear the financial risks of this purchase for an indefinite period of time.

Unless otherwise indicated herein, all references to the number of Elys Tokens set forth in this Private Placement Memorandum refers to the maximum minted supply of 200,000,000 Elys Tokens. The actual number of Elys Tokens may change from time to time and at any time pursuant to on chain governance, via any forks to the Elys Tokens or similar events.

Unless otherwise provided by the Company, all purchases must be made via the offering platform at <https://republic.com/elys-network> (the “**Offering Platform**”) in accordance with the instructions and terms of sale set forth therein. Purchases may be made in USD Coin (\$USDC) via any \$USDC supported network during the Offering Period (as defined in “**Terms of the Offering**”); provided that the Company may elect to accept other forms of payment on an as-converted to USD basis in its sole discretion and subject to acceptance by the financial institution providing cryptocurrency payment processing services to the Offering. The Company reserves the right to discontinue accepting any type of consideration in its sole discretion. The USD exchange rate for \$USDC or other forms of payment shall be determined solely by the Company or its assignee or agent in accordance with reasonable and accepted market practices. Such currencies are subject to fluctuations in the rate of exchange and, in the case of digital assets, the exchange valuations. Such fluctuations may have an adverse effect on the value, price or returns of a purchase. Purchasers may receive a number of Elys Tokens rounded down to two (2) decimal places.

THE SECURITIES RECEIVED (IF ANY) HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT, OR ANY OTHER LAW OR REGULATION GOVERNING THE OFFERING, SALE OR EXCHANGE OF SECURITIES IN THE UNITED STATES OR ANY OTHER JURISDICTION. THIS OFFERING IS BEING MADE WITHIN THE UNITED STATES TO “ACCREDITED INVESTORS” (AS DEFINED IN RULE 501 OF REGULATION D UNDER THE SECURITIES ACT). THE SECURITIES MAY NOT BE TRANSFERRED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE STATE AND FOREIGN SECURITIES LAWS PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR AN EXEMPTION THEREFROM.

ANY TOKENS PURCHASED HEREUNDER HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT AND HAVE BEEN ACQUIRED TO HOLD FOR THE LONG TERM AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. WHERE APPLICABLE, NO TRANSFER MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO UNLESS SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT.

IN NO EVENT SHOULD THE TOKENS BE UNDERSTOOD, DEEMED, INTERPRETED, OR CONSTRUED TO BE OR TO BE REPRESENTATIVE OF ANY KIND OF INVESTMENT (WHETHER SECURED OR UNSECURED), EQUITY, DEBT, OR RESIDUAL INTEREST, SHARE, OR SIMILAR INTEREST IN THE COMPANY.

THE COMPANY WILL NOT BE REQUIRED TO, NOR DO THEY CURRENTLY INTEND TO, OFFER TO EXCHANGE THE ELYS TOKENS FOR ANY SECURITIES REGISTERED UNDER OR EXEMPT FROM THE SECURITIES ACT OF ANY OTHER LAW, OR REGISTER THE ELYS TOKENS FOR RESALE UNDER THE SECURITIES ACT.

NO GOVERNMENTAL AUTHORITY IN THE UNITED STATES, PANAMA, OR ANY OTHER JURISDICTION HAS PASSED JUDGMENT UPON OR APPROVED THE TERMS OR MERITS OF THIS DOCUMENT.

A purchase of the Elys Tokens involves a high degree of risk, including the risk of a total loss of principal, volatility and illiquidity. A prospective purchaser should thoroughly review the confidential information contained herein and the terms of the applicable Offering Documents, and carefully consider whether a purchase of the Elys Tokens or receipt of Elys Tokens is suitable to such prospective purchaser’s financial condition and goals. See “Risk Factors” below.

Neither the U.S. Securities and Exchange Commission nor any government or state securities commission has approved or disapproved of this offering or passed upon the adequacy or accuracy of the information herein. Any representation to the contrary is a criminal offense.

THIS OFFERING IS MADE ONLY TO “ACCREDITED INVESTORS” AS DEFINED IN RULE 501 OF REGULATION D UNDER THE SECURITIES ACT WITHIN THE UNITED STATES IN JURISDICTIONS WHERE THE OFFER AND SALE OF THE ELYS TOKENS IS PERMITTED UNDER APPLICABLE LAW. ONLY PERSONS OF ADEQUATE FINANCIAL MEANS WHO HAVE NO NEED FOR PRESENT LIQUIDITY WITH RESPECT TO THIS PURCHASE SHOULD CONSIDER PURCHASING THE ELYS TOKENS IN ACCORDANCE WITH APPLICABLE LAW AND ON THE TERMS SET FORTH IN THE APPLICABLE OFFERING DOCUMENTS PROVIDED TO YOU IN CONNECTION HERewith BECAUSE: (I) A PURCHASE OF THE ELYS TOKENS INVOLVES A NUMBER OF SIGNIFICANT RISKS (SEE “RISK FACTORS” BELOW); AND (II) NO MARKET FOR THE ELYS TOKENS CURRENTLY EXISTS AND SUCH MARKET MAY NEVER EXIST.

FURTHER DISCLAIMERS

This Offering is being conducted on the platform found at <https://republic.com> (the “*Republic Platform*”), that is operated for the benefit of ODB. ODB is a registered FINRA/SEC broker dealer. ODB is not purchasing the Elys Tokens, as such Elys Tokens are being sold in this Offering (except as otherwise described in “Certain Relationships and Related-Party Transactions” herein) and is not required to sell any specific number or dollar amount of Elys Tokens in this Offering.

This Offering is being conducted on a “best efforts” basis and we may not be able to raise enough funds to fully implement our business plan, which may result in the loss of the entire investment of Purchasers.

This Offering is being conducted pursuant to Regulation D, 506(c) of the Securities Act and is only available to accredited investors, as defined by Rule 501 of the Securities Act, who are able to verify their accredited investor status.

NONE OF OPENDEALBROKER LLC DBA OPENDEALBROKER OR THE CAPITAL R (“ODB”) (NOR HAVE ANY OF THEIR AFFILIATES) INVESTIGATED THE DESIRABILITY OR ADVISABILITY OF AN INVESTMENT IN THIS OFFERING OR THE INTERESTS OFFERED HEREIN. NONE OF OPENDEALBROKER LLC DBA OPENDEALBROKER OR THE CAPITAL R OR ANY OF THEIR RESPECTIVE AFFILIATES MAKE ANY REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, OR JUDGEMENT ON THE MERITS OF THE OFFERING OR THE INTERESTS OFFERED HEREIN. THE CONNECTION OF EACH OF OPENDEALBROKER LLC DBA OPENDEALBROKER OR THE CAPITAL R TO THE OFFERING IS SOLELY FOR THE LIMITED PURPOSES OF ACTING AS A SERVICE PROVIDER. AN INVESTOR SHOULD HAVE KNOWLEDGE AND UNDERSTANDING OF SOPHISTICATED AND COMPLEX INVESTMENTS TO MAKE A SELF-DETERMINATION OR SEEK ADVICE ELSEWHERE. PLEASE REFER TO THE “RISK FACTORS” SECTIONS OF THE ASSOCIATED PRIVATE PLACEMENT STATEMENT. ODB MAY INVITE OTHER BROKER/DEALERS TO PARTICIPATE IN THIS OFFERING UNDER SIMILAR TERMS AND CONDITIONS.

ZERO HASH LLC (“**ZERO HASH**”), THE PAYMENT PROCESSOR, HAS NOT INVESTIGATED THE DESIRABILITY OR ADVISABILITY OF PARTICIPATION IN THIS OFFERING OR THE INTERESTS OFFERED HEREIN. ZERO HASH MAKES NO REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, OR JUDGMENTS ON THE MERITS OF THE OFFERING OR THE INTERESTS OFFERED HEREIN. ZERO HASH'S CONNECTION TO THE OFFERING IS SOLELY FOR THE LIMITED PURPOSE OF ACTING AS A SERVICE PROVIDER AND DOES NOT CONSTITUTE INVESTMENT ADVICE. ZERO HASH SHALL NOT BE LIABLE FOR ANY LOSSES OR DAMAGES ARISING FROM PARTICIPATION IN THIS OFFERING.

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CERTAIN NOTICES

This Private Placement Memorandum shall be maintained in strict confidence. Any reproduction or distribution of this Private Placement Memorandum, in whole or in part, or the disclosure of its contents, without the prior written consent of the Company, other than to a recipient's legal, tax, or investment advisors, is prohibited.

This Private Placement Memorandum has been prepared in connection with the Offering. Each Purchaser will be required to sign, execute, and deliver such documents as may be reasonably required by the Company to effect its purchase of Elys Tokens.

This Private Placement Memorandum contains a summary of the Offering, the Elys Network Platform, the Elys Tokens, and certain other documents referred to herein. However, the summaries in this Private Placement Memorandum do not purport to be complete and are subject to and qualified in their entirety by reference to the actual text of the relevant Offering Documents, copies of which will be provided to each prospective purchaser on the Offering Platform. Each prospective purchaser should review the applicable Offering Documents, and such other documents for complete information concerning the rights, privileges, and obligations of Purchasers. If any of the terms, conditions, or other provisions of the Offering Documents or such other documents are inconsistent with or contrary to the descriptions or terms in this Private Placement Memorandum, such other documents shall control. The Company reserves the right to modify the terms of the Offering and the Elys Tokens described in this Private Placement Memorandum are offered subject to the Company's ability to reject any commitment in whole or in part.

This Private Placement Memorandum contains a summary of the material terms of the Elys Tokens. However, the summary of the Elys Tokens in this Memorandum does not purport to be complete and is subject to and qualified in its entirety by reference to the material terms and conditions summarized in Addendum C attached hereto (the "**Elys Token Terms and Conditions**"). If any of the provisions of the Elys Token Terms and Conditions are inconsistent with or contrary to the descriptions or terms in this Private Placement Memorandum, as applicable, will control. Furthermore, certain material rights described in the Elys Token Terms and Conditions are subject to the sole discretion of the Company's board (the "**Board**"), in each case without the consent of the holders of the Elys Tokens.

The Elys Tokens have not been and will not be registered under the Securities Act, as amended, the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), or any United States state securities laws or the laws of any foreign jurisdiction.

No person has been authorized to make any statements concerning the Company or the delivery of the Elys Tokens discussed herein other than as set forth in this Private Placement Memorandum, the Republic Platform, or the Offering Platform, and any such statements, if made, must not be relied upon.

Prospective purchasers must make their own investigations and evaluations of the Elys Network Platform and the Elys Tokens that will be delivered pursuant thereto, including the merits and risks involved in a purchase therein. Prior to any purchase, the Company will give prospective purchasers the opportunity to ask questions of and receive answers and additional information from it concerning the terms and conditions of this Offering and other relevant matters to the extent the Company possesses the same or can acquire it without unreasonable effort or expense. Prospective purchasers should inform themselves as to the legal requirements applicable to them in respect of the acquisition, holding and disposition of the Elys Tokens upon their delivery, and as to the income and other tax consequences to them of such acquisition, holding, and disposition.

By their participation in the Offering, Purchasers will be deemed to have agreed that their participation will constitute their representation, warranty, acknowledgment and agreement to all of the statements about Purchasers under the section titled "Notice to Purchasers." Potential Purchasers should carefully read that section of this Memorandum.

The Private Placement Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, an interest in any jurisdiction in which it is unlawful to make such an offer or solicitation. Neither the United States Securities and Exchange Commission (the "**Commission**" or "**SEC**") nor any other U.S. federal, state, or foreign regulatory authority has approved of this Offering. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Private Placement Memorandum, nor is it intended that the foregoing authorities will do so.

Prospective purchasers are not to construe this Private Placement Memorandum as investment, legal, tax, regulatory, financial, accounting, or other advice, and this Private Placement Memorandum is not intended to provide the sole basis for any evaluation of a purchase of an interest. Prior to purchasing the Elys Tokens, a prospective purchaser should consult with

its own legal, investment, tax, accounting, and other advisors to determine the potential benefits, burdens, and other consequences of such purchase.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Private Placement Memorandum contains estimates and forward-looking statements. All statements other than statements of historical fact are forward-looking statements. The words “may,” “might,” “will,” “could,” “would,” “should,” “expect,” “plan,” “anticipate,” “intend,” “seek,” “believe,” “estimate,” “predict,” “potential,” “continue,” “contemplate,” “possible,” and similar words are intended to identify estimates and forward-looking statements. Such forward-looking statements, including the intended actions and performance objectives of the Company and the Elys Tokens are based largely on current expectations and projections about future events and trends.

These forward-looking statements are subject to a number of known and unknown risks, uncertainties, assumptions, and other important factors, including those described under “Risk Factors”, that could cause the actual results, performance, or achievements of the Company or the Elys Token to differ materially from any future results, performance, or achievements expressed or implied by such forward-looking statements. Although we believe that the expectations reflected in our forward-looking statements are based on reasonable assumptions, actual outcomes could differ materially from those set forth or anticipated in our forward-looking statements. Factors that could cause our forward-looking statements to differ from actual outcomes include, but are not limited to those described under the section entitled “Risk Factors” and the following:

- the anticipated development, design, and growth of the Elys Network Platform;
- regulatory developments and their effect on the Elys Network Platform, including our ability to stay in compliance with laws and regulations that currently apply or become applicable to our business and the Elys Network Platform, both in the U.S. and internationally;
- the ability of the Elys Network Platform to develop a user base for its products and a successful business model;
- our future financial performance, including our expectations regarding our operating and research and development expenses and our ability to achieve and maintain future profitability;
- the impact of competition in our industry and innovation by our competitors;
- the anticipated trends, growth rates and challenges in our business and in the cryptocurrency market;
- our liquidity and working capital requirements;
- our ability to obtain additional working capital and raise additional financing;
- our anticipated growth and growth strategies and our ability to effectively manage that growth and effect these strategies;
- maintaining our relationships with third parties;
- our ability to adequately maintain, protect and enhance our intellectual property;
- the effect on our business of litigation to which we are or may become a party;
- our ability to maintain an effective system of internal controls necessary to accurately report our financial results and prevent fraud; and
- the estimates and estimate methodologies used in preparing our financial statements.

Moreover, new risk factors and uncertainties emerge from time to time, and it is not possible to predict all risk factors and uncertainties, nor is it possible to assess the impact of all of these risk factors or the extent to which any risk factor, or combination of risk factors, may cause actual results to differ materially from those contained in any forward-looking statements.

All forward-looking statements in this Private Placement Memorandum speak only as of the date thereof. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in its expectation with regard thereto or any change in events, conditions, or circumstances on which any such statement is based.

The Company cautions prospective purchasers that, although the Company believes that the assumptions on which any such forward-looking statements are based are reasonable, any of those assumptions, current expectations and projections could prove to be inaccurate and, as a result, the forward-looking statements also could be materially incorrect. Prospective purchasers are cautioned not to put undue reliance on forward-looking statements. The Company disclaims any intent or obligation to update publicly such forward-looking statements, whether as a result of new information, future events or otherwise. All forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements and risk factors contained throughout this Private Placement Memorandum.

OVERVIEW

This overview highlights selected information that is presented in greater detail elsewhere in this Private Placement Memorandum. This overview does not contain all of the information you should consider before participating in the Offering contemplated by this Private Placement Memorandum. You should carefully read this Memorandum in its entirety before purchasing any Elys Tokens, including the sections titled “Risk Factors” and “Special Note Regarding Forward-Looking Statements.” Some of the statements in this Memorandum constitute forward-looking statements. See the section titled “Special Note Regarding Forward-Looking Statements.” Unless the context otherwise requires, the terms “the Company,” “we,” “us,” and “our” in this Private Placement Memorandum refer to the Company. Unless otherwise indicated herein, all references to the number of Elys Tokens set forth in this Private Placement Memorandum refers to the number of Elys Tokens that will be created in the minting processes.

Company and Elys Network Platform Overview

The Company aims to redefine decentralized finance (DeFi) within the Web3 economy by building a user-friendly platform for trading, staking, lending, and perpetual trading across various crypto assets, with a strong focus on connecting different blockchain ecosystems. Its mission is to overcome key challenges in the DeFi and Web3 landscape, including liquidity fragmentation, limited trading depth, cross-chain interoperability issues, and the lack of comprehensive DeFi tools, making DeFi more accessible and effective for users.

Elys Network Platform

Elys Network, a layer 1 blockchain within the Cosmos ecosystem, serves as the foundation for the Elys Network Platform, a non-custodial DeFi platform that provides a centralized exchange-like experience. The Elys Network Platform’s roadmap includes a broad range of features, including:

- **Universal Liquidity:** Supports cross-chain asset trading across Ethereum, Solana, Bitcoin, and others for broad interoperability.
- **One-Click Staking and Liquid Staking:** Streamlines staking and enables passive yield generation in \$USDC.
- **Native BTC and SOL Integration:** Offers yield-earning and diversified DeFi strategies with native Bitcoin and Solana tokens.
- **Unified DeFi Application:** Combines swapping, liquidity provision, leveraged LP, staking, lending, and perpetual trading into a single platform.
- **Stable Rewards:** Provides consistent returns via \$USDC-based rewards.

Key Features

The Elys Network Platform will introduce several innovative features to enhance user experience and network efficiency:

- **Hybrid DEX Model:** Uses both fixed weight and dynamic weighted pools to optimize liquidity and avoid arbitrage issues.
- **Oracle-Based Dynamic Weight Pricing:** Leverages oracle data to ensure accurate pricing, addressing liquidity fragmentation challenges.
- **Perpetual Trading:** Supports leveraged trading with borrowing capabilities, with interest payments distributed among network participants.
- **Non-Inflationary Reward Model:** Offers non-inflationary \$USDC rewards to liquidity providers, validators, and delegators.
- **Native Bridging Capabilities:** Connects seamlessly to EVM chains via Styx and IBC-enabled blockchains, facilitating smooth asset movement.
- **Multi-Token Ecosystem:** Incorporates tokens such as:
 - **ELYS** for governance and utility
 - **ELYS-LP** for liquidity provision
 - **EDEN** for staking rewards
 - **EDEN-Boost** as a reward multiplier

Terms of Offering

The Company plans to deliver Elys Tokens after the “Token Integration Event” or “TIE” defined as the date when the Elys Tokens are initially broadly publicly released by the Company for use on the Elys Network Platform, if ever. It is anticipated that the Token Integration Event will occur on or before January 15, 2025 (the “*Deadline Date*”). If there is no Token Integration Event on or before the Deadline Date, the Company shall repay Purchasers an amount equal to the Purchase Amount set forth in their applicable TPA (the “*Returned Purchase Amount*”), as soon as reasonably practicable after the Deadline Date, to the extent funds are available for such lawful repayment at that time. If there is an insufficient amount of capital available to refund Purchasers on the Deadline Date, the Company will repay Purchasers with equal priority and on a pro-rata basis among the TPA Purchasers based on the relative value of their respective Purchase Amount on the date of receipt by the Company of such Purchase Amount. See “Use of Proceeds” below for further discussion of the Company’s use of any capital raised in the offering.

In connection with this Offering, we are offering you and certain other prospective purchasers the opportunity to purchase Elys Tokens on the terms and conditions set forth under “Terms of the Offering”. This Offering is made only to persons who can demonstrate (in a manner acceptable to the Company) their status as “accredited investors” under U.S. federal securities laws via the sale website at <https://republic.com/elys-network>. The Company may terminate such sales at any time prior to the sale of any and all Elys Tokens in its sole discretion.

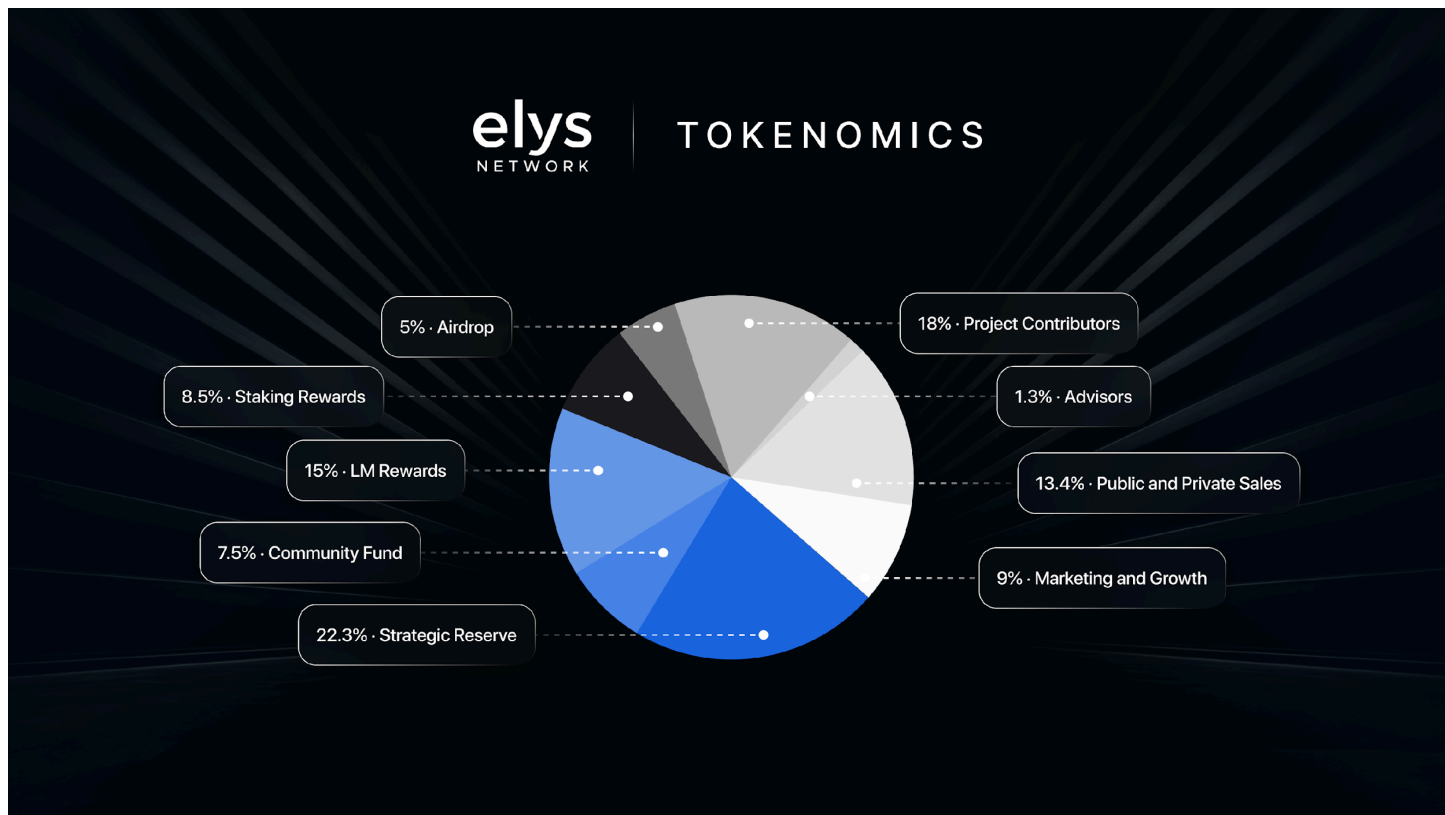
The Terms of this Offering, including the applicable delivery restrictions, are set forth under the section titled “Terms of the Offering.”

Token Distribution

A maximum supply of 200,000,000 Elys Tokens will be created as part of the minting processes, see “Description of the Elys Token” for additional detail below.

Distribution Schedule

The distribution schedule for the Elys Tokens at the Token Integration Event is described below.



Public and Private Sales

Early Backers. A total number of 6,000,000 Elys Tokens, equal to 3% of the network supply of the Elys Tokens, is allocated to contributors (“Early Backer”) for their capital contributions to Elys Network Inc. Elys Tokens under this distribution category are subject to varying delivery restrictions and vesting schedules.

Seed Sale. A total number of 10,000,000 Elys Tokens, equal to 5% of the network supply of the Elys Tokens, is allocated to contributors (“Seed Sale”) for their seed stage capital contributions to Elys Network Inc. Elys Tokens under this distribution category are subject to varying delivery restrictions and vesting schedules.

Private Sale. A total number of 7,000,000 Elys Tokens, equal to 3.5% of the network supply of the Elys Tokens, is allocated to contributors (“Private Sale”) for their capital contributions to Elys Network Inc. Elys Tokens under this distribution category are subject to varying delivery restrictions and vesting schedules.

Strategic Sale. A total number of 1,000,000 Elys Tokens, equal to 0.45% of the network supply of the Elys Tokens, is allocated to certain strategic contributors (“Private Sale”) for their contributions to Elys Network Inc. Elys Tokens under this distribution category are subject to varying delivery restrictions and vesting schedules.

Republic Sale (Regulation D). A total number of 900,000 Elys Tokens, equal to 0.45% of the network supply of the Elys Tokens, is allocated to certain contributors in the Republic Sale (Regulation D). Elys Tokens under this distribution category are subject to varying delivery restrictions and vesting schedules. This number may be increased by the Company in its discretion subsequent to the commencement of the Offering by allocation from the Company’s Strategic Reserves.

Republic Sale (Concurrent Offering). A total number of 2,100,000 Elys Tokens, equal to 2.1% of the network supply of the Elys Tokens, is allocated to certain contributors in the Republic Sale (Concurrent Offering). Elys Tokens under this distribution category are subject to varying delivery restrictions and vesting schedules. This number may be increased by the Company in its discretion subsequent to the commencement of the Offering by allocation from the Company’s Strategic Reserves.

Strategic Reserves. A total number of 44,500,000 Elys Tokens, equal to 22.25% of the network supply of the Elys Tokens, is allocated to facilitate long term sustainability of the treasury, as well as strategic grants, liquidity or network security and incentivizing testnet utilization, as well as the Company’s marketing and growth initiatives. Elys Tokens under this distribution category are subject to varying delivery restrictions and vesting schedules

Project Contributors. A total number of 36,000,000 Elys Tokens, equal to 18% of the network supply of the Elys Tokens, is allocated to the Company’s core contributors. Elys Tokens under this distribution category are subject to varying delivery restrictions and vesting schedules

LM Rewards. A total number of 30,000,000 Elys Tokens, equal to 15% of the network supply of the Elys Tokens, is allocated to the Company’s liquidity mining reserves. Elys Tokens under this distribution category are subject to varying delivery restrictions.

Marketing and Growth. A total number of 18,000,000 Elys Tokens, equal to 9% of the network supply of the Elys Tokens, is allocated to the Company’s marketing and growth initiatives. Elys Tokens under this distribution category are subject to varying delivery restrictions and vesting schedules

Staking Rewards. A total number of 17,000,000 Elys Tokens, equal to 8.5% of the network supply of the Elys Tokens, is allocated to validators and delegators to secure the Elys Network. Elys Tokens under this distribution category are subject to delivery restrictions.

Community Fund. A total number of 15,000,000 Elys Tokens, equal to 7.5% of the network supply of the Elys Tokens, is allocated to decentralized governance and community initiatives and projects. Elys Tokens under this distribution category are subject to varying delivery restrictions and vesting schedules.

Airdrop. A total number of 10,000,000 Elys Tokens, equal to 5.0% of the network supply of the Elys Tokens, is allocated to airdrops to early adopters and engaged users. Elys Tokens under this distribution category are subject to varying delivery restrictions and vesting schedules

Advisors. A total number of 2,500,000 Elys Tokens, equal to 1.3% of the network supply of the Elys Tokens, is allocated to advisors. Elys Tokens under this distribution category are subject to varying delivery restrictions and vesting schedules.

Initial Launch of the Elys Tokens

The Company expects to enter into TPAs on an ongoing basis through the Offering Period. The Company is targeting a Token Integration Event on or before the Deadline Date. However, there can be no assurance that the Elys Tokens will be issued as of such date.

Overview of Transfer Restrictions Discussed in this Memorandum

This Memorandum describes the legal and contractual transfer restrictions applicable to the Elys Tokens. Purchasers should carefully review this Memorandum, including the transfer restrictions described under “Notice to Purchasers” which contain important information regarding the Elys Tokens. Purchasers should consult with their own legal and financial advisors regarding the transfer restrictions to which they will be bound. The summary below is intended to provide a summary overview of applicable transfer restrictions and are qualified by reference to the transfer restrictions set forth under “Notice to Purchasers.”

TERMS OF THE OFFERING

The summary below describes the principal terms of the Elys Tokens and the Offering. Certain of the terms and conditions described below are subject to important limitations and exceptions. Prospective purchasers should review the entirety of the document to be entered into in connection with the Offering. The summary below is qualified in its entirety by reference to the actual text of the form of the applicable Offering Document.

<i>Issuer/Seller:</i>	Elys Network Inc., a Panamanian company.
<i>TPAs:</i>	The expected number of Elys Tokens to be sold in this Offering is 900,000 Elys Tokens, which the Company has the ability to increase or decrease in its sole discretion and without amendment to the terms of this Private Placement Memorandum, all of which will be paid out from the Republic Sale (Regulation D) allocation and, if increased, from the unused portion of the Private Sale allocation. Any unsold Elys Tokens can be re-allocated by the Company in its sole discretion.
<i>Purchaser Qualifications:</i>	Each Purchaser must be an “Accredited Investor”, as defined in Regulation D under the Securities Act and must meet the verification standards through the methods set forth in the Regulation D Rule 506(c) Investor Verification Standards contained in this Private Placement Memorandum.
<i>Offering Size:</i>	US\$360,000, subject to increase in Company’s discretion dependent on demand and without amendment to the terms hereof.
<i>Period of Offering:</i>	December 4, 2024, at 9:00 am Eastern Standard Time (“ EST ”) through December 7, 2024, at 12:00 am Pacific Standard Time (“ PST ”) (the “ Offering Period ”). Purchasers who are on the Company’s “allowlist” are eligible to participate in this Offering starting on December 3, 2024, at 9:00 am EST. The Company reserves the right to reject any payments not made within the Offering Period. The Offering Period may be extended or shortened by the Company in its sole discretion by posting a Memorandum supplement on the Offering Website.
<i>Fulfillment Price:</i>	<p>Purchaser may purchase TPAs through the following options (and note that the Company may increase or decrease the maximum supply of any option, including the bonus tiers, at its discretion, meaning that the ultimate number of Elys Tokens available for purchase may be higher or lower than the amount displayed below):</p> <p>“Allowlist” Regulation D Offering Price: US\$0.40/Elys Token Bonus Discount Tiers: Allowlist Regulation D Offering purchasers shall receive a discount as specified in the below discount tiers. Delivery Restrictions: 100% of the Elys Tokens will be released within seven calendar days after the expiration of the twelve (12) month period following completion of this Offering as described below in “<u>Delivery of Elys Tokens</u>”.</p>

Allowlist Bonus Discount (15%): All purchasers on the Allowlist will receive a bonus discount of 15% for every dollar spent on Elys Tokens. For example, if an Allowlist Purchaser purchases 1,000 Elys Tokens, the Purchaser will pay approximately \$0.35 per token. Up to \$75,000 worth of tokens in the aggregate are available under this bonus discount tier.
Allocated Supply: 214,285 Elys Tokens

Top-Tier Incentivized Testnet Bonus Discount (30%): Purchasers in the top tier of our incentivized testnet will receive a bonus discount of 30% for every dollar spent on Elys Tokens. For example, if a Purchaser in this top tier purchases 1,000 Elys Tokens, the Purchaser will pay approximately \$0.31 per token. Up to \$75,000 worth of tokens in the aggregate are available under this bonus discount tier.
Allocated Supply: 241,935 Elys Tokens

Regulation D Offering

Price: US\$0.40/Elys Token

Delivery Restrictions: 100% of the Elys Tokens will be released within seven calendar days after the expiration of the twelve (12) month period following completion of this Offering as described below in “Delivery of Elys Tokens”.

Allocated Supply: 900,000 Elys Tokens

Restricted Period:

Prior to the expiration of the one-year period following the TPA purchase (the “Restricted Period”), the Purchaser will not offer, sell, pledge, or otherwise transfer the TPA or Elys Tokens, unless, where applicable in compliance with securities laws, including Securities Act Rule 144.

Subscription Amounts:

The minimum investment amount is \$100.00 for individual Purchasers and \$1,000.00 for entity Purchasers. The maximum subscription amount is \$25,000 for Bonus Discount individual investors and \$250,000 for entities that are investors. Such amounts may be modified by the Company in its sole discretion.

Delivery of Elys Tokens:

After the completion of this Offering, to the extent all applicable Know-Your-Customer/Anti-Money Laundering (“**KYC/AML**”) or Know-Your-Business (“**KYB**”) screening process has been completed by ODB and all contributions pursuant to this Offering have been collected, if there is a Token Integration Event, on or before the Deadline Date (as defined herein), Elys Tokens will be delivered to an Elys Network-compatible wallet address designated by each Purchaser in the TPA within seven calendar days after the expiration of the twelve (12) month period following completion of this Offering.

Token Exchange:

Following the Token Integration Event, a Purchaser of TPAs will receive Elys Tokens, subject to terms and conditions of the TPA (the “**Token Exchange**”).

Means of Purchase:

Purchasers must access the Offering Platform at <https://republic.com/elys-network> and be subject to the Offering Documents.

Form of Payment for TPA:

The Purchase Amount can be paid in USD Coin (\$USDC).

Cryptocurrencies and digital assets received in connection with purchases pursuant to this Offering are directed to an account maintained by the Company. If a purchase is rejected for any reason, and if payment was made in the specifically approved cryptocurrency or digital asset, a refund of the purchase price will be made in \$USDC, and such refunds will be based upon the USD-denominated value of the Purchase Amount only, regardless of the type and amount of the approved cryptocurrency or digital assets paid, or any volatility in their prices, and subject to certain fees (i.e. the amount of cryptocurrency originally sent may vary from the amount of cryptocurrency refunded due to exchange rate variations). Gas fees or miner fees for refunds will be deducted from the amount of the refund sent. Purchasers in the Offering will not have the right to revoke their subscription at any time. Gas costs and miner fees paid in the original subscription will not be refunded. For all accepted purchases, Company will bear the cost of any gas costs and/or other fees to deliver the tokens to the Purchaser.

If a purchase is rejected for any reason, including if ODB is unable to verify the KYC of the Purchaser, and if payment was made in the specifically approved cryptocurrency or digital asset, a refund of the purchase price will be made in \$USDC, and such refunds will be based upon the USD-denominated value of the Purchase Amount only and subject to certain fees (i.e. the amount of cryptocurrency originally sent may vary from the amount of cryptocurrency refunded due to exchange rate variations). Gas fees or miner fees for refunds, which are paid to validators on a blockchain network, will be deducted from the amount of the refund sent. Purchasers in the Offering will not have the right to revoke their subscription at any time. The ODB administrative fee paid in the original subscription will not be refunded.

Dissolution Event:

Any of the following events shall be deemed to be a “**Dissolution Event**”: (i) a voluntary termination of the operations of the Company, (ii) a general assignment of all or substantially all the Company’s assets for the benefit of the Company’s creditors, or (iii) any other liquidation, dissolution or winding up of the Company, whether voluntary or involuntary.

Upon the occurrence of either (a) a Dissolution Event prior to the Deadline Date, or (b) the transfer of any Elys Tokens purchased hereunder pursuant to the Restricted Period, the Company shall pay, after the payment of all other creditors, the Returned Purchase Amount due and payable to the Purchaser immediately prior to, or concurrent with, the occurrence of the Dissolution Event, to the extent funds are lawfully available and prior to paying any amounts to any equity holders of the Company. If immediately prior to the occurrence of the Dissolution Event, the assets of the Company that remain lawfully available for payment to the Purchaser and all holders of all other TPAs (collectively, the “**TPA Parties**”), as determined in good faith by the Company’s Board, are insufficient to permit the payment to the TPA Parties of their respective Returned Purchase Amounts, then the remaining assets of the Company lawfully

available for payment shall be paid with equal priority and pro rata among the TPA Parties based on the relative value (in the Purchase Price currency of the Tokens as set out herein) of each TPA Party's respective Purchase Amount on the date of receipt by the Company of such Purchase Amount and calculated by reference, as applicable, to the applicable exchange rate as at such date (and the claims of the Purchaser against the Company shall abate accordingly and any further claims of the Purchaser on the Company shall be extinguished). The Company will make commercially reasonable efforts but shall not be required to pay the Returned Purchase Amount to the Purchaser in the original currency of the Purchase Amount.

Documentation:

In order to complete the closing process in this Offering, each Purchaser will be required to complete such documentation as may be requested by ODB on behalf of the Company, which may include, without limitation: (1) the execution and delivery of a TPA; (2) completion of Purchaser qualification requirements (such as accreditation status verification, if applicable); (3) completion of KYC/AML or KYB (if applicable) screening requirements; and (4) confirmation by ODB of receipt of funds by Stripe (collectively, the "**Closing Requirements**").

Governing Law

The TPAs and the underlying Elys Tokens will be governed by the law of Panama.

Use of Proceeds:

See "Use of Proceeds".

Republic Service Providers

The cash fee paid to ODB from the proceeds of this Offering will be the greater of 5% of the total dollar value of Tokens sold or a fixed fee of \$12,000 (collectively the "Cash Commission"). ODB is also entitled to a token commission, equivalent to 1% of the total dollar value of tokens issued to investors at each closing (the "Securities Commission"). Neither the Memorandum nor the TPA creates any obligations in respect of these commissions and fees, which are covered in the relevant negotiated engagement agreement and/or advisory agreement (as the case may be). Neither ODB nor any of its affiliates have independently verified any of the information provided or makes any assurances as to the completeness, accuracy or reliability of any such information provided by the Company.

When sales in the Offerings up to but not in excess of \$240,000 in the aggregate, each incremental \$1,000 purchase results in approximately \$10 in securities commission to ODB, a pro rata share of a \$12,000 total cash commission to ODB, and the remaining balance to the Company. For example, if sales in the Offerings were \$200,000 in the aggregate, a \$1,000 purchase would result in approximately \$930 to the Company, \$60 in cash commission to ODB, and \$10 in securities commission to ODB.

For sales in the Offerings in excess of \$240,000 in the aggregate a purchase of \$1,000 in this Offering would result in approximately \$940 to the Company, \$50 in cash commission to ODB, and \$10 in securities commission to

ODB.

RISK FACTORS

A purchase of Elys Tokens, involves a high degree of risk. You should consider carefully the risks described below, together with all of the other information contained in this Private Placement Memorandum and the Offering Documents, before making a decision to participate in this Offering. The following risks entail circumstances under which the Elys Network Platform, the Elys Tokens, and their related operations and prospects could suffer. They may also be harmed by additional risks and uncertainties not currently known or that we currently do not believe to be material.

UNLESS EXPRESSLY SET OUT HEREIN, THE COMPANY SPECIFICALLY DOES NOT REPRESENT AND WARRANT AND EXPRESSLY DISCLAIMS ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE INFORMATION MATERIALS, THE ELYS TOKENS, EXPRESS, IMPLIED, OR STATUTORY, INCLUDING WITHOUT LIMITATION, ANY REPRESENTATIONS OR WARRANTIES OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY, USAGE, SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, OR AS TO THE WORKMANSHIP OR TECHNICAL CODING THEREOF, OR THE ABSENCE OF ANY DEFECTS THEREIN, WHETHER LATENT OR PATENT. THE COMPANY DOES NOT REPRESENT OR WARRANT THAT ELYS TOKENS ARE RELIABLE, CURRENT, OR ERROR-FREE, MEET YOUR REQUIREMENTS, OR THAT DEFECTS IN THE ELYS TOKENS WILL BE CORRECTED. THE COMPANY CANNOT AND DOES NOT REPRESENT OR WARRANT THAT ELYS TOKENS OR THE DELIVERY MECHANISM FOR THE ELYS TOKENS IS FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS.

A significant amount of further work may be required in order for the Company to integrate the Elys Tokens into the Elys Network Platform and much of that work may be subject to regulatory approval and otherwise reliant on the input or consent of other persons not under the control of the Company. The success of the Elys Tokens is reliant upon the Company (i) raising sufficient resources to fund the ongoing development of the Elys Tokens; and (ii) complying with ongoing funding, reserve and/or regulatory requirements (as relevant) related to the proposed creation and operation of the Elys Tokens (collectively, the “**Regulatory and Funding Requirements**”).

There is a significant risk that the Elys Tokens are not developed as envisaged herein. The Company, in the sole and absolute discretion of the Board, reserves the right to modify, extend, reduce, eliminate, add and/or substitute the scale, scope, business lines, operations, and any other characteristics of the Elys Tokens in order to address any actual or perceived commercial, legal, regulatory or other matters that the Board, in its sole and absolute discretion, considers relevant at any time.

The Company may issue Elys Tokens even if there are material changes to the scale, scope, business lines, operations, and any other characteristics of the Elys Tokens or the Elys Network Platform or if the Company or its affiliates have not satisfied (or are unlikely to satisfy) any regulatory and funding requirements or any other regulatory, commercial or legal requirements with respect to the Elys Tokens. No promises of future performance or value are or will be made with respect to the Elys Tokens, including no promise of inherent value, no promise of continuing payments, and no guarantee that the Elys Tokens will hold any particular value.

The Company is developing the Elys Tokens to be used with respect to the Elys Network Platform. Subject to applicable law and the cautionary statements and risk factors contained in this Private Placement Memorandum, upon the Elys Token Integration Event, the Elys Network Platform will accept any duly presented Elys Tokens in exchange for privileges and other benefits related to such Elys Tokens from time to time on the Elys Network Platform.

The precise terms of the privileges and other benefits of the Elys Tokens will be determined by the Company as the owner of the Elys Network Platform in its sole and absolute discretion from time to time. Such privileges and benefits will initially be determined by such person on or around the Elys Token Integration Event and may be amended thereafter at any time and without notice to, or consent from, any holder of Elys Tokens. Any such determination or amendment shall not be a breach of the terms of this Offering.

The Elys Tokens are provided on an “as is” and “as available” basis, without warranty of any kind, either expressed or implied, including, without limitation, warranties that the Elys Token is free of defects, vulnerabilities, merchantable, fit for a particular purpose or non-infringing. Any use of the Elys Tokens shall be at your own risk. In no event shall the Company be held liable in connection with or for any claims, losses, damages, or other liabilities, whether in contract, tort, or otherwise, arising out of or in connection with the Elys Tokens or its operation or use or be under any obligation to support, develop or otherwise maintain or promote the use of the Elys Network Platform or the integration of the Elys Tokens into the Elys Network Platform.

While the Elys Tokens are available only to contributors that are not Prohibited Persons there is the possibility that Elys Tokens could be acquired over time or following changes in the regulatory landscape by persons in other jurisdictions currently restricted from acquiring Elys Tokens and, accordingly, the risk factors set out below may include certain risk factors specific to certain jurisdictions even though the Company will not at present make the Elys Tokens available at this time to persons from such jurisdictions.

BY PARTICIPATING IN ANY ACQUISITION OF TOKENS, YOU EXPRESSLY ACKNOWLEDGE AND ASSUME ALL RISKS RELATED THERETO INCLUDING (WITHOUT LIMITATION) THE RISKS SET OUT BELOW.

No Guarantee that Elys Tokens Will be Released. Many factors could influence the success of the Company and the Elys Tokens, some of which are out of the Company's control, and there can be no guarantee that the Company will ultimately be successful in deploying and delivering the Elys Tokens. The Company may change its plans for issuing the Elys Tokens for a variety of reasons, including a change in business plan, technological challenges, lack of perceived demand, or other reasons. Finally, if the Company ceases operations, agrees to assign its assets and liabilities to a third party for the benefit of creditors in the case of insolvency, or engages in a liquidation or winding up, it may never issue the Elys Tokens. If the Token Integration Event does not occur or for other reasons the Company does not issue the Elys Tokens as planned, Purchasers will not receive some or all of their Elys Tokens. The Company has sole discretion to determine when, or if, the Token Integration Event occurs.

No Guarantee on When or if the Token Integration Event Will Occur. There are no guarantees as to the timing of the Token Integration Event or the release of the Elys Tokens, each of which is dependent on many factors, including many outside the Company's control.

Risk of Losing Access to Elys Tokens Due to Wallet Incompatibility. Your cryptocurrency wallet must be EVM-compatible and possess technical infrastructure that is compatible with the receipt, storage, and transfer of the Elys Tokens. Non-compatible wallet addresses will not be accepted, and any attempt to transfer Elys Tokens to a non-compatible wallet address may result in the loss of such Elys Tokens. In addition, your wallet address must not be associated with a third-party exchange or service that has custody over the private key. The Company reserves the right to prescribe additional conditions relating to specific wallet requirements at any time, acting in its sole discretion.

Risks Associated with the Blockchain Platforms. Any malfunction, breakdown, abandonment, unintended function, unexpected functioning of, or attack on the platform upon which the Elys Tokens are issued may have an adverse effect on the Elys Tokens, including causing them to malfunction or function in an unexpected or unintended manner.

Risks Associated with the Overarching Blockchain Industry in Which the Elys Network Platform Operates. The growth of the blockchain industry in general, is subject to a high degree of uncertainty regarding consumer adoption and long-term development. The factors affecting the further development of the cryptocurrency and cryptoassets industry, as well as blockchain networks, include without limitation, the worldwide growth in the adoption and use of digital assets and other blockchain technologies; governmental and quasi-governmental regulation of digital assets and their use, or restrictions on or regulation of access to and operation of blockchain networks or similar systems; the maintenance and development of the open source software protocol of blockchain networks; changes in consumer demographics and public tastes and preferences; the availability and popularity of other forms or methods of buying and selling goods and services, or trading assets including new means of using government-backed currencies or existing networks; the extent to which current interest in cryptocurrencies represents a speculative "bubble"; general economic conditions in the United States and the world; the regulatory environment relating to cryptocurrencies and blockchains; and a decline in the popularity or acceptance of cryptocurrencies or other block-based tokens. The digital assets industries as a whole have been characterized by rapid changes and innovations and are constantly evolving. Although they have experienced significant growth in recent years, the slowing or stopping of the development, general acceptance and adoption, and usage of blockchain networks and blockchain assets may deter or delay the acceptance and adoption of the Elys Tokens.

Risks Associated with Your Credentials. Any third party that gains access to or learns of your wallet login credentials or private keys may be able to dispose of your Elys Tokens. To minimize this risk, you should guard against unauthorized access to your electronic devices. Best practices dictate that you safely store private keys in one or more backup locations geographically separated from the working location. In addition, you are responsible for giving us the correct wallet address to which to send your Elys Tokens. If you give us the incorrect address to which to send your Elys Tokens, we are not responsible for any loss of Elys Tokens that may occur.

Purchasers are Responsible for Securing and Maintaining their Private Keys and Otherwise Following Cybersecurity Best

Practices. Failure to do so May result in the Loss of all the Purchaser's Elys Tokens. The Elys Token balances are associated with the Purchasers' respective wallets with the Purchasers' respective token public keys, which in turn are associated with Purchasers' specific token private keys. Each Purchaser is responsible for knowing such Purchaser's private key and keeping it safe and a secret. A private key, or a combination of private keys, is necessary to control and use Elys Tokens stored in a digital wallet or vault. The loss of one or more of a Purchaser's private keys associated with such Purchaser's digital wallet or vault storing the Elys Tokens will result in the loss of the Purchasers' Elys Tokens. The Company will never ask for Purchasers' private keys, and Purchasers should never share any private keys with anyone. Further, the Purchaser is responsible for becoming and staying educated on best practices for securely keeping private keys, protecting any relevant personally identifiable information, and on cybersecurity best practices more generally. Holders of cryptoassets can be targeted by hackers in many ways which are out of our control. Holders' private keys can also be stolen. Any third party that gains access to one or more of Purchaser's private keys, including by gaining access to login credentials of a hosted wallet service used by the Purchaser, may be able to misappropriate Purchaser's Elys Tokens. The Company has no control over such attacks and cannot stop hackers from stealing private keys of users. The Company will further accept no liability and will not reimburse the Purchaser for any theft of private keys or any malfunction of wallet software. As a result, any loss of the Purchaser's Elys Tokens due to such theft or malfunction or unauthorized use of any private keys may be final and result in the complete loss of the Purchaser's Elys Tokens purchased hereunder.

Risk of Unfavorable Regulatory Action in One or More Jurisdictions. Blockchain technologies and cryptographic tokens have been the subject of scrutiny by various regulatory bodies around the world. Blockchain technology allows new forms of interaction, and it is possible that certain jurisdictions will apply existing regulations on, or introduce new regulations addressing, blockchain technology-based applications, which regulations may be contrary to the current setup of the Elys Tokens or their associated smart contract system and, therefore, may result in substantial modifications to the Elys Tokens and such smart contract systems, including its termination and the loss of Elys Tokens.

The regulatory status of cryptographic tokens and distributed ledger technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether regulatory authorities may apply existing regulations with respect to such technology and its applications, including specifically (but without limitation to) the Elys Network Platform and Elys Tokens. It is likewise difficult to predict how or whether any legislative or regulatory authorities may implement changes to law and regulation affecting distributed ledger technology and its applications, including specifically (but without limitation to) the Elys Tokens. Regulatory actions could negatively impact the Elys Tokens in various ways, including, for purposes of illustration only, through a determination that Tokens are a regulated financial instrument that requires registration, licensing, recordkeeping, reporting, or restriction. The Company may cease operations in a jurisdiction if regulatory actions, or changes to law or regulation, make it illegal to operate in such jurisdiction, or commercially undesirable to obtain the necessary regulatory approval(s) to operate in such jurisdiction. The functioning of the Elys Tokens could be impacted by any regulatory inquiries or actions, including restrictions on the use, sale, or possession of digital tokens like the Elys Tokens, which restrictions could impede, limit, or end the development of the Elys Tokens and increase legal costs.

The cryptocurrency exchange market, the token listing and trading market, initial coin offerings, and by extension the Elys Tokens, are or may be subject to a variety of federal, state, and international laws and regulations, including those with respect to KYC/AML and customer due diligence procedures, privacy and data protection, consumer protection, data security, foreign exchange controls money transmission, and others. These laws and regulations, and the interpretation or application of these laws and regulations, could change. In addition, new laws or regulations affecting the Elys Tokens could be enacted, which could impact the utility of the Elys Tokens in the Elys Network Platform. Additionally, users of the Elys Network Platform are subject to or may be adversely affected by industry-specific laws and regulations or licensing requirements. If any of these parties fails to comply with any of these licensing requirements or other applicable laws or regulations, or if such laws and regulations or licensing requirements become more stringent or are otherwise expanded, it could adversely impact the Elys Tokens, including the utility of Elys Tokens with respect to the Elys Network Platform, including any applications that are built in connection with the Elys Network Platform.

The Company may need to obtain approvals from one or more governmental authorities and there is a risk that securing such approvals may delay or prevent the Token Integration Event, the development of the Elys Tokens and/or the Company's ability to issue the Elys Tokens.

We Are Not Licensed to Conduct a Virtual Currency Business in New York and Do Not Currently Intend to Become Licensed in Any Other State. We Have Taken the Position That New York's BitLicense Regulatory Framework Does Not Apply to Our Offer and Sale of the Interests. It Is Possible, However, That the New York State Department of Financial Services Could Disagree With Our Position. We are not licensed to conduct a virtual currency business in New York or any other state. We have, however, taken the position that the State of New York's BitLicense Regulatory Framework does not apply to the offering or operation of the Elys Network Platform or the offer and sale of the Interests.

It is possible that the New York State Department of Financial Services could disagree with our position. If we were deemed to be conducting an unlicensed virtual currency business in New York, we could be subject to significant additional regulation and/or regulatory consequences and/or be required to no longer make the Elys Network Platform or the Interests available in New York or to New York residents. Other states may take a similar position in the future. Any of these outcomes may negatively affect Elys Tokens, including its further development, or the value of the Elys Tokens and/or could cause us to cease operations in New York or any other states requiring a license for our activity.

We are not Licensed as a Money Transmitter under State Law or Registered as a Money Services Business under Federal Law, and our business may be adversely affected if we are required to do so. We believe that we are not a money transmitter under state law or a money services business under federal law in the United States when we offer the Elys Network Platform to developers. Further, we do not generally or specifically target U.S. Persons (as defined under the Securities Act) or residents to be users of the Elys Tokens. If we were deemed to be a money transmitter under state law and/or money services business under federal law, we would be subject to significant additional regulation and costs. This could lead to significant changes with respect to operations of the Elys Network Platform, the Elys Tokens, suspensions in the operation of the Elys Network Platform, the Elys Network, the Elys Tokens or certain of its components, changes in how the Elys Tokens are structured, changes in how they are issued and other regulatory or business consequences and would greatly increase our costs in creating and facilitating transactions of the Elys Tokens. It could also lead to a decrease in value of Elys Tokens. In addition, a regulator could take action against us if it views our activity regarding the Elys Network Platform or the Elys Tokens as a violation of existing law. Any of these outcomes would negatively affect the value of the Elys Tokens and/or could cause the Company to cease operations in certain states or nationwide.

Risk of Elys Tokens Being Deemed a Futures Contract or Swap. Given the time period between the close of this Offering and delivery of the Elys Tokens, there is a risk that any deferred delivery arrangement involving a commodity could be viewed as a futures contract or swap transaction under U.S. commodities laws. We believe that this risk is generally a latent one that is mitigated by the Company's obligation to deliver Elys Tokens shortly after the Token Integration Event to Purchasers who represent and warrant that they are Elys Network Platform users not purchasing with speculative intent and who are otherwise prohibited from transferring the Elys Tokens before the Elys Token is launched.

Risk of Litigation and/or Third-Party Claims. From time to time, third parties may assert claims against the Company, its developers, and/or its underlying technology. Regardless of the merit of any legal action or claim, any action that reduces confidence in the Company's long-term viability or the ability of individuals to hold and transfer Elys Tokens may adversely affect the Elys Network Platform. Additionally, a meritorious claim could prevent developers from accessing the most up-to-date protocol code or holding or transferring their Elys Tokens.

Risk of Alternative, Unofficial Platforms. Following the issuance of the Elys Tokens, it is possible that alternative applications or platforms could be established, which use the same or similar open-source code and protocol underlying the Elys Tokens. The Elys Tokens may have no intrinsic value with respect to such alternative applications. The Elys Tokens may compete with these alternative, unofficial token-based applications, which could potentially negatively impact the Elys Tokens.

Assertions by Third Parties of Infringement or other Violation by Us of Their Intellectual Property Rights Could Harm our Ability to Develop the Elys Network Platform and the Elys Token. Third parties may in the future assert that we have infringed, misappropriated, or otherwise violated their copyrights, patents, and other intellectual property rights, and as we face increasing competition, the possibility of intellectual property infringement claims against us grows. Various laws and regulations govern the copyright and other intellectual property rights associated with the Elys Network Platform. Existing laws and regulations are evolving and subject to different interpretations, and various legislative or regulatory bodies may expand current or enact new laws or regulations. We cannot assure you that we are not infringing or violating any third-party intellectual property rights, or that we will not do so in the future. In addition, internet and technology companies are frequently subject to litigation based on allegations of infringement, misappropriation, or other violations of intellectual property rights. Many companies in these industries, including many of our competitors, have substantially larger patent and intellectual property portfolios than we do, which could make us a target for litigation as we may not be able to assert counterclaims against parties that sue us for patent, or other intellectual property infringement. By their nature, media platforms feature content protected by intellectual property laws and may be fora for the publication of content that has infringed upon the intellectual property rights of others.

It is difficult to predict whether assertions of third-party intellectual property rights or any infringement or misappropriation claims arising from such assertions will substantially harm our business, operating results, and financial condition. If we are forced to defend against any infringement or misappropriation claims, whether they are with or without merit, are settled out of court, or are determined in our favor, we may be required to expend significant time and financial resources on the defense of such claims. Furthermore, an adverse outcome of a dispute may require us to pay significant damages, which may be even

greater if we are found to have willfully infringed upon a party's intellectual property; cease exploiting copyrighted content that we have previously had the ability to exploit; cease using solutions that are alleged to infringe or misappropriate the intellectual property of others; expend additional development resources to redesign our solutions; enter into potentially unfavorable royalty or license agreements in order to obtain the right to use necessary technologies, content, or materials; indemnify our partners and other third parties; and/or take other actions that may have material effects on our business, operating results, and financial condition.

Elys Token Integration Risk and Risk of Insufficient Interest in the Elys Network Platform. There are no guarantees as to the timing of the Elys Tokens being integrated into the Elys Network Platform, which is dependent on many factors, including many outside the Company's control. Further, it is possible that there will be limited public interest in the Elys Tokens or that public interest in the Elys Network Platform may reduce over time. Such a lack of interest could negatively impact the Elys Tokens and their functionality in the Elys Network Platform.

Operating History. The Company has little operating history in the blockchain industry, which continues to be evolving and may not develop as expected. The Company's historical performance does not necessarily reflect future performance or the likelihood of the success of the Elys Tokens. A significant amount of work was required in order to create the Elys Tokens and implement the Elys Token into the Elys Network Platform and much of that work is reliant on the input or consent of other persons not under the control of the Company. Assessing the business and future prospects of the Company is challenging in light of the risks and difficulties the Company may encounter. These risks and difficulties include but are not limited to, their ability to:

- navigate complex and evolving regulatory and competitive environments;
- obtain the requisite regulatory and other licenses in the relevant jurisdictions;
- obtain and retain customers;
- successfully develop, maintain, and update internal controls to manage compliance within an evolving and complex regulatory environment;
- effectively identify and react to market trends;
- be involved in the successful development and deployment of the Elys Tokens;
- implement new products and services;
- successfully execute the Company's funding strategy;
- effectively compete with other companies;
- successfully navigate economic conditions and fluctuations in the market;
- effectively manage the growth of the business;
- continue to develop, maintain, and scale the Elys Tokens;
- effectively use finite personnel and technology resources;
- effectively maintain and scale financial and risk management controls and procedures;
- maintain the security of technology infrastructure, and the confidentiality of the information provided and utilized therein; and
- attract, integrate, and retain qualified employees and contractors.

Risk that the Elys Tokens Will Not Meet Expectations. Any expectations or assumptions regarding the form and functionality of the Elys Tokens (including participant behavior) held by the Company or by you may not be met, for any number of reasons, including, without limitation, mistaken assumptions or analysis, a change in the design and implementation plans, and changes in the execution of the Elys Tokens. Moreover, the Company may not be able to retain full and effective control over how other participants will use the Elys Network Platform, what products or services will be offered through the Elys Network Platform by third parties, or how third-party products and services will utilize Elys Tokens (if at all). This could create the risk that the Elys Tokens, as further developed and maintained, may not meet your expectations. Furthermore, despite our good faith efforts, it is still possible that the integration of the Elys Tokens into the Elys Network Platform will experience malfunctions or otherwise fail to be adequately maintained, which may negatively impact the Elys Network Platform and Elys Tokens, and the potential utility of the Elys Tokens within the Elys Network Platform.

The Value of the Elys Tokens will be Affected by the Success of the Elys Network Platform. Because the Elys Tokens are intended for use on the Elys Network Platform, a failure to maintain the Elys Network Platform would negatively affect the value of the Elys Tokens. There is no guarantee that the Elys Network, including its use of the Elys Tokens will develop as planned or become successful in the marketplace.

Long-term Viability of Cryptoassets. Cryptoassets, including those like the Elys Tokens, are a new and relatively untested product. There is considerable uncertainty about their long-term viability, which could be affected by a variety of factors, including many market-based factors such as economic growth, inflation, and others. In addition, the success of cryptoassets (including the Elys Tokens) will depend on the long-term utility and economic viability of blockchain and other new

technologies related to cryptoassets. Due in part to these uncertainties, the price of cryptoassets are volatile and the Elys Tokens may be hard to sell. Further, the value of Elys Tokens may decrease over time, which may impact interest in, or the success of, the Elys Network Platform. The Company does not control any of these factors, including the ability of the Elys Tokens to maintain their value over time.

Further Innovations in the Cryptoasset Industry may Cause the Elys Tokens to Lose Value. The development and acceptance of the cryptographic and algorithmic protocols governing the issuance of, and transactions in, cryptoassets is subject to a variety of factors that are difficult to evaluate and predict. The use of cryptoassets to, among other things, transact in goods and services is part of a new and rapidly evolving commercial practice that employs digital assets based on a computer-generated mathematical and/or cryptographic protocol. The growth of this commercial practice in general, and the use of cryptoassets in particular is subject to a high degree of uncertainty. Factors affecting further development of the cryptoasset industry include, among other things, the continued worldwide adoption of cryptoassets; governmental and quasi-governmental regulation of cryptoassets and/or cryptoasset exchanges; changing consumer demographics, tastes, and preferences; sustained development and maintenance of open-source software protocols; the popularity and availability of alternative and/or new payment services; and general economic conditions. If these factors negatively affect or impede the development of the cryptoasset industry, the value of holding Elys Tokens may also be negatively affected.

Inability to Fund Development or Maintenance. The Company may not be able to fund development of the Elys Tokens in the manner that it was intended.

Risks from Taxation. The tax characterization of the Elys Tokens is uncertain as described above, which may lead to inefficient tax outcomes for Purchasers and/or the Company and/or its affiliates. You must seek your own tax advice in connection with acquiring and holding Elys Tokens, which may result in adverse tax consequences to you, including withholding taxes, income taxes, and tax reporting requirements. The purchase of Interests may result in adverse tax consequences to Purchasers, including withholding taxes, income taxes, and tax reporting requirements. Additionally, subsequent transactions in cryptoassets such as the Elys Tokens may cause Purchasers to incur tax liabilities. Further, any reward received in the form of, or through the use of, Elys Tokens may result in additional tax liability. Each Purchaser should consult with and must rely upon the advice of its own professional tax advisors.

Risk of Theft and Hacking. Smart contracts, software applications, and the Elys Tokens may be exposed to attacks by hackers or other individuals, groups, organizations, or countries that interfere with the availability of the Elys Tokens in any number of ways, including denial of service attacks, sybil attacks, spoofing, smurfing, malware attacks, or consensus-based attacks, or phishing, or other novel methods that may or may not be known. Any such successful attacks could result in theft or loss of Elys Tokens, adversely impacting the ability to further derive any usage or functionality from Elys Tokens. The Company must take appropriate steps to ensure the integrity of its smart contracts, systems, and other vectors of potential attack. You must take appropriate steps to satisfy yourself of the integrity and veracity of relevant websites, systems, and communications. Furthermore, because the Elys Tokens employs open-source software, there is a risk that a third party or a member of the Company's team may intentionally or unintentionally introduce weaknesses or defects into the core infrastructure of the Elys Token and negatively affect it.

You acknowledge, understand, and accept that if your private key or password gets lost or stolen, the Elys Tokens associated with your wallet address may be unrecoverable and permanently lost. Additionally, any third party that gains access to your private key, including by gaining access to the login credentials relating to your wallet, may be able to misappropriate your Elys Tokens. Any errors or malfunctions caused by or otherwise related to the digital wallet or vault you choose to receive and store Elys Tokens, including your own failure to properly maintain or use such digital wallet or vault, may also result in the loss of your Elys Tokens, for which the Company shall have no liability.

Misconduct and Errors Risks. The Company is exposed to many types of operational risk, including the risk of misconduct and errors by our employees, former employees, and other third-party service providers, or by users and developers on the Elys Network Platform, whom the Company does not control, could be in a position to handle large amounts of sensitive and potentially proprietary information, whose exposure could result in significant liability. It is not always possible to identify and deter misconduct by employees or third-party providers, and the Company cannot control developers or uses of the Elys Network Platform. The precautions the Company takes to detect and prevent this activity, such as encryption of user data, may not be effective in controlling unknown or unmanaged risks or losses. Any of these occurrences could result in the Company's diminished ability to operate the business and develop the Elys Network Platform, inability to attract future developers and users, regulatory intervention, and financial harm which could negatively impact the Company, the growth of the Company, and the value of Elys Tokens.

Risk of Security Weaknesses in the Elys Tokens. The Elys Tokens consists, at least in part, of open-source software that may,

in turn, be based on other open-source software. There is a risk that the Company or other third parties may intentionally or unintentionally introduce weaknesses or bugs into the core infrastructural elements of the Elys Tokens to interfere with the use of or cause the loss of Elys Tokens.

Risk of Weaknesses or Exploitable Breakthroughs in the Field of Cryptography. Advances in cryptography, or technical advances such as the development of quantum computing, could present risks to cryptocurrencies (like Elys Tokens) by rendering ineffective the cryptographic consensus mechanism that underpins the Elys Tokens, which could result in the theft, loss, or decreased utility of the Elys Tokens. Smart contracts, blockchain application software, and blockchain platforms and protocols are still in an early development stage and relatively unproven. There is no warranty or assurance that the process for creating Elys Tokens will be uninterrupted or error-free and there is an inherent risk that the software could contain defects, weaknesses, vulnerabilities, viruses, or bugs causing, inter alia, the complete loss of contributions and/or Elys Tokens.

Risk of Lack of Adoption or Use of the Elys Tokens. While the Elys Tokens should not be viewed as an investment, they may have value over time. That value may be limited or non-existent if the Elys Tokens lack acceptance, use, and adoption on the Elys Network Platform.

Risk of an Illiquid Market for Elys Tokens. There may never be any marketplace for Elys Tokens. There are currently no exchanges upon which the Elys Tokens would trade. If exchanges do develop, they will likely be relatively new and subject to poorly understood regulatory oversight. They may, therefore, be more exposed to fraud and failure than established, regulated exchanges for other products and have a negative impact on the Elys Tokens. To the extent that any third party ascribes an external exchange value to Elys Tokens (e.g., as denominated in a crypto or fiat currency), such value may be extremely volatile and diminish to zero. If (despite your representations to us to the contrary) you are holding Elys Tokens as a form of investment on a speculative basis or otherwise, or for a financial purpose, with the expectation or desire that their inherent, intrinsic or cash-equivalent value may increase with time, you assume all risks associated with such speculation or actions, and any errors associated therewith, and accept that the Elys Tokens are not offered by the Company or its affiliates on an investment basis.

Risk of Dissolution of the Elys Tokens. It is possible that, due to any number of reasons, including development issues with the Elys Tokens, the failure of business relationships, lack of public interest, lack of funding, or competing intellectual property claims, the Elys Network Platform and/or Elys Tokens may no longer be viable as a business or otherwise and may dissolve or fail to maintain commercial or legal viability, or be abandoned. There is no assurance that you will receive any benefits through the Elys Tokens.

Risk of Malfunction in the Elys Tokens. It is possible that the Elys Tokens or the Elys Network Platform malfunctions in an unfavorable way, including one that results in the loss of the Elys Tokens.

Risk Associated with Licensed Third-Party Technology. The Elys Tokens are created solely for purposes of operating and integrating with the Elys Network Platform.

Risk Associated with Underlying Technology. There can be no guarantee that the technology required for operation of the Elys Network Platform will function as anticipated or function at all. This technology may malfunction because of internal problems or as a result of cyberattacks or security breaches or the Company might not be able to successfully develop the technology. Further, there may be no alternatives available if this technology does not work as anticipated. As a result, failure of this technology to work as intended may adversely affect the operation and growth of the Elys Network Platform and may have a material adverse impact on Elys Tokens.

Risks Associated with Incomplete Information regarding the Elys Tokens. You will not have full access to all the information relevant to the Company and the Elys Tokens. The Company is not required to update you on the progress of the Elys Tokens. You are responsible for making your own decision in respect of the acquisition of the Elys Tokens. The Company does not provide you with any recommendation or advice in respect of the acquisition of the Elys Tokens. You may not rely on the Company to provide you with complete or up-to-date information.

The Holders of Elys Tokens will not be in any Fiduciary, Partnership, Trustee, Agency, or Similar Relationship with the Company or any of its Affiliates and will not be Owed any Fiduciary Duty by the Company or any of its Affiliates. The holders of Elys Tokens have no direct management, equity, voting, or similar rights in the Company or any of its affiliates. However, without limitation to the above, the Company reserves all rights with respect to pursuing any form of decentralized governance should it so determine that doing so would be in the best interests of the holders of Elys Tokens from time to time.

In order to seek compliance with (or to seek to mitigate the impact of) any laws, statutes, ordinances, rules, regulations, judgments, injunctions, orders, treaties, administrative acts or decrees of any nation or government, any state or other political subdivision thereof, any entity exercising legislative, judicial or administrative functions of or pertaining to government, including, without limitation, any government authority, agency, department, board, commission or instrumentality, and any court, tribunal or arbitrator(s) of competent jurisdiction, and any self-regulatory organization believed by the Company or its affiliates to apply to or affect the Company or its affiliates, the Elys Tokens, the Company may in its sole and absolute discretion take such steps as it considers necessary or convenient to comply with such matters including, without limitation, the termination of the Elys Tokens. In addition, the Company may take such steps as it considers necessary or convenient where it believes or suspects the Elys Tokens may be used, trafficked, or applied in the attempted furtherance of money laundering, terrorist financing, tax evasion, or other unlawful activity or where it believes the Elys Tokens are no longer viable.

Regulation of (i) tokens (including the Elys Tokens); (ii) cryptocurrencies; (iii) blockchain technologies; and (iv) cryptocurrency exchanges; is currently underdeveloped and is likely to evolve rapidly, vary significantly among international, national, federal, state and local jurisdictions and is subject to significant uncertainty. Various legislative and executive bodies in the United States, South Korea, China, Singapore, India, among other countries, are currently considering, or may in the future consider, laws, regulations, guidance, or other actions, which may severely impact the development and growth of the Elys Tokens and the Company. Other countries may adopt similar approaches. Failure by the Company or users of the Elys Tokens to comply with any laws, rules, and regulations, some of which may not exist yet or are subject to interpretation and may be subject to change, could result in a variety of adverse consequences, including civil penalties and fines. New or changing laws and regulations or interpretations of existing laws and regulations would likely have numerous material adverse consequences on the Company and the Elys Tokens. Therefore, there can be no assurance that any new or continuing regulatory scrutiny or initiatives will not have a material adverse impact on the value of the Elys Tokens or impede the activities of the Company.

No Specific Use of Proceeds. At present, and other than as set out herein, no proceeds have been allocated for any particular purposes, and management expects to use the net proceeds from this offering for working capital and to promote the development, security, maintenance, and distribution of the Elys Network Platform, regardless of whether all of the Elys Tokens under this Offering are sold. Management may also use a portion of the net proceeds to acquire, license, and invest in complementary products, technologies, or businesses in the ordinary course of business. However, management will have broad discretion over the use of proceeds and reserves the right to change the use of proceeds on other than working capital and general corporate purposes should the circumstances change, or future research and development opportunities arise and could spend the proceeds from the offering in ways with which Purchasers may not agree with or that do not yield a favorable return, if at all. If management does not use the proceeds of this offering in ways that benefit the Elys Tokens, the future value and utility of Purchasers' Elys Tokens may be adversely affected.

Representation by Legal Counsel. Certain counsel (the "***Law Firm***") represents the Company solely with respect to the specific matters pertaining to the preparation of this Memorandum. Other matters may exist that could have a bearing on the Company as to which the Law Firm has been neither retained nor consulted. The Law Firm does not undertake to monitor compliance by the Company and its affiliates with the guidelines and procedures set forth in this Memorandum, nor does the Law Firm monitor compliance by the Company and/or its affiliates with applicable laws, unless in each case the Law Firm has been specifically retained to do so. The Law Firm does not investigate or verify the accuracy and completeness of information set forth in this Memorandum concerning the Company. Furthermore, the Law Firm is not providing any advice, representation, warranty, or other assurance of any kind as to any matter to any prospective purchasers of the Elys Tokens. No separate counsel has been engaged by the Company to represent any purchasers with respect to a purchase of the Elys Tokens.

The Company has the exclusive right, in its sole and absolute discretion, to address and remediate any of the operational, legal, or regulatory risks presented as of the date hereof or hereafter. In the exercise of such rights, it is possible that the Company may determine that the continued development of the Elys Tokens is not feasible. Accordingly, there is a material risk that the Company and its affiliates may not successfully continue to develop, market, and operate the Elys Tokens.

Unanticipated Risks. Cryptographic tokens are a relatively new and comparatively untested technology. In addition to the risks discussed herein, there are risks that the Company cannot anticipate. Further risks may materialize as unanticipated combinations or variations of the discussed risks or the emergence of new risks.

Violation of Policies Risks. Any violation of Company policies and terms and conditions of use, including misuse of the Elys Network Platform and Elys Tokens, by users and Elys tokenholders, may result in unforeseeable adverse impact to the Elys Network Platform out of the Company's control, which may in turn potentially affect the value of Elys Tokens.

Risk of Competitors. The Company believes that other organizations are or may be working to develop decentralized application systems for scalable and interoperable solutions for Web3 developers or other novel technologies that may be competitive with the technology of the Company. Some or all of these organizations that may have technology similar to the Company, may have substantially greater technological expertise, experience with blockchain technologies and/or financial resources than the Company has, and many of them may be attempting to patent technologies that may be competitive with or similar to the technology the Company has developed, or attempting to reverse engineer the Company's technology, which may be possible as a substantial portion of the software underlying the Elys Network Platform is open source software that is generally available to the public.

Given that such open-source software is generally available to the public, a person or company could establish software technology, and networks, built using the Company's publicly available software. It is possible that those products would be substantially similar to and competitive with the Company's software and technology. If this were to occur, it is possible that the value of the Elys Network Platform and Elys Tokens could decline.

Risk of Underage Users. In certain jurisdictions, persons under the age of eighteen (18) have the ability to repudiate or disaffirm contracts entered into by those individuals, and some of the Elys Network Platform users are likely to be under the age of eighteen. As a result, the Company may have difficulty enforcing the terms of service and other agreements entered into with such individuals that are under the age of eighteen in connection with the operation of the Company's business, the Elys Network Platform, and the distribution of Elys Tokens.

Risks Associated with Issuance of Additional Tokens. Elys tokenholders may collectively determine it is in the best interest of the Elys Network to adjust the supply of Elys tokens either upward or downward in the future. Further, if and when the Company enables staking, additional Elys Tokens may be issued. If such events occur, the value of Elys Tokens may be adversely impacted and an Elys tokenholder's token holding may also be diluted as a result.

Risk Associated with Hiring and Retaining Personnel. Because the blockchain industry is a technologically cutting-edge field, the market for engineers and other non-technical talent familiar with the industry is competitive. It may be difficult to attract and retain qualified individuals with the expertise, and in the timeframe, required for the steady progress of the Elys Network Platform. If we were to lose some or all of our personnel, they would be difficult to replace, which in turn may present significant delays in the continued development of the Elys Network Platform. In addition, if any of our key personnel, retires or otherwise leaves the Company, we will need to have appropriate succession plans in place and to successfully implement such plans, which requires time and resources devoted towards identifying and integrating new personnel into leadership roles and other key positions. If we cannot attract and retain qualified personnel or effectively implement appropriate succession plans, it could have a material adverse impact on the operations of the Elys Network Platform, as well as the business and financial condition of the Company. We do not maintain key-person life insurance policies on our key personnel.

There may be Occasions when Certain Individuals Involved in the Development of the Elys Network Platform may Encounter Potential Conflicts of Interest, such that such a Person may Avoid a Loss, or even Realize a Gain, when other Purchasers are Suffering Losses. There may be occasions when certain individuals involved in the development of the Elys Network Platform or the Company may encounter potential conflicts of interest in connection with the sale of Elys Tokens described herein, such that such person may avoid a loss, or even realize a gain, when other Purchasers in such sale are suffering losses. Purchasers may also have conflicting investment, tax, and other interests, which may arise from the terms of the Offering Documents, the Elys Network Platform and its code, or other factors. Decisions made by the Company on such matters may be more beneficial for some Purchasers than for others.

Risks Associated with Single Point of Failure. The Company is an ownerless entity organized pursuant to Panamanian law and operated by its directors. All other services are provided to the Company pursuant to contractual relationships, where persons performing material functions for the Company are not employees of the Company. As a result, there is a heightened risk of a single point of failure if the Company's directors are unable to fulfill their duties.

Risks Associated with the Structure of Token Purchase Agreements. An investment in a TPA involves a significant amount of risk and is suitable only for sophisticated Purchasers: (i) of substantial means who have no immediate need for liquidity in the amount invested; (ii) for whom such investment does not constitute a complete investment program; (iii) that fully understand, and are willing to assume and have the financial resources necessary to withstand, the risks involved in investing in a TPA; and (iv) that can bear the potential loss of all of their investment in a TPA. There is no assurance as to whether an investment in a TPA will be profitable. Any Investment made in a TPA may result in a loss of all or part of a Purchaser's Investment. The Token Purchase Agreement or a portion thereof may be modified, waived, or amended without your consent

consistent with its terms.

Risks Associated with Potential Public Listings of Elys Tokens Could Negatively Impact Their Price. The Company may, in the future, list Elys Tokens on digital asset trading platforms (aka. “Exchanges”). Any such listing could negatively impact the price of Elys Tokens, especially if there is significant selling activity on any such exchange. Lockups applicable to any Interests purchased in this Offering may prevent participants in this Offering from selling their stake in Elys Tokens while such Elys Tokens remain subject to a lock-up.

USE OF PROCEEDS

The Company estimates that the maximum net proceeds from this Offering, unless the Offering amount is subsequently amended by the Company in its discretion, and any other contemporaneous Elys Token offerings on Republic (together, the “**Republic Offerings**”) may be approximately \$1,108,000 after deducting estimated offering expenses, less any marketing and legal expenses. The Company intends to use the proceeds of the Republic Offerings, net of any federal and state income taxes, primarily for: (i) product development, infrastructure, and non-payroll operating expenses; and (ii) salaries for the Elys team of developers, engineers, and other personnel involved in the project’s development and operations. Proceeds will also be allocated to: (i) raising awareness about the Elys Network Platform and the Elys Token within the broader cryptocurrency and DeFi communities; and (ii) provisioning initial liquidity for the Elys DEX. No proceeds from this Offering will be used to discharge any indebtedness. It is anticipated that the proceeds raised in this Offering as well as the parallel private sale will extend our operating runway by four years, in addition to the current financial projections for operations of sixteen months.

Accordingly, our management will have broad discretion over the application of the proceeds received from the Republic Offerings and may spend the proceeds from the Offering in ways with which investors may not agree with or that do not yield a favorable return, if at all. We cannot predict whether this allocation invested will yield a favorable return. If management does not invest or apply the proceeds of this offering in ways that benefit the Elys Tokens, the future value and utility of Purchasers’ Elys Tokens may be adversely affected. Our failure to apply such funds effectively could have a material adverse effect on our business, financial conditions, and results of operations. We cannot specify with certainty all of the particular uses for the net proceeds to be received upon the closing of the Republic Offerings. In addition, the amount and timing of our actual expenditures will depend upon numerous factors. Pending other uses, we may allocate the proceeds to interest-bearing instruments, direct or guaranteed obligations of the U.S. government, crypto assets, or hold as cash.

We cannot guarantee that we will be able to sell any or all of the Elys Tokens in the Republic Offerings. If we do not sell any of the Elys Tokens, we will not obtain any usable proceeds from the Republic Offerings and our ability to continue as a going concern may be called into question.

The Company reserves the right to alter the use of proceeds of the Republic Offerings.

DILUTION

The following table summarizes the differences between the total consideration and the weighted-average price per token paid by existing tokenholders who have purchased or acquired Elys Tokens or rights thereto, prior to the date of this Memorandum and participants participating in this Offering at the price, or deemed price, to the public of \$0.31 to \$0.40 per Elys Token, before deducting estimated expenses in connection to this Offering:

	Tokens Previously Purchased or Acquired	Total Consideration	Weighted Average Price Per Token
Outstanding Tokens (or rights thereto) before this Offering	1,347,500,000	\$7,627,460.56	\$0.235 (2)
Tokens offered in this Offering	900,000	\$327,511.52 (3)	\$0.364 (4)

- (1) Includes allocations for Early Backer (Pre-Seed) contributors, Private Sale contributors; and Seed Round contributors, which are subject to various vesting and delivery schedules as described in Plan of Distribution.
- (2) Certain non-disclosure obligations are implicated by disclosures of per Elys Token amounts by Early Backers (Pre-Seed), Private Sales, and Seed Rounds.
- (3) This calculation applies the full amount of the Allowlist bonus discount of 15% for \$75,000 in token purchases and Top Tier Incentivized Testnet bonus discount of 30% for \$75,000 in token purchases.
- (4) This calculation applies the full amount of the Allowlist bonus discount of 15% for \$75,000 in token purchases and Top Tier Incentivized Testnet bonus discount of 30% for \$75,000 in token purchases.

MANAGEMENT OF THE COMPANY

Our members including their ages and positions, are set forth below:

Name	Age	Functional Position
<i>Directors</i>		
Prashant Srivastava	43	President of the Board
Hesham Aly	43	Board Member
Mitchell Nishimura	42	Board Member
Casey Arrington	35	Board Member

Directors

Prashant Srivastava

Prashant Srivastava is currently the President and a director of the Company, which he co-founded. Before Elys Network, Prashant had a long career in finance. He worked for over 18 years as a derivatives trader and risk manager at leading global investment banks, developing a strong proficiency in capital and liquidity management. Prashant earned a Master's in Financial Engineering from Columbia University in New York in 2004. Before that, he completed a Bachelor of Technology (B.Tech) in Materials Science from the Indian Institute of Technology, Bombay in 2004.

Mitchell Nishimura

Mitchell Nishimura is currently the CFO and a director of the Company. He is a U.S. based entrepreneur with over 15 years in executive leadership roles. In addition, he managed team building and communications for multiple U.S. based entities. Current Founder and CEO of a U.S. based hospitality company.

Hesham Aly

Hesham Aly is currently the Head of Growth and Business Development and a director of the Company. Before Elys Network, Hesham served as a Lieutenant Colonel in the US Air Force for over 22 years. His specialization in Operations Research while at the US Air Force Academy provided him with strong analytical and problem solving skills. Hesham is also a co-founder of OtterSync, a validator across 18 proof of stake blockchains.

Casey Arrington

Casey Arrington is currently Secretary and director for the Company. Before Elys Network, Before Elys Network, he worked in product development for SpaceX, NGA, Flow Blockchain, as well as product and business development for the Cosmos ecosystem.

Board Composition and Risk Oversight

The board of directors of the Company is currently composed of four directors. There are no family relationships among the directors or any of the executive officers.

CERTAIN RELATIONSHIPS AND RELATED-PARTY TRANSACTIONS

ODB Offering Engagement

We are currently party to an offering engagement agreement with ODB, effective as of September 3, 2024 (the “*ODB Engagement Agreement*”), who has agreed to provide certain offering facilitation services, including executing and delivering evidence of the interests sold in this Offering to each Purchaser and the use of the Republic Platform. ODB has made no commitment to purchase all or any part of the Interests. The term of the ODB Engagement Agreement will continue until the later of the date on which (i) the TPAs are no longer being listed on the Republic Platform or (ii) all fees due to ODB being remitted unless otherwise terminated by either party upon thirty (30) days’ prior written notice or for cause pursuant to the ODB Engagement Agreement.

ODB is not purchasing any of Elys Tokens in this Offering and are not required to sell any specific number or dollar amount of securities but will instead arrange and manage this Offering on their fundraising platform, www.republic.com.

Reimbursable expenses in the event of termination. **Termination Fees are due for any termination in the event of ODB’s uncured breach, or the expiration of the term of the ODB Engagement Agreement.** The Company shall at the date of termination pay the greater of (a) \$10,000, or (b) the product of the total committed amount in the Offering at the time of termination and the Cash Commission (defined below) percentage. ODB may, at its discretion, interpret a lack of responsiveness from the Company, for a period of 14 calendar days, as terminated after requesting a response, provided that no Termination Fee shall be due under this provision in the event termination is for cause due to ODB’s uncured breach. If after ODB has set up an Offering to be displayed on the Republic Platform and the Company has met the minimum investment amount necessary to perform a closing, and the Company cancels or decides not to pursue the Offering prior to the final closing of the Offering, termination fees shall remain due and payable, except that if circumstances beyond the control of the Company make a closing impossible, then termination fees will not apply.

Commission and Expenses. The cash fee paid to ODB from the proceeds of this Offering will be the greater of five percent (5.0%) of the dollar value of the Tokens issued to Investors pursuant to the combined proceeds of each Offering at the time of closing or \$12,000.00 (the “**Cash Commission**”). In addition to the Cash Commission, ODB will be entitled to a Tokens commission equivalent to one percent (1.0%) of the dollar value of the Tokens issued to Investors pursuant to the combined proceeds of each Offering at the time of closing. Thus, a purchase of \$1,000 in this Offering would result in a minimum of \$940 to the Company, \$50 in cash commission to ODB, and \$10 in securities commission to ODB, and potentially less if the total offering size is less than \$200,000 ODB may also receive commissions for facilitating transactions with investors introduced through their Off-Platform Services. While our management may promote the Company and this Offering, no other commissions will be paid to anyone in connection with facilitating this Offering.

ODB has agreed, with respect to the TPAs issued to it as part of its commission, not to: (a) sell, transfer, assign, pledge or hypothecate any Interests obtained pursuant to the ODB Engagement Agreement for a period of one hundred eighty (180) days following the date on which this Offering is qualified by the SEC to anyone other than (i) its affiliates or any selected dealer that may participate in the Offering, or (ii) a bona fide officer of ODB or of any such selected dealer, in each case in accordance with FINRA Conduct Rule 5110(e)(1), or (b) cause such Elys Tokens to be the subject of any hedging, short sale, derivative, put or call transaction that would result in the effective economic disposition of such TPAs, except as provided for in FINRA Rule 5110(e)(2). On and after one hundred eighty (180) days after the date on which this Offering is qualified by the SEC, transfers to others may be made subject to compliance with or exemptions from applicable securities laws. There are no registration rights offered to ODB.

Under the ODB Engagement Agreement with ODB, ODB may also pass through certain administrative expenses related to payment processing in the event of a withdrawn offering. The Issuer is responsible for all costs related to Investor payment disputes. The Issuer will pay to ODB various fees, which are not considered underwriting compensation. ODB has the right to assign this Agreement to an Affiliate or successor.

Business Advisory Service Fees: We have agreed to pay ODB \$20,000 upon execution of the ODB Engagement Agreement, for services including standard, additional, or enhanced reviews of KYC, AML, diligence, compliance monitoring, CIP, financials, offering documents, and the appropriate time and effort undertaken to perform such reviews. ODB may provide additional guidance regarding the offering's size and structure, market conditions, and provide suggestive participation into other possible circumstances that may affect the Company. This participation is not deemed to be absolute or as legal advice and does not serve as a substitute for Company’s own legal and regulatory representation.

Indemnification and Control

The Company has agreed to indemnify ODB against liabilities relating to any investigation, claim, or proceeding stemming from the Offering, liabilities arising from breaches of some, or all of the representations and warranties contained in the ODB Engagement Agreement, and to contribute to payments that ODB may be required to make for these liabilities. ODB and their respective affiliates are engaged in various activities, which may include securities, trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing, and brokerage activities. ODB and their respective affiliates may in the future perform various financial advisory and investment banking services for us, for which they received or will receive customary fees and expenses.

SECURITY OWNERSHIP OF THE COMPANY

The Company is a company organized pursuant to Panamanian law.

Common Stock of the Company

The following table sets forth the beneficial ownership of our common stock as of the date of this Private Placement Memorandum for each person or group that holds more than 10% of our common stock, for each of our directors and executive officers and for our directors and executive officers as a group.

The address for each person or entity listed in the table is: World Trade Center 200-B, Suite 109 Calle 53 Este, Marbella, Republic of Panama. We have determined beneficial ownership of our Elys Tokens in accordance with the rules of the SEC.

Title of Class	Name of beneficial owner	Amount and nature of beneficial ownership	Percent of Class
Shares of Common Stock of Elys Network Inc.	Elys Foundation ¹	10,000 shares	100%

(1) In late November, 2024, all shareholders of Elys Network Inc. transferred their beneficial ownership in Elys Network Inc. to Elys Network Foundation, a Panamanian foundation, with a recording date effective as of or immediately following the effective date of this Offering.

DESCRIPTION OF THE ELYS TOKENS

Ownership of Elys Tokens

We are offering TPAs in this Offering in accordance with the terms outlined under “Terms of the Offering” above, which entitles the holders thereof to purchase Elys Tokens at a fulfillment price of \$0.31, \$0.35 and \$0.40 per Elys Token. The TPAs and the Elys Tokens are subject to transfer restrictions as described under “Terms of the Offering” above.

ELYS is the native utility token of Elys Network, a layer-1 blockchain ecosystem focused on decentralized finance (DeFi). ELYS is used for transaction fees, staking, governance, and as an incentive to encourage user participation in the network, as described further below in “Description of the Elys Network Platform”.

The ownership of Elys Tokens is evidenced through the association of a certain number of Elys Tokens with a public key or wallet address as recorded on the blockchain underlying the Elys Network. Each such public key and wallet will have an associated private key, which a tokenholder must control in order to control the Elys Tokens associated with such public key or wallet, including to transfer Elys Tokens to another person. In turn, control of the private key is proved by providing a digital signature on any digital record addressing Elys Token operations associated with the public key, which signature can only be created if the tokenholder knows the private key. As a result, control or knowledge of the private key associated with a wallet and public key determines an Elys tokenholder’s ability to control any Elys Token issued to such tokenholder. Elys Tokens are not otherwise tracked and are not designated by special serial numbers or other unique identifiers. As such, Elys Tokens are interchangeable and fungible by design.

Because a tokenholder’s control of the private key associated with a wallet and public key address is critical to the tokenholder’s control over the Elys Tokens associated with such wallet and public key address, it is necessary for holders of the Elys Tokens to ensure the security and privacy of their relevant private keys. If the private key is lost, the Elys tokenholder will no longer be able to control the Elys Tokens associated with such private key, which in turn will result in the tokenholder’s inability to transfer any Elys Tokens associated with such private key. In the event the private key is stolen or otherwise obtained by an unauthorized person, such unauthorized person will be able to control the Elys Tokens associated with such private key and may thus transfer such Elys Tokens to another person without the tokenholder’s permission.

Functionality of Elys Tokens

ELYS is the native utility token of Elys Network, a layer-1 blockchain ecosystem built on the Cosmos SDK and focused on decentralized finance (DeFi).

ELYS is designed to be used exclusively within the Elys Network and has several key functions:

- **Medium of Exchange:** ELYS is used to pay for network fees, transaction fees, and swap fees within the Elys Network ecosystem. It is not intended to be used as a general medium of exchange for goods and services outside of the network.
- **Staking and Governance:** Users can stake ELYS to secure the network and participate in governance. Staking ELYS allows users to propose and vote on governance proposals, determining future features, upgrades, and parameters of the Elys Network. Staking rewards include a share of non-inflationary DEX rewards paid in \$USDC, as well as EDEN and EDEN-Boost tokens.
- **Incentivizing User Participation:** ELYS is distributed as rewards to encourage user participation and contribute to the growth of the Elys Network. Users can earn ELYS and other rewards by:
 - Providing liquidity to the decentralized exchange (DEX): Liquidity providers can choose to receive Pool Tokens or Molecule Tokens, representing their liquidity share and earning them rewards.
 - Running validator nodes: Validators play a crucial role in securing the network and are rewarded for their participation.
 - Delegating to validator nodes: Users can delegate ELYS to existing validators to earn rewards without running a node themselves.

Token Supply

The maximum supply of Elys Tokens is 200,000,000 tokens. The total supply of Elys Tokens will be allocated as described in “Plan of Distribution”.

Inflation

Elys Network aims to distribute a significant portion of its rewards in a non-inflationary manner using \$USDC, a stablecoin. This approach focuses on revenue generated by network activity, such as perpetual trading interest fees, bridge fees, and transaction fees, to provide sustainable rewards to users. The maximum supply of Elys Tokens will be capped at 200,000,000 but may be changed in the future pursuant to an on-chain governance vote.

Limited Elys Token-Related Rights

Elys Tokens will not provide you with any enforceable rights against the Company, or any third-party developer, including any rights to receive payments, any control rights or any claims on assets. Holders of Elys Tokens will not receive a right to any repayment of principal or interest, any interest in the profits or losses of the Company, its affiliates, or any third-party developer. Holders of Elys Tokens may not have any right to vote on any matters relating to the Company, its affiliates, or any third-party developer, including voting for board members of the Company. Further, we are not aware of any binding obligation on the Company with respect to the Elys Tokens or the holders of Elys Tokens following the delivery of Elys Tokens.

Secondary Markets

The Elys Token is designed to be used on and interacting with the Elys Network Platform. While the Elys Token may technically be capable of being transferred on digital asset trading platforms or other venues, the Company does not support or encourage any use of the Elys Token beyond its stated usefulness on or in connection with the Elys Network Platform.

DESCRIPTION OF THE ELYS PLATFORM

Overview

The Elys Network Platform is a layer-1 blockchain in the Cosmos ecosystem. It is built using the Cosmos SDK and aims to provide a suite of decentralized finance (DeFi) applications with a focus on user experience and accessibility. The platform features a hybrid decentralized exchange (DEX) model that combines fixed-weight and dynamic weighted pools. This design aims to address the issue of liquidity fragmentation in existing DEXs and offer more efficient trading for users.

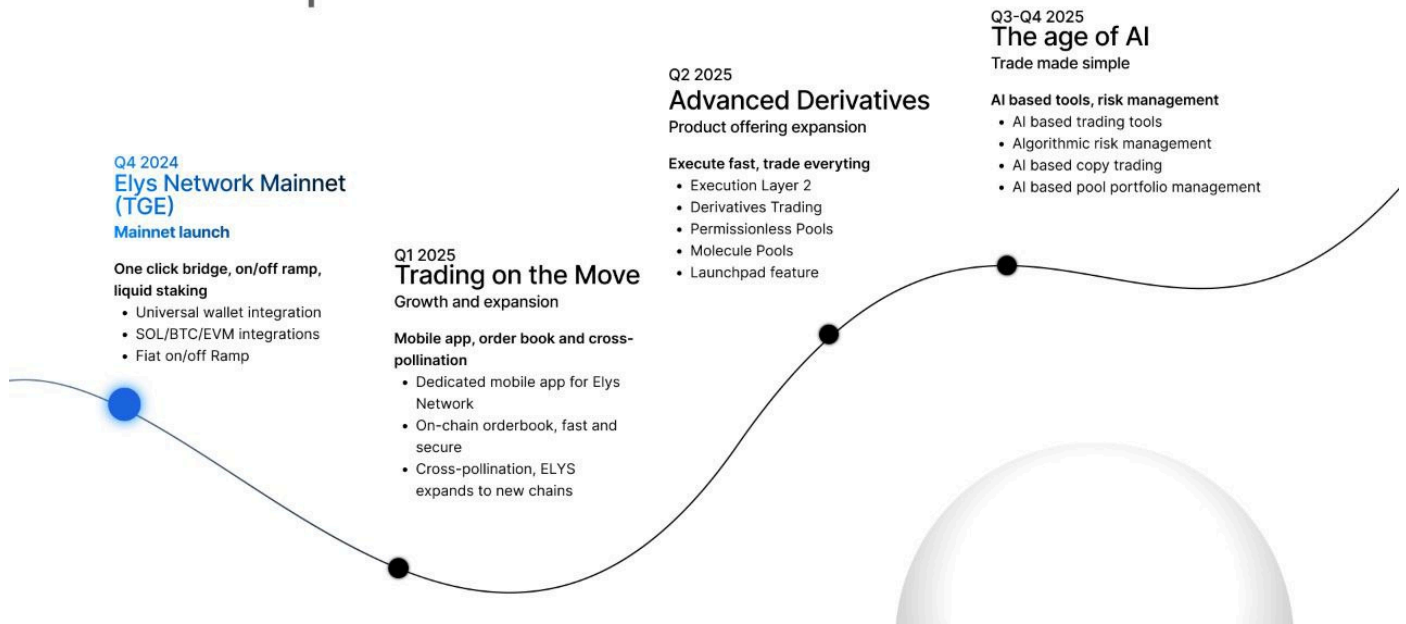
Key features of the Elys Network Platform include:

- **Universal Liquidity Layer:** Elys Network's core innovation is its universal liquidity layer. This layer enables cross-chain interoperability, allowing users to trade assets from different blockchains such as Ethereum, Solana, and Bitcoin in one platform. Elys accomplishes this by using an oracle-based dynamic weight pool design that mitigates impermanent loss for liquidity providers¹⁴⁵.
- **Unified DeFi Application:** Elys aggregates various DeFi functions, including swapping, liquidity provision, leverage LP, staking, lending, and perpetual trading. By offering all of these services in a single, non-custodial platform, Elys aims to provide a more streamlined DeFi experience. The Elys testnet webapp can be accessed at <https://testnet.elys.network>
- **Focus on User Experience:** Elys prioritizes user experience by offering features like one-click staking, liquid staking, and a user-friendly interface. Elys also plans to implement wallet abstraction, which would allow users to connect to the platform using social accounts for a seamless onboarding process³⁶.
- **Non-Inflationary Rewards:** Elys Network strives to distribute rewards sustainably by leveraging non-inflationary revenue streams, such as transaction fees, swap fees, margin interest fees, liquid staking fees, and perpetual trading fees. These revenues are used to reward stakers, liquidity providers, and other participants who contribute to the network.
- **Native Bridging Capabilities:** The platform is designed to support native bridging capabilities to connect with other blockchains, including Ethereum Virtual Machine (EVM) chains and Inter-Blockchain Communication (IBC) enabled chains. This interoperability facilitates the transfer of assets and expands the reach of the Elys Network.

State of the Project

The following graphic highlights some of Elys Network Inc. and the Company's development efforts to date.

Roadmap



Competition

Elys Network competes in the decentralized finance sector. Competing platforms include dYdX, Osmosis, GMX, Uniswap, and Synthetix. Elys also has limited competition overlap with centralized exchanges such as, for example, Binance, Coinbase, Kucoin, and OKX.

PLAN OF DISTRIBUTION

This Offering of Elys Tokens will be deemed to be fully subscribed once the aggregate purchase amount (of TPAs) meets the Offering Size (see “[Terms of the Offering](#)”).

Distribution of Elys Tokens

The 200,000,000 Elys Tokens, consisting of the initial minted supply of Elys Tokens will be distributed as follows:

Allocation	Tokens	%
Early Backers (Pre-Seed Sale)	6,000,000	3%
Seed Sale	10,000,000	5%
Private Sales	7,000,000	3.5%
Strategic Sale	1,000,000	0.5%
Republic Sale (Regulation D)	900,000	0.45%
Republic Sale (Concurrent Offering)	2,100,000	1.05%
Strategic Reserves	44,500,000	22.25%
Project Contributors	36,000,000	18%
LM Rewards	30,000,000	15%
Marketing and Growth	18,000,000	9%
Staking Rewards	17,000,000	8.5%
Community Ecosystem	15,000,000	7.5%
Airdrops	10,000,000	5%
Advisors	2,500,000	1.25%
Total Token Allocation:	200,000,000	100.00%

Early Backers. A total number of 6,000,000 Elys Tokens, equal to 3% of the network supply of the Elys Tokens, is allocated to contributors (“Early Backer”) for their capital contributions to Elys Network Inc. Elys Tokens under this distribution category are subject to varying delivery restrictions and vesting schedules. Elys Tokens in this distribution category are subject to a vesting schedule, with Elys Tokens under each such grant vesting over eighteen (18) months from the Token Integration Event, with 8.5% of Elys Tokens vesting as of the Token Integration Event and 1/12 of the balance of unvested Elys Tokens vesting on the first day of the seventh (7th) month following the Token Integration Event and vesting each month thereafter until all such granted Elys Tokens have been fully vested on the first day of the nineteenth (19th) month following the Token Integration Event.

Seed Sale. A total number of 10,000,000 Elys Tokens, equal to 5% of the network supply of the Elys Tokens, is allocated to contributors (“Seed Sale”) for their seed stage capital contributions to the Company. Elys Tokens under this distribution category are subject to varying delivery restrictions and vesting schedules. Elys Tokens in this distribution category are subject to a vesting schedule, with Elys Tokens under each such grant vesting over seventeen (17) months from the Token Integration Event, with 10% of Elys Tokens vesting as of the Token Integration Event and 1/12 of the balance of unvested Elys Tokens vesting on the first day of the sixth (6th) month following the Token Integration Event and vesting each month thereafter until all such granted Elys Tokens have been fully vested on the first day of the eighteenth (18th) month following the Token Integration Event.

Private Sales. A total number of 7,000,000 Elys Tokens, equal to 3.5% of the network supply of the Elys Tokens, is allocated to contributors (“Private Sale”) for their capital contributions to the Company. Elys Tokens under this distribution category are subject to varying delivery restrictions and vesting schedules. Elys Tokens in this distribution category are subject to a vesting schedule, with Elys Tokens under each such grant vesting over sixteen (16) months from the Token Integration Event, with 12.5% of Elys Tokens vesting as of the Token Integration Event and 1/12 of the balance of unvested Elys Tokens vesting on the first day of the fifth (5th) month following the Token Integration Event and vesting each month thereafter until all such granted Elys Tokens have been fully vested on the first day of the seventeenth (17th) month following the Token Integration Event.

Strategic Sale. A total number of 1,000,000 Elys Tokens, equal to 0.5% of the network supply of the Elys Tokens, is allocated to certain key opinion leaders (KOLs) for their contributions to the Company. Elys Tokens under each such grant shall vest over thirteen (13) months from the Token Integration Event, with 12.5% of such allocation of Elys Tokens vesting as of the Token Integration Event and 1/12 of the balance of unvested Elys Tokens from such grant vesting on the first day of

the second (2nd) month following the Token Integration Event and each month thereafter until all such granted Elys Tokens have been fully vested on the first day of the fourteenth(14th) month following the Token Integration Event.

Republic Sale (Regulation D). A total number of 900,000 Elys Tokens, equal to 0.45% of the network supply of the Elys Tokens, is allocated to certain contributors in the Republic Sale (Regulation D). The Company reserves the right to increase or decrease this allocation, in its sole discretion and without further amendment to this Private Placement Memorandum, by re-allocating Elys Tokens from the unused Private Sales allocation. Elys Tokens under this distribution category are subject to delivery restrictions. Purchasers will each enter into a TPA with the Company. At the time of entering into the TPA, the Purchaser will designate a network address where such Purchaser wishes to receive delivery of the Elys Tokens. Elys Tokens in this distribution category will be delivered to an Ethereum or Cosmos compatible wallet address designated by each Purchaser in the TPA within seven calendar days after the expiration of a twelve (12) month period following the Token Integration Event.

Republic Sale (Concurrent Offering). A total number of 2,100,000 Elys Tokens, equal to 2.1% of the network supply of the Elys Tokens, is allocated to certain contributors in the Republic Sale (Concurrent Offering). The Company reserves the right to increase or decrease this allocation, in its sole discretion and without amendment to this Private Placement Memorandum, by re-allocating Elys Tokens from the unused Private Sales allocation. Elys Tokens in this distribution category are subject to a vesting schedule, with Elys Tokens under each such grant vesting over six (6) months from the Token Integration Event, with 15% of Elys Tokens vesting as of the Token Integration Event and 1/6 of the balance of unvested Elys Tokens vesting on the first day of the second (2nd) month following the Token Integration Event and vesting each month thereafter until all such granted Elys Tokens have been fully vested on the first day of the seventh (7th) month following the Token Integration Event. Purchasers will each enter into a TPA with the Company. At the time of entering into the TPA, the Purchaser will designate a network address where such Purchaser wishes to receive delivery of the Elys Tokens.

Other Allocations:

Strategic Reserves. A total number of 44,500,000 Elys Tokens, equal to 22.25% of the network supply of the Elys Tokens, is allocated to facilitate long term sustainability of the treasury, as well as strategic grants, liquidity or network security and incentivizing testnet utilization. the Company's marketing and growth initiatives. Elys Tokens under such grant shall vest over thirty-six (36) months from the Token Integration Event, with 33.33% of such allocation of Elys Tokens vesting on the first day of the thirteenth (13th) month following the Token Integration Event and 1/24 of the balance of unvested Elys Tokens from such grant vesting on the first day of each subsequent month thereafter until all such granted Elys Tokens have been fully vested on the first day of the thirty-seventh (37th) month following the Token Integration Event.

Project Contributors. A total number of 36,000,000 Elys Tokens, equal to 18% of the network supply of the Elys Tokens, is allocated to the Company's core contributors. Elys Tokens under this distribution category are subject to varying vesting schedules. Elys Tokens under such grant shall vest over forty-eight (48) months from the Token Integration Event, with 25% of such allocation of Elys Tokens vesting on the first day of the thirteenth (13th) month following the Token Integration Event and 1/36 of the balance of unvested Elys Tokens from such grant vesting on the first day of each subsequent month thereafter until all such granted Elys Tokens have been fully vested on the first day of the forty-ninth (49th) month following the Token Integration Event.

LM Rewards. A total number of 30,000,000 Elys Tokens, equal to 15% of the network supply of the Elys Tokens, is allocated to the Company's liquidity mining reserves. Elys Tokens under such grant shall vest over thirty-six (36) months from the Token Integration Event, with 33.33% of such allocation of Elys Tokens vesting on the first day of the thirteenth (13th) month following the Token Integration Event and 1/24 of the balance of unvested Elys Tokens from such grant vesting on the first day of each subsequent month thereafter until all such granted Elys Tokens have been fully vested on the first day of the thirty-seventh (37th) month following the Token Integration Event.

Marketing and Growth. A total number of 28,000,000 Elys Tokens, equal to 14% of the network supply of the Elys Tokens, is allocated to the Company's marketing and growth initiatives. Elys Tokens under such grant shall vest over forty-eight (48) months from the Token Integration Event, with 25% of such allocation of Elys Tokens vesting on the first day of the thirteenth (13th) month following the Token Integration Event and 1/36 of the balance of unvested Elys Tokens from such grant vesting on the first day of each subsequent month thereafter until all such granted Elys Tokens have been fully vested on the first day of the forty-ninth (49th) month following the Token Integration Event.

Staking Rewards. A total number of 17,000,000 Elys Tokens, equal to 8.5% of the network supply of the Elys Tokens, is allocated to validators and delegators to secure the Elys Network. Elys Tokens under such grant shall vest over twenty-four (24) months from the Token Integration Event, with 50% of such allocation of Elys Tokens vesting on the first day of the

thirteenth (13th) month following the Token Integration Event and 1/12 of the balance of unvested Elys Tokens from such grant vesting on the first day of each subsequent month thereafter until all such granted Elys Tokens have been fully vested on the first day of the twenty-fifth (25th) month following the Token Integration Event.

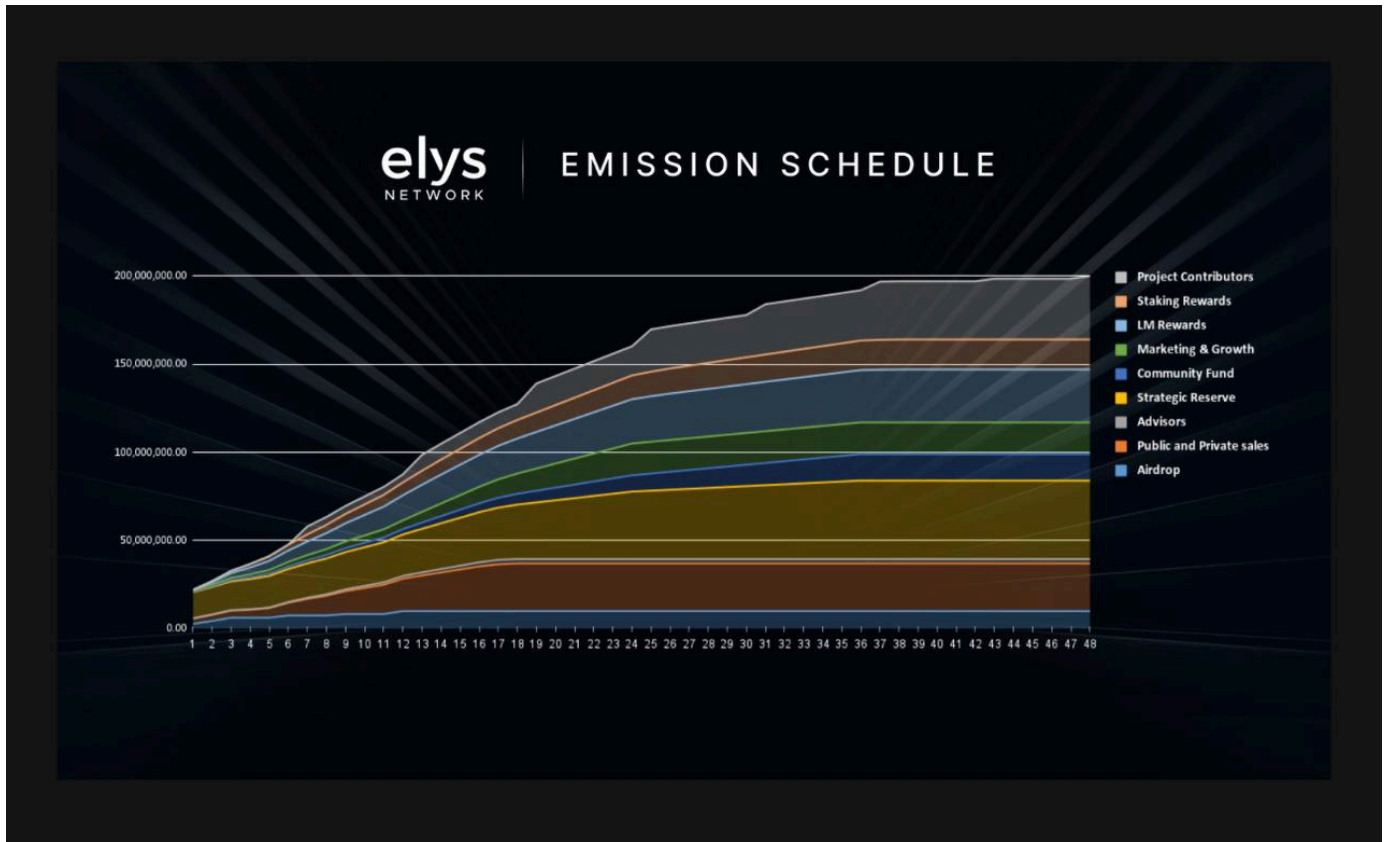
Community Fund. A total number of 15,000,000 Elys Tokens, equal to 7.5% of the network supply of the Elys Tokens, is allocated to decentralized governance and community initiatives and projects. Elys Tokens under such grant shall vest over thirty-six (36) months from the Token Integration Event, with 33.33% of such allocation of Elys Tokens vesting on the first day of the thirteenth (13th) month following the Token Integration Event and 1/24 of the balance of unvested Elys Tokens from such grant vesting on the first day of each subsequent month thereafter until all such granted Elys Tokens have been fully vested on the first day of the thirty-seventh (37th) month following the Token Integration Event.

Airdrop. A total number of 10,000,000 Elys Tokens, equal to 5.0% of the network supply of the Elys Tokens, is allocated to airdrops to early adopters and engaged users. Elys Tokens under such grant shall vest over twelve (12) months from the Token Integration Event, with 100% of such allocation of Elys Tokens vesting on the first day of the thirteenth (13th) month following the Token Integration Event.

Advisors. A total number of 2,500,000 Elys Tokens, equal to 1.25% of the network supply of the Elys Tokens, are allocated to advisors for their contribution to the Company. Elys Tokens under this distribution category are subject to varying delivery restrictions and vesting schedules. Elys Tokens under each such grant shall vest over seventeen (17) months from the Token Integration Event, with 10% of Elys Tokens vesting as of the Token Integration Event and 1/12 of the balance of unvested Elys Tokens vesting on the first day of the sixth (6th) month following the Token Integration Event and vesting each month thereafter until all such granted Elys Tokens have been fully vested on the first day of the eighteenth (18th) month following the Token Integration Event.

Elys Token Supply Release Schedule

The figure below shows the change in Elys Token supply over time as the Elys Tokens vest as per the terms described above. This figure does not account for staking rewards.



Purchaser Qualifications

Only persons of adequate financial means who have no need for present liquidity with respect to this purchase should consider purchasing the Elys Tokens offered hereby because: (i) a purchase of the Elys Tokens involves a number of significant risks (see "[Risk Factors](#)"); (ii) no market for the Elys Tokens currently exists; and (iii) there is no established trading market for the Elys Tokens and it is possible that a robust public market will never develop for the Elys Tokens. The sale of Elys Tokens as described herein is intended to be exempt from registration under the Securities Act and applicable state securities laws.

This Offering is limited solely to Purchasers who are accredited investors as defined in Regulation D under the Securities Act, meaning only those persons or entities coming within the definition in Rule 501 of Regulation D, including *among others*, any one or more of the following categories:

- (i) Any bank, as defined in Section 3(a)(2) of the Securities Act, or any savings and loan association or other institution defined in Section 3(a)(5)(A) of the Securities Act, whether acting in its individual or fiduciary capacity; any broker-dealer registered pursuant to Section 15 of the Exchange Act; any insurance company, as defined in Section 2(a)(13) of the Securities Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any Small Business Investment Company licensed by the United States Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; and any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, that is either a bank, savings and loan

- association, insurance company or registered investment advisor, if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by person(s) that are accredited investor(s);
- (ii) Any private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940;
 - (iii) Any organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, any corporation, Massachusetts or similar business trust, or company, not formed for the specific purpose of acquiring the Common Stock, with total assets in excess of \$5,000,000;
 - (iv) Any director or executive officer of the Company;
 - (v) Any natural person whose individual net worth, or joint net worth with that person's spouse, exclusive of the value of the person's primary residence net of any mortgage debt and other liens, at the time of his or her purchase exceeds \$1,000,000;
 - (vi) Any natural person who had an individual income in excess of \$200,000, or joint income with that person's spouse in excess of \$300,000, in each of the two most recent years and who reasonably expects to reach the same income level in the current year;
 - (vii) Any trust with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Common Stock, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) of Regulation D;
 - (viii) Any entity all of whose equity owners are accredited investors;
 - (ix) Any entity of a type not listed in paragraphs (i), (ii), (iii), (vii), or (viii) above, not formed for the specific purpose of acquiring the securities offered, owning investments in excess of \$5,000,000;
 - (x) Any natural person holding in good standing one or more professional certifications or designations or credentials from an accredited educational institution that the Commission has designated as qualifying an individual for accredited investor status;
 - (xi) Any natural person who is a "knowledgeable employee," as defined in rule 3c-5(a)(4) under the Investment Company Act of 1940, of the issuer of the securities being offered or sold where the issuer would be an investment company, as defined in section 3 of such act, but for the exclusion provided by either section 3(c)(1) or section 3(c)(7) of such act;
 - (xii) Any "family office" as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940"
 - a. With assets under management in excess of \$5,000,000;
 - b. That is not formed for the specific purposes of acquiring the securities offered, and
 - c. Whose prospective investment is directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment; or
 - (xiii) Any "family client," as defined in rule 202(a)(11)(G)01 under the Investment Advisers Act of 1940, of a family office meeting the requirements in paragraph (xii) above and whose prospective investment in the issuer is directed by such family office pursuant to paragraph (xii)(c) above.

The term "net worth" means the excess of total assets over total liabilities, exclusive of the value of your primary residence net of any mortgage debt and other liens. In determining income, you should add to your adjusted gross income any amounts attributable to tax-exempt income received, losses claimed as a limited partner in any limited partnership, deductions claimed for depreciation, contributions to an IRA or Keogh retirement plan, alimony payments and any amount by which income from long-term capital gains had been reduced in arriving at adjusted gross income.

As a condition to completing a purchase of the Tokens, you will be required to represent to the Company in writing that you are an accredited investor under Regulation D, as described above, and provide certain documentation in support of such representation. See the section titled "Regulation D Rule 506(c) Investor Verification Stands" in this Private Placement Memorandum for additional information.

Other Requirements

In addition to submitting documentation to confirm one's status as an accredited investor all potential purchasers of the Elys Tokens will need to complete requisite know-your-customer and anti-money laundering procedures to purchase Elys Tokens.

You should check the Office of Foreign Assets Control (the "OFAC") website at <https://www.treas.gov/ofac> before marking the following representations to the Company: You represent that the amounts paid by you in this sale of Elys

Tokens as described herein were not and are not directly or indirectly derived from any activities that contravene Federal, state or international laws and regulations, including anti-money laundering laws and regulations. Federal regulations and Executive Orders administered by the OFAC prohibit, among other things, the engagement in transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. The lists of the OFAC-prohibited countries, territories, individuals and entities can be found on the OFAC website at <https://www.treas.gov/ofac>. In addition, the programs administered by the OFAC (the “**OFAC Programs**”) prohibit dealing with individuals or entities in certain countries, regardless of whether such individuals or entities appear on any OFAC list;

- (i) you represent and warrant that none of (1) you; (2) any person controlling or controlled by you; (3) if you are a privately-held entity, any person having a beneficial interest in you; or (4) any person for whom you are acting as agent or nominee in connection with this purchase is a country, territory, entity or individual named on an OFAC list, or a person or entity prohibited under the OFAC Programs. Please be advised that the Company may not accept any subscription amounts from a prospective Purchaser if such prospective Purchaser cannot make the representation set forth in the preceding sentence. You agree to promptly notify the Company should you become aware of any change in the information set forth in any of these representations. You are advised that, by law, the Company may be obligated to “freeze the account” of any Purchaser, either by prohibiting additional subscription from it, declining any redemption requests and/or segregating the assets in the account in compliance with governmental regulations, and that the Company may also be required to report such action and to disclose such Purchaser’s identity to the OFAC;
- (ii) you represent and warrant that none of: (1) you; (2) any person controlling or controlled by you; (3) if you are a privately-held entity, any person having a beneficial interest in you; or (4) any person for whom you are acting as agent or nominee in connection with this purchase is a senior foreign political figure, or any immediate family member or close associate of a senior foreign political figure, as such terms are defined in the footnotes below; and
- (iii) if you are affiliated with a non-U.S. banking institution (a “**Foreign Bank**”), or if you receive deposits from, make payments on behalf of, or handle other financial transactions related to a Foreign Bank, you represent and warrant to the Company that: (1) the Foreign Bank has a fixed address, and not solely an electronic address, in a country in which the Foreign Bank is authorized to conduct banking activities; (2) the Foreign Bank maintains operating records related to its banking activities; (3) the Foreign Bank is subject to inspection by the banking authority that licensed the Foreign Bank to conduct its banking activities; and (4)

the Foreign Bank does not provide banking services to any other Foreign Bank that does not have a physical presence in any country and that is not a regulated affiliate.

The Company is entitled to rely upon the accuracy of each of your representations. The Company may, but under no circumstances shall it be obligated to, require additional evidence that a prospective purchaser meets the standards set forth above at any time prior to its acceptance of a prospective purchaser's subscription. You are not obligated to supply any information so requested by the Company, but the Company may reject a subscription from you or any person who fails to supply such information. In addition, if at any time after completion of the sale of the Elys Tokens the representations concerning Purchaser's compliance with the OFAC Programs becomes untrue, the Company may be required to take certain actions, including refusal to deliver the Elys Tokens after Listing and reporting the transaction(s) to the relevant governmental authorities.

ODB

ODB provides hosting and operational services for the Offering. ODB's connection to the offering is solely for the limited purposes of acting as a third-party service provider. ODB and its affiliates do not provide tax, accounting or legal advice — all recipients are advised to consult with their own advisers. Neither ODB nor its affiliates have investigated (nor have any of its affiliates investigated) the desirability or advisability of participation in this offering or the Interests offered herein. ODB and its affiliates make no representations, warranties, endorsements, or judgment on the merits of the offering or the Interests offered herein.

Delivery of Elys Tokens

Elys Tokens will be issued to Purchasers in a transaction exempted from the registration requirements of the Securities Act pursuant to Section 3(a)(9) of the Securities Act or another available exemption to the extent that U.S. federal securities laws apply.

On the Token Integration Event, the Elys Tokens will be minted and delivered to Purchasers according to the terms specific to their TPA. The Tokens will be delivered to either a wallet address provided upon contribution or will be made available by other means as agreed upon among the Company, ODB, and the applicable Purchaser.

Prior Offerings

The Company has entered into prior sales agreements with various purchasers for 24,000,000 tokens. Some or all of these agreements are subject to non disclosure obligations.

NOTICE TO PURCHASERS

This Offering has not been registered or qualified under the securities laws of any jurisdiction anywhere in the world. The Elys Tokens, if issued, are being offered and sold only in jurisdictions where such registration or qualification is not required, including pursuant to applicable exemptions that generally limit the Purchasers who are eligible to purchase the Elys Tokens, if issued, and that restrict the Elys Tokens' resale. **The Elys Tokens delivered may not be offered, sold, assigned, transferred, pledged, encumbered, or otherwise disposed of except as permitted under applicable securities laws and the additional restrictions imposed on the Elys Tokens hereunder. In addition, holders of Elys Tokens will not be able to transfer their Elys Tokens until such Elys Tokens have been released from any delivery restrictions to which they are subject.**

Procedures for Subscribing

We plan to market this Offering to potential Purchasers through the Republic Platform. We will hold a closing after ODB has received notification that the terms have been met. We generally will close on proceeds based upon the order in which they are received but reserve the right to accept or reject any purchase. We will consider various factors in determining the timing of any additional closings.

Closing Requirements

In order to complete the closing process in this Offering, each Purchaser will be required to complete such Closing Requirements as may be requested by ODB on behalf of the Company, which may include, without limitation: (1) the execution and delivery of a Token Purchase Agreement; (2) completion of purchaser qualification requirements (lack of status as an accredited investor under Regulation D and KYC/AML or KYB (if applicable)) screening requirements; (3) clearance from ODB's regulation best interest requirements, and (4) confirmation by ODB of receipt of funds, if applicable.

Notice Concerning the Securities Act

The Elys Tokens have not been registered under the Securities Act or any securities laws of any state, and unless so registered, the Elys Tokens may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or such other applicable securities laws. Accordingly, the Elys Tokens are being initially offered and sold only to (1) "accredited investors" (as defined under Regulation D), in each case, in a private transaction in reliance on, and in compliance with, the exemption from the registration requirements of the Securities Act provided by Rule 506(c) of Regulation D under the Securities Act, and (2) non-U.S. persons outside the United States in offshore transactions in reliance upon Regulation S under the Securities Act.

As used herein, the terms "United States", "U.S. person" and "offshore transactions" have the meanings given to them in Regulation S under the Securities Act.

Representations and Warranties of Purchasers

In addition to the representations, warranties, and covenants pursuant to Section 5 of the TPA, each purchaser that executes a TPA will also be deemed to have acknowledged, represented, and warranted to, and agreed with, the Company as follows:

- (1) It understands and acknowledges that (i) the Elys Tokens, has not been and will not be registered under the Securities Act or any other applicable securities law, unless required by applicable law, (ii) the Elys Tokens are being offered for sale in transactions not requiring registration under the Securities Act or any other applicable U.S. state securities law, (iii) the Elys Tokens, if issued, will be issued in transactions not requiring registration under the Securities Act or any other applicable U.S. state securities law, (iv) the TPA's are non-transferable and may not be offered, sold, assigned, transferred, pledged, encumbered or otherwise disposed of, unless so authorized, and (v) the Elys Tokens may not be offered, sold or otherwise transferred or disposed of, except in compliance with the registration requirements of the Securities Act and any other applicable securities law, or pursuant to an exemption therefrom and, in compliance with the conditions for transfer set forth in paragraphs (5) and (9) below.
- (2) It acknowledges that this Memorandum relates to an offering that is exempt from registration under the Securities Act and may not comply in important respects with SEC rules that would apply to an offering document relating to a public offering of securities.

- (3) Purchaser must acknowledge that it is an “accredited investor” (as defined in Regulation D) acquiring the TPA, and it is aware that the TPA and the Elys Tokens, when issued, are being issued in reliance on an exemption from the registration requirements of the Securities Act.
- (4) It acknowledges that the execution of a TPA is also the purchase of Elys Tokens, if, as, and when they are issued.
- (5) In addition to all applicable transfer restrictions under applicable securities laws, it acknowledges and agrees that: (i) holders of the TPA’s may never offer, sell, assign, transfer, pledge, encumber, or otherwise dispose of the TPA and (ii) the Elys Tokens may not be offered, sold, assigned, transferred, pledged, encumbered or otherwise disposed of until such time as the Company (A) designates or creates a Designated Exchange and notifies Elys tokenholders thereof or (B) notifies Elys tokenholders that peer-to-peer transfers will be permitted and provides holders with the requirements and conditions to effect peer-to-peer transfers.
- (6) It acknowledges that neither the Company, nor any of its representatives or affiliates, have made any statement, representation, or warranty, express or implied, to it other than the information contained in this Memorandum, which has been delivered to it and upon which it is solely relying in making its decision with respect to the Elys Tokens. It has had access to such financial and other information concerning the Company and the Elys Tokens as it has deemed necessary in connection with its decision to participate in the Offering, including an opportunity to ask questions of and request information from the Company, and such information has been made available to it.
- (7) It is the Elys Tokens, when issued, for its own account, or for one or more Purchaser accounts for which it is acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act or any other applicable securities laws, subject to any requirement of law that the disposition of its property or the property of such Purchaser account or accounts be at all times within its or their control and subject to its or their ability to resell the Elys Tokens, when issued, pursuant to Rule 144A if applicable, Section 4(a)(6), Regulation S, or any other exemption from registration available under the Securities Act, in each case, subject to the conditions set forth in (9).
- (8) Each holder of the Elys Tokens acknowledges that the Company is not making any representations as to the availability of Securities Act Rule 144 if applicable for resale of the Elys Tokens, when issued.
- (9) Each holder of a TPA acknowledges that:

The TPA will contain a legend substantially to the following effect:

THIS SECURITY (i.e., THIS TPA), AND ANY TOKENS WHEN ISSUED PURSUANT TO IT (THE “**ELYS TOKENS**”), HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY, NOR ANY INTEREST OR PARTICIPATION HEREIN, MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF UNDER ANY CIRCUMSTANCES. EACH HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF REPRESENTS THAT (A) IT IS AN “ACCREDITED INVESTOR” (AS DEFINED IN REGULATION D UNDER THE SECURITIES ACT) OR (B) IT IS NOT A “U.S. PERSON” AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT AND IN ACCORDANCE WITH THE LAWS APPLICABLE TO IT IN THE JURISDICTION IN WHICH SUCH ACQUISITION IS MADE.

HEDGING TRANSACTIONS INVOLVING THE ELYS TOKENS MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

REGULATION D ONLY (THE “**REGULATION D LEGEND**”): THE HOLDER OF ANY ELYS TOKENS AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH ELYS TOKENS, PRIOR TO THE EXPIRATION A ONE-YEAR LOCK-UP PERIOD WITH RESPECT TO THE ELYS TOKENS (THE “**RESALE RESTRICTION TERMINATION DATE**”), ONLY IN COMPLIANCE WITH THE SECURITIES LAWS, INCLUDING, WHERE APPLICABLE, (A) PURSUANT TO SECURITIES ACT RULE 144, (B) PURSUANT TO

A COMPLIANT REGULATION S RESALE OR (C) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, SUBJECT, IN EACH OF THE FOREGOING CASES, TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH PURCHASER ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND, IN EACH CASE, IN COMPLIANCE WITH APPLICABLE SECURITIES LAWS, INCLUDING SECURITIES LAWS OF ANY U.S. STATE OR ANY OTHER APPLICABLE JURISDICTION.

THE HOLDER OF THIS TPA BY ITS ACCEPTANCE WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT EITHER (1) NO PORTION OF THE ASSETS USED BY SUCH HOLDER TO ACQUIRE OR HOLD THE TOKEN OR INTERESTS CONSTITUTES THE ASSETS OF AN EMPLOYEE BENEFIT PLAN THAT IS SUBJECT TO TITLE I OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“**ERISA**”), A PLAN TO WHICH SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “**CODE**”) APPLIES (INCLUDING AN INDIVIDUAL RETIREMENT ACCOUNT), AN ENTITY WHOSE UNDERLYING ASSETS ARE CONSIDERED TO INCLUDE PLAN ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN, OR PLAN, A GOVERNMENTAL PLAN (AS DEFINED IN SECTION 3(32) OF ERISA), A CHURCH PLAN (AS DEFINED IN SECTION 3(33) OF ERISA) THAT HAS NOT MADE AN ELECTION UNDER SECTION 410(D) OF THE CODE, OR A NON-U.S. PLAN, OR (2)(A) THE HOLDER IS, OR IS USING, THE ASSETS OF A GOVERNMENTAL PLAN, A CHURCH PLAN THAT HAS NOT MADE AN ELECTION UNDER SECTION 410(D) OF THE CODE, OR A NON-U.S. PLAN AND (B) THE ACQUISITION AND HOLDING OF THE TOKEN OR INTEREST WILL NOT CONSTITUTE A VIOLATION UNDER ANY APPLICABLE PROVISIONS UNDER ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAWS OR REGULATIONS THAT REGULATE SUCH PLAN’S INVESTMENTS.

Each Purchaser of a TPA acknowledges, such Purchaser agrees to be bound by the legends set forth in this paragraph (9) notwithstanding any differences appearing in the legend appearing on the TPA previously delivered to such Purchaser. The legends set forth in this paragraph (9) shall be deemed to be set forth on any such TPA delivered prior to the date of this Memorandum.

- (10) It agrees that it will not transfer Elys Tokens unless it is given reasonable assurance that each person to whom it transfers Elys Tokens receives notice of any restrictions on transfer of such Elys Tokens.
- (11) If it is an acquirer in a transaction that occurs outside the United States within the meaning of Regulation S, it acknowledges that until the expiration of the Distribution Compliance Period (as defined in Regulation S under the Securities Act), any offer or sale of the Elys Tokens within the United States or to a U.S. Person by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.
- (12) It acknowledges that the Company or its transfer agent, for the Elys Tokens will not be required to accept for registration of transfer any Elys Tokens, except upon presentation of evidence (including an opinion of counsel) satisfactory to the Company and the Transfer Agent, that the restrictions set out therein have been complied with.
- (13) It understands that no action has been taken in any jurisdiction in the U.S. or elsewhere by the Company that would result in a public offering of the Elys Tokens or the possession, circulation or distribution of this Memorandum or any other material relating to the Company or the Elys Tokens in any jurisdiction where action for such purpose is required. Consequently, any transfer of the Elys Tokens will be subject to the transfer restrictions set forth under this “Notice to Purchasers.”
- (14) It (a) is able to act on its own behalf in the transactions contemplated by this Memorandum, (b) has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its prospective purchase of the Interests and (c) (or the account for which it is acting as a fiduciary or agent) has the ability to bear the economic risks of its prospective purchase of the Tokens, and can afford the complete loss of such purchase.
- (15) It acknowledges that the Company will rely upon the truth and accuracy of the acknowledgements, representations, warranties, and agreements set forth in this “Notice to Purchasers” section and agrees that, if any acknowledgements, representations, warranties, and agreements deemed to have been made by its participation in the Offering are no longer accurate, it will promptly notify the Company.
- (16) If it is acquiring the Elys Tokens as a fiduciary or agent for one or more Purchaser accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the

acknowledgements, representations, warranties, and agreements set forth in this “Notice to Purchasers” section on behalf of each such Purchaser account.

- (17) Either (i) the Purchaser is not acquiring or holding such Elys Tokens or an interest therein with the assets of (A) an employee benefit plan that is subject to Part 4 of Subtitle B of Title I of ERISA, (B) a “plan” to which Section 4975 of the Code applies (including an individual retirement account), (C) an entity deemed to hold “plan assets” of any of the foregoing by reason of an employee benefit plans or plan’s investment in such entity, (D) a governmental plan (as defined in Section 3(32) of ERISA), (E) a church plan (as defined in Section 3(33) of ERISA) that has not made an election under Section 410(d) of the Code, or (F) a non-U.S. plan, or (ii) the Purchaser is acquiring or holding such Interests or an interest therein with the assets of (A) a governmental plan, a church plan that has not made an election under Section 410(d) of the Code, or a non-U.S. plan and (B) the acquisition and holding of such Interests by the Purchaser, throughout the period that it holds the Interests and the disposition of such Interests or an interest therein will not constitute or result in a violation of any provisions of any applicable United States federal, state or local laws or non-U.S. laws that regulate such plan’s investments.

Limitation of Liability and Indemnification

To the fullest extent permitted by applicable law, (i) in no event will the Company be liable for any indirect, special, incidental, consequential, or exemplary damages of any kind (including, but not limited to, where related to loss of revenue, income or profits, loss of use or data, or damages for business interruption) arising out of or in any way related to this Memorandum, TPAs, or Elys Tokens, regardless of the form of action, whether based in contract, tort, or any other legal or equitable claim (even if the party has been advised of the possibility of such damages and regardless of whether such damages were foreseeable); and (ii) in no event will the liability of the Company, whether in contract, tort, or other legal or equitable claim, arising out of or relating to this Memorandum, Elys Tokens exceed the amount the Purchase pays to the Company hereunder. The Company shall not be liable or responsible to the Purchaser, not be deemed to have defaulted under or breached this Memorandum, for any failure or delay in fulfilling or performing any provision of this Memorandum, including without limitation, and delivering the Elys Tokens.

Company directors and officers have or will have effective indemnification by the Company against any liability incurred by such directors and officers in connection with any negligence, breach of duty, or breach of trust arising out of their performance as directors and officers of the Company.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to the president, directors, officers, and controlling persons of the Company pursuant to the foregoing provisions, or otherwise, the Company has been advised that in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and may, therefore, be unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Company of expenses incurred or paid by a president, director, officer, or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such president, director, officer, or controlling person in connection with the interests being offered, the Company will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue. We believe that these provisions and agreements are necessary to attract and retain qualified persons as our president, board members, officers, and directors. At present, there is no pending litigation or proceeding involving our president, directors, or officers for whom indemnification is required or permitted, and we are not aware of any threatened litigation or proceeding that may result in a claim for indemnification.

The Company has agreed to indemnify ODB against liabilities relating to any investigation, claim, or proceeding stemming from the Offering, liabilities arising from breaches of some or all of the representations and warranties contained in the Listing Agreement, and to contribute to payments that ODB may be required to make for these liabilities.

ODB and their respective affiliates are engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. ODB and their respective affiliates may in the future perform various financial advisory and investment banking services for us, for which they received or will receive customary fees and expenses.

Potential Conflicts of Interest

This Memorandum does not purport to identify all conflicts of interest. ODB or its affiliates, from time to time, may enter into other transactions not specifically described in this Memorandum with affiliates, officers, managers, members, employees, agents and representatives.

Amounts earned by ODB, including but not limited to success-based commissions, placement fees, and closing fees will be retained by ODB. This includes the administrative fee ODB charges to the purchase at checkout. See “Terms of the Offering” for further details on this fee.

TAX CONSIDERATIONS

EACH PURCHASER SHOULD SEEK, AND MUST DEPEND UPON, THE ADVICE OF HIS OR HER TAX ADVISOR WITH RESPECT TO THEIR RECEIPT OF ELYS TOKENS, AND EACH PURCHASER IS RESPONSIBLE FOR THE FEES OF SUCH ADVISOR. NOTHING IN THIS PRIVATE PLACEMENT MEMORANDUM IS OR SHOULD BE CONSTRUED AS LEGAL OR TAX ADVICE TO A PURCHASER. PURCHASERS SHOULD BE AWARE THAT THE INTERNAL REVENUE SERVICE MAY NOT AGREE WITH ALL TAX POSITIONS TAKEN BY US AND THAT CHANGES TO THE INTERNAL REVENUE CODE OR THE REGULATIONS OR RULINGS THEREUNDER OR COURT DECISIONS AFTER THE DATE OF THIS PRIVATE PLACEMENT MEMORANDUM MAY CHANGE THE ANTICIPATED TAX TREATMENT TO A PURCHASER. WE WILL NOT OBTAIN ANY RULING FROM THE INTERNAL REVENUE SERVICE WITH REGARD TO THE TAX CONSEQUENCES OF THE RECEIPT OF OR A PURCHASE OF ELYS TOKENS.

THE TAX TREATMENT OF ELYS TOKENS IS UNCERTAIN AND THERE MAY BE ADVERSE TAX CONSEQUENCES FOR THE COMPANY, ITS AFFILIATES, AND/OR PURCHASERS UPON CERTAIN FUTURE EVENTS. THE ISSUANCE OF ELYS TOKENS MAY RESULT IN ADVERSE TAX CONSEQUENCES TO PURCHASERS, INCLUDING WITHHOLDING TAXES, INCOME TAXES AND TAX REPORTING REQUIREMENTS. EACH PURCHASER SHOULD CONSULT WITH AND MUST RELY UPON THE ADVICE OF ITS OWN PROFESSIONAL TAX ADVISORS WITH RESPECT TO THE UNITED STATES AND NON-U.S. TAX TREATMENT OF THE RECEIPT OF AND A PURCHASE OF ELYS TOKENS.

REGULATION D RULE 506(C) INVESTOR VERIFICATION STANDARDS

In purchasing Interests through this Offering, the Company is obligated to verify your status as an accredited investor in accordance with Rule 501 of Regulation D. There are three primary methods the Company may employ to comply with the verification standards. Purchasers in this Offering will need to provide the Company with verification that meets the standards and form using one or multiple methods, including, but not limited to:

Income: The Company may verify an individual's status as an accredited investor on the basis of income by reviewing copies of any IRS form that reports net income, such as Forms W-2 or 1099 (which are typically filed by an employer or other third party payor), or Forms 1040 filed by the Purchaser (with non-relevant information permitted to be redacted). Under this method, the Company must review IRS forms for the two most recent years and obtain a written representation from the prospective Purchaser that he or she has a reasonable expectation of attaining the necessary income level for the current year. Where accredited investor status is based on joint income with the person's spouse, the IRS forms and representation must be provided with respect to both the Purchaser and the spouse.

Net Worth: Under this method, the Company will need to review bank or brokerage statements or third-party appraisal reports to verify the Purchaser's assets and a credit report to verify liabilities, in each case dated within the prior three months, and will need to obtain a written representation from the prospective Purchaser that all liabilities have been disclosed. Where accredited investor status is based on joint net worth with the person's spouse, the asset and liability documentation and representation must be provided with respect to both the Purchaser and the spouse.

Reliance on Determination by Specified Third Parties: The Company may satisfy the verification requirement if it obtains a written confirmation from a registered broker-dealer, a registered investment adviser, a licensed attorney, or a certified public accountant that within the prior three months such person or entity has taken reasonable steps to verify that the Purchaser is an accredited investor and has determined that the Purchaser is an accredited investor. Proper verification must be submitted with your subscription for interests in order for the Company to verify your suitability for investment and accept your subscription.

ADDENDUM A
COMPANY UNAUDITED FINANCIALS

as of Dec 31st

as of Aug 31st

Revenue	2023	2024
Digital Asset Revenue	450,000	2,500,000
Service revenue		
Interest revenue		
Other revenue		
Total Revenues	450,000	2,500,000

Expenses		
Virtual Office Software	11,796	20,829
Consulting	9,000	36,399
Salaries	399,212	680,208
Design Studio Contracts	41,250	0
Marketing	950	98,200
Docs	0	5,000
Consulting	1,250	1,250
Halborn Audits	0	130,000
Travel	0	34,272
Legal Fees	16,120	20,290
Misc.	0	5,000
Total Expenses	479,578	1,031,448

Net Income Before Taxes	(29,578)	1,468,552
Income tax expense		

Income from Continuing Operations	(29,578)	1,468,552
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Below-the-Line Items		
Income from discontinued operations		
Effect of accounting changes		
Extraordinary items		
Net Income	(29,578)	1,468,552

Date: Sept 8th 2024

Assets	as of 12/31/2023	as of 9/8/2024
Current Assets		
Cash	51,000	1,267,993
Accounts receivable	0	0
Inventory	0	0
Prepaid expenses	0	0
Short-term investments	0	0
<i>Total current assets</i>	51,000	1,267,993
Fixed (Long-Term) Assets		
Long-term investments	0	0
Property, plant, and equipment	0	0
(Less accumulated depreciation)	0	0
Intangible assets	0	0
<i>Total fixed assets</i>	0	0
Other Assets	0	0
Deferred income tax	0	0
Other	0	0
<i>Total Other Assets</i>	0	0
Total Assets	51,000	1,267,993

Liabilities and Owner's Equity		
Current Liabilities		
Income taxes payable	0	0
Accrued salaries and wages	0	0
Unearned revenue	0	0
Current portion of long-term debt	0	0
<i>Total current liabilities</i>	0	0
Long-Term Liabilities		
Long-term debt	0	0
Deferred income tax	0	0
Other	0	0
<i>Total long-term liabilities</i>	0	0
Owner's Equity		
Owner's Equity	0	0
Retained earnings	0	0
<i>Total owner's equity</i>	0	0
Total Liabilities and Owner's Equity	0	0

Common Financial Ratios		
Debt Ratio (Total Liabilities / Total Assets)	0.00	0.00
Current Ratio (Current Assets / Current Liabilities)		
Working Capital (Current Assets - Current Liabilities)	51,000	1,267,993
Assets-to-Equity Ratio (Total Assets / Owner's Equity)		
Debt-to-Equity Ratio (Total Liabilities / Owner's Equity)		

ADDENDUM B
FORM OF TOKEN PURCHASE AGREEMENT
ELYS NETWORK
Offering: ELYS Tokens

THE OFFER AND SALE OF THE TOKENS (AS DEFINED BELOW) DESCRIBED HEREUNDER HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR UNDER THE SECURITIES LAWS OF ANY STATE OR FOREIGN JURISDICTION. THIS OFFERING IS BEING MADE ONLY TO ACCREDITED INVESTORS (AS DEFINED UNDER THE SECURITIES ACT) IN RELIANCE ON REGULATION D UNDER THE SECURITIES ACT. THE TOKENS MAY NOT BE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE STATE AND FEDERAL SECURITIES LAWS PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR AN EXEMPTION THEREFROM.

NONE OF OPENDEALBROKER LLC DBA OPENDEALBROKER OR THE CAPITAL R (“**ODB**”) (NOR HAVE ANY OF THEIR AFFILIATES INVESTIGATED) THE DESIRABILITY OR ADVISABILITY OF AN INVESTMENT IN THIS OFFERING OR THE INTERESTS OFFERED HEREIN. NONE OF OPENDEALBROKER LLC DBA OPENDEALBROKER OR THE CAPITAL R OR ANY OF THEIR RESPECTIVE AFFILIATES MAKE ANY REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, OR JUDGEMENT ON THE MERITS OF THE OFFERING OR THE INTERESTS OFFERED HEREIN. THE CONNECTION OF EACH OF OPENDEALBROKER LLC DBA OPENDEALBROKER OR THE CAPITAL R TO THE OFFERING IS SOLELY FOR THE LIMITED PURPOSES OF ACTING AS A SERVICE PROVIDER. AN INVESTOR SHOULD HAVE KNOWLEDGE AND UNDERSTANDING OF SOPHISTICATED AND COMPLEX INVESTMENTS TO MAKE A SELF-DETERMINATION OR SEEK ADVICE ELSEWHERE. PLEASE REFER TO THE “RISK FACTORS” SECTIONS OF THE ASSOCIATED PRIVATE PLACEMENT MEMORANDUM. ODB MAY INVITE OTHER BROKER/DEALERS TO PARTICIPATE IN THIS OFFERING UNDER SIMILAR TERMS AND CONDITIONS.

ZERO HASH LLC (“**ZERO HASH**”), THE PAYMENT PROCESSOR, HAS NOT INVESTIGATED THE DESIRABILITY OR ADVISABILITY OF PARTICIPATION IN THIS OFFERING OR THE INTERESTS OFFERED HEREIN. ZERO HASH MAKES NO REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, OR JUDGMENTS ON THE MERITS OF THE OFFERING OR THE INTERESTS OFFERED HEREIN. ZERO HASH'S CONNECTION TO THE OFFERING IS SOLELY FOR THE LIMITED PURPOSE OF ACTING AS A SERVICE PROVIDER AND DOES NOT CONSTITUTE INVESTMENT ADVICE. ZERO HASH SHALL NOT BE LIABLE FOR ANY LOSSES OR DAMAGES ARISING FROM PARTICIPATION IN THIS OFFERING.

YOU WILL NOT BE ENTITLED, AS A HOLDER OF TOKENS, TO RECEIVE DIVIDENDS OR VOTE AS A SHAREHOLDER OR BE DEEMED A SHAREHOLDER OF THE COMPANY FOR ANY OTHER PURPOSE, NOR WILL ANYTHING CONTAINED HEREIN BE CONSTRUED TO CONFER UPON YOU, AS SUCH, ANY OF THE RIGHTS OF A SHAREHOLDER OR ANY RIGHT TO VOTE FOR THE ELECTION OF DIRECTORS OR UPON ANY MATTER SUBMITTED TO THE BOARD OF DIRECTORS AT ANY MEETING THEREOF, OR TO GIVE OR WITHHOLD CONSENT TO ANY CORPORATE ACTION OR TO RECEIVE NOTICE OF OR ATTEND SHAREHOLDER OR BOARD MEETINGS, OR TO RECEIVE SUBSCRIPTION RIGHTS OR OTHERWISE.

PARTICIPATION IN THE OFFERING INVOLVES A HIGH DEGREE OF RISKS. YOU SHOULD CAREFULLY REVIEW THE PRIVATE PLACEMENT MEMORANDUM PROVIDED TO YOU IN CONNECTION HERewith, TOGETHER WITH ALL OF THE OTHER INFORMATION CONTAINED IN THIS AGREEMENT, BEFORE MAKING A PURCHASE DECISION.

ELYS NETWORK
TOKEN PURCHASE AGREEMENT

<i>Purchaser:</i>	[INSERT NAME]
<i>Agreement Date:</i>	[INSERT DATE OF AGREEMENT]
<i>Purchaser's Network Address for Delivery of Elys Tokens:</i>	[INSERT PURCHASER'S RECEIVING WALLET ADDRESS BEGINNING WITH ELYS]
<i>Purchase Amount:</i>	[INSERT TOTAL PURCHASE AMOUNT]
<i>Price Per Elys Token:</i>	\$0.31/Elys Token \$0.35/Elys Token \$0.40/Elys Token
<i>Purchased Elys Tokens:</i>	[INSERT TOTAL NUMBER OF ELYS TOKENS BEING PURCHASED]
<i>Form of Payment:</i>	<p>The Purchase Amount can be paid in USD Coin (\$USDC) via any \$USDC supported network. The US dollar exchange rate for any cryptocurrencies used for the Purchase Amount shall be determined as set forth in the TPA.</p> <p>Cryptocurrencies and digital assets received in connection with purchases pursuant to this Offering are directed to an account maintained by the Company. If a purchase is rejected for any reason, and if payment was made in the specifically approved cryptocurrency or digital asset, a refund of the purchase price will be made in \$USDC, and such refunds will be based upon the USD-denominated value of the Purchase Amount only, regardless of the type and amount of the approved cryptocurrency or digital assets paid, or any volatility in their prices, and subject to certain fees (i.e. the amount of cryptocurrency originally sent may vary from the amount of cryptocurrency refunded due to exchange rate variations). Gas fees or miner fees for refunds will be deducted from the amount of the refund sent. Purchasers in the Offering will not have the right to revoke their subscription at any time. Gas costs and miner fees paid in the original subscription will not be refunded. For all accepted purchases, Company will bear the cost of any gas costs and/or other fees to deliver the tokens to the Purchaser.</p> <p>If a purchase is rejected for any reason, including if ODB is unable to verify the KYC of the Purchaser, and if payment was made in the specifically approved cryptocurrency or digital asset, a refund of the purchase price will be made in \$USDC, and such refunds will be based upon the USD-denominated value of the Purchase Amount only and subject to certain fees (i.e. the amount of cryptocurrency originally sent may vary from the amount of cryptocurrency refunded due to exchange rate variations). Gas fees or miner fees for refunds, which are paid to validators on the Elys Network, will be deducted from the amount of the refund sent. Purchasers in the Offering will not have the right to revoke their subscription at any time. The ODB administrative fee paid in the original subscription will not be refunded.</p>

<p><i>Restricted Period and Delivery Schedule:</i></p>	<p>Prior to the expiration of the one-year period following the TPA purchase (the “Restricted Period”), the Purchaser will not offer, sell, pledge, or otherwise transfer the TPA or Elys Tokens, unless, where applicable, in compliance with securities laws, including Securities Act Rule 144.</p> <p>Elys Tokens will be delivered to an Elys Network-compatible wallet address designated by each Purchaser in the TPA within seven calendar days after the expiration of the twelve (12) month period following completion of this Offering.</p>
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THIS CERTIFIES THAT in exchange for the payment by the undersigned purchaser (the “*Purchaser*”) of the Total Purchase Price set forth above on or about the date (the “*Effective Date*”) indicated under the Elys Network Inc. signature hereto, TWorld Trade Center 200-B, Suite 109 Calle 53 Este, Marbella, Republic of Panama.(the “*Company*” or “*Elys Network Inc.*”), hereby issues to the Purchaser, a number of Elys Tokens (as defined below) equal to the Number of Elys Tokens Purchased set forth above, on the conditions and subject to the terms set forth below (the “*Terms*”).

1. OFFERING. This Token Purchase Agreement (“*TPA*” or “*Agreement*”) is issued by the Company in connection with the offering (“*Offering*”) of Elys Tokens by the Company via a series of agreements on substantially similar terms to this TPA (collectively, the “*TPAs*”). Purchaser acknowledges that TPAs may be issued in a series of multiple closings to certain qualified persons and entities, all as determined from time to time by the Company in its sole discretion. By purchasing the Elys Tokens herein, Purchaser agrees to be bound by this TPA. If Purchaser is purchasing the Elys Tokens on behalf of an entity (such as its employer), Purchaser represents and warrants that it has the authority to bind such entity to this TPA. In that case, “*Purchaser*” will refer to that legal entity.

PURCHASER ACKNOWLEDGES, AGREES AND UNDERSTANDS THAT THE ELYS TOKENS PURCHASED HEREUNDER ARE SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN THIS TPA AND THE DOCUMENTS REFERENCED HEREIN. BY PARTICIPATING IN THIS OFFERING, PURCHASER AGREES TO BE BOUND BY THIS TPA IN ALL RESPECTS.

IMPORTANT NOTICE REGARDING ARBITRATION: WHEN YOU AGREE TO THIS TPA, YOU ARE AGREEING TO RESOLVE ANY DISPUTE BETWEEN YOU AND THE COMPANY THROUGH BINDING, INDIVIDUAL ARBITRATION RATHER THAN IN COURT. PLEASE REVIEW CAREFULLY SECTION 7.7 “GOVERNING LAW AND DISPUTE RESOLUTION” BELOW FOR DETAILS.

2. OFFER AND SALE. Purchaser hereby agrees to purchase that Number of Elys Tokens Purchased for an aggregate purchase price equal to the Total Purchase Price, each as set forth above. The Company reserves the right, in its sole and absolute discretion and without notice, to rescind, terminate, accept, or reject the Purchaser’s investment in whole or in part, along with this TPA for any reason or for no reason. Without limiting any of the foregoing, the valid execution of this TPA shall be conditioned upon the following terms being met: (i) Purchaser’s completion of the purchase commitment process on the online platform maintained by ODB (“*ODB*”), providing technical services which allow the online hosting of the Company’s offering; and (ii) the Company counter-signing this Agreement. For the avoidance of doubt, the Company may round down the Number of Elys Tokens Purchased set forth above to two (2) decimal places.

2.1. Payment. Purchaser covenants and agrees to pay the Total Purchase Price to the Company on or about the Effective Date, and in any case no later than two business days after the Effective Date. Purchaser acknowledges and agrees that the Company may, in its sole discretion and without notice, rescind or terminate, as applicable, this TPA and the Elys Tokens in the event that Purchaser does not deliver to the Company its signature page to this TPA or the Total Purchase Price, in each case within three business days of the Effective Date.

2.2. Purchaser Qualification. Purchaser acknowledges and agrees that it is required to meet certain requirements to participate in this Offering, including the Purchaser’s status as an

“Accredited Investor”, as defined under Regulation D under the Securities Act as well as compliance with the Terms.

An “Accredited Investor” means any one of the following:

- (a) any bank as defined in Section 3(a)(2) of the Securities Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance Association as defined in Section 2(13) of the Act; any investment Association registered under the Investment Company Act of 1940 or a business development Association as defined in Section 2(a)(48) of that Act; any Small Business Investment Association licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a State, its political subdivisions, or any agency or instrumentality of a State or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance association, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
- (b) any private business development association as defined in Section 202(a)(22) of the Investment Advisers Act of 1940;
- (c) any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000; any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer or general partner of a general partner of that issuer;
- (d) any natural person whose individual net worth, or joint net worth with that person’s spouse, at the time of his purchase, exceeds \$1,000,000;
- (e) any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person’s spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;
- (f) any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the Act; and
- (g) any entity in which all of the equity owners are accredited investors.
- (h) any entity, of a type not listed in the previous subparagraphs (a), (b), (c), (g), or (h), not formed for the specific purpose of acquiring the securities offered, owning

investments in excess of \$5,000,000;

- (i) any natural person holding in good standing one or more professional certifications or designations or credentials from an accredited educational institution that the Commission has designated as qualifying an individual for accredited investor status. In determining whether to designate a professional certification or designation or credential from an accredited educational institution for purposes of this paragraph (j), the Commission will consider, among others, the following attributes:
 - (i) The certification, designation, or credential arises out of an examination or series of examinations administered by a self-regulatory organization or other industry body or is issued by an accredited educational institution;
 - (ii) The examination or series of examinations is designed to reliably and validly demonstrate an individual's comprehension and sophistication in the areas of securities and investing;
 - (iii) Persons obtaining such certification, designation, or credential can reasonably be expected to have sufficient knowledge and experience in financial and business matters to evaluate the merits and risks of a prospective investment; and
 - (iv) An indication that an individual holds the certification or designation is either made publicly available by the relevant self-regulatory organization or other industry body or is otherwise independently verifiable
- (j) any natural person who is a "knowledgeable employee," as defined in rule 3c-5(a)(4) under the Investment Company Act of 1940, of the issuer of the securities being offered or sold where the issuer would be an investment company, as defined in section 3 of such act, but for the exclusion provided by either section 3(c)(1) or section 3(c)(7) of such act;
- (k) any "family office," as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940:
 - (i) With assets under management in excess of \$5,000,000,
 - (ii) That is not formed for the specific purpose of acquiring the securities offered, and
 - (iii) Whose prospective investment is directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment; and
- (l) any "family client," as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940, of a family office meeting the requirements in paragraph (l) of this section and whose prospective investment in the issuer is directed by such family office pursuant to paragraph (l)(iii).

Purchaser acknowledges and agrees that, in the event the Company determines that Purchaser does not meet the Company's requirements for purchasers hereunder (as determined by the Company in its sole discretion), the Company may immediately and without notice rescind or terminate, as

applicable, this TPA and the Elys Tokens, notwithstanding Purchaser's compliance with the Terms, delivery of the Total Purchase Price to the Company, or that the Company may have delivered a signature page to this TPA.

2.3. **Form of Payment.** The Company agrees to accept payment for the Total Purchase Price via USD Coin (\$USDC). Payment will not be accepted in BTC, ETH, USDT, or any other form of cryptocurrency payment. Any payments in unaccepted currencies or other unaccepted methods of transfer will be rejected.

2.4. **Processing of Cryptocurrency Payments.** Cryptocurrencies and digital assets received in connection with purchases pursuant to this Offering are directed to an account maintained by the Company. The Company reserves the right to discontinue accepting any type of consideration in its sole discretion. The purchase will also be subject to certain transaction fees, including gas costs or miner fees.

2.5. **Rejected Transactions.** If a purchase is rejected for any reason, and if payment was made in the specifically approved cryptocurrency or digital asset, a refund of the purchase price will be made in \$USDC, and such refunds will be based upon the USD-denominated value of the Purchase Amount only, regardless of the type and amount of the approved cryptocurrency or digital assets paid, or any volatility in their prices, and subject to certain fees (*i.e.*, the amount of cryptocurrency originally sent may vary from the amount of cryptocurrency refunded due to exchange rate variations). Gas fees or miner fees for refunds, which are paid to validators on a blockchain network, will be deducted from the amount of the refund sent. Purchasers in the Offering will not have the right to revoke their subscription at any time. The ODB administrative fee paid in the original subscription will not be refunded.

3. TOKEN DELIVERY

3.1. **Delivery.** In connection with this TPA, the Company, its agents, or its representatives shall deliver to the Purchaser, in full satisfaction of this TPA, the Number of Elys Tokens Purchased set forth above in accordance. For the avoidance of doubt, Elys Tokens will be delivered to Purchaser's Wallet in accordance with the delivery schedule set forth above. The Company will deliver Elys Tokens to the Purchaser's wallet address and the Elys Tokens will subsequently be released from transfer restrictions in accordance with the Restricted Period set forth above.

3.2. **Conditions to Token Delivery.** In connection with, as a condition to, and prior to each delivery of Elys Tokens by the Company to the Purchaser pursuant to Section 3.1, and in each case unless waived in writing by the Company:

3.2.1. The Purchaser will execute and deliver to the Company any and all other transaction documents related to this TPA and the delivery of the Elys Tokens as are reasonably requested by the Company, including documentation to verify Purchaser's status as an "**Accredited Investor**" (as defined in Rule 501(a) of

Regulation D under the Securities Act);

3.2.2. The Purchaser will provide to the Company, in writing, a Elys Station or command-line client compatible wallet address (“*Wallet*”) to which the Purchaser’s Elys Tokens will be delivered;

3.2.3. The Purchaser will complete and deliver all AML and KYC Forms (as defined below) requested by the Company from time to time, including after the Effective Date; and

3.2.4. The Purchaser shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the Company may reasonably request in order to carry out the intent and accomplish the restrictions in this Section 3 and/or as shall be requested to comply with then applicable laws and regulations and/or as requested by a digital asset exchange in connection with the listing of the Token.

If the Purchaser fails to meet any of the conditions above, the Company may hold the Elys Tokens deliverable hereunder in escrow until such conditions are met, and such escrow will constitute delivery of the applicable number of Elys Tokens in accordance with this instrument notwithstanding that such Elys Tokens remain in escrow.

3.3. **Lock-up.** In addition to any other restrictions required under applicable law, Purchaser agrees that it will not directly or indirectly transfer any Elys Tokens that have not been delivered to the Purchaser in accordance with Section 3.1 (such Elys Tokens being the “*Undelivered Tokens*”), any options to purchase any Undelivered Elys Tokens, or any instruments convertible into, exchangeable for, or that represent the right to receive Undelivered Elys Tokens, including this TPA. To ensure compliance with the restrictions in this Section 3.3, Purchaser acknowledges that the Company may impose technological lockups or other restrictions on the Elys Tokens. For the avoidance of doubt, all Elys Tokens issuable hereunder shall be fully released from the restrictions in this Section 3.3 only upon the delivery of all Elys Tokens to the Purchaser. For clarity, Undelivered Tokens will not be eligible for staking rewards.

3.4. **Claiming Elys Tokens.** Elys Tokens that are purchased by you may be claimed by you only. Elys Tokens are not transferable to any blockchain address prior to the Token Integration Event. Prior to the Token Integration Event of any Elys Tokens, you cannot transfer nor attempt to transfer (whether by assignment, trust, charge, sub-contract, novation or otherwise), Elys Tokens or any part or the whole of your rights, title or interest under these Terms, including your right to claim those Elys Tokens, to any other person or entity, whether with or without consideration. All such transfers and attempted transfers are strictly prohibited, will be deemed void and will not be recognized by, nor binding on, the Company.

3.5. **Transferability.** If you transfer Elys Tokens to a wallet or address owned by another person, then that person and the owner of each other wallet or address to which that Elys Tokens are further transferred (each, a “*New Holder*”) are each deemed to be bound by these Terms as Contributors for the period of time they hold such Elys Tokens, and you irrevocably and unconditionally undertake to ensure that each New Holder, prior to the transfer of Elys Tokens to them, expressly agrees to be bound by these Terms as a Contributor for the period of time they hold Elys Tokens. By transferring any Elys Tokens, you assign all your rights, title, and interest under these Terms to the owner of the wallet or address to which you transfer such Elys Tokens.

3.6. **Absolute Ownership.** The owner of the wallet in which any Elys Tokens are held will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as the absolute owner of such Elys Tokens for all purposes (regardless of any notice of any trust or any other interest, or the theft or loss of any private key) and neither the Company nor any other person will be liable for so treating that person as the Elys Tokens' absolute owner.

3.7. **Written Notice.** The Company agrees that, if any rule of law (including any legislation, rule of common law, rule of equity or customary law) requires written notice to effectuate the transfer of any Elys Tokens, such notice is deemed given as an electronic record by inclusion of the relevant transaction on a block on the Elys Platform in accordance with clause 3.5 above.

3.8. **Voidability.** Notwithstanding any other provision in this clause 3, the Company reserves the right to treat as void any transfer of Elys Tokens which the Company reasonably believes to be unlawful for any reason.

4. DEFINITIONS

4.1. "**AML and KYC Forms**" means any and all forms, documents, processes, and procedures, including, for the avoidance of doubt, any electronic verification system or processes, which the Company determines, in its sole discretion, are reasonably necessary for the Company to comply with applicable Anti-Money Laundering Laws.

4.2. "**Applicable Exchange Rate**" means the exchange rate of cryptocurrency payments. The exchange rate is determined largely from the cryptocurrency exchanges with which the Company has relationships at the time an invoice is generated for the Purchaser.

4.3. "**Dissolution Event**" means (i) a voluntary termination of the operations of the Company, (ii) a general assignment of all or substantially all the Company's assets for the benefit of the Company's creditors, or (iii) any other liquidation, dissolution or winding up of the Company, whether voluntary or involuntary.

4.4. "**Governmental Authority**" means any nation or government, any state or other political subdivision thereof, any entity exercising legislative, judicial, or administrative functions of or pertaining to government, including, without limitation, any government authority, agency, department, board, commission or instrumentality, and any court, tribunal or arbitrator(s) of competent jurisdiction, and any self-regulatory organization.

4.5. "**Anti-Money Laundering Laws**" means the applicable laws, rules and regulations of all jurisdictions in which the Purchaser is located, resident, organized or operates concerning or related to anti-money laundering, including but not limited to those contained in the Bank Secrecy Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "**Patriot Act**"), each as amended and including the rules and regulations thereunder, and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Authority.

4.6. "**Person**" means any individual or legal entity, including a government or political subdivision or an agency or instrumentality thereof.

4.7. "**Platform**" means the Elys Network and its associated website and services.

4.8. “**Token Integration Event**” means the date when the Elys Tokens are initially broadly publicly released by the Company for use on the Elys Platform, if ever.

4.9. “**Token**” means the Elys Token, which is used for governance and utility on the Company Platform.

4.10. “**Transfer**” means, with respect to any instrument, the direct or indirect assignment, sale, transfer, tender, pledge, hypothecation, or the grant, creation or suffrage of a lien or encumbrance in or upon, or the gift, placement in trust, or other disposition of such instrument or any right, title or interest therein, or the record or beneficial ownership thereof, the offer to make such a sale, transfer or other disposition, and each agreement, arrangement or understanding, whether or not in writing, to effect any of the foregoing.

5. PURCHASER REPRESENTATIONS

5.1. **Authorization.** The Purchaser has full power and authority to enter into this TPA. This TPA, when executed and delivered by the Purchaser, will constitute valid and legally binding obligations of the Purchaser, enforceable in accordance with their terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, and any other laws of general application affecting enforcement of creditors’ rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

5.2. **Purchase Entirely for Own Account.** This TPA is made with the Purchaser in reliance upon the Purchaser’s representation to the Company, which by the Purchaser’s execution of this TPA, the Purchaser hereby confirms, that the Tokens to be acquired by the Purchaser will be acquired for investment for the Purchaser’s own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that the Purchaser has no present intention of selling, granting any participation in, or otherwise distributing the same. By executing this TPA, the Purchaser further represents that the Purchaser does not presently have any contract, undertaking, agreement or arrangement with any Person to sell, Transfer or grant participations to such Person or to any third Person, with respect to any of the Tokens. The Purchaser has not been formed for the specific purpose of acquiring the Tokens.

5.3. **Disclosure of Information.** The Purchaser has sufficient knowledge of and experience in business and financial matters to be able to evaluate the risks and merits purchase of this TPA and of the Tokens and is able to bear the risks thereof. The Purchaser has had an opportunity to discuss the Company’s business, management, financial affairs and the terms and conditions of the offering of the Tokens with the Company’s representatives. The Purchaser has not relied on any representations or warranties made by the Company outside of this instrument, including, but not limited to, conversations of any kind, whether through oral or electronic communication, or any white paper or website.

5.4. **Compliance with Securities, Commodities, & Other Laws.** The Purchaser understands that the Tokens have not been, and will not be, registered under the Securities Act or any applicable state securities laws, by reason of a specific exemption from the registration provisions of the Securities Act and other applicable state securities laws which depends upon,

among other things, the bona fide nature of the investment intent and the accuracy of the Purchaser's representations as expressed herein. The Purchaser understands that the Tokens may be deemed "restricted securities" under applicable United States federal and state securities laws and that, pursuant to these laws, the Purchaser must hold the Tokens indefinitely unless they are registered with the Securities and Exchange Commission and qualified by state authorities, or an exemption from such registration and qualification requirements is available. The Purchaser acknowledges that the Company has no obligation to register or qualify the Tokens for resale, and exemptions from registration and qualification may not be available or may not permit the Purchaser to transfer all or any of the Tokens in the amounts or at the times proposed by the Purchaser. The Purchaser further acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Tokens, and on requirements relating to the Company which are outside of the Purchaser's control, and which the Company is under no obligation and may not be able to satisfy. The Purchaser is not registered with the U.S. Securities and Exchange Commission as a broker-dealer, alternative trading system or exchange, and is not a member of the U.S. Financial Industry Regulatory Authority ("*FINRA*") nor is required to be registered with the U.S. Securities and Exchange Commission or is subject to the rules of FINRA. The Purchaser has also been advised that this Agreement has not been approved for trading by the CFTC. The Purchaser represents that it is not purchasing this Agreement on the basis that it is a contract of sale of a commodity for future delivery (or option on such a contract), a swap or any other instrument subject to the CEA. The Purchaser further understands that neither the Company nor any Affiliate is licensed as a money transmitter ("*MT*") or a money services business ("*MSB*"). If the Company or any Affiliate were deemed to be an MT and/or MSB, it would be subject to significant additional regulation. This could lead to significant changes with respect to the Company Platform, how the Tokens are structured, how they are purchased and sold, and other issues, and would greatly increase the Company's costs in creating and facilitating transactions in the Tokens. It could also lead to the termination of the Tokens. Further, a regulator could take action against the Company or any Affiliate if it views the Tokens and the Network as a violation of existing law. Any of these outcomes would negatively affect the value of the Tokens and/or could cause the Company to cease operations.

5.5. **No Public Market.** The Purchaser understands that no public market now exists for the Tokens; that the Company has made no assurances that a public market will ever exist for the Tokens; and that the Company is under no obligation to register or qualify the Tokens for resale under the laws of any Governmental Authority.

5.6. **Accredited Investor.** Purchaser states that he or she is an "Accredited Investor" as defined in Rule 501(a) of Regulation D promulgated under the Securities Act. The Purchaser has been advised that this instrument and the underlying interests have not been registered under the Securities Act, or any state securities laws and, therefore, cannot be resold unless they are registered under the Securities Act and applicable state securities laws or unless an exemption from such registration requirements is available. The Purchaser is purchasing this instrument and the interests to be acquired by the Purchaser hereunder for its own account for investment, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and the Purchaser has no present intention of selling, granting any participation in, or otherwise distributing the same. The Purchaser has such knowledge and experience in financial and business matters that the Purchaser is capable of evaluating the merits and risks of such investment, is able to incur a complete loss of such investment without impairing the Purchaser's financial condition and is able to bear the economic risk of such investment for an indefinite period of time. The Purchaser hereby confirms that it has taken reasonable steps to verify that such Purchaser is an accredited investor as such term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act.

5.7. **No Bad Actor.** Neither (i) the Purchaser, (ii) any of its directors, executive officers, other officers that may serve as director or officer of any Company in which it invests, general partners or managing partners, nor (iii) any beneficial owner of the voting equity securities of the Purchaser (in accordance with Rule 262 of the Securities Act) is subject to any of the disqualifying events listed in Rule 506(d)(1) of Regulation D under the Securities Act (a “**Purchaser Event**”), and there is no proceeding or investigation pending or, to the knowledge of Purchaser, threatened by any governmental authority, that would reasonably be expected to become the basis for a Purchaser Event.

5.8. **Legends.** The Purchaser understands that the Tokens may be deemed to bear any one or more of the following legends: (a) any legend required by the securities laws of any state to the extent such laws are applicable to the Tokens represented by the certificate so legended, and (b): the following legend (and even without such legend the following restrictions apply):

THIS SECURITY (i.e., THIS TPA) AND ANY TOKENS WHEN ISSUED PURSUANT TO IT (THE “ELYS TOKENS”) HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY, NOR ANY INTEREST OR PARTICIPATION HEREIN, MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF UNDER ANY CIRCUMSTANCES. EACH HOLDER OF THIS INTEREST, BY ITS ACCEPTANCE HEREOF REPRESENTS THAT (A) IT IS AN “ACCREDITED INVESTOR” (AS DEFINED IN REGULATION D UNDER THE SECURITIES ACT) OR (B) IT IS NOT A “U.S. PERSON” AND IS ACQUIRING THIS INTEREST IN AN OFFSHORE TRANSACTION WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT AND IN ACCORDANCE WITH THE LAWS APPLICABLE TO IT IN THE JURISDICTION IN WHICH SUCH ACQUISITION IS MADE. HEDGING TRANSACTIONS INVOLVING THE ELYS TOKENS MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

REGULATION D ONLY (THE “REGULATION D LEGEND”): THE HOLDER OF ANY ELYS TOKENS AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH ELYS TOKENS, PRIOR TO THE EXPIRATION A ONE-YEAR LOCK-UP PERIOD WITH RESPECT TO THE ELYS TOKENS (THE “RESALE RESTRICTION TERMINATION DATE”), ONLY IN COMPLIANCE WITH THE SECURITIES LAWS, INCLUDING, WHERE APPLICABLE, (A) PURSUANT TO SECURITIES ACT RULE 144, (B) PURSUANT TO A COMPLIANT REGULATION S RESALE OR (C) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, SUBJECT, IN EACH OF THE FOREGOING CASES, TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH PURCHASER ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND, IN EACH CASE, IN COMPLIANCE WITH APPLICABLE SECURITIES LAWS, INCLUDING SECURITIES LAWS OF ANY U.S. STATE OR ANY OTHER APPLICABLE JURISDICTION.

THE HOLDER OF THIS TPA BY ITS ACCEPTANCE WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT EITHER (1) NO PORTION OF THE ASSETS USED BY SUCH HOLDER TO ACQUIRE OR HOLD THE TOKEN OR INTEREST CONSTITUTES THE ASSETS OF AN EMPLOYEE BENEFIT PLAN THAT IS SUBJECT TO TITLE I OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), A PLAN TO WHICH SECTION 4975 OF THE U.S. INTERNAL

REVENUE CODE OF 1986, AS AMENDED (THE “CODE”) APPLIES (INCLUDING AN INDIVIDUAL RETIREMENT ACCOUNT), AN ENTITY WHOSE UNDERLYING ASSETS ARE CONSIDERED TO INCLUDE PLAN ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN, OR PLAN, A GOVERNMENTAL PLAN (AS DEFINED IN SECTION 3(32) OF ERISA), A CHURCH PLAN (AS DEFINED IN SECTION 3(33) OF ERISA) THAT HAS NOT MADE AN ELECTION UNDER SECTION 410(D) OF THE CODE, OR A NON-U.S. PLAN, OR (2)(A) THE HOLDER IS, OR IS USING, THE ASSETS OF A GOVERNMENTAL PLAN, A CHURCH PLAN THAT HAS NOT MADE AN ELECTION UNDER SECTION 410(D) OF THE CODE, OR A NON-U.S. PLAN AND (B) THE ACQUISITION AND HOLDING OF THE TOKEN OR INTEREST WILL NOT CONSTITUTE A VIOLATION UNDER ANY APPLICABLE PROVISIONS UNDER ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAWS OR REGULATIONS THAT REGULATE SUCH PLAN’S INVESTMENTS.

In connection with any proposed transfer, the Company may require an opinion of counsel in form and substance satisfactory to the Company to the effect that any such proposed transfer or resale of the Tokens is in compliance with the Securities Act and any applicable state or foreign securities laws. Purchaser hereby agrees that, to enforce the restrictions set forth in this TPA, the Company may impose technological and other restrictions on the Wallet and the Tokens deliverable hereunder.

5.9. Waiver of Warranties: Assumption of Risks. THE RISK OF LOSS IN BUYING, HOLDING AND TRADING DIGITAL ASSETS AND RIGHTS THEREIN, INCLUDING THE TOKENS, CAN BE IMMEDIATE AND SUBSTANTIAL. THERE IS NO GUARANTEE AGAINST LOSSES FROM PARTICIPATING IN THE OFFERING. PURCHASER SHOULD THEREFORE CAREFULLY CONSIDER WHETHER TRADING OR HOLDING VIRTUAL CURRENCY IS SUITABLE FOR THE PURCHASER IN LIGHT OF THEIR FINANCIAL CONDITION. Purchaser acknowledges that it has carefully read and reviewed the Private Placement Memorandum provided to the Purchaser in connection herewith. Purchaser understands that the Tokens involve risks, all of which the Purchaser fully and completely assumes, including, but not limited to, the risks that (i) the technology and economic models associated with the Company’s technology will not function as intended; (ii) the Company’s technology will fail to attract sufficient interest from developers; (iii) the Company’s technology may not be fully developed and may never be released, (iv) the Company and/or third parties involved in the development of the Company’s technology may be subject to investigation and punitive actions from Governmental Authorities, and (v) those other risks as detailed in that certain Private Placement Memorandum provided to the Purchaser in connection herewith. Purchaser understands and expressly accepts that the Tokens will be created and delivered to the Purchaser at the sole risk of the Purchaser on an “AS IS” and “UNDER DEVELOPMENT” basis. THE COMPANY MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO THE TOKENS, INCLUDING ANY (i) WARRANTY OF MERCHANTABILITY; (ii) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (iii) WARRANTY OF TITLE; OR (iv) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE. EXCEPT AS EXPRESSLY SET FORTH HEREIN, PURCHASER ACKNOWLEDGES THAT IT HAS NOT RELIED UPON ANY REPRESENTATION OR WARRANTY MADE BY THE COMPANY, OR ANY OTHER PERSON ON THEIR BEHALF. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, PURCHASER ASSUMES ALL RISKS AND LIABILITIES FOR THE RESULTS OBTAINED BY THE USE OF ANY TOKENS AND REGARDLESS OF ANY ORAL OR WRITTEN STATEMENTS MADE BY THE COMPANY, BY WAY OF TECHNICAL ADVICE OR OTHERWISE, RELATED TO THE USE OF THE TOKENS. IN DECIDING TO PURCHASE THE TOKENS, YOU ARE NOT RELYING ON THE ADVICE OR RECOMMENDATIONS OF

THE COMPANY, ODB OR ANY OTHER THIRD-PARTY, AND YOU HAVE MADE YOUR OWN INDEPENDENT DECISION THAT AN INVESTMENT IN THE TOKENS IS SUITABLE AND APPROPRIATE FOR YOU.

5.10. **Other Applicable Law.** Purchaser represents that they are satisfied as to the full observance of the laws of their jurisdiction in connection with the purchase of the Tokens, including

(a) the legal requirements within the Purchaser's jurisdiction for the purchase of the Tokens, (b) any foreign exchange restrictions applicable to such purchase, (c) any governmental or other consents that may need to be obtained, and (d) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale, or transfer of the Tokens. The Purchaser's purchase and payment for and continued beneficial ownership of the Tokens will not violate any applicable laws of the Purchaser's jurisdiction.

5.11. **OFAC.** Neither the Purchaser, nor, if applicable, any of its affiliates or direct or indirect beneficial owners; (i) appears on the Specially Designated Nationals and Blocked Persons List of the Office of Foreign Assets Control of the United States Department of the Treasury ("**OFAC**"), nor are they otherwise a party with which the Company is prohibited to deal under the laws of the United States; (ii) is a person identified as a terrorist organization on any other relevant lists maintained by any Governmental Authority; or (iii) unless otherwise disclosed in writing to the Company prior to the date of this Agreement, is a senior foreign political figure, or any immediate family member or close associate of a senior foreign political figure. The Purchaser further represents and warrants that, if applicable, the Purchaser: (a) has conducted thorough due diligence with respect to all its beneficial owners; (b) has established the identities of all direct and indirect beneficial owners and the source of each beneficial owners' funds; and (c) will retain evidence of those identities, any source of funds, and any due diligence.

5.12. **Sources and Uses of Funds.** The Purchaser further represents, warrants, and agrees as follows:

5.12.1. No payment or other transfer of value to the Company and no payment or other transfer of value to the Company shall cause the Company to be in violation of applicable U.S. federal or state or non-U.S. laws or regulations, including, without limitation, anti-money laundering, economic sanctions, anti-bribery or anti-boycott laws or regulations, the Patriot Act, or the various statutes, regulations and executive orders administered by OFAC ("**OFAC Regulations**").

5.12.2. No payment or other transfer of value to the Company is or will be derived from, pledged for the benefit of, or related in any way to, (i) the government of any country designated by the U.S. Secretary of State or other Governmental Authority as a country supporting international terrorism, (ii) property that is blocked under any OFAC Regulations or that would be blocked under OFAC Regulations if it were in the custody of a U.S. national, (iii) persons to whom U.S. nationals cannot lawfully export services, or with whom U.S. nationals cannot lawfully engage in transactions under OFAC Regulations, (iv) the government of any country that has been designated as a non-cooperative country or designated by the U.S. Secretary of the Treasury or other Governmental Authority as a money laundering jurisdiction or (v) directly or indirectly, any illegal activities. The Purchaser acknowledges that Anti-Money Laundering Laws may require the Company to collect documentation verifying the identity and the source of funds used to acquire the Tokens before, and from time to time after, the date of this Agreement.

5.12.3. All payments or other transfer of value to the Company by the Purchaser will be made through an account (or virtual currency public address whose associated balance,

either directly or indirectly, has been funded by such an account) located in a jurisdiction that does not appear on the list of boycotted countries published by the U.S. Department of Treasury pursuant to § 999(a)(3) of the Code as in effect at the time of the payment or other transfer of value. In the event that the Purchaser is, receives deposits from, makes payments to or conducts transactions relating to a non-U.S. banking institution (a “*Non-U.S. Bank*”) in connection with the acquisition of the Tokens, the Non-U.S. Bank: (i) has a fixed address, other than an electronic address or a post office box, in a country in which it is authorized to conduct banking activities, (ii) employs one or more individuals on a full-time basis, (iii) maintains operating records related to its banking activities, (iv) is subject to inspection by the banking authority that licensed it to conduct banking activities and (v) does not provide banking services to any other Non-U.S. Bank that does not have a physical presence in any country and that is not a registered affiliate.

5.13. **Additional Information.** The Purchaser will provide to the Company any information that the Company from time to time determines to be necessary or appropriate (a) to comply with Anti-Money Laundering Laws, anti-terrorism laws, rules and regulations and or any similar laws and regulations of any applicable jurisdiction and (b) to respond to requests for information concerning the identity and or source of funds of the Purchaser from any Governmental Authority, self-regulatory organization, or financial institution in connection with its anti-money laundering compliance procedures, or to update that information. The Purchaser understands and acknowledges that the Company may be required to report any action or failure to comply with information requests and to disclose the identity to Governmental Authorities, self-regulatory organizations, and financial institutions, in certain circumstances without notifying the Purchaser that the information has been so provided. The Purchaser further understands and agrees that any failure on their part to comply with this Section 5.12 would allow the Company to terminate this TPA and require the forfeiture of any Tokens previously delivered to the Purchaser.

5.14. **Suspicious Activity Reports.** The Purchaser acknowledges and agrees that the Company, in complying with anti-money laundering statutes, regulations and goals, may file voluntarily or as required by law, a suspicious activity report (“*SAR*”) or any other information with governmental and law enforcement agencies that identify transactions and activities that the Company reasonably determines to be suspicious, or is otherwise required by law. The Purchaser acknowledges that the Company is prohibited by law from disclosing to third parties, including the Purchaser, any SAR filing itself or the fact that a SAR has been filed.

5.15. **Voluntary Compliance.** The Purchaser understands and agrees that, even if the Company is not obligated to comply with any U.S. anti-money laundering requirements, the Company may nevertheless choose to voluntarily comply with such requirements as the Company deems appropriate in its sole discretion. The Purchaser agrees to cooperate with the Company as may be required in the reasonable opinion of the Company in connection with such compliance.

5.16. **Taxes.** PURCHASER ACKNOWLEDGES AND AGREES THAT IT MAY SUFFER ADVERSE TAX CONSEQUENCES AS A RESULT OF PURCHASING, HOLDING, EXCHANGING, SELLING, STAKING, TRANSFERRING OR OTHERWISE USING THE TOKENS IN ANY WAY. PURCHASER HEREBY REPRESENTS THAT (A) IT HAS CONSULTED WITH A TAX ADVISER THAT IT DEEMS ADVISABLE IN CONNECTION WITH ANY USE OF THE TOKENS, OR THAT IT HAS HAD THE OPPORTUNITY TO OBTAIN TAX ADVICE BUT HAVE CHOSEN NOT TO DO SO, (B) THE COMPANY HAS NOT PROVIDED PURCHASER WITH ANY TAX ADVICE, AND (C) PURCHASER AGREES TO BE FULLY RESPONSIBLE FOR ANY TAXES RESULTING FROM ANY PURCHASE, HOLDING, EXCHANGE, SALE, STAKING, TRANSFER OR OTHER USE OF THE TOKENS.

5.17. **Additional Warranties.**

(i) The acceptance of these Terms and the entry into a binding agreement with the Company will not result in any breach of, be in conflict with, or constitute a material default under: (i) any provision of the Purchaser's constitutional or organizational documents (in the case of a corporate entity including, without limitation, any company or partnership); (ii) any provision of any judgement, decree or order imposed on the Purchaser by any court or governmental or regulatory authority; and/or (iii) any material agreement, obligation, duty or commitment to which the Purchaser is a party or by which the Purchaser is bound;

(ii) Purchaser warrants it is not a statutory corporation, governmental or semi-governmental authority;

(iii) Purchaser has sufficient understanding of the functionality, usage, storage, transmission mechanisms and intricacies associated with cryptographic tokens (like \$USDC), token storage facilities (including digital token wallets), blockchain technology, and blockchain-based software systems;

(iv) Purchaser has obtained sufficient information about the potential future utility of Elys Tokens to make an informed decision to participate in the Token Sale pursuant to these Terms;

(v) Purchaser understands that Elys Tokens confers only a limited potential future right or expectation to use and interact with the Company's Platform as more particularly described on the Company's Platform, and that Elys Tokens confer no other rights of any kind with respect to the Company and/or the Company Platform, including, but not limited to, any voting, distribution, redemption, liquidation, proprietary (including all forms of intellectual property rights), or other financial or legal rights;

(vi) If you are an individual, you are at least 18 years of age, you have sufficient legal capacity to accept these Terms and to enter into a binding agreement with the Company on the terms set out herein;

(vii) if you are making a contribution for the acquisition of Elys Tokens as a corporate entity, such entity is duly incorporated, registered and validly existing under the applicable laws of the jurisdiction in which the entity is established;

(viii) if you are making a contribution for the purchase of Elys Tokens for or on behalf of an entity or person, you are authorized to accept these Terms and enter into a binding agreement with the Company on such entity's or person's behalf (and in such circumstances, references in these Terms to "Purchaser", "your" or "you" is a reference to the entity or person on whose behalf you are authorized to make a contribution);

(ix) You are making a contribution for the purchase of Elys Tokens to potentially use and interact with the Company Platform at a future point in time. You are not making a contribution under these Terms for any other uses or purposes, including, but not limited to, any investment, speculative or other financial purposes;

6. DISCLAIMERS.

6.1. **Wallet.** You assume full responsibility and liability for any losses resulting from any intentional or unintentional misuse of your Wallet including, without limitation, any loss resulting from errors, typos, and inaccuracies in your wallet address, designating a Elys Station or command-line client compatible wallet for the receipt of the Tokens, or depositing one type of digital asset to a wallet intended for another type of digital asset. The Company assumes no responsibility or liability in connection with any such misuse.

6.2. **Smart Contract.** The Company will exercise reasonable endeavors to have its smart contract technology audited reviewed by technical experts with regard to both accuracy and security of the underlying code. However, smart contract technology is still in an early stage of development and its application is currently of an experimental nature, which carries significant operational, technological, financial, regulatory, and reputational risks. Accordingly, while any review or audit conducted may raise the level of security and accuracy of the smart contract technology, you acknowledge, understand and accept that any such reviews or audits do not amount to any form of warranty, representation or assurance (in each case whether express or implied) that the smart contract technology and/or Elys Tokens are fit for a particular purpose or that they are free from any defects, weaknesses, vulnerabilities, viruses or bugs which could cause, inter alia, the complete loss of \$USDC contributions and/or Elys Tokens.

6.3. **Indemnity.** THE COMPANY SHALL NOT BE LIABLE TO THE PURCHASER, AND THE PURCHASER WILL INDEMNIFY, DEFEND AND HOLD HARMLESS THE COMPANY AND ITS AGENTS AND ADVISORS, AND THE SUCCESSORS AND ASSIGNS OF THE FOREGOING, FROM AND AGAINST, ALL OR ANY PART OF ANY THIRD PARTY CAUSES OF ACTION, CLAIMS, LIABILITIES, LOSSES, COSTS, DAMAGES AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEY FEES AND EXPENSES) (COLLECTIVELY "**CLAIMS**") FOR DAMAGES TO OR LOSS OF PROPERTY ARISING OUT OF OR RESULTING FROM THE TRANSACTIONS CONTEMPLATED HEREIN, EXCEPT TO THE EXTENT SUCH CLAIMS ARISE FROM THE BAD FAITH OR INTENTIONAL MISCONDUCT OF THE COMPANY.

6.4. **Limitation of Liability.** NEITHER THE COMPANY NOR ANY OTHER PARTY INVOLVED IN THE OFFERING WILL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES, OR DAMAGES FOR LOST PROFITS, LOST REVENUES, LOST SAVINGS, LOST BUSINESS OPPORTUNITY, LOSS OF DATA OR GOODWILL, SERVICE INTERRUPTION, COMPUTER DAMAGE OR SYSTEM FAILURE OR THE COST OF SUBSTITUTE ACTIVITIES OF ANY KIND ARISING OUT OF OR IN CONNECTION WITH THIS TPA OR THE PURCHASER'S PARTICIPATION IN, OR INABILITY TO PARTICIPATE IN, THE OFFERING, WHETHER BASED ON WARRANTY, CONTRACT, TORT (INCLUDING NEGLIGENCE), PRODUCT LIABILITY OR ANY OTHER LEGAL THEORY, AND WHETHER OR NOT THE COMPANY OR ANY OTHER PARTY HAS BEEN INFORMED OF THE POSSIBILITY OF SUCH DAMAGE, EVEN IF A LIMITED REMEDY SET FORTH HEREIN IS FOUND TO HAVE FAILED OF ITS ESSENTIAL PURPOSE. SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OR LIMITATION OF LIABILITY FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES, SO THE ABOVE LIMITATION MAY NOT APPLY. IN NO EVENT WILL THE COMPANY'S TOTAL LIABILITY TO THE PURCHASER ARISING OUT OF OR IN CONNECTION WITH THIS TPA OR FROM THE PURCHASER'S PARTICIPATION IN, OR INABILITY TO PARTICIPATE IN, THE OFFERING EXCEED THE TOTAL PURCHASE PRICE (AS DENOMINATED IN USD). THE EXCLUSIONS AND LIMITATIONS OF DAMAGES SET FORTH ABOVE ARE FUNDAMENTAL ELEMENTS OF THE BASIS OF THE BARGAIN BETWEEN THE

COMPANY AND THE PURCHASER.

6.5. **Class Action Waiver**. Any claim or dispute arising under this TPA will take place on an individual basis without resort to any form of class or representative action (the “*Class Action Waiver*”). THIS CLASS ACTION WAIVER PRECLUDES ANY PARTY FROM PARTICIPATING IN OR BEING REPRESENTED IN ANY CLASS OR REPRESENTATIVE ACTION REGARDING A CLAIM. Regardless of anything else in this TPA to the contrary, the validity and effect of the Class Action Waiver may be determined only by a court or referee and not by an arbitrator, and Purchaser acknowledges that this Class Action Waiver is material and essential to the arbitration of any disputes between the parties and is non-severable from this TPA.

7. MISCELLANEOUS.

7.1. **Entire Agreement**. This TPA sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous disclosures, discussions, understandings, and agreements, whether oral or written, between them. This TPA is one of a series of similar agreements entered into by the Company from time to time. Any provision of this TPA may be amended, waived, or modified only upon the written consent of the Company and (a) the Purchaser, or (b) the holders of a majority, in the aggregate, of the Total Purchase Price paid to the Company with respect to all TPAs outstanding at the time of such amendment, waiver or modification; and any amendment, waiver or modification made in accordance with clause (b) shall be binding upon all Purchasers.

7.2. **Notices**. Any notice required or permitted by this TPA will be deemed sufficient when sent by email to the relevant address listed on the signature page hereto, as subsequently modified by written notice received by the appropriate party.

7.3. **Refunds**. If there is no Token Integration Event on or before January 15, 2025 (the “*Deadline Date*”), the Company shall repay Purchasers an amount equal to the Purchase Amount set forth in their applicable TPA (the “*Returned Purchase Amount*”), as soon as reasonably practicable after the Deadline Date, to the extent funds are available for such lawful repayment at that time. If there is an insufficient amount of capital available to refund Purchasers on the Deadline Date, the Company will repay Purchasers with equal priority and on a pro-rata basis among the TPA Purchasers based on the relative value of their respective Purchase Amount on the date of receipt by the Company of such Purchase Amount.

7.4. **No Rights as Stockholder**. The Purchaser is not entitled, as a holder of this TPA, or the Tokens, to vote or receive dividends or be deemed an equity holder of the Company for any purpose, nor will anything contained herein be construed to confer on the Purchaser, as such, any of the rights of an equity holder or any right to vote for the election of directors or upon any matter submitted to the board of directors at any meeting thereof, or to give or withhold consent to any corporate action or to receive notice of meetings, or to receive subscription rights or otherwise.

7.5. **Transfers and Assigns**. Neither this TPA nor the rights contained herein may be Transferred, by operation of law or otherwise, by the Purchaser without the prior written consent of the Company. The Company may assign this TPA without the consent of the Purchaser.

7.6. **Severability**. In the event any one or more of the provisions of this TPA is for any reason held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the provisions of this TPA operate or would prospectively operate to invalidate this TPA, then and in any such event, such provision(s) only will be deemed null and

void and will not affect any other provision of this TPA and the remaining provisions of this TPA will remain operative and in full force and effect and will not be affected, prejudiced, or disturbed thereby.

7.7. Governing Law and Dispute Resolution. This Agreement and the relationship between the Parties shall be governed by, and construed in accordance with the Laws of the Republic of Panama, without regard to its conflict of laws rules. Any controversy or dispute which arise out or is related to this contract, and the interpretation, application, performance and termination thereof, must be decided by Arbitration, following an attempt at Conciliation, administered by the Panama Conciliation and Arbitration Centre (CECAP) in accordance with its procedural rules. The number of arbitrators shall be one. The seat, or legal place, of arbitration shall be Panama City. The language to be used in the arbitral proceedings shall be English. The governing law of the contract shall be the substantive law of the Republic of Panama. The arbitral award shall be final for the Parties.

7.8. Additional Assurances. The Purchaser shall, and shall cause its affiliates to, from time to time, execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably requested by the Company or are necessary for the Company, upon the advice of counsel, to carry out the provisions of this TPA and give effect to the transactions contemplated hereby, including, without limitation, to enable the Company to register the Tokens, to enable the Tokens to qualify for or maintain an exemption from registration (to the extent any such exemptions are available), to comply with Anti-Money Laundering Laws, or to otherwise complete the transactions contemplated hereby and to comply with applicable laws as then in effect.

7.9. Right of Withdrawal. The Purchaser acknowledges that no general right of withdrawal exists under this TPA, nor is one intended to be created, or created, by these Terms.

7.10. Personal Data. Pursuant to compliance with applicable laws, including Panama's Law 81 of 2019 on Personal Data Protection ("Data Protection Law"), the Company may request certain information from time to time, such as:

- (i) your identity;
- (ii) your address;
- (iii) the source of your wealth;
- (iv) the source of funds used for the purposes of purchasing Elys Tokens; and/or
- (v) any other documents or data from which you can be identified (together, your "Personal Data").

By accepting these Terms, you understand that your Personal Data may be disclosed to third parties to any extent required for the purposes of compliance with applicable law. We will process your Personal Data in accordance with the Data Protection Law. You agree that we, as the data controller, may directly or through our service providers or agents process your Personal Data for any one or more of the following purposes:

- (i) the purchase of Elys Tokens and the processing of transactions related to the Token Sale pursuant to these Terms;
- (ii) providing you with information about us and our range of services;
- (iii) compliance with any requirement imposed by applicable law or by an order of a court or competent governmental or regulatory authority;
- (iv) management of enquiries and complaints;
- (v) resolving any disputes with you;
- (vi) producing summary information for statistical, regulatory and audit purposes; and/or

- (vii) any other reasonable purposes in accordance with applicable law.

Under the Data Protection Law, you have the right to access, rectify, cancel, and oppose the processing of your Personal Data (your “ARCO Rights”). You also have the right to withdraw your consent for the processing of your Personal Data, subject to any legal or contractual restrictions. It is your responsibility to inform us of any changes to your Personal Data to ensure such data remains accurate. Should you wish to enforce any of your ARCO Rights, you agree to provide a written request to us.

If you believe that your Personal Data has been processed in violation of your rights, you may file a complaint with Panama's National Authority for Transparency and Access to Information (“ANTAI”).

You agree that we may, for the purposes set out in this clause, permit the transfer of your Personal Data to any jurisdiction with an adequate level of data protection, as determined by ANTAI or other competent Panamanian authorities. By accepting these Terms, you authorize and expressly consent to the processing of your Personal Data by us, our agents, and/or our service providers. Where your Personal Data is processed by entities other than us, our agents, or our service providers, we shall seek your prior written consent for such processing.

7.11. **Force Majeure.** Without limitation of anything else in this TPA, the Company shall not be liable or responsible to the Purchaser, nor be deemed to have defaulted under or breached this TPA, for any failure or delay in fulfilling or performing any term of this instrument, including without limitation, developing and launching the Company’s technology, when and to the extent such failure or delay is caused by or results from acts beyond the affected party's reasonable control, including, without limitation: (a) acts of God; (b) flood, fire, earthquake or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, or other civil unrest or instability; (d) changes to applicable law; or (e) action by any Governmental Authority.

[signature page follows]

IN WITNESS WHEREOF, the undersigned have caused this instrument to be duly executed and delivered.

ELYS NETWORK INC.

By: _____
Prashant Srivastava, President
Email:ps@elys.network

PURCHASER:

By: _____
Name: _____
Title: _____
Email: _____
Date: _____
Wallet Receipt Address: _____

Exhibit A

Jurisdictional Restrictions

The following list of jurisdictions are “Disqualified Jurisdictions”:

- Afghanistan
- Belarus
- Canada (Ontario and British Columbia)
- Congo
- Cuba
- Democratic Republic of Congo (D.R.C.)
- Democratic People’s Republic of North Korea
- Donetsk People’s Republic (DNR) region of Ukraine
- Dubai
- Islamic Republic of Iran
- Libya
- Luhansk People’s Republic (LNR) region of Ukraine
- Myanmar
- People’s Republic of China
- Russian Federation
- South Sudan
- Sudan (North)
- Syria
- The Crimea
- Ukraine
- Any jurisdiction in which the entry into this Agreement or the ownership of the Elys Tokens or the use of the Elys Platform is prohibited by applicable Law
- Any jurisdiction which is subject to United States, United Nations, or other applicable sanctions or embargoes

The Company reserves the right to add any additional jurisdictions at any time and without prior notice.

ADDENDUM C

PURCHASE PROCEDURES

Can I complete my identity verification and KYC-AML prior to participating?

Yes, we encourage you to complete your identity verification in advance! To do so, sign in to your Republic account and head to <https://republic.com/settings/personal-details> to complete your identity verification before an offering goes live.

Will I need to create an account with Republic in order to participate in the digital asset sale?

Yes, you will need to create a free Republic account and pass the Know-your-customer (KYC) and Anti-money laundering (AML) requirements before participating in the offering. If the offering is being conducted under the Reg D exemption, and you are a US-based investor you will also need to verify your accredited investor status. If you are purchasing as an entity, you will need to register your entity within Republic. As these processes can sometimes take up to a few days to complete, we strongly encourage those interested in participating in completing the verification process in advance in the settings section of your account.

In connection with a Reg D offering, is there any more information I need to provide as an accredited investor?

To complete your purchase, we will need to verify your identity and accreditation information. If we need any further information, we will notify you via email and through your purchase page.

Why do I need to complete my account verification?

We are required to verify the identity of every Purchaser who uses our portal as part of our Anti-Money Laundering program, laid out by the Bank Secrecy Act of 1970. Per our terms of service, a third-party accreditator verifies the information provided and ensures the individual isn't on an OFAC list (Office of Foreign Assets Control). We cannot accept this information over the phone, only through the website.

We take the security of your information very seriously. The information you provide is sent via secure API to Cognito (formerly BlockScore) and NetVerify, which are two trusted and widely used service providers in the space. We do not retain any of the information on our servers, and access is restricted.

You can read about Republic's privacy policy [here](#), and each of the privacy policies for [Cognito](#) and [NetVerify by Jumio](#). Failure to complete your identity verification may result in a cancellation of your purchase commitment.

What do I have to do to verify my identity and complete my KYC-AML process?

Identity verification for the issuer token offering is built into the purchase process. If you're purchasing as an individual, you'll enter some personal information and be prompted to upload an ID when necessary for verification. If you've already invested on Republic, you've likely already completed this process.

If you are purchasing as an entity, we may request additional documentation or information to verify your entity and other controlling owners of that entity.

If my entity is not wholly-owned by me, will you need to verify the identity of the other owners?

Yes, and if any of those owners are entities, we'll need to verify their owners as well. We will also verify the identity of any and all officers, directors, managers, partners, or equivalencies.

Can I change my payment method for a digital asset offering?

If the payment for the purchase hasn't been received yet, then it is possible to switch the payment method so long as the campaign is still active. Once a purchase is finalized, you will no longer be able to switch your payment method.

Acceptable payment methods will vary by offering. Please refer to our communications and the offering page for more information.

If you do decide to change your payment method, there may be delays in processing the new payment method.

Can I increase or decrease my purchase of a digital asset offering?

For Reg D, and Reg S offerings, you will not be able to cancel or decrease your purchase amount once the purchase is committed.

Note: Changing your purchase amount during a sold-out campaign may place your additional purchase amount on the waitlist and may not be fulfilled.