

₿BITCOIN TRUST

Managed by Ninepoint Partners LP



200 Bay Street, Suite 2700
Toronto, Ontario M5J 2J1

March 19, 2021

Dear Unitholders:

You are invited to join us at a special meeting (the “**Meeting**”) of Bitcoin Trust (the “**Fund**”) being held to consider the conversion of the Fund from a closed-end investment fund into an exchange-traded fund (an “**ETF**”). The Meeting will be held in a virtual-only format, which will be conducted via live audio webcast available online using <https://virtual-meetings.tsxtrust.com/1102> on April 19, 2021 at 9:00 a.m. (Toronto time).

In order to proactively deal with the unprecedented public health impacts of COVID-19 and to mitigate risks to the health and safety of our communities, Unitholders (as defined below), and other stakeholders, and to ensure compliance with local laws or orders restricting the size of public gatherings in response to COVID-19, the Fund will hold the Meeting as a virtual-only format with participation electronically. Unitholders will not be able to attend the Meeting in person. At the virtual Meeting, registered Unitholders and duly appointed proxyholders will have an opportunity to participate, to ask questions, and to vote, all in real time. Non-registered Unitholders must carefully follow the procedures set out in the attached management information circular (the “**Circular**”) in order to vote virtually at the Meeting and ask questions through the live audiocast. Guests, including non-registered Unitholders who have not been duly appointed as proxyholders, can log into the virtual Meeting as a guest. Guests may listen to the Meeting but will not be entitled to vote or ask questions during the Meeting.

The Conversion

Holders of units of the Fund (“**Units**”) are referred to as “**Unitholders**”. The Meeting is being held to consider the conversion of the Fund (the “**Conversion**”) from a closed-end investment fund into an exchange-traded fund (“**Ninepoint Bitcoin ETF**”) and certain other changes as further described herein. Ninepoint Partners LP (the “**Manager**” or “**Ninepoint**”), the manager of the Fund, will bear all costs related the Meeting.

The Manager believes that Unitholders will benefit from the Conversion for the following reasons:

- **Better Trading Price Relative to NAV per Unit and Reduced Bid/Ask Spread:** Ninepoint anticipates that an improvement in the trading price of the units of the Fund (relative to the NAV per unit of the Fund) will provide a meaningful increase in value for Unitholders. As at March 18, 2021, the Fund had a 3.25% discount to NAV in US dollars (BITC.U), and a 3.85% discount to NAV in Canadian dollars (BITC.UN), respectively. Market makers for ETFs are able to price their bids and asks for ETF units tightly around their estimate of NAV. It is

expected that bid/ask spreads will be significantly reduced from the Fund's bid/ask spread. This is beneficial to investors because a smaller bid/ask spread is expected to result in a lower effective cost to buy or sell ETF units.

- ***Increased Trading Liquidity:*** Approved dealers acting as market makers for an ETF are able to offer or bid for large volumes of that ETF on a stock exchange, as approved dealers have the ability to create or redeem ETF units daily in large blocks directly from the ETF. This is expected to result in improved liquidity, allowing an investor to buy or sell large amounts of Ninepoint Bitcoin ETF units without materially affecting the market price.
- ***No Change to Investment Strategy:*** The specific investment strategies of the Fund are expected to remain substantially similar, before and after the Conversion.

Other Amendments

In connection with the Conversion, Unitholders will be asked to approve all amendments to the declaration of trust of the Fund considered ancillary, necessary or desirable, in the opinion of the Manager to facilitate and implement the Conversion, including without limitation, amendments to the provisions attaching to the Units and the operation, administration and related administration fees of the Fund, and the combination of the declaration of trust into a Ninepoint Exchange-Traded Funds master declaration of trust, all as more fully described in the Circular (the “**Conforming Amendments**”).

Required Approvals and Manager Recommendation

The board of directors of Ninepoint Partners GP Inc., the general partner of the Manager (the “Board”), has determined that the Conversion is in the best interests of the Fund and Unitholders. The Independent Review Committee of the Fund (the “IRC”) reviewed the proposed Conversion and the process to be followed in connection with the Conversion, and has advised the Manager that, in the IRC’s opinion, the Conversion achieves a fair and reasonable result for the Fund. Accordingly, the Board unanimously recommends that Unitholders vote FOR the extraordinary resolution approving the Conversion (the “Extraordinary Resolution”). The full text of the Extraordinary Resolution is set forth in Appendix “A” of the Circular.

In order to become effective, the Extraordinary Resolution must be approved by a two-thirds majority of Unitholders of the Fund, present virtually, or represented by proxy at the Meeting or any adjournment or postponement thereof. If approved, the Conversion is expected to be implemented on or about May 6, 2021, or such other date as the Manager may determine in its sole discretion, subject to obtaining the required regulatory approvals. If the Conversion is not approved, the Fund will continue to operate as it currently does.

If the Conversion is approved, Unitholders’ Units will be converted to units of Ninepoint Bitcoin ETF on a 1:1 basis. Unitholders are not required to take any action in order to be recognized as holders of units of Ninepoint Bitcoin ETF following the Conversion. In anticipation of the Conversion, the Manager will file a preliminary and pro-forma prospectus for the continuous offering of Ninepoint Bitcoin ETF, which will be accessible by Unitholders at www.sedar.com. The material attributes Ninepoint Bitcoin ETF are described in the accompanying Circular.

Attached is a notice of special meeting of Unitholders and the Circular dated March 19, 2021 that contains important information relating to the Conversion. You are urged to read the Circular carefully and consult your financial, legal and tax advisors with respect to how to vote. In particular, the attached Circular describes among other things, the details of the Conversion, details about the Fund, the benefits the Manager

believes the Conversion will have, the material risks associated with an investment in the Fund, the tax consequences of the Conversion, how Unitholders may exercise their voting rights and where Unitholders can find additional information. For more details on the tax consequences of the Conversion, see “*Tax Considerations Regarding the Conversion*” in the accompanying Circular. If you are in doubt as to how to deal with the matters described in the Circular, you should consult your financial advisor, or, if you wish, please contact our investor relations team at Ninepoint by contacting (416) 943-6706 or (866) 299-9906 or invest@ninepoint.com.

Voting Information

If you are a registered Unitholder (i.e., your name appears on the register of the Units maintained by or on behalf of the Fund) and you are unable to attend the Meeting, we encourage you to complete, sign, date and return the accompanying form of proxy (the “**Form of Proxy**”) so that your Units can be voted at the Meeting (or at any adjournments or postponements thereof) in accordance with your instructions. To be effective, the Form of Proxy must be received by the Fund's transfer agent, TSX Trust Company (according to the instructions on the Form of Proxy), not later than 9:00 a.m. (Toronto time) on April 15, 2021, or, if the Meeting is adjourned or postponed, not less than 48 hours (other than a Saturday, Sunday or holiday) prior to the start of the adjourned or postponed meeting. Notwithstanding the foregoing, the Chair of the Meeting has the discretion to accept proxies received after such deadline.

If the Meeting is adjourned, the adjourned meeting will be held on such a day being not less than one day later and to such place and time as may be appointed by the chairperson of the meeting. At the adjourned meeting, the business of the Meeting will be transacted by those Unitholders present virtually, or represented by proxy.

Beneficial holders of Units of the Fund (collectively “**Beneficial Holders**” and each a “**Beneficial Holder**”) should note that only proxies deposited by Unitholders whose names appear on the records of the Fund as the registered holders of Units can be recognized and acted upon at the Meeting. Units held by brokers, dealers or their nominees through CDS & Co. (“**CDS**”) can only be voted upon the instructions of the Beneficial Holder. Without specific instructions, CDS and brokers, dealers and their nominees are prohibited from voting Units for their clients. Applicable regulatory policy requires brokers, dealers and other intermediaries to seek voting instructions from Beneficial Holders in advance of the Meeting. The majority of intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically prepares a voting instruction form that it mails to the Beneficial Holders and asks Beneficial Holders to complete and return directly to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instruction respecting the voting of Units to be represented at the Meeting. Voting instruction forms sent by Broadridge Financial Solutions, Inc. may be voted by telephone or online at www.proxyvote.com. **A Beneficial Holder receiving a voting instruction form cannot use that form to vote Units directly at the Meeting. Rather, the voting instruction form must be returned to Broadridge well in advance of the Meeting to have the Units voted.**

Sincerely,

(signed) “*John Wilson*”

John Wilson

Co-Chief Executive Officer and Managing Partner
Ninepoint Partners LP, Manager of the Fund

BITCOIN TRUST

Managed by Ninepoint Partners LP



NOTICE OF SPECIAL MEETING OF UNITHOLDERS

AND

MANAGEMENT INFORMATION CIRCULAR

March 19, 2021

**200 Bay Street, Suite 2700
Toronto, Ontario M5J 2J1**

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Certain statements in this Circular are forward-looking statements, including those identified by the expressions “anticipate”, “believe”, “plan”, “estimate”, “expect”, “intend” and similar expressions to the extent that they relate to the Fund or the Manager. Forward-looking statements are not historical facts but reflect the current expectations of the Fund or the Manager regarding future results or events. Such forward-looking statements reflect the Manager’s current beliefs and are based on information currently available to them. Forward-looking statements involve significant risks and uncertainties. A number of factors could cause actual results or events to differ materially from current expectations. Some of these risks, uncertainties and other factors are described under the heading “Risk Factors” in the Fund’s final long form prospectus dated January 19, 2021 and filed on the Fund’s SEDAR profile at www.sedar.com. Although the forward-looking statements contained in this Circular are based upon assumptions that the Manager believes to be reasonable, the Manager cannot assure investors that actual results will be consistent with these forward-looking statements. The forward-looking statements contained herein were prepared for the purpose of providing Unitholders with information about the Fund and may not be appropriate for other purposes. The Manager assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

BITCOIN TRUST

NOTICE OF SPECIAL MEETING OF UNITHOLDERS

TAKE NOTICE that a special meeting (the “**Meeting**”) of holders (the “**Unitholders**”) of units (the “**Units**”) of Bitcoin Trust (the “**Fund**”) will be held in a virtual-only format conducted via live audio webcast available online using <https://virtual-meetings.tsxtrust.com/1102> on April 19, 2021 at 9:00 a.m. (Toronto time). The purpose of the Meeting is as follows:

- (a) To consider and, if thought appropriate, approve, with or without variation, an extraordinary resolution in the form attached as Appendix “A” to the accompanying management information circular (the “**Circular**”) authorizing and approving, among other things, the proposed conversion (the “**Conversion**”) of the Fund from a closed-end investment fund to an exchange-traded fund including, without limitation, all amendments to the Fund’s declaration of trust considered ancillary, necessary or desirable, in the opinion of Ninepoint Partners LP (the “**Manager**”), to facilitate and implement the Conversion, including without limitation, amendments to the provisions attaching to the Units, the operation, administration and related administration fees of and the combination of the declaration of trust into a Ninepoint Exchange-Traded Funds master declaration of trust, all as more fully described in the Circular.
- (b) To transact such other matters as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

Details of the matters to be voted on at the Meeting or any adjournment(s) or postponement(s) thereof are more fully described in the accompanying Circular.

In order to proactively deal with the unprecedented public health impacts of COVID-19 and to mitigate risks to the health and safety of our communities, Unitholders, and other stakeholders, and to ensure compliance with local laws or orders restricting the size of public gatherings in response to COVID-19, the Fund will hold the Meeting as a virtual-only format with participation electronically. Unitholders will not be able to attend the Meeting in person. Unitholders may attend the Meeting virtually, or may be represented thereat by proxy.

Also included with this notice of meeting and Circular, is a form of proxy (the “**Form of Proxy**”). Registered Unitholders as at March 19, 2021 (the “**Record Date**”) wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his, her or its completed, dated and signed Form of Proxy with the Fund’s transfer agent, TSX Trust Company, by mail to 301 – 100 Adelaide Street West, Toronto, ON, M5H 4H1, Canada, by facsimile transmission to (416) 595-9593, or over the internet at www.voteproxyonline.com prior to 9:00 a.m. (Toronto time) on April 15, 2021, or, if the Meeting is adjourned or postponed, not less than 48 hours (other than a Saturday, Sunday or holiday) prior to the start of the adjourned or postponed meeting. Notwithstanding the foregoing, the Chair of the Meeting has the discretion to accept proxies received after such deadline.

Unitholders who hold their Units with a bank, broker or other financial intermediary are not registered Unitholders. Non-registered Unitholders will receive a voting instruction form in lieu of a Form of Proxy, which they can use to instruct the registered Unitholder how to vote their Units. Voting instruction forms sent by Broadridge Financial Solutions, Inc. may be voted by telephone or online at www.proxyvote.com. Voting instruction forms may have an earlier deadline for deposit and, as such, non-registered Unitholders should contact their broker or other intermediary through which their Units are held who may have earlier deadlines.

The proxyholder has discretion under the applicable accompanying Form of Proxy or voting instruction form with respect to any amendments or variations of the matter of business to be acted on at the Meeting or any other matters properly brought before the Meeting or any adjournment(s) or postponement(s) thereof, in each instance, to the extent permitted by law, whether or not the amendment, variation or other matter that comes before the Meeting is routine and whether or not the amendment, variation or other matter that comes before the Meeting is contested. As of the date hereof, the Manager knows of no amendments, variations or other matters to come before the Meeting other than the matters set forth in this Notice of Meeting. Unitholders are encouraged to review the Circular carefully and consult with their financial, legal and tax advisors with respect to how to vote before submitting the applicable Form of Proxy or voting instruction form.

The Record Date for the determination of Unitholders entitled to receive notice of and to vote at the Meeting or any adjournment or postponement thereof is March 19, 2021. Only Unitholders whose names have been entered in the register of Units at the close of business on the Record Date will be entitled to receive notice of, and to vote at, the Meeting.

If the Meeting is adjourned because the requisite quorum of Unitholders is not in attendance or for any other reason, the adjourned meeting will be held on such a day being not less than one day later and to such place and time as may be appointed by the chairperson of the meeting. At the adjourned meeting, the business of the Meeting will be transacted by those Unitholders present virtually, or represented by proxy.

DATED at Toronto, Ontario as of the 19th day of March, 2021.

**By Order of the Board of Directors of Ninepoint
Partners GP Inc., the General Partner of Ninepoint
Partners LP, as Manager of Bitcoin Trust**

By: (signed) "John Wilson"
John Wilson
Co-Chief Executive Officer and Managing
Partner

Unless otherwise indicated, the information in this management information circular (the “Circular”) is given as of March 18, 2021.

PROPOSED CONVERSION

The purpose of the special meeting (the “**Meeting**”) for Bitcoin Trust (the “**Fund**”) is to consider the conversion of the Fund from a closed-end investment fund into an exchange-traded fund (an “**ETF**”) called Ninepoint Bitcoin ETF.

At the Meeting, holders (“**Unitholders**”) of units of the Fund (“**Units**”) will be asked to consider and, if thought appropriate, approve, with or without variation, an extraordinary resolution in the form attached as Appendix “A” to this management information circular approving the conversion of the Fund from a closed-end fund into Ninepoint Bitcoin ETF (the “**Conversion**”).

If the extraordinary resolution is approved at the Meeting, and subject to applicable regulatory and stock exchange approvals, the Conversion is expected to occur on or about May 6, 2021, or such other date as the Manager may determine in its sole discretion (the “**Effective Date**”). On the Effective Date, Unitholders’ Units will be converted to units of Ninepoint Bitcoin ETF on a 1:1 basis. Unitholders are not required to take any action in order to be recognized as holders of units of Ninepoint Bitcoin ETF following the Conversion.

Rationale and Benefits of the Proposed Conversion

An ETF is a stock exchange listed, continuously offered, open-ended mutual fund. Units of an ETF may be offered, exchanged and redeemed daily for a basket of securities and/or cash primarily through designated brokers and dealers approved by the Manager on behalf of an ETF.

Currently, the Units of the Fund trade daily on the Toronto Stock Exchange (the “**TSX**”) in US dollars under the symbol “BITC.U” and on the TSX in Canadian dollars under the symbol “BITC.UN”. However, as a closed-end fund, there is no formal posted two-way market that operates like the market for units of an ETF where designated brokers and dealers are able to facilitate trading liquidity. As a result, the Manager expects that under an ETF structure, the Fund will offer greater market liquidity and will trade with a lower bid/ask spread and closer to net asset value (“**NAV**”).

Ninepoint Partners LP, the manager of the Fund (the “Manager” or “Ninepoint”), is proposing the conversion of the Fund to an ETF. All costs of the Conversion, including with respect to the Meeting, will be borne solely by the Manager.

The Manager believes that the Conversion provides the following benefits:

- **Better Trading Price Relative to NAV per Unit and Reduced Bid/Ask Spread:** Ninepoint anticipates that an improvement in the trading price of the units of the Fund (relative to the NAV per unit of the Fund) will provide a meaningful increase in value for Unitholders. As at March 18, 2021, the Fund had a 3.25% discount to NAV in US dollars (BITC.U), and a 3.85% discount to NAV in Canadian dollars (BITC.UN), respectively. Market makers for ETFs are able to price their bids and asks for ETF units tightly around their estimate of NAV. It is expected that bid/ask spreads will be significantly reduced from the Fund’s bid/ask spread. This is beneficial to investors because a smaller bid/ask spread is expected to result in a lower effective cost to buy or sell ETF units.

- **Increased Trading Liquidity:** Approved dealers acting as market makers for an ETF are able to offer or bid for large volumes of that ETF on a stock exchange, as approved dealers have the ability to create or redeem ETF units daily in large blocks directly from the ETF. This is expected to result in improved liquidity, allowing an investor to buy or sell large amounts of Ninepoint Bitcoin ETF units without materially affecting the market price.
- **No Change to Investment Strategy:** The specific investment strategies of the Fund are expected to remain substantially similar, before and after the Conversion.

If the Conversion is approved, Unitholders of the Fund will not need to take any action and on the Effective Date Unitholders will automatically become unitholders of Ninepoint Bitcoin ETF.

As at March 18, 2021, the NAV per Unit was US\$17.36 (or CAD\$21.74).

Name and Ticker Symbol Changes

In connection with the Conversion, the Manager will change the name and ticker symbol of the Fund as follows:

Name of Fund (before Conversion)	Ticker Symbol (before Conversion)	Currency	Name of Fund (after Conversion)	Expected Ticker Symbol (after Conversion)
Bitcoin Trust	BITC.U	US\$	Ninepoint Bitcoin ETF	BITC.U
Bitcoin Trust	BITC.UN	CAD\$	Ninepoint Bitcoin ETF	BITC

No changes to the investment objectives of the Fund are contemplated in relation to the Conversion.

General Investment Strategies of Ninepoint Bitcoin ETF

No changes are contemplated to the investment strategies of the Fund other than as required to reflect the change in structure from a closed-end investment fund to an ETF.

Following the Conversion, the general investment strategies common to ETFs, generally, will also be adopted to conform with industry practice:

- Generally, Ninepoint Bitcoin ETF does not intend to borrow money or employ other forms of leverage to acquire Bitcoin for its portfolio. Ninepoint Bitcoin ETF may however borrow money on a temporary short term basis to acquire Bitcoin in connection with a subscription for units by a dealer. Any borrowing by Ninepoint Bitcoin ETF will be made in accordance with the borrowing restrictions applicable to an alternative mutual fund under NI 81-102.

Investment Restrictions

Upon the effective date of Conversion, Ninepoint Bitcoin ETF will be subject to certain restrictions and practices contained in Canadian securities legislation applicable to alternative mutual funds, including NI 81-102. Additionally, Ninepoint Bitcoin ETF will be subject to certain investment restrictions that, among other things, limit the assets that Ninepoint Bitcoin ETF may acquire for its portfolio. Ninepoint Bitcoin ETF will be managed in accordance with these restrictions and practices, except as otherwise permitted by exemptions provided by Canadian securities regulatory authorities. A change to the

fundamental investment objective of Ninepoint Bitcoin ETF would require the approval of the unitholders of Ninepoint Bitcoin ETF.

Continuous Distribution of Units

If the Conversion is approved, units of Ninepoint Bitcoin ETF will be issued and sold on a continuous basis and there will be no maximum number of units of Ninepoint Bitcoin ETF that may be issued.

Amendments to the Fund's Declaration of Trust

The declaration of trust of the Fund dated as of January 12, 2021 (the "**Declaration of Trust**") will be amended to effect changes required to implement the Conversion and combined into a Ninepoint Exchange-Traded Funds master declaration of trust (the "**Ninepoint ETF Declaration of Trust**"). Upon implementation of the Conversion, the material changes to the Declaration of Trust, as will be reflected in the Ninepoint ETF Declaration of Trust, in order to permit the Fund to operate as an ETF are as follows:

Future Issuance of Units

Units of Ninepoint Bitcoin ETF will be issued and sold on a continuous basis and there will be no maximum number of Units of Ninepoint Bitcoin ETF that may be issued.

The Manager may amend the Ninepoint ETF Declaration of Trust from time to time to re-designate the name of Ninepoint Bitcoin ETF or to create a new class or series of units of Ninepoint Bitcoin ETF without notice to existing Unitholders, unless such amendment in some way affects the existing Unitholders' rights or the value of their investment.

All rights attached to the Units may only be modified, amended or varied in accordance with the terms of the Declaration of Trust. See "*Unitholder Matters – Amendments to the Declaration of Trust*".

Issuance of Units to Designated Brokers and Dealers

All orders to purchase Units directly from Ninepoint Bitcoin ETF must be placed by a designated broker or dealer. Ninepoint Bitcoin ETF reserves the absolute right to reject any subscription order placed by such designated brokers or dealers. No fees will be payable by Ninepoint Bitcoin ETF to the designated broker or dealer in connection with the issuance of Units. On the issuance of Units, the Manager may, in its discretion, charge an administrative fee to the designated broker or a dealer to offset the expenses (including any applicable stock exchange additional listing fees) incurred in issuing the Units.

On any trading day, the designated broker or dealer may place a subscription order for a prescribed number of units (a "**PNU**") (or an integral multiple thereof) of Ninepoint Bitcoin ETF. If a subscription order is received by Ninepoint Bitcoin ETF by 9:00 a.m. (Toronto time) on a trading day (or such later time on such trading day as the Manager may permit), Ninepoint Bitcoin ETF will issue to the designated broker or dealer a PNU (or an integral multiple thereof) by no later than the second trading day after the date on which the subscription order is accepted, provided that payment for such Units has been received.

The designated broker or dealer must deliver cash in an amount equal to the NAV of the Units next determined following the receipt of the subscription order.

The Manager may, in its discretion, increase or decrease the PNU from time to time. The Manager will publish the applicable PNU for Ninepoint Bitcoin ETF on each trading day on its website, at www.ninepoint.com.

Buying and Selling Units

Units of Ninepoint Bitcoin ETF will be listed on the TSX and investors will be able to buy or sell Units through registered brokers and dealers in the province or territory where the investor resides. Investors may incur customary brokerage commissions in buying or selling Units. Ninepoint Bitcoin ETF will issue Units directly to the designated brokers and dealers.

Special Considerations for Unitholders of Ninepoint Bitcoin ETF

The provisions of the “early warning” requirements set out in Canadian securities legislation do not apply in connection with the acquisition of Units. In addition, Ninepoint Bitcoin ETF will apply for exemptive relief from the securities regulatory authorities to permit Unitholders to acquire more than 20% of the Units of Ninepoint Bitcoin ETF through purchases on the stock exchange without regard to the take-over bid requirements of Canadian securities legislation, provided that any such Unitholder, and any person acting jointly or in concert with the Unitholder, undertakes to not vote more than 20% of the Units of Ninepoint Bitcoin ETF at any meeting of Unitholders.

Exchange of Units

On any trading day, Unitholders may exchange the PNU (or an integral multiple thereof) for cash. To effect an exchange of Units, a Unitholder must submit an exchange request in the form prescribed by the Manager from time to time to Ninepoint Bitcoin ETF at its registered office by 9:00 a.m. (Toronto time) on a trading day (or such later time on such trading day as the Manager may permit). The exchange price will be equal to the NAV of the Units on the effective day of the exchange request, payable by delivery of cash. The Units will be redeemed in the exchange.

If an exchange request is not received by the submission deadlines noted immediately above on a trading day, the exchange order will be effective only on the next trading day. Settlement of exchanges will be made by no later than the second trading day after the effective day of the exchange request.

Unitholders should be aware that the NAV per Unit will decline on the date of declaration of any distribution payable in cash on Units. A Unitholder that is no longer a holder of record on the applicable distribution record date will not be entitled to receive that distribution.

Reinvested Distributions or Distributions Paid in Units

Ninepoint Bitcoin ETF does not intend to pay distributions to Unitholders.

On an annual basis, Ninepoint Bitcoin ETF will ensure that its income and net realized capital gains, if any, have been distributed to Unitholders to such an extent that Ninepoint Bitcoin ETF will not be liable for ordinary income tax thereon. To the extent that Ninepoint Bitcoin ETF has not distributed the full amount of its net income or capital gains in any year, the difference between such amount and the amount actually distributed by Ninepoint Bitcoin ETF will be paid as a “reinvested distribution”. Reinvested distributions by Ninepoint Bitcoin ETF, net of any required withholding taxes, will be reinvested automatically in additional Units at a price equal to the NAV per Unit and the Units will be immediately consolidated such that the number of outstanding Units following the distribution will equal the number of Units outstanding prior to the distribution.

In addition to the distributions described above, Ninepoint Bitcoin ETF may from time to time pay additional distributions on its Units, including without restriction in connection with a special distribution or in connection with returns of capital.

Redemption of Units for Cash

On any trading day, Unitholders may redeem Units of Ninepoint Bitcoin ETF for cash at a redemption price per Unit equal to the lesser of 95% of (a) the closing price for the Units on the stock exchange on the effective day of the redemption; and (b) the NAV per Unit. Because Unitholders will generally be able to sell Units at the market price on the stock exchange through a registered broker or dealer subject only to customary brokerage commissions, Unitholders are advised to consult their brokers, dealers or investment advisors before redeeming their Units for cash.

In order for a cash redemption to be effective on a trading day, a cash redemption request in the form prescribed by the Manager from time to time must be delivered to Ninepoint Bitcoin ETF at its registered office by 9:00 a.m. (Toronto time) on the trading day (or such later time on such trading day as the Manager may permit). If a cash redemption request is not received by the delivery deadlines noted immediately above on a trading day, the cash redemption request will be effective only on the next trading day. Payment of the redemption price will be made by no later than the second trading day after the effective day of the redemption. The cash redemption request forms may be obtained from any registered broker or dealer.

Investors that redeem Units prior to the distribution record date for any distribution will not be entitled to receive that distribution.

In connection with the redemption of Units, Ninepoint Bitcoin ETF may dispose of securities or other assets to satisfy the redemption.

Requests for Exchange and Redemption of Units

A Unitholder submitting an exchange or redemption request is deemed to represent to Ninepoint Bitcoin ETF and the Manager that: (i) it has full legal authority to tender the Units for exchange or redemption and to receive the proceeds of the exchange or redemption; and (ii) the Units have not been loaned or pledged and are not the subject of a repurchase agreement, securities lending agreement or a similar arrangement that would preclude the delivery of the Units to Ninepoint Bitcoin ETF. The Manager reserves the right to verify these representations at its discretion. Generally, the Manager will require verification with respect to an exchange or redemption request if there are unusually high levels of exchange or redemption activity or short interest in Ninepoint Bitcoin ETF. If the Unitholder, upon receipt of a verification request, does not provide the Manager with satisfactory evidence of the truth of the representations, the Unitholder's exchange or redemption request will not be considered to have been received in proper form and will be rejected.

Suspension of Exchanges and Redemptions

The Manager may suspend the redemption of Units or payment of redemption proceeds of Ninepoint Bitcoin ETF: (i) during any period when normal trading is suspended on a stock exchange or other market on which securities owned by Ninepoint Bitcoin ETF are listed and traded, if these securities represent more than 50% by value or underlying market exposure of the total assets of Ninepoint Bitcoin ETF, without allowance for liabilities, and if these securities are not traded on any other exchange that represents a reasonably practical alternative for Ninepoint Bitcoin ETF; or (ii) with the prior permission of the securities regulatory authorities for any period not exceeding 30 days during which the Manager

determines that conditions exist that render impractical the sale of assets of Ninepoint Bitcoin ETF or that impair the ability of the valuation agent to determine the value of the assets of Ninepoint Bitcoin ETF. The suspension may apply to all requests for redemption received prior to the suspension but as to which payment has not been made, as well as to all requests received while the suspension is in effect. All Unitholders making such requests shall be advised by the Manager of the suspension and that the redemption will be effected at a price determined on the first valuation date following the termination of the suspension. All such Unitholders shall have and shall be advised that they have the right to withdraw their requests for redemption. The suspension shall terminate in any event on the first day on which the condition giving rise to the suspension has ceased to exist, provided that no other condition under which a suspension is authorized then exists. To the extent not inconsistent with official rules and regulations promulgated by any government body having jurisdiction over Ninepoint Bitcoin ETF, any declaration of suspension made by the Manager shall be conclusive.

Allocations of Capital Gains to Redeeming or Exchanging Unitholders

Pursuant to the Ninepoint ETF Declaration of Trust, Ninepoint Bitcoin ETF may allocate and designate as payable any capital gains realized by Ninepoint Bitcoin ETF as a result of any disposition of property of Ninepoint Bitcoin ETF. In addition, Ninepoint Bitcoin ETF has the authority to distribute, allocate and designate any capital gains of Ninepoint Bitcoin ETF to a Unitholder of Ninepoint Bitcoin ETF who has redeemed or exchanged Units during a year. Any such allocations and designations will reduce the redemption price otherwise payable to the redeeming Unitholder.

Legislative proposals released by the Minister of Finance (Canada) on July 30, 2019 proposed amendments to the *Income Tax Act* (Canada) (the “**Tax Act**”) that would deny Ninepoint Bitcoin ETF a deduction for the portion of a capital gain designated to a Unitholder on a redemption of Units that is greater than the Unitholder’s accrued gain on those Units, where the Unitholder’s proceeds of disposition are reduced by the designation. If such proposed amendments to the Tax Act are enacted in their current form, any amounts that would otherwise have been designated to redeeming Unitholders may be made payable to the remaining, non-redeeming Unitholders to ensure Ninepoint Bitcoin ETF will not be liable for non-refundable income tax thereon.

Accordingly, the amounts of taxable distributions made to Unitholders of Ninepoint Bitcoin ETF may be greater than they would have been in the absence of such amendments.

Calculation of Net Asset Value

The NAV and NAV per Unit of Ninepoint Bitcoin ETF will be calculated by the administrator as of 4:00 p.m. (Toronto time) on each trading day, and any other day designated by the Manager. The NAV of Ninepoint Bitcoin ETF on a particular date will be equal to the aggregate value of the assets of Ninepoint Bitcoin ETF less the aggregate value of the liabilities of Ninepoint Bitcoin ETF, expressed in Canadian or U.S. dollars as applicable. The NAV will be calculated using the fair value of Ninepoint Bitcoin ETF’s assets and liabilities. The NAV per Unit on any day will be obtained by dividing the NAV on such day by the number of Units then outstanding.

Valuation Policies and Procedures

There will be no material changes to the valuation policies and procedures of the Fund.

Meetings of Unitholders

A meeting of the Unitholders of Ninepoint Bitcoin ETF voting as a single class (unless the circumstances are such that one class is affected differently in which case the holders of each class of Ninepoint Bitcoin ETF will vote separately) may be called at any time by the Manager and shall be called by the Manager upon the request of four or more Unitholders of Ninepoint Bitcoin ETF holding, in aggregate, at least 50% of the issued and outstanding Units. Except as otherwise required or permitted by law, meetings of Unitholders of Ninepoint Bitcoin ETF will be held if called by the Manager or such Unitholders upon written notice of not less than 21 days nor more than 50 days before the meeting. At any meeting of the Unitholders of Ninepoint Bitcoin ETF, a quorum shall consist of two or more Unitholders present in person, virtually, or by proxy. In the event of such quorum not being present at the appointed place on the date for which the meeting is called within 30 minutes after the time fixed for the holding of such meeting, the meeting, if called at the request of Unitholders of Ninepoint Bitcoin ETF, shall be terminated (and not adjourned) and, if otherwise called, shall stand adjourned to such day being not less than one day later and to such place and time as may be appointed by the chairperson of the meeting. If at such adjourned meeting a quorum as above defined is not present, the Unitholders of Ninepoint Bitcoin ETF present either personally, virtually, or by proxy shall form a quorum, and any business may be brought before or dealt with at such an adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same. If the meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as for the original meeting.

Matters Requiring Unitholder Approval

NI 81-102 requires a meeting of Unitholders of Ninepoint Bitcoin ETF to be called to approve certain changes as follows:

1. the basis of the calculation of a fee or expense that is charged to Ninepoint Bitcoin ETF is changed in a way that could result in an increase in charges to Ninepoint Bitcoin ETF, except where:
 - (a) Ninepoint Bitcoin ETF is at arm's length with the person or company charging the fees;
 - (b) the Unitholders have received at least 60 days' notice before the effective date of the change; and
 - (c) the right to notice described in (b) is disclosed in the prospectus of Ninepoint Bitcoin ETF;
2. a fee or expense is introduced that is to be charged to Ninepoint Bitcoin ETF or directly to its Unitholders by Ninepoint Bitcoin ETF or the Manager in connection with the holding of Units of Ninepoint Bitcoin ETF that could result in an increase in charges to Ninepoint Bitcoin ETF or its Unitholders, except where:
 - (a) Ninepoint Bitcoin ETF is at arm's length with the person or company charging the fees;
 - (b) the Unitholders have received at least 60 days' notice before the effective date of the change; and

- (c) the right to notice described in (b) is disclosed in the prospectus of Ninepoint Bitcoin ETF;
- 3. the Manager is changed, unless the new manager of Ninepoint Bitcoin ETF is an affiliate of the Manager;
- 4. the fundamental investment objectives of Ninepoint Bitcoin ETF has changed;
- 5. Ninepoint Bitcoin ETF decreases the frequency of calculating its NAV per Unit;
- 6. Ninepoint Bitcoin ETF undertakes a reorganization with, or transfers its assets to, another mutual fund, if Ninepoint Bitcoin ETF ceases to continue after the reorganization or transfer of assets and the transaction results in the Unitholders of Ninepoint Bitcoin ETF becoming securityholders in the other mutual fund unless:
 - (a) the IRC of Ninepoint Bitcoin ETF has approved the change;
 - (b) Ninepoint Bitcoin ETF is being reorganized with, or its assets are being transferred to, another mutual fund that is managed by the Manager, or an affiliate of the Manager;
 - (c) the Unitholders have received at least 60 days' notice before the effective date of the change;
 - (d) the right to notice described in (c) is disclosed in the prospectus of Ninepoint Bitcoin ETF; and
 - (e) the transaction complies with certain other requirements of applicable Canadian securities legislation;
- 7. Ninepoint Bitcoin ETF undertakes a reorganization (other than a Permitted Merger as defined below) with, or acquisition of assets of, a mutual fund trust, if:
 - (a) Ninepoint Bitcoin ETF continues after the reorganization or acquisition of assets;
 - (b) the transaction results in the securityholders of the mutual fund trust becoming Unitholders of Ninepoint Bitcoin ETF; and
 - (c) the transaction would be a material change to Ninepoint Bitcoin ETF;
- 8. a reorganization that results in Ninepoint Bitcoin ETF becoming a non-redeemable investment fund or an issuer that is not an investment fund; or
- 9. any matter which is required by the constating documents of Ninepoint Bitcoin ETF or by the laws applicable to Ninepoint Bitcoin ETF or by any agreement to be submitted to a vote of the Unitholders of Ninepoint Bitcoin ETF.

Approval of the foregoing matters will be deemed to have been given by a resolution passed by at least a majority of the votes cast at a meeting called and held for such purpose. Unitholders are entitled to one vote per whole Unit held on the record date established for voting at any meeting of Unitholders.

Ninepoint Bitcoin ETF may, without Unitholders' approval, enter into a merger or other similar transaction that has the effect of combining the funds or their assets (a "**Permitted Merger**") with any other

investment fund or funds managed by the Manager or an affiliate of the Manager that have investment objectives that are substantially similar to those of Ninepoint Bitcoin ETF, subject to:

1. approval of the merger by the IRC;
2. compliance with certain merger pre-approval conditions set out in section 5.6 of NI 81-102; and
3. written notice to Unitholders at least 60 days before the effective date of the merger.

In connection with a Permitted Merger, the merging funds will be valued at their respective net asset values for the purpose of such transaction.

In addition, the auditor of Ninepoint Bitcoin ETF may not be changed unless:

1. the IRC has approved the change; and
2. Unitholders have received at least 60 days' notice before the effective date of the change.

Fees and Expenses Before and After the Conversion

Management Fee

The Manager is not making a change to the Management Fee of the Fund upon completion of the Conversion.

Following the Conversion, the Manager will continue to be entitled to an annual management fee (the “**Management Fee**”) of 0.70% of the Fund’s NAV, calculated daily and payable monthly in arrears, plus applicable taxes.

Following the Conversion, the Manager may, at its discretion, agree to charge a reduced Management Fee for some Unitholders of Ninepoint Bitcoin ETF as compared to the Management Fee that the Manager would otherwise be entitled to receive from Ninepoint Bitcoin ETF, provided that the difference between the fee otherwise chargeable and the reduced fee is distributed periodically by Ninepoint Bitcoin ETF to the applicable Unitholders as a management fee distribution (the “**Management Fee Distributions**”). Any reduction will depend on a number of factors, including the amount invested, the NAV of Ninepoint Bitcoin ETF and the expected amount of account activity. Management Fee Distributions will be paid first out of net income of Ninepoint Bitcoin ETF then out of capital gains of Ninepoint Bitcoin ETF and thereafter out of capital.

Operating Costs and Expenses

In addition to the Management Fee, Ninepoint Bitcoin ETF will pay for all ordinary expenses incurred in connection with its operation and administration. Unless otherwise waived or reimbursed by the Manager, and subject to compliance with National Instrument 81-102 – *Investment Funds* (“**NI 81-102**”), it is expected that the expenses for Ninepoint Bitcoin ETF will include, as applicable, without limitation: all costs and expenses associated with the execution of transactions in respect of Ninepoint Bitcoin ETF’s investment in Bitcoin; audit fees; fees payable to third-party service providers; trustee and custodial expenses including fees payable to the custodian and sub-custodian; valuation, accounting and record keeping costs; legal expenses; prospectus preparation and filing expenses; costs associated with delivering documents to Unitholders of Ninepoint Bitcoin ETF; listing fees and expenses and other administrative

expenses and costs incurred in connection with the continuous public filing requirements; costs and expenses of preparing financial and other reports, costs and expenses arising as a result of complying with all applicable laws, regulations and policies; depositary fees; bank related fees and interest charges; extraordinary expenses; reports to Unitholders of Ninepoint Bitcoin ETF and servicing costs; registrar and transfer agent fees; fees and expenses of the members of the Independent Review Committee (the “IRC”); expenses related to compliance with National Instrument NI 81-107 – *Independent Review Committee for Investment Funds* (“NI 81-107”); fees and expenses relating to the voting of proxies by a third party; premiums for directors’ and officers’ insurance coverage for the members of the IRC; income taxes; all applicable sales taxes; brokerage expenses and commissions; and withholding taxes. Such expenses will also include expenses of any action, suit or other proceedings in which or in relation to which the Manager, the custodian, the sub-custodian, the IRC and/or any of their respective officers, directors, employees, consultants or agents is entitled to indemnity by Ninepoint Bitcoin ETF.

Administrative Fee

An amount as may be agreed to between the Manager and the designated broker or a dealer, of Ninepoint Bitcoin ETF may be charged to offset certain transaction costs associated with an issue, exchange or redemption of Units. This charge does not apply to Unitholders who buy and sell their Units through the facilities of a stock exchange.

Redemptions

Redemptions Before Conversion

Currently, Units may be redeemed at the option of Unitholders on the second last business day of January in each year (each, an “**Annual Redemption Date**”), commencing in January 2022, subject to the Fund’s right to suspend redemptions in certain circumstances. Such Units will be redeemed at a redemption price equal to the Net Asset Value per Unit on the Annual Redemption Date, less any costs and expenses associated with the redemption, including commissions, administrative, legal and other costs incurred by the Fund to fund such redemptions. Units must be surrendered for redemption from the first business day of November to the tenth business day of November preceding the applicable Annual Redemption Date (the “**Annual Cut-Off Date**”). Payment of the proceeds of redemption will be made on or before the 15th business day following the Annual Redemption Date.

Units may also be surrendered at the option of Unitholders at any time for redemption on the first business day following the 15th day of each month, other than January, commencing in 2022 (each a “**Monthly Redemption Date**”), subject to certain conditions and, in order to effect such a redemption, the Units must be surrendered for redemption no later than 5:00 p.m. (Toronto time) on the last business day of the month prior to the month of the applicable Monthly Redemption Date (the “**Monthly Cut-Off Date**”, and together with the Annual Cut-Off Date, the “**Cut-Off Date**”). Payment of the proceeds of redemption will be made on or before the 15th business day following the Monthly Redemption Date (“**Redemption Payment Date**”). Unitholders surrendering a Unit for redemption will receive a redemption price (the “**Unit Redemption Price**”) equal to the lesser of: (i) 95% of the Closing Market Price of a Unit; and (ii) the Net Asset Value per Unit (in US\$) on the applicable Monthly Redemption Date less, in each case, any costs and expenses associated with the redemption, including commissions, administrative, legal and other costs incurred by the Fund. In any event, the Unit Redemption Price will not be an amount that is more than the Net Asset Value per Unit as of the Monthly Redemption Date. Redemption proceeds will be paid in U.S. dollars for Units priced in U.S. dollars and in Canadian dollars for Units priced in Canadian dollars. U.S. dollar amounts will be converted to Canadian dollars using the exchange rate at the time of the Conversion on the Monthly Redemption Date.

Redemptions After Conversion

Upon implementation of the Conversion, on any trading day, Unitholders may redeem Units of Ninepoint Bitcoin ETF for cash at a redemption price per Unit equal to the lesser of 95% of (a) the closing price for the Units on the stock exchange on the effective day of the redemption; and (b) the NAV per Unit. Because Unitholders will generally be able to sell Units at the market price on the stock exchange through a registered broker or dealer subject only to customary brokerage commissions, Unitholders are advised to consult their brokers, dealers or investment advisors before redeeming their Units for cash.

In order for a cash redemption to be effective on a trading day, a cash redemption request in the form prescribed by the Manager from time to time must be delivered to Ninepoint Bitcoin ETF at its registered office by 9:00 a.m. (Toronto time) on the trading day (or such later time on such trading day as the Manager may permit). If a cash redemption request is not received by the delivery deadlines noted immediately above on a trading day, the cash redemption request will be effective only on the next trading day. Payment of the redemption price will be made by no later than the second trading day after the effective day of the redemption. The cash redemption request forms may be obtained from any registered broker or dealer. Units will be redeemed in accordance with customary processes set out by the designated broker or CDS.

Investors that redeem Units prior to the distribution record date for any distribution will not be entitled to receive that distribution. In connection with the redemption of Units, Ninepoint Bitcoin ETF may dispose of securities or other assets to satisfy the redemption.

Distributions

Ninepoint Bitcoin ETF does not intend to pay distributions to Unitholders.

On an annual basis, Ninepoint Bitcoin ETF will ensure that its income and net realized capital gains, if any, have been distributed to Unitholders to such an extent that Ninepoint Bitcoin ETF will not be liable for ordinary income tax thereon. To the extent that Ninepoint Bitcoin ETF has not distributed the full amount of its net income or capital gains in any year, the difference between such amount and the amount actually distributed by Ninepoint Bitcoin ETF will be paid as a “reinvested distribution”. Reinvested distributions by Ninepoint Bitcoin ETF, net of any required withholding taxes, will be reinvested automatically in additional Units at a price equal to the NAV per Unit and the Units will be immediately consolidated such that the number of outstanding Units following the distribution will equal the number of Units outstanding prior to the distribution.

In addition to the distributions described above, Ninepoint Bitcoin ETF may from time to time pay additional distributions on its Units, including without restriction in connection with a special distribution or in connection with returns of capital.

Termination

Ninepoint Bitcoin ETF may be terminated by the Manager on at least 60 days’ notice to Unitholders of such termination and the Manager will issue a press release in advance thereof. Upon termination of Ninepoint Bitcoin ETF, the cash and other assets remaining after paying or providing for all liabilities and obligations of Ninepoint Bitcoin ETF, determined in accordance with Ninepoint Bitcoin ETF’s valuation policies and procedures, shall be distributed pro rata among the Unitholders of Ninepoint Bitcoin ETF.

The rights of Unitholders to exchange and redeem Units described under “*Proposed Conversion – Amendments to the Fund’s Declaration of Trust – Exchange of Units*” and “*Proposed Conversion –*

Amendments to the Fund's Declaration of Trust – Redemption of Units for Cash” above will cease as and from the date of termination of Ninepoint Bitcoin ETF.

RECOMMENDATIONS

The board of directors of Ninepoint Partners GP Inc., the general partner of Manager (the “Board”), has determined that the Conversion is in the best interests of the Fund and the Unitholders and unanimously recommends that Unitholders vote FOR the Extraordinary Resolution, the full text of which is set forth in Appendix “A” to the Circular, approving the Conversion.

In arriving at such determinations, consideration was given to, among other things, factors set forth under “*Proposed Conversion – Rationale and Benefits of the Proposed Conversion*”.

The IRC of the Fund reviewed the terms of the Conversion and recommended that the Conversion be put to Unitholders for their consideration on the basis that they achieve a fair and reasonable result for the Fund.

BITCOIN TRUST

The Fund is a closed-end investment fund established as a trust under the laws of the Province of Ontario pursuant to the Declaration of Trust. The Manager acts as trustee, manager and promoter of the Fund and provides certain general management and administrative services required by the Fund. The principal office of the Fund is located at Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2700, P.O. Box 27, Toronto, Ontario, M5J 2J1.

The Fund is not considered to be a mutual fund under the securities legislation of the Provinces and Territories of Canada. Consequently, the Fund is not subject to the various policies and regulations that apply to mutual funds under such legislation.

Investment Objectives

The Fund’s investment objectives are to seek to provide Unitholders of the Fund with exposure to digital currency Bitcoin through an institutional-quality platform that is cost-efficient to Unitholders and to provide a secure, simpler and exchange-traded investment alternative for buying and holding Bitcoin.

Investment Strategies

The Fund seeks to achieve its investment objectives by investing directly in Bitcoin while using high quality service providers, including digital asset trading counterparties, trading platforms and custodians, and independent auditors, legal and valuation agents, in order to manage the assets of the Fund. By having in-house expertise, the Manager offers a cost-efficient structure to Unitholders for ongoing management fees.

The Fund’s Bitcoin is valued based on the MVIS CryptoCompare Institutional Bitcoin Index (“**MVIBTC**”) maintained by MV Index Solutions GmbH (“**MVIS**”), or a successor or alternative institutional-quality index. MVIS is a wholly-owned subsidiary of Van Eck Associates Corporation, a large, long-standing, and well-regarded financial services firm.

As the Fund invests in Bitcoin on a passive basis, the Fund does not speculate with regard to changes in Bitcoin prices and sales of Bitcoin will generally only be undertaken by the Fund as required in order to fund expenses and redemptions. In addition, the Fund does not hedge any U.S. dollar currency

exposure back to the Canadian dollar. The Fund provides investors with the ability to invest in Bitcoin without the inconvenience and additional transaction and storage costs associated with a direct investment in Bitcoin.

The Fund purchases Bitcoin through established, regulated platforms as well as in the OTC market using regulated counterparties. The Manager has undertaken and will undertake due diligence to ensure that all counterparties and vendors adhere to know your customer and anti-money laundering rules and requirements.

Generally, the Fund does not intend to borrow money or employ other forms of leverage to acquire Bitcoin. The Fund may borrow money on a short-term basis to acquire Bitcoin in anticipation of and prior to any follow on offering of Units by the Fund in an amount not to exceed 25% of the Net Asset Value of the Fund.

Management of the Fund

Ninepoint Partners LP is the trustee and manager of the Fund and provides or causes to be provided all administrative services required by the Fund pursuant to the Declaration of Trust.

The Manager is a leading alternative investment management firm overseeing approximately CAD\$8.0 billion in assets under management and institutional contracts. The Manager, through its parent company, is primarily owned by John Wilson and James Fox, both former senior executives of Sprott Asset Management LP with over 27 and 20 years of experience in the investment industry, respectively. John Wilson is the Ultimate Designated Person (as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*) of the Manager.

The head office and principal place of business of the Manager is at Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2700, PO Box 27, Toronto, Ontario M5J 2J1. The general partner of the Manager is Ninepoint Partners GP Inc.

An annual management fee of 0.70% of the Fund's net asset value, calculated daily and payable monthly in arrears, plus applicable taxes, is paid to the Manager in respect of the Units. In addition to the management fee, and any debt servicing costs, the Fund pays all of its own expenses and all administration expenses incurred by the Manager for its duties as the manager to the Fund.

Directors and officers of the Manager collectively hold 26,502 Units representing 0.1% of the issued and outstanding Units.

Distribution History

The Fund has not paid any distributions as of the date hereof.

Prior Sales

The Fund completed its initial public offering (“**IPO**”) on January 27, 2021, resulting in the listing of 18,473,866 Class A Units on the TSX. In connection with the IPO, the Fund issued 7,318,276 Class A Units at a price of US\$10.00 per Class A Unit (or the Canadian dollar equivalent being CAD\$12.762, as applicable), 2,865,314 Class F Units at a price of US\$10.00 per Class F Unit (or the Canadian dollar equivalent being CAD\$12.762, as applicable) and 7,806,901 Class S Units at a price of US\$10.00 per Class S Unit (or the Canadian dollar equivalent being CAD\$12.762, as applicable). Immediately upon closing of the IPO, the Class F Units and Class S Units were reclassified as Class A Units based on the Net Asset

Value per Class F Unit or Class S Unit, as applicable, divided by the Net Asset Value per Class A Unit, in each case calculated after payment of the Agents' fees. Accordingly, the 2,865,314 Class F Units were reclassified as 2,956,276 Class A Units and 7,806,901 Class S Units were reclassified as 8,199,314 Class A Units.

Trading Prices and Volume

The following table sets forth the reported high and low sale prices and the trading volumes for the Class A Units on the TSX for the periods indicated.

<u>Month</u>	<u>NAV per Unit⁽¹⁾</u>		<u>BITC.U</u>			<u>BITC.UN</u>		
	<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>Volume</u>	<u>High</u>	<u>Low</u>	<u>Volume</u>
January 27-31, 2021	US\$10.53	US\$9.55	US\$11.25	US\$8.75	556,541	CAD\$14.52	CAD\$11.55	448,905
February 1-28, 2021	US\$16.80	US\$10.30	US\$16.89	US\$9.42	3,080,853	CAD\$21.52	CAD\$12.00	5,937,433
March 1- 18, 2021	US\$17.54	US\$14.43	US\$18.05	US\$12.59	1,694,857	CAD\$21.90	CAD\$15.92	2,110,042

Notes:

(1) NAV data is reported on the Fund's website.

RISK FACTORS

Certain risk factors relating to the Fund and its Units are described in the Fund's final long form prospectus dated January 19, 2021 (the "IPO Prospectus") and filed under the Fund's profile on SEDAR at www.sedar.com. For further information on the Fund, see the IPO Prospectus which is incorporated by reference into this Circular and is also available under the Fund's profile on SEDAR at www.sedar.com or visit www.ninepoint.com.

In addition to the considerations set out in the IPO Prospectus and elsewhere in this Circular, the following are certain considerations relating to an investment in units of Ninepoint Bitcoin ETF that prospective investors should consider before purchasing such units of Ninepoint Bitcoin ETF:

Risk Factors Relating to an Investment in Ninepoint Bitcoin ETF

No Assurance in Achieving Investment Objectives

There is no assurance that Ninepoint Bitcoin ETF will be able to achieve its investment objectives.

Loss of Investment

An investment in Ninepoint Bitcoin ETF is appropriate only for investors who have the capacity to absorb a loss on their investment.

Fluctuations in NAV and NAV per Unit

The NAV of the Units will vary according to, among other things, the value of Bitcoin included in Ninepoint Bitcoin ETF's portfolio. The value of the Bitcoin will be influenced by factors which are not within the control of Ninepoint Bitcoin ETF or the Manager, including factors that affect the cryptocurrency markets generally such as general economic and political conditions, fluctuations in interest rates and factors unique to Bitcoin.

Concentration Risk

Ninepoint Bitcoin ETF was created to invest in Bitcoin and is not expected to have exposure to any other investments or assets. Other than cash or cash equivalents, Ninepoint Bitcoin ETF invests substantially all of its assets in Bitcoin. Because it is Ninepoint Bitcoin ETF's objective to invest on a passive basis, Ninepoint Bitcoin ETF's holdings are not actively managed and accordingly, are not and will not be hedged or repositioned to attempt to take defensive positions if the price of Bitcoin declines or is expected to decline. The Net Asset Value per Unit may be more volatile than the value of a more broadly diversified portfolio and may fluctuate substantially over short periods of time. This may have a negative impact on the Net Asset Value of the Units.

Risks Related to Passive Investments

An investment in the Units should be made with an understanding that the Net Asset Value of Ninepoint Bitcoin ETF will generally fluctuate in accordance with the price of Bitcoin based on the MVIBTC. Because it is Ninepoint Bitcoin ETF's objective to invest in Bitcoin on a passive basis, Ninepoint Bitcoin ETF's holdings are not actively managed and accordingly, are not and will not be hedged or repositioned to attempt to take defensive positions if the price of Bitcoin declines or is expected to decline. Ninepoint Bitcoin ETF invests substantially all of its assets in Bitcoin.

Reliance on the Manager

Unitholders will be dependent on the abilities of the Manager to effectively administer the affairs of Ninepoint Bitcoin ETF. The Manager depends, to a great extent, on a very limited number of individuals in the administration of its activities as manager of Ninepoint Bitcoin ETF. The loss of the services of any one of these individuals for any reason could impair the ability of the Manager to perform its duties as manager on behalf of Ninepoint Bitcoin ETF.

Trading Price of Units

Units may trade in the market at a premium or discount to the NAV per Unit. There can be no assurance that Units will trade at prices that reflect their net asset value. The trading price of the Units will fluctuate in accordance with changes in Ninepoint Bitcoin ETF's NAV, as well as market supply and demand on the stock exchange. However, given that generally only a PNU are issued to designated brokers and dealers, and that holders of a PNU (or an integral multiple thereof) may redeem such Units at their NAV, the Manager believes that large discounts or premiums to the NAV of the Units should not be sustained.

No Ownership Interest in the Portfolio

An investment in Units does not constitute an investment by Unitholders in the Bitcoin, cash and cash equivalents included in Ninepoint Bitcoin ETF's portfolio. Unitholders will not own the Bitcoin or cash or cash equivalents held by Ninepoint Bitcoin ETF.

Changes in Legislation

There can be no assurance that certain laws applicable to Ninepoint Bitcoin ETF, including income tax laws, government incentive programs and the treatment of mutual fund trusts under the Tax Act, will not be changed in a manner which adversely affects Ninepoint Bitcoin ETF or Unitholders.

Conflicts of Interest

The Manager and its directors and officers may engage in the promotion, management or investment management of one or more funds or trusts with similar investment objectives to those of Ninepoint Bitcoin ETF. Although none of the directors or officers of the Manager will devote his or her full time to the business and affairs of Ninepoint Bitcoin ETF, each director and officer of the Manager will devote as much time as is necessary to supervise the management of (in the case of the directors) or to manage the business and affairs of (in the case of officers) Ninepoint Bitcoin ETF and the Manager.

Valuation of Ninepoint Bitcoin ETF

Valuation of Ninepoint Bitcoin ETF may involve uncertainties and judgement determinations, and, if such valuations should prove to be incorrect, the NAV of Ninepoint Bitcoin ETF could be adversely affected. The Manager may face a conflict of interest in valuing the Bitcoin held by Ninepoint Bitcoin ETF because the values assigned will affect the calculation of the Management Fee payable by Ninepoint Bitcoin ETF to it.

Manager, Custodian and Sub-Custodian Standard of Care

Each of the Manager, the custodian and the sub-custodian are subject to a contractual standard of care in carrying out its duties concerning Ninepoint Bitcoin ETF. In the case that Ninepoint Bitcoin ETF suffers a loss of its Bitcoin and each of the Manager, the custodian and the sub-custodian satisfied its respective standard of care, Ninepoint Bitcoin ETF will bear the risk of loss as with respect to these parties.

Under the terms of the custodian agreement dated January 12, 2021, the custodian is required to exercise the standard of care required by NI 81-102. However, the custodian will not be liable to Ninepoint Bitcoin ETF for any loss of Ninepoint Bitcoin ETF's Bitcoin held by the sub-custodian unless such loss is directly caused by the custodian's gross negligence, fraud, wilful default, or the breach of its standard of care. In the event of such loss, the custodian is required to take reasonable steps to enforce such rights as it may have against the sub-custodian pursuant to the terms of the sub-custodian agreement dated January 12, 2021, and applicable law.

SOC 2-II Report of the Sub-Custodian

The sub-custodian has advised the Manager that a Services Organization Controls 2 Type II report (a "**SOC 2-II Report**") of its internal controls will be available for review by the auditor of Ninepoint Bitcoin ETF in connection with the audit of the annual financial statements of Ninepoint Bitcoin ETF. However, there is a risk that such SOC 2-II Report of the sub-custodian will not be available. In the event that the SOC 2-II Report is not available, the Manager will request confirmation from the sub-custodian in writing to permit the auditor of Ninepoint Bitcoin ETF to test its internal controls. Although the Manager has received reasonable assurances from the custodian and the sub-custodian that such written confirmation will be provided in the event that a SOC 2-II Report of the sub-custodian is not available, there is a risk that such written confirmation will not be provided and/or that the auditor will not be able to test the internal controls of the custodian and the sub-custodian directly. Ninepoint Bitcoin ETF will file an undertaking with applicable securities regulatory authorities that provides that while it remains a reporting issuer, Ninepoint Bitcoin ETF will obtain from the sub-custodian of the bitcoin of Ninepoint Bitcoin ETF either

an SOC 2-II Report or written confirmation from the sub-custodian to permit the auditor of Ninepoint Bitcoin ETF to test its controls.

In the event that the auditor of Ninepoint Bitcoin ETF cannot: (i) review a SOC 2-II Report of the sub-custodian; and/or (ii) test the internal controls of, and other audit procedures at, the sub-custodian directly in connection with its audit of Ninepoint Bitcoin ETF's annual financial statements, the auditor would not be able to complete its audit of the annual financial statements of Ninepoint Bitcoin ETF in accordance with the professional standards.

Potential Conflicts of Interest

The Manager and its directors, officers, affiliates and associates may engage in the promotion, management or investment management of other accounts, funds or trusts that invest primarily in the securities held by Ninepoint Bitcoin ETF or that have similar investment objectives to Ninepoint Bitcoin ETF.

Although officers, directors and professional staff of the Manager will devote as much time to Ninepoint Bitcoin ETF as is deemed appropriate to perform their duties, the staff of the Manager may have conflicts in allocating their time and services among Ninepoint Bitcoin ETF and the other funds managed by the Manager.

Risk of No Active Market for the Units and Lack of Operating History

Ninepoint Bitcoin ETF is a newly organized exchange-traded fund with no previous operating history. There can be no assurance that an active public market for the Units will develop or be sustained.

Not a Trust Company

Ninepoint Bitcoin ETF is not a trust company and, accordingly, is not registered under the trust company legislation of any jurisdiction. Units are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* (Canada) and are not insured under provisions of that statute or any other legislation.

U.S. Currency Exposure

Ninepoint Bitcoin ETF's functional and presentation currency is in part, and the investor's investment may be made in, U.S. dollars. Ninepoint Bitcoin ETF will purchase bitcoin which is currently denominated in U.S. dollars.

Canadian investors should be aware that Ninepoint Bitcoin ETF will not hedge the investor's investment in Ninepoint Bitcoin ETF against Canadian currency exposure. Fluctuations in the value of the Canadian dollar relative to the U.S. dollar will impact the relative value of an investor's investment in Canadian dollars. If the value of the Canadian dollar has increased relative to the U.S. dollar, the return on the Bitcoin converted into Canadian dollars may be reduced, eliminated or made negative. The opposite can also occur and if it does occur, a Canadian investor and the value of such investor's investment converted into Canadian dollars may benefit from an increase in the value of the U.S. dollar relative to the Canadian dollar.

Cyber Security Risk

As the use of technology has become more prevalent in the course of business, investment funds like Ninepoint Bitcoin ETF have become potentially more susceptible to operational risks through breaches

in cyber security. A breach in cyber security refers to both intentional and unintentional events that may cause Ninepoint Bitcoin ETF to lose proprietary information or other information subject to privacy laws, suffer data corruption, or lose operational capacity. This in turn could cause Ninepoint Bitcoin ETF to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures and/or financial loss. Cyber security breaches may involve unauthorized access to Ninepoint Bitcoin ETF's digital information systems (e.g. through "hacking" or malicious software coding), but may also result from outside attacks such as denial-of-service attacks (i.e. efforts to make network services unavailable to intended users). In addition, cyber security breaches of Ninepoint Bitcoin ETF's third-party service providers (e.g. the registrar and transfer agent, the custodian and the sub-custodian) can also subject Ninepoint Bitcoin ETF to many of the same risks associated with direct cyber security breaches. Like with operational risk in general, Ninepoint Bitcoin ETF has established risk management systems designed to reduce the risks associated with cyber security.

Tax Risk

"Mutual fund trust" status - In order to qualify as a mutual fund trust under the Tax Act, Ninepoint Bitcoin ETF must comply with various requirements contained in the Tax Act, including to restrict its undertaking to the investment of its funds in property. If Ninepoint Bitcoin ETF were to cease to qualify as a mutual fund trust (whether as a result of a change in law or administrative practice, or due to its failure to comply with the Canadian requirements for qualification as a mutual fund trust), it may experience various potential adverse consequences, including: potentially becoming subject to a requirement to withhold tax on distributions made to non-resident Unitholders of any taxable capital gains; Units not qualifying for investment by registered plans; and Units ceasing to qualify as "Canadian securities" for the purposes of the election provided in subsection 39(4) of the Tax Act.

"SIFT Rules" - The SIFT Rules apply to trusts that are resident in Canada for the purposes of the Tax Act and that hold one or more "non-portfolio properties" (as defined in the Tax Act) and the units of which are listed or traded on a stock exchange or other public market ("**SIFT trust**"). Under the SIFT Rules, if Ninepoint Bitcoin ETF were a SIFT trust it will generally be subject to tax at rates applicable to a Canadian corporation on income from a non-portfolio property (other than a taxable dividend) and net taxable capital gains realized on the disposition of a non-portfolio property (generally, "non-portfolio earnings" under the Tax Act). Unitholders who receive distributions from Ninepoint Bitcoin ETF of this income and gain are deemed to receive an eligible dividend from a Canadian corporation for tax purposes. The total of the tax payable by Ninepoint Bitcoin ETF on its non-portfolio earnings and the tax payable by a Unitholder on the distribution of those earnings will generally be more than the tax that would have been payable in the absence of the tax rules that apply to a SIFT trust. Even if units of Ninepoint Bitcoin ETF are listed or traded on a stock exchange or other public market, provided Ninepoint Bitcoin ETF only invests in Bitcoin, Ninepoint Bitcoin ETF should not be a SIFT trust; however, no assurance can be given in this regard.

Treatment of gains and losses on dispositions of Bitcoin - Ninepoint Bitcoin ETF generally will treat gains (or losses) as a result of any disposition of bitcoin as capital gains (or capital losses). The determination of whether property is held on income or capital account is a factual inquiry. In determining whether a transaction is on income or capital account in particular circumstances, the CRA and Canadian jurisprudence have generally stated that the course of conduct and intention of the taxpayer should be examined to determine whether the taxpayer is dealing with property in the manner of an ordinary trader or dealer in such property or otherwise acquired the property with the intention (including a secondary intention) of selling it at a profit. Factors to be considered in this regard include the intention of the taxpayer, the course of conduct of the taxpayer (including frequency of transactions and time spent on the activity), the nature of the property, and the period of ownership. The CRA has taken the administrative position that bitcoins are generally treated as a commodity for income tax purposes. The CRA has also expressed the opinion that gains (or losses) of mutual fund trusts resulting from transactions in commodities should

generally be treated for income tax purposes as ordinary income rather than as capital gains, although the treatment in each particular case remains a question of fact to be determined having regard to all the circumstances. Certain Canadian income tax jurisprudence is consistent with transactions in commodities being treated for tax purposes as giving rise to capital gains in certain circumstances, particularly where a holder does not deal with the commodity in the manner of an ordinary trader or dealer and the asset is regarded as a store of value. However, the Canadian income tax jurisprudence in relation to the characterization of gains as being on income or capital account is very fact specific (and has not yet addressed the characterization of gains on the disposition of bitcoin or any other cryptocurrency). Accordingly, the support in Canadian jurisprudence for the treatment of gains on the disposition of bitcoin on capital account is limited at this time, and there can be no assurances in this regard. Ninepoint Bitcoin ETF intends to be a long-term holder of bitcoin, and does not anticipate to sell bitcoin (otherwise than where necessary to fund expenses of Ninepoint Bitcoin ETF and redemptions of Unitholders) or speculate with regard to short-term changes in bitcoin prices. In addition, the Manager does not intend for Ninepoint Bitcoin ETF to undertake transactions in bitcoin which would characterize Ninepoint Bitcoin ETF as an ordinary trader or dealer. The investment strategy of Ninepoint Bitcoin ETF is to be a long-term holder of bitcoin with the intention that the holding of such bitcoin serves as a store of value and a hedge against inflation. Based on the investment strategy, investment restrictions, and intention of the Manager, Ninepoint Bitcoin ETF generally intends to treat gains (or losses) as a result of any disposition of bitcoin as capital gains (or capital losses). If any transactions of Ninepoint Bitcoin ETF are reported by it on capital account, but are subsequently determined by the CRA to be on income account, there may be an increase in the net income of Ninepoint Bitcoin ETF, which is automatically distributed by Ninepoint Bitcoin ETF to its Unitholders under the terms of the Declaration of Trust at Ninepoint Bitcoin ETF's taxation year end; with the result that Canadian-resident Unitholders could be reassessed by the CRA to increase their taxable income by the amount of such increase, and non-resident Unitholders potentially could be assessed directly by the CRA for Canadian withholding tax on the amount of net gains on such transactions that were treated by the CRA as having been distributed to them. The CRA could assess Ninepoint Bitcoin ETF for a failure of Ninepoint Bitcoin ETF to withhold tax on distributions made by it to non-resident Unitholders that are subject to withholding tax, and typically would do so rather than assessing the non-resident Unitholders directly. Accordingly, any such re-determination by the CRA may result in Ninepoint Bitcoin ETF being liable for unremitted withholding taxes on prior distributions made to Unitholders who were not resident in Canada for the purposes of the Tax Act at the time of the distribution. As Ninepoint Bitcoin ETF may not be able to recover such withholding taxes from the non-resident Unitholders whose Units are redeemed, payment of any such amounts by Ninepoint Bitcoin ETF would reduce the net asset value of the Ninepoint Bitcoin ETF.

“Loss restriction event” - If Ninepoint Bitcoin ETF experiences a “loss restriction event”, it will: (i) be deemed to have a year-end for tax purposes (which would result in an allocation of Ninepoint Bitcoin ETF's taxable income at such time to Unitholders so that Ninepoint Bitcoin ETF is not liable for income tax on such amounts); and (ii) become subject to the loss restriction rules generally applicable to corporations that experience an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on their ability to carry forward losses. Generally, Ninepoint Bitcoin ETF will be subject to a loss restriction event when a person becomes a “majority-interest beneficiary” of Ninepoint Bitcoin ETF, or a group of persons becomes a “majority-interest group of beneficiaries” of Ninepoint Bitcoin ETF, as those terms are defined in the affiliated persons rules contained in the Tax Act, with appropriate modifications. Generally, a majority-interest beneficiary of Ninepoint Bitcoin ETF will be a beneficiary who, together with the beneficial interests of persons and partnerships with whom the beneficiary is affiliated, has a fair market value that is greater than 50% of the fair market value of all the interests in the income or capital, respectively, in Ninepoint Bitcoin ETF.

COVID-19 Outbreak

The novel coronavirus (COVID-19) outbreak was characterized as a pandemic by the World Health Organization on March 11, 2020. The outbreak has spread throughout Asia, Europe, the Middle East, Canada and the United States, causing companies and various governments to impose restrictions, such as quarantines, closures, cancellations and travel restrictions. The effects of COVID-19 and the measures taken by companies and governments to combat the coronavirus have negatively affected asset values and increased volatility in the financial markets, including the market price and volatility of Bitcoin. At this point, the extent to which the coronavirus may impact, or may continue to impact, the market price of Bitcoin and, in turn, the market price of the Units, is uncertain and cannot be predicted.

CONDITIONS TO IMPLEMENTING THE CONVERSION

The Conversion will not be implemented unless the Extraordinary Resolution is approved by the Unitholders present virtually, or represented by proxy at the Meeting, or any adjournment(s) or postponements(s) thereof, and all required securities regulatory and stock exchange approvals are obtained, if required. In order to become effective, the Extraordinary Resolution must be approved by a two-thirds majority of Unitholders present virtually or represented by proxy at the Meeting or any adjournment(s) or postponements(s) thereof.

There can be no assurance that the conditions precedent to implementing the Conversion will be satisfied on a timely basis, if at all. If the requisite Unitholder approval for the Conversion is not obtained or if any other required securities regulatory or stock exchange approval is not obtained, the Conversion will not be implemented.

The Units are listed and posted for trading on the TSX. The Manager intends to make an application to the TSX for the listing of the units of Ninepoint Bitcoin ETF. Following the Effective Date, it is anticipated that the Units of Ninepoint Bitcoin ETF will continue to trade on the TSX in US dollars under the symbol "BITC.U" and will trade on the TSX in Canadian dollars under the symbol "BITC".

Should the Conversion not be approved by the requisite number of Unitholders, the Fund will continue to operate as it currently does.

TERMINATION OF THE CONVERSION

The Conversion may, at any time before or after the holding of the Meeting, but no later than the Effective Date, be terminated by the Board without further notice to, or action on the part of, Unitholders if the Board determines in its sole judgment that it would be inadvisable for the Fund to proceed with the Conversion.

EXPENSES OF THE CONVERSION

All costs incurred in connection with the Conversion will be borne solely by the Manager.

INTERESTS OF MANAGEMENT AND OTHERS IN THE AMENDMENTS

None of the Manager, any director or officer of the Manager, or any associate or affiliate of the Manager has any material interest, directly or indirectly, in the matters to be voted on in the Circular.

VOTING SECURITIES AND PRINCIPAL HOLDERS

As of March 18, 2021, a total of 18,473,866 Units were issued and outstanding.

As at March 18, 2021, to the knowledge of the Manager, no person owned of record more than 10% of the outstanding Units of the Fund other than: (i) Murchinson Ltd., which controls and directs 3,675,926 Units representing 19.90% of the issued and outstanding Units; and (ii) CDS & Co., the nominee of CDS, which holds all of the Units of the Fund as registered owner for various brokers and other persons on behalf of their clients and others (the names of the beneficial owners of such Units of the Fund are not known to the Manager).

ORGANIZATION AND MANAGEMENT DETAILS OF THE FUND

The independent auditor of the Fund is KPMG LLP, Chartered Professional Accountants, Licensed Public Accountants, Toronto, Ontario.

TSX Trust Company, at its principal offices in Toronto, is the registrar and transfer agent for the Units pursuant to a registrar and transfer agency agreement dated January 19, 2021.

Cidel Trust Company (the “**Custodian**”) acts as the custodian of the assets of the Fund pursuant to a custodian agreement dated January 12, 2021. The Custodian is a federally regulated trust company based in Calgary, Alberta and provides services to the Fund from its office in Toronto, Ontario.

Gemini Trust Company, LLC (the “**Sub-Custodian**”) acts as sub-custodian of the Fund in respect of the Fund’s holdings of Bitcoin pursuant to a sub-custodian agreement between the Custodian, the Fund, and the Sub-Custodian dated January 12, 2021. Gemini is a trust company licensed by the New York State Department of Financial Services and is qualified to act as a sub-custodian of the Fund for assets held outside of Canada in accordance with National Instrument 81-102 – *Investment Funds*.

CIBC Mellon Global Securities Services Company, at its principal offices in Toronto, has been appointed the administrator of the Fund and is responsible for calculating the Net Asset Value and Net Asset Value per Unit of the Fund.

TAX CONSIDERATIONS REGARDING THE CONVERSION

Based on an understanding of the current published administrative policies and assessing practices of the CRA, the Conversion of the Fund from a closed-end fund to Ninepoint Bitcoin ETF should not result in the Fund being considered to be a new trust nor should it result in disposition of Units by the Unitholders of the Fund.

DOCUMENTS INCORPORATED BY REFERENCE

Information in respect of the Fund has been incorporated by reference in this Circular from documents filed with the Canadian securities regulators. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Manager at its head office located at Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2700, P.O. Box 27, Toronto, Ontario, M5J 2J1. In addition, copies of the documents incorporated herein by reference may be obtained electronically on the SEDAR website at www.sedar.com.

The following documents of the Fund, filed with the Canadian securities regulators, are specifically incorporated by reference into and form an integral part of this Circular:

- (a) the final long form prospectus of the Fund dated January 19, 2021; and

- (b) the material change report of the Fund dated March 10, 2021 in connection with the Conversion.

Any documents of the type described in Section 11.1 of Form 44-101F1 filed by the Fund with the Canadian securities regulators subsequent to the date of this Circular and prior to the Meeting shall be deemed to be incorporated by reference in this Circular.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Circular to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Circular.

GENERAL PROXY INFORMATION

Circular

This Circular is furnished to Unitholders in connection with the solicitation of proxies by the Manager to be used at the Meeting or at any adjournment(s) or postponement(s) thereof. The Meeting will be held in a virtual-only format, which will be conducted via live audio webcast available online using <https://virtual-meetings.tsxtrust.com/1102> on April 19, 2021 at 9:00 a.m. (Toronto time). The purpose of the Meeting, as set forth in the Notice of Special Meeting of Unitholders (the “**Notice**”), is to consider the Extraordinary Resolution accompanying this Circular. Solicitation of proxies will be primarily by mail and may be supplemented by telephone, email, internet, fax, or other personal contact by representatives or agents of the Manager without additional compensation.

If you have any questions about or require assistance completing the Form of Proxy, please contact TSX Trust Company at tmxeinvestorservices@tmx.com.

Voting Instructions for Non-Registered Holders

The information set forth in this section is of significant importance to non-registered beneficial holders of Units of the Fund (“**Beneficial Holders**”). Beneficial Holders should note that only proxies deposited by Unitholders whose names appear on the records of the Fund as the registered holders of Units can be recognized and acted upon at the Meeting. Units held by brokers, dealers or their nominees through CDS & Co. (“**CDS**”) can only be voted upon the instructions of the Beneficial Holder. Without specific instructions, CDS and brokers, dealers and their nominees are prohibited from voting Units of the Fund for their clients. The Fund does not know for whose benefit the Units of the Fund registered in the name of CDS & Co. are held. Therefore, Beneficial Holders cannot be recognized at the Meeting for purposes of voting their Units virtually or by way of proxy unless they comply with the procedure described below.

Applicable regulatory policy requires brokers, dealers and other intermediaries to seek voting instructions from Beneficial Holders in advance of the Meeting. The majority of intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc.

(“**Broadridge**”). Broadridge typically prepares a voting instruction form that it mails to the Beneficial Holders and asks Beneficial Holders to complete and return directly to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instruction respecting the voting of Units to be represented at the Meeting. **A Beneficial Holder receiving a voting instruction form cannot use that form to vote Units directly at the Meeting. Rather, the voting instruction form must be returned to Broadridge well in advance of the Meeting to have the Units voted.**

If you are a Beneficial Holder and wish to vote virtually at the Meeting or any adjournment(s) or postponement(s) thereof, please contact your broker, dealer or other intermediary well in advance of the Meeting to determine how you can do so. Voting instruction forms sent by Broadridge may be completed by telephone, mail or online at **www.proxyvote.com**.

If you are a Unitholder and wish to vote in favour of the Conversion, you should submit a Form of Proxy voting in favour of the Conversion well in advance of the 9:00 a.m. (Toronto time) deadline on April 15, 2021 for the deposit of proxies. Voting instruction forms may have an earlier deadline and, as such, you should contact your broker or other intermediary through which your Units are held who may have earlier deadlines. Unitholders are invited to attend the Meeting.

Proxy Information, Record Date, Voting Rights and Quorum

To be used at the Meeting, a proxyholder must deposit his, her or its completed, dated and signed Form of Proxy with the Fund’s transfer agent, TSX Trust Company, by mail to 301 – 100 Adelaide Street West, Toronto, ON, M5H 4H1, Canada, by facsimile transmission to (416) 595-9593, or over the internet at **www.voteproxyonline.com** prior to 9:00 a.m. (Toronto time) on April 15, 2021, or, if the Meeting is adjourned or postponed, not less than 48 hours (other than a Saturday, Sunday or holiday) prior to the start of the adjourned or postponed meeting.

Only Unitholders of record at the close of business on March 19, 2021 will be entitled to receive notice of the Meeting and to vote in respect of the matters to be voted at the Meeting or any adjournment(s) or postponement(s) thereof.

With respect to each matter properly put before the Meeting, a Unitholder shall be entitled to one vote for each Unit held by such Unitholder. In order to become effective, the Extraordinary Resolution must be approved by a two-thirds majority of the Unitholders present virtually, or represented by proxy at the Meeting or any adjournment(s) or postponement(s) thereof.

Pursuant to the Declaration of Trust, a quorum at the Meeting will consist of two Unitholders present virtually or represented by proxy. In the event of such quorum not being present at the appointed place on the date for which the Meeting is called within 30 minutes after the time fixed for the holding of such Meeting, the Meeting shall stand adjourned to such day being not less than one day later and to such place and time as may be appointed by the chairperson of the meeting. If at such adjourned meeting a quorum as above defined is not present, the Unitholders present virtually or represented by proxy shall form a quorum, and any business may be brought before or dealt with at such an adjourned meeting which might have been brought before or dealt with at the original Meeting in accordance with the notice calling the same. If the Meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as for the original Meeting. At the adjourned meeting, the business of the Meeting will be transacted by those Unitholders present virtually or represented by proxy.

Appointment of Proxy Holders

Unitholders who are unable to attend the Meeting or any adjournment(s) or postponement(s) thereof may still vote through the use of proxies. If you are a Unitholder, you should complete, execute and return a Form of Proxy well in advance of the 9:00 a.m. (Toronto time) deadline on April 15, 2021 for the deposit of proxies. By completing and returning a proxy form, you can participate in the Meeting through the person or persons named on the form. Please indicate the way you wish to vote and your vote will be cast accordingly. **If you do not indicate a preference, the Units represented by the proxy form, if the same is executed in favour of the Manager's appointees named in the proxy form and deposited as provided in the Notice, will be voted FOR the Extraordinary Resolution.**

Discretionary Authority of Proxies

The Form of Proxy confers discretionary authority upon the Manager's appointees named therein with respect to such matters, including without limitation, amendment or variation to the Extraordinary Resolution, as, though not specifically set forth in the Notice, may properly come before the Meeting or any adjournment(s) or postponements(s) thereof. Management of the Manager does not know of any such matter that may be presented for consideration at the Meeting. However, if such a matter is presented, the proxy will be voted on the matter in accordance with the best judgment of the Manager's appointees named in the Form of Proxy.

On any ballot that may be called for at the Meeting, all Units in respect of which the Manager's appointees named in the accompanying Form of Proxy have been appointed to act will be voted in accordance with the specification of the Unitholder signing the Form of Proxy. **If no specification is made, the Units will be voted FOR the Extraordinary Resolution and in accordance with the best judgment of the Manager's appointees named in the proxy form with respect to any other matters that may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.**

Alternate Proxy

A Unitholder has the right to appoint a person or company to represent them at an applicable Meeting or any adjournment(s) or postponement(s) thereof other than the Manager's appointees designated on the accompanying proxy form by inserting the name of the person he or she wishes to act as proxy in the blank space provided, or by completing another Form of Proxy. A Form of Proxy that appoint persons other than the management appointees whose names are printed on the form should be submitted to the Manager and the person so appointed should be notified. A person acting as proxy need not be a Unitholder of the Fund. If proxyholders wish to attend, and/or vote at, the Meeting or any adjournment(s) or postponement(s) thereof, proxyholders will be required to register with TSX Trust Company by completing the form found at <https://tsxtrust.com/resource/en/75> and by following the instructions therein.

Revocation of Proxies

If the accompanying Form of Proxy is executed and returned, the proxy may nevertheless be revoked by an instrument in writing executed by the Unitholder or his or her attorney authorized in writing, as well as in any other manner permitted by law. Any instrument revoking a proxy must either be deposited (a) at the registered office of the Manager no later than 5:00 p.m. (Toronto time) on the day before the Meeting or (b) with the Chairman of the Meeting on the day of the Meeting or any adjournment(s) or postponement(s) thereof. If the instrument of revocation is deposited with the Chairman on the day of the Meeting or any adjournment(s) or postponement(s) thereof, the instrument will not be effective with respect to any matter on which a vote has already been cast pursuant to that proxy.

Solicitation of Proxies

The cost of the solicitation of proxies in respect of the Meeting will be borne solely by the Manager. The Manager will reimburse brokers, custodians, nominees and fiduciaries for the proper charges and expenses incurred in forwarding this Circular and related materials to Beneficial Holders. In addition to solicitation by mail, officers and directors of the Manager may, without additional compensation, solicit proxies personally or by telephone.

APPROVAL OF CIRCULAR

The Board has approved the contents and the sending of this Circular to the Unitholders of the Fund.

DATED at Toronto, Ontario this 19th day of March, 2021.

**Bitcoin Trust, by its Manager, Ninepoint
Partners LP**

(signed) "John Wilson"

John Wilson
Co-Chief Executive Officer and Managing
Partner

APPENDIX A

EXTRAORDINARY RESOLUTION

Conversion to an Exchange-Traded Fund

BE IT RESOLVED AS AN EXTRAORDINARY RESOLUTION THAT the conversion (the “**Conversion**”) of Bitcoin Trust (the “**Fund**”), on or about May 6, 2021, or such other date as Ninepoint Partners LP (the “**Manager**”) may determine in its sole discretion (the “**Effective Date**”), as described in the management information circular of the Fund dated March 19, 2021 (the “**Circular**”) is hereby approved by the holders (the “**Unitholders**”) of units (the “**Units**”) of the Fund and without limiting the generality of the foregoing:

- a) Manager is hereby authorized to effect a conversion of the Units of the Fund into a class of units of an exchange-traded fund to be named “Ninepoint Bitcoin ETF” (the “**Conversion**”), including, without limitation, all amendments to the Fund’s declaration of trust considered ancillary, necessary or desirable, in the opinion of the Manager to facilitate and implement the Conversion, including without limitation, amendments to the provisions attaching to the Units, the operation, administration and related administration fees of the Fund and the combination of the Fund’s declaration of trust into a Ninepoint Exchange-Traded Funds master declaration of trust, all as more fully described in the Circular.
- b) The Manager, in its capacity as Trustee of the Fund, is hereby authorized to amend the declaration of trust of the Fund to the extent necessary to permit the steps required to be taken to complete the Conversion, all as described in the Circular and to execute and deliver such amendments or amendments and restatements of the declaration of trust of the Fund to give effect to the foregoing;
- c) The Manager is hereby authorized and directed to execute on behalf of the Fund and to deliver and to cause to be delivered, all such documents, agreements, instruments and tax elections and resignations and to do or cause to be done all such other acts and things as it shall determine to be necessary or desirable in order to carry out the intent of the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement, instrument or tax election or designation or the doing of any such act or thing; and

This resolution may be revoked for any reason whatsoever in the sole and absolute discretion of the Manager, without further approval of holders of Units of the Fund at any time prior to the completion of the Conversion.