

**NOTICE OF SPECIAL MEETINGS AND
JOINT MANAGEMENT INFORMATION CIRCULAR**

**SPECIAL MEETINGS OF UNITHOLDERS OF
THE ETHER FUND
AND
3IQ ETHER ETF**

**THE ABOVE MEETINGS ARE TO BE HELD ON
SEPTEMBER 14, 2023**

Commencing at 10:00 a.m. (Toronto Time) at the offices of:

Wildeboer Dellelce LLP
Suite 800 - Wildeboer Dellelce Place
365 Bay Street, Toronto, Ontario
M5H 2V1

RECOMMENDATION TO UNITHOLDERS

The Board of Directors of 3iQ Corp. unanimously recommends that unitholders VOTE FOR the approval of each of the matters described in the accompanying Notice of Meeting.

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NOTICE OF SPECIAL MEETINGS OF UNITHOLDERS OF THE ETHER FUND AND 3IQ ETHER ETF

NOTICE IS HEREBY GIVEN that separate special meetings of the unitholders (each a “**Special Meeting**” and collectively the “**Special Meetings**”) of The Ether Fund (the “**Ether Fund**”) and 3iQ Ether ETF (the “**Ether ETF**”) and collectively with the Ether Fund, the “**Funds**” and each a “**Fund**”) will be held on September 14, 2023 at Suite 800 Wildeboer Dellelce Place 365 Bay Street, Toronto, Ontario at 10:00 a.m. (Toronto time) for the following purposes:

1. for unitholders of each of the Funds, in the form of resolution attached as Schedule “A” in respect of the Ether Fund and in the form of resolution attached as Schedule “B” in respect of the Ether ETF, to authorize and approve the implementation by each Fund of a staking services fee payable to the Manager (as defined below) (the “**Staking Services Fee**”), as more particularly described in the Information Circular (as defined below); and
2. to transact such other business as may properly come before the Special Meetings or any adjournment thereof.

Although the Special Meetings are scheduled to be held at the same time and place for purposes of convenience, the unitholders of each Fund will vote separately on the matters to be decided upon by them.

A Joint Management Information Circular dated August 15, 2023 (the “**Information Circular**”) and a form of proxy accompany this notice. The Information Circular provides a complete description of the matters to be considered at the Special Meetings. The full text of the resolutions to be passed by unitholders of each Fund at the Special Meetings is set out in Schedule “A” in respect of the Ether Fund and Schedule “B” in respect of the Ether ETF to the Information Circular.

All unitholders of record of each Fund at the close of business on August 9, 2023 are entitled to receive notice of and vote at the Special Meeting of the applicable Fund.

If you are unable to attend the Special Meeting in person, you are requested to complete and sign the enclosed form of proxy. An addressed envelope for the return of the form of proxy is enclosed. To be valid, forms of proxy must be deposited with the TSX Trust Company, at the address on the envelope provided, before 5:00 p.m. (Toronto time) on September 11, 2023 or not later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of any adjourned or postponed Special Meeting, or with the chair of the Special Meeting prior to commencement of the Special Meeting or any adjournment or postponement thereof. Alternatively, unitholders may email their form of proxy to the Manager at: info@3iq.ca to be received no later than 5:00 p.m. (Toronto time) two (2) business days preceding the Special Meeting or any adjournment or postponement thereof. If unitholders choose the email option, they should ensure that all pages of the form of proxy are returned.

As described in the Information Circular, the Staking Services Fee proposed by 3iQ Corp., in its capacity as the manager of the Funds (the “Manager”), constitutes a conflict of interest matter for the Manager. In accordance with the provisions of National Instrument 81-107 – *Independent Review Committee for Investment Funds*, the Manager has therefore referred the proposed implementation of the Staking Services Fee to the Independent Review Committee (“IRC”) of each of the Funds for its review. The IRC for each Fund has advised the Manager that, after reasonable inquiry, it has concluded that the proposed Staking Services Fee, if approved by the unitholders of each Fund, achieves a fair and reasonable result for each of the Funds.

The Board of Directors of the Manager recommends that unitholders of each of the Funds vote FOR the matters described in this Notice of Meeting. Proxies received will be voted in favour of the approval of the matters described in this Notice of Meeting, unless specifically indicated otherwise in the form of proxy.

DATED at Toronto, Ontario, this 15th day of August, 2023.

3IQ CORP. as Manager of each of the Funds

(signed) "*Fred Pye*"

By: Fred Pye, Chief Executive Officer

**JOINT MANAGEMENT INFORMATION CIRCULAR
IN RESPECT OF THE SPECIAL MEETINGS OF UNITHOLDERS OF:**

THE ETHER FUND (the “Ether Fund”)

AND

3IQ ETHER ETF (the “Ether ETF”)

The Ether Fund and the Ether ETF are collectively referred to as the “**Funds**” and individually as a
“**Fund**”

SOLICITATION OF PROXIES AND VOTING INSTRUCTIONS

The information in this joint management information circular (the “**Information Circular**”) is furnished in connection with the solicitation of proxies (and of voting instructions in the case of beneficial owners of units) from unitholders of each of the Funds by or on behalf of 3iQ Corp., as manager of each of the Funds (the “**Manager**”), to be used at the special meetings and at all adjournments thereof (the “**Special Meetings**” and each a “**Special Meeting**”), to be held concurrently on **September 14, 2023** at Suite 800 Wildeboer Dellelce Place 365 Bay Street, Toronto, Ontario M5H 2V1 at **10:00 a.m.** (Toronto time).

Although the Special Meetings are scheduled to be held at the same time and place for purposes of convenience, the unitholders of each Fund will vote separately on the matters to be decided upon by them.

The Special Meetings have been called on the recommendation of the Manager. Although it is expected that the solicitation will be made primarily by mail, the Manager or its agents may also solicit proxies personally, by telephone, or by electronic transmission. The costs of solicitation will be borne by the Manager.

Unless otherwise indicated, dollar amounts are expressed in Canadian dollars.

Additional information regarding the Funds is available on the System for Electronic Document Analysis and Retrieval Plus (“**SEDAR+**”) website, at www.sedarplus.ca.

BUSINESS OF THE SPECIAL MEETINGS - MATTERS TO BE ACTED UPON

OVERVIEW

The following information outlines our rationale for recommending the Staking Services Fee (as defined below) to the unitholders of the Funds. We encourage you to review this information and support our initiatives by voting in favour of the implementation of the Staking Services Fee at the relevant Special Meeting or when returning your form of proxy.

THE STAKING SERVICES FEE

General

On June 28, 2023, the Manager announced its intention to commence staking a portion of the ether (“ETH”) held in the portfolio of each of the Funds (the “**Staking Activities**”). The Manager believes that the realization of Staking Activities will provide the Funds and their unitholders with an opportunity for yield enhancement. Through staking, the Funds will earn rewards in the form of ETH, which will be reflected in the net asset value of the Funds through accretive yield, while augmenting the Funds’ exposure to ETH.

The ability of the Funds to stake ETH arises in part due to recent updates to the Ethereum network, referred to as the Shanghai/Capella upgrade (the “**Upgrade**”), which was completed on April 12, 2023. The Upgrade completes the transition of the Ethereum network, commenced on September 15, 2022, from a proof-of-work protocol to a proof-of-stake protocol via the merger of the original execution layer of the Ethereum Mainnet with Ethereum’s new proof-of-stake consensus layer, the Beacon Chain (an event referred to as the “**Merge**”). Since the Merge, the Ethereum Network now uses a consensus mechanism to achieve distributed consensus in a delegated proof-of-stake protocol. The delegated proof-of-stake mechanism relies on third-party validator nodes to verify transactions included in each new block. Validators are incentivized with ETH rewards in exchange for verifying transactions. By staking and activating a blockchain validator, participants, such as the Funds, strengthen the security of that blockchain by processing transactions, storing data, and adding new blocks to the blockchain which, in turn, enhances the future prospects of the associated blockchain.

In anticipation of the Merge, the Manager has undertaken, and continues to expend significant efforts in developing the infrastructure necessary to undertake the Staking Activities. The Manager has also invested considerable time and effort in the development of staking as an investment strategy within an investment fund regulated by National Instrument 81-102 *Investment Funds* (“**NI 81-102**”). This has involved working with a number of stakeholders, including members of the Canadian Securities Administrators, over an extended period of time in order to be able to offer unitholders of the Funds incremental exposure to ETH via the receipt of staking rewards that is consistent with the investment objectives of the Funds.

This work has also included transitioning the custodian of the Funds to Tetra Trust, with Coinbase Custody Trust Company, LLC, acting as the sub-custodian of the Funds (the “**Sub-Custodian**”). This migration was intended to provide access to the Sub-Custodian’s institutional staking infrastructure. In addition, the Manager engaged external consultants and service providers, at its own expense, in order to develop the framework under which the Staking Activities will be provided.

In order to provide for the Staking Activities, the Manager will be responsible for; (i) decisions concerning the timing and sizing of staking and unstaking ETH; (ii) the day-to-day operations involved in staking and unstaking ETH; (iii) monitoring the performance any service providers, including validators as well as the Sub-Custodian, which manages the integration of staking providers from custody; and (iv) overseeing the relationship with staking providers and the validators.

Specific roles of the Manager in performing its responsibilities in respect of the Staking Activities will include risk management, supervision and oversight of Staking Activities, validators and the monitoring of performance on both an absolute and relative (industry) basis.

This will also include monitoring data provided by validators and the Sub-Custodian in respect of wallet balances and rewards through the development of reporting systems that account for on-chain activity, as well as ETH exit queue times (e.g. the time it takes for staked ETH to become unbonded from the Ethereum network). The Manager will also be responsible for the operational and execution requirements associated with the Staking Activities, such as the movement of rewards between wallets and managing liquidity of the Funds by staking or unstaking assets based on proprietary formulas which account for unbonding queues, past redemption frequencies, market events and other variables.

The ETH rewards generated via Staking Activities will, following the deduction of applicable fees (including, if approved, the Staking Services fee as described below), be credited to the Funds for the benefit of all unitholders. In carrying out the Staking Activities, the Manager will stake ETH held in the portfolios of the Funds through the services provided by an affiliate of the Sub-Custodian, which has extensive experience acting as a validator on the Ethereum network.

The Staking Activities will generally occur as follows:

- the Manager will direct the Sub-Custodian to stake a certain amount of ETH to the validator directly out of the cold wallet administered by the Sub-Custodian on behalf of the Funds;
- the Sub-Custodian, acting through its affiliate, will act as validator in respect of the staked ETH;
- rewards, which will be paid in ETH subject to any bonding or lock-up period, may be earned in connection with the staking of the ETH;
- the Sub-Custodian will be entitled to a fee in respect of the rewards and will pay a portion of that fee to any party acting as validator; and
- if the Staking Services Fee (as defined below) is approved, a portion of the rewards will be delivered to a wallet of the Manager held via the Sub-Custodian, and the balance of the rewards will be delivered to a custodial wallet of the applicable Fund held with the Sub-Custodian to be reinvested in the Fund.

Although there is currently no minimum or maximum amount of the portfolio assets of each Fund that may be staked, the Manager intends to adopt a measured approach to the Staking Activities, taking into account the liquidity needs of each Fund, the novelty of the investment strategy as well as any applicable regulatory requirements and approvals. The Manager intends to initially target staking up to 50% of the ETH held in the portfolio of the Ether ETF, and up to 90% of the ETH held in the portfolio of the Ether Fund, due to its infrequent liquidity requirements.

The risks associated with the Staking Activities include third-party risk, illiquidity risk, risks from slashing and missed rewards, due diligence risk related to validators and the Ethereum network, short history risk, regulatory risk and risks related to uncertain tax consequences.

For more information about the Staking Activities, including the risks associated with staking, please refer to the “Staking FAQs” at <https://3iq.io/ca/staking> and to the press release dated June 28, 2023.

Details of and Rationale for the Staking Services Fee

As the scope of work and associated costs described above do not fit within the conventional suite of services delivered by a manager to an investment fund in its capacity as manager of the fund, the Manager is seeking unitholder approval to receive a portion of the staking rewards in consideration of the proposed

Staking Services it shall provide to the Funds. Pursuant to NI 81-102, unitholder approval is required when a fee or expense to be charged to the investment fund by its manager that could result in an increase in charges to the investment fund or to its securityholders, is introduced.

As such, the Manager is seeking approval of unitholders of the Funds to implement a staking revenue sharing arrangement which would result in the Manager receiving a portion of the staking rewards generated for the Funds by the Staking Activities. As the fee charged by the Manager will only be deducted from any rewards generated by the Staking Activities, which will in turn generate income to the Funds, the current management fee of the Funds will not change.

The Manager is proposing to share in the rewards generated for the Funds by the Staking Activities (net of the validator fees) such that 75% of the rewards accrue to the Funds and 25% of the awards accrue to the Manager (the “**Staking Service Fee**”). The Staking Service Fee shall be calculated and paid monthly, in arrears, plus applicable taxes, and will compensate the Manager for the additional work required to administer the Staking Activities for the Funds as described above.

The table below sets forth an illustrative example of the calculation of the net yield to unitholders of each of the Funds from the Staking Activities, assuming the proposed Staking Service Fee is approved:

ETHER ETF		ETHER FUND	
Hypothetical Yield to Unitholders		Hypothetical Yield to Unitholders	
Estimated Staking Yield (as of 8/9/23)*	5.50%	Estimated Staking Yield (as of 8/9/23)*	5.50%
Target % of Fund Staked (ETF)	50%	Target % of Fund Staked (CEF)	90%
Total Fund Yield (before fees)	2.75%	Total Fund Yield (before fees)	4.95%
3rd Party Fees Related to Staking	0.19%	3rd Party Fees Related to Staking	0.35%
Total Fund Yield after 3rd Party Fees	2.56%	Total Fund Yield after 3rd Party Fees	4.60%
Manager - Staking Service Fee	25%	Manager - Staking Service Fee	25%
Yield Share to Unitholders	75%	Yield Share to Unitholders	75%
Net Yield to Unitholders	1.92%	Net Yield to Unitholders	3.45%

*Note - the ETH staking yield is determined by the protocol and will fluctuate regularly

In contrast to adopting a fixed fee structure or increasing the current management fees payable by the Funds, the Manager believes the Staking Service Fee being calculated as a percentage of the actual rewards received will result in better alignment with the variable nature of yield generated via the issuance of staking rewards and associated volatility of the price of ETH.

The Manager believes that the adoption of other forms of, or approaches to, the Staking Service Fee could otherwise result in a disproportionate (or insufficient) amount being paid to the Funds or the Manager for the Staking Activities. This proposed approach is also in alignment with how similar fee components are paid to validators and the Sub-Custodian and is consistent with current norms within the broader ecosystem.

The implementation of the Staking Services Fee will increase the operational expenses incurred by the Funds and, as a result, increase the management expense ratio (“**MER**”) of the Funds as described in the tables set forth below:

Financial Year 2023 to date

ETHER ETF		ETHER FUND	
MER Pre-Staking (as of 8/9/23)	1.75%	MER Pre-Staking (as of 8/9/23)	2.61%
Expenses Related to Staking + 3iQ		Expenses Related to Staking + 3iQ	
Staking Fee	0.83%	Staking Fee	1.50%
<u>MER (Post-Staking)</u>	<u>2.58%</u>	<u>MER (Post-Staking)</u>	<u>4.11%</u>
Total Fund Yield (before fees)	2.75%	Total Fund Yield (before fees)	4.95%
Incremental Yield to Fund Net of MER	0.17%	Incremental Yield to Fund Net of MER	0.84%

The tables below set forth the effect that the implementation of the Staking Services Fee would have had on the MER of each of the Funds had the Staking Service Fee been in place throughout the last completed financial year of each of the Funds:

Financial Year 2022

ETHER ETF		ETHER FUND	
MER Pre-Staking (as of 12/31/22)	1.26%	MER Pre-Staking (as of 12/31/22)	2.63%
Expenses Related to Staking + 3iQ		Expenses Related to Staking + 3iQ	
Staking Fee	0.83%	Staking Fee	1.50%
<u>MER (Post-Staking)</u>	<u>2.09%</u>	<u>MER (Post-Staking)</u>	<u>4.13%</u>
Total Fund Yield (before fees)	2.75%	Total Fund Yield (before fees)	4.95%
Incremental Yield to Fund Net of MER	0.66%	Incremental Yield to Fund Net of MER	0.82%

Investors should review the discussion under “*Interest of the Manager in the Staking Services Fee - Manager’s Conflict of Interest*” and “*Independent Review Committee*” for a discussion of the Manager’s conflict of interest with respect to the Staking Services Fee.

BUSINESS OF THE SPECIAL MEETING – ADDITIONAL DETAILS

FUND INFORMATION

Unitholders can obtain the most recent annual and interim financial statements, annual and interim Management Reports of Fund Performance for each Fund and the Annual Information Form for The Ether Fund at no cost by contacting the Manager at 161 Bay Street, Suite 2700, Toronto, M5J 2S1, by e-mail at info@3iq.ca or by downloading such documents from SEDAR+.

TAX CONSIDERATIONS

The implementation of Staking Activities is not anticipated to have any adverse income tax consequences on the Funds or their unitholders under the *Income Tax Act* (Canada) (“**Tax Act**”). However, the application to the Funds of income, sales and other taxes to staking rewards earned through the Staking Activities is currently unclear as Canadian tax authorities have not yet published any guidance relating to this matter. As such, no assurance can be given that the Canadian tax authorities will agree with the

position taken by a Fund in connection with its Staking Activities. Any contrary position taken by Canadian tax authorities may materially and adversely impact the Funds and their unitholders.

Each of the Funds will continue to include in computing its income, taxable distributions received or deemed to be received on assets held by it, the taxable portion of capital gains realized by the Fund on the disposition of assets held by it, and other income (such as staking rewards). In accordance with their stated distribution policies, each year each Fund will distribute its net income and any net realized capital gains to unitholders to the extent necessary, and in accordance with the Tax Act, to ensure the Funds do not pay ordinary income tax under the Tax Act.

Provided that the Funds maintain their status as mutual fund trusts within the meaning of the Tax Act or are “registered investments” under the Tax Act, units of the Funds will continue to be qualified investments under the Tax Act for registered plans such as registered retirement savings plans.

The foregoing is of a general nature only and does not constitute legal or tax advice to any particular unitholder. Unitholders should consult their own tax advisor to determine the impact of tax legislation based on their particular situation.

PROCEDURES FOR IMPLEMENTING THE STAKING SERVICES FEE

The Ether Fund is a closed-end investment fund established as a trust and governed under the laws of the Province of Ontario by a declaration of trust dated December 1, 2020 (the “**Ether Fund DOT**”). The Ether ETF is an alternative mutual fund within the meaning of NI 81-102 established by a declaration of trust dated April 19, 2021 (the “**Ether ETF DOT**” and each of the Ether ETF DOT and the Ether Fund DOT, a “**DOT**”) and governed under the laws of the Province of Ontario.

The implementation of the Staking Service Fee for a Fund is conditional upon receipt at the relevant Special Meeting of the affirmative vote of at least two-thirds of the votes cast, either in person or by proxy, at the Special Meeting. Should the required approval be received, the Staking Service Fee is expected to be implemented and to take effect shortly thereafter and upon the amendment of the DOT and other material contracts of each of the Funds.

The Fund will not bear any of the costs and expenses associated with the Special Meeting. Such costs will be borne by the Manager. These costs may include legal and accounting fees, proxy solicitation, printing and mailing costs and regulatory fees.

Unitholders are being asked to approve the Resolution, as set out in Schedule “A” in respect of the Ether Fund and as set out in Schedule “B” in respect of the Ether ETF, to this Information Circular.

REQUIRED APPROVAL OF UNITHOLDERS

Applicable legislation and the DOTs require that the Staking Services Fee be approved by the unitholders of each Fund. Approval must be given by the affirmative vote of at least two-thirds of the votes cast, either in person or by proxy, at the relevant Special Meeting by or on behalf of unitholders of record. Unitholders will be asked to confirm their approval of the Staking Services Fee by voting in favour of the Resolution, as set out in Schedule “A” in respect of the Ether Fund and as set out in Schedule “B” in respect of the Ether ETF.

By approving the Staking Services Fee, unitholders of the Funds also will be authorizing any director or officer of the Manager to take all such steps as may be necessary or desirable to give effect to and implement the Staking Services Fee, including amending the DOTs.

Given the costs and expenses associated with the implementation and administration of the Staking Activities, in the event the Staking Service Fee is not approved by the requisite majority of unitholders of each Fund, the Manager will not proceed with the implementation of the Staking Activities on behalf of the Funds.

The Manager will be authorized by the Resolution, in its discretion, not to proceed with the implementation of staking services and the associated Staking Service Fee in respect of either Fund, even if unitholders of such Fund provide their approval. If that occurs, the Manager will issue a press release indicating this outcome as well as any reasons for not proceeding.

VOTING PROCEDURES AND PROXIES

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are directors or officers of the Manager. A unitholder has the right to appoint some other person, who need not be a unitholder, to represent the unitholder at the relevant Special Meeting, by inserting the name of the unitholder's chosen proxyholder in the blank space provided for that purpose.

To be valid, forms of proxy must be deposited with the TSX Trust Company at the address on the envelope provided, before 5:00 p.m. (Toronto time) on September 11, 2023 or not later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of any adjourned or postponed Special Meeting, or with the chair of the Special Meeting prior to commencement of the Special Meeting or any adjournment or postponement thereof. Alternatively, unitholders may email their form of proxy to the Manager at: info@3iq.ca to be received no later than 5:00 p.m. (Toronto time) on September 11, 2023 or not later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of any adjourned or postponed Special Meeting. If unitholders choose the email option, they should ensure that all pages of the form of proxy are returned.

Revocability of Proxy

A unitholder may revoke a proxy by depositing an instrument in writing executed by the unitholder, or by the unitholder's attorney authorized in writing, with the TSX Trust Company or the Manager, at any time up to and including the close of business on the last business day preceding the day of the Special Meetings, or with the chair of the Special Meetings prior to its commencement on the day of the Special Meetings, or in any other manner permitted by law. A proxy may also be revoked by the unitholder personally attending the Special Meeting and voting his or her units at the Special Meeting.

Voting of Securities and Proxies

Units represented by properly executed proxies in the enclosed form (if executed in favour of the Manager's nominee and deposited as provided above) will be voted in accordance with the instructions of the unitholder on the proxy. If the Unitholder specifies a choice with respect to any matter to be acted upon, the units will be voted accordingly. **Where no direction is given by a unitholder submitting a proxy, the proxy will vote the units in FAVOUR of the Resolution.**

The enclosed form of proxy also confers discretionary voting authority on the person named therein with respect to amendments to or variations of matters identified in the Notice of Special Meeting and with respect to other matters which may properly come before the applicable Special Meeting. If any such amendments, variations or other matters properly come before the applicable Special Meeting, the nominee appointed by the Manager as proxy will vote the units represented thereby in his discretion in respect of such amendments, variations or other matters. At the time of printing this Information Circular,

the Manager knows of no such amendments, variations or other matters to come before the Special Meetings.

Units Held through Intermediaries

The information set forth in this section is important to unitholders who do not hold their Units in their own name (referred to in this Information Circular as “**Beneficial Unitholders**”) but rather through securities dealers, banks and trust companies, or their nominees (the “**Intermediaries**”).

Beneficial Unitholders should note that only proxies deposited by unitholders whose names appear on the records of the Funds as the registered holders of units can be recognized and acted upon at the Special Meetings. If units are listed in an account statement provided to a unitholder by a broker, then in almost all cases those units will not be registered in the unitholder’s name on the records of the Funds. Such securities will more likely be registered under the name of the unitholder’s financial adviser, broker or an agent of the financial adviser or broker. Units held by financial advisers, brokers or their nominees can only be voted (for or against the Resolution) upon the instructions of the Beneficial Unitholder. Without specific instructions, the brokers/nominees are prohibited from voting units for their clients.

Beneficial Unitholders will be provided with a request for voting instructions. Beneficial Unitholders who wish to file proxies or attend the Special Meetings in person to vote their units should complete their voting instruction form, sign it and return it in the postage prepaid envelope accompanying this Information Circular.

Voting Securities and Principal Holders Thereof

Each unitholder is entitled to one vote, in person or by proxy, for each whole unit held, but no votes shall attach to fractional units. Only unitholders of record on the Record Date are entitled to receive notice of the Special Meetings and to vote at the Special Meetings. As at August 10, 2023, the Ether Fund had 4,278,182.00 Units outstanding and the Ether ETF had 2,765,579.00 Units outstanding.

The quorum required at the Special Meetings in respect of each of the Funds is five (5) unitholders present in person or represented by proxy holding not less in aggregate than 10% of the outstanding units entitled to vote at such meeting. If no quorum is present within 30 minutes from the time fixed for holding the applicable Special Meeting, such Special Meeting will be adjourned by the chair to a day not less than three (3) days after the date of that Special Meeting (unless such day is not a business day, in which case it shall be adjourned to the next business day) but if there is not a quorum present at the Special Meeting then no quorum requirement shall apply at the adjournment thereof.

INTEREST OF THE MANAGER IN THE STAKING SERVICES FEE

Manager’s Conflict of Interest

If the Staking Services Fee is approved, the Manager will be entitled to receive additional fees from the Funds. In addition, and as a result of the Staking Services Fee, the Fund’s expenses are likely to increase as a result of increased income to the Funds from the Staking Activities.

The Manager may therefore be considered to have interests which differ from those of the Fund and the proposed Staking Services Fee may therefore represent a “conflict of interest” matter under National Instrument 81-107 – *Independent Review Committee for Investment Funds* (“**NI 81-107**”).

NI 81-107 requires that, when a conflict of interest matter arises and before taking any action in the matter, an investment fund manager must refer the matter, along with its proposed action, to the fund’s independent review committee for its review and decision. If a manager must hold a meeting of

unitholders to obtain approval before taking an action in a conflict of interest matter (as is the case with respect to the proposed Staking Services Fee), the manager must include a summary of the independent review committee's decision in the notice of the meeting.

In accordance with such requirements, the Manager has referred the Staking Services Fee to the independent review committee of the Fund (the "IRC") and a summary of the IRC's decision is set out below under the heading "*Independent Review Committee*".

Management and Administrative Services

Pursuant to the terms of the DOT of each Fund, the Manager provides the Funds with management and administrative services and facilities in return for a management fee. If the Staking Services Fee is approved, the Manager will continue to provide management services to the Funds and receive management fees in respect thereof.

The name and municipality of residence, position and office held with the Manager of each of the directors and executive officers of the Manager are as follows:

Name and Municipality of Residence	Officer with the Manager
Frederick T. Pye, Pointe Claire, Quebec	Chairman, Chief Executive Officer and Director
Pascal St-Jean, Ottawa, Ontario	President
John Loeprich, Moffat, Ontario	Chief Financial Officer, Chief Operating Officer and Director
Diana Escobar Bold, Toronto, Ontario	Chief Compliance Officer
Anthony L. Cox, Toronto, Ontario	Executive Vice President and Director

AUDITOR

The auditor of each of the Funds is Raymond Chabot Grant Thornton LLP. The address of the auditor is located in Montreal, Quebec.

INDEPENDENT REVIEW COMMITTEE

In accordance with the provisions of NI 81-107 and as discussed above, the Manager has referred the proposed Staking Services Fee to the IRC of the Funds for its review. The Manager has provided information to the IRC in connection with its review, including the following:

- an identification of the Manager's conflict of interest in connection with the Staking Services Fee;
- further explanation in respect of the methodology utilized by the Manager in determining the proposed Staking Services Fee; and
- a basis for the IRC to conclude that the implementation and quantum of the Staking Services Fee achieves a fair and reasonable result for the Fund.

Based on the foregoing, the IRC has advised the Manager that, after reasonable inquiry, it has concluded that the proposed Staking Services Fee, if approved by unitholders of each Fund, achieves a fair and reasonable result for each of the Funds.

RECOMMENDATION

For the reasons set out in this Information Circular under the heading “*Details of and Rationale for the Staking Services Fee*” the board of directors of the Manager, the manager of the Funds, unanimously recommends that unitholders vote in favour of the Resolution set out in the attached Schedule “A” in respect of the Ether Fund or Schedule “B” in respect of the Ether ETF to this Information Circular.

CERTIFICATE

The contents of this Information Circular and its distribution have been approved by the board of directors of 3iQ Corp., as the manager of the Funds.

DATED at Toronto, Ontario, this 15th day of August, 2023.

3IQ CORP. as Manager of each of the Funds

(signed) “*Fred Pye*”

By: Fred Pye, Chief Executive Officer

SCHEDULE “A”
RESOLUTION OF THE UNITHOLDERS OF
THE ETHER FUND
(the “Ether Fund”)

BE IT RESOLVED THAT:

1. the Staking Services Fee, as described in the Management Information Circular dated August 15, 2023 (the “**Circular**”), is approved;
2. the trust agreement of the Ether Fund be amended as may be required to implement or give effect to the Staking Services Fee as described in the Circular;
3. the directors of 3iQ Corp., as manager of the Ether Fund, are hereby authorized to revoke this resolution or any part of it before it is acted upon and without further approval of the unitholders of the Ether Fund if, in the opinion of the directors, they consider it necessary or desirable; and
4. any director or officer of 3iQ Corp., as manager of the Ether Fund, is authorized and directed to execute or cause to be executed and to deliver or cause to be delivered, all such documents, agreements and instruments and to do or cause to be done all such other acts and things as such directors or officers shall determine to be necessary or desirable in order to carry out the intent of the foregoing resolutions and the matters authorized thereby, including any amendment to the material agreements of the Ether Fund, such determination to be conclusively evidenced by their execution and delivery of such document, agreement or instrument or their doing of any such act or thing.

SCHEDULE “B”
RESOLUTION OF THE UNITHOLDERS OF
3IQ ETHER ETF
(the “Ether ETF”)

BE IT RESOLVED THAT:

1. the Staking Services Fee, as described in the Management Information Circular dated August 15, 2023 (the “**Circular**”), is approved;
2. the trust agreement of the Ether ETF be amended as may be required to implement or give effect to the Staking Services Fee as described in the Circular;
3. the directors of 3iQ Corp., as manager of the Ether ETF, are hereby authorized to revoke this resolution or any part of it before it is acted upon and without further approval of the unitholders of the Ether ETF if, in the opinion of the directors, they consider it necessary or desirable; and
4. any director or officer of 3iQ Corp., as manager of the Ether ETF, is authorized and directed to execute or cause to be executed and to deliver or cause to be delivered, all such documents, agreements and instruments and to do or cause to be done all such other acts and things as such directors or officers shall determine to be necessary or desirable in order to carry out the intent of the foregoing resolutions and the matters authorized thereby, including any amendment to the material agreements of the Ether ETF, such determination to be conclusively evidenced by their execution and delivery of such document, agreement or instrument or their doing of any such act or thing.