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

FORM 40-F

☐ **Registration statement pursuant to Section 12 of the Securities Exchange Act of 1934**

or

☒ **Annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934**

For the fiscal year ended December 31, 2021 **Commission File Number** 001-40527

Digihost Technology Inc.

(Exact name of Registrant as specified in its charter)

Canada	7379	N/A
(Province or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification Number)**

18 King Street East
Suite 902
Toronto, Ontario M5C 1C4
Canada
(917) 242-6549
(Address and telephone number of Registrant's principal executive offices)

Cogency Global Inc.
122 E. 42nd Street, 18th Floor
New York, New York 10168
(800) 221-0102
(Name, address (including zip code) and telephone number (including area code) of agent for service in the United States)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Subordinate Voting Shares	DGHI	Nasdaq Stock Market LLC (Nasdaq Capital Market)

Securities registered pursuant to Section 12(g) of the Act: None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None

For annual reports, indicate by check mark the information filed with this Form:

☒ Annual information form ☒ Audited annual financial statements

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: There were 24,956,165 of the Registrant's subordinate voting shares outstanding as of December 31, 2021.

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

Yes ☒ No ☐

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

Yes ☒ No ☐

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.

Emerging growth company ☒

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has

elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

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

EXPLANATORY NOTE

Digihost Technology Inc. (the "Registrant") is a Canadian issuer whose subordinate voting shares are listed on the TSX Venture Exchange and is eligible to file this annual report (the "Annual Report") pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), on Form 40-F pursuant to the U.S.-Canadian Multijurisdictional Disclosure System. The Registrant is a "foreign private issuer" as defined in Rule 3b-4 under the Exchange Act. Equity securities of the Registrant are accordingly exempt from Sections 14(a), 14(b), 14(c), 14(f) and 16 of the Exchange Act pursuant to Rule 3a12-3. This Annual Report is incorporated by reference into the Registrant's Registration Statement on Form F-10 (File No. 333-263255).

FORWARD-LOOKING STATEMENTS

This Annual Report and the exhibits incorporated by reference herein contain forward-looking information and forward-looking statements (collectively, "forward-looking information") that are covered by safe harbors under applicable securities laws. Forward-looking information can often be identified by forward-looking words such as "anticipate," "believe," "expect," "plan," "intend," "estimate," "may," "potential" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. All information, other than information regarding historical fact that addresses activities, events or developments that the Registrant believes, expects or anticipates will or may occur in the future is forward-looking information. Forward-looking information does not constitute historical fact but reflects the current expectations the Registrant regarding future results or events based on information that is currently available. By their nature, forward-looking information involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking information will not occur.

Forward-looking information in this Annual Report and the exhibits incorporated by reference herein includes, but is not limited to, information with respect to:

- the performance of the Registrant's business and operations;
- the intention to grow Registrant's business and operations;
- growth strategy and opportunities;
- the treatment of the Registrant under government regulatory and taxation regimes; and
- the Registrant's ability to monitor, assess and manage the impact of the COVID-19 pandemic.

Forward-looking information involves known and unknown risks, estimates, assumptions, uncertainties and other factors that may cause the actual results, performance or achievements of the Registrant to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. These factors include management's belief or expectations relating to the following and, in certain cases, management's response with regard to the following:

- The Registrant's cryptocurrency inventory may be exposed to cybersecurity threats and hacks;
- Regulatory changes or actions may alter the nature of an investment in the Registrant or restrict the use of cryptocurrencies in a manner that adversely affects the Registrant's operations;
- The value of cryptocurrencies may be subject to momentum pricing risk;
- Cryptocurrency exchanges and other trading venues are relatively new and, in most cases, largely unregulated and may therefore be more exposed to fraud and failure;
- Banks may not provide banking services, or may cut off banking services, to businesses that provide cryptocurrency-related services or that accept cryptocurrencies as payment;
- The impact of geopolitical events on the supply and demand for cryptocurrencies is uncertain;

- The further development and acceptance of the cryptographic and algorithmic protocols governing the issuance of and transactions in cryptocurrencies is subject to a variety of factors that are difficult to evaluate;
- Acceptance and/or widespread use of cryptocurrency is uncertain;
- The Registrant is subject to risks associated with the Registrant's need for significant electrical power. The Registrant's mining operations require electrical power to be available at commercially feasible rates. Government regulators may potentially restrict the ability of electricity suppliers to provide electricity to mining operations;
- The Registrant may be required to sell its cryptocurrency portfolio to pay for expenses;
- The Bitcoin block reward halves approximately every four year which reduces the number of Bitcoin the Registrant would receive from solving blocks;
- The Registrant is exposed to hash rate and network difficulty, which could reduce the ability of the Registrant to remain competitive with its peers;
- The risks posed by the COVID-19 pandemic cannot be predicted with certainty and the Registrant remains exposed to government imposed restrictions on operations;

- The Registrant's operations, investment strategies, and profitability may be adversely affected by competition from other methods of investing in cryptocurrencies;
- The Registrant's coins may be subject to loss, theft or restriction on access;
- Incorrect or fraudulent coin transactions may be irreversible;
- If the award of coins for solving blocks and transaction fees are not sufficiently high, miners (other than of the Registrant) may not have an adequate incentive to continue mining and may cease their mining operations, which could adversely impact the Registrant's mining operations;
- The price of coins may be affected by the sale of coins by other vehicles investing in coins or tracking cryptocurrency markets;
- Risk related to technological obsolescence and difficulty in obtaining hardware;
- Delays in the development of existing and planned cryptocurrency mining facilities may result in different outcomes than those intended;
- Exposure to environmental liabilities and hazards may result in the imposition of fines, penalties and restrictions;
- The Registrant's success is largely dependent on the performance of the Registrant's management and executive officers;
- The Registrant may be unable to attract, develop and retain its key personal and establish adequate succession planning;
- The Registrant may be unable to obtain additional financing on acceptable terms or at all;
- The Registrant faces competition from other cryptocurrency companies;
- Uninsured or uninsurable risks could result in significant financial liabilities;
- The Registrant does not currently pay cash dividends and therefore the Registrant's shareholders will not be able to receive a return on their SV Shares unless they sell them;
- The SV Shares are subject to volatility risk and there is no guarantee that an active or liquid market will be sustained for the SV Shares;
- There are significant legal, accounting, and financial costs of being a publicly traded company which may reduce the resources available for the Registrant to deploy on its cryptocurrency mining operations;
- Directors and officers may have a conflict of interest between their duties owed to the Registrant and their interest in other personal or business ventures;
- The Registrant may be subject to litigation arising out of its operations;
- The Registrant could lose its foreign private issuer status in the future, which could result in significant additional costs and expenses to the Registrant;
- The Registrant has a limited history of operations and is in the early stage of development;
- Ineffective management of growth could result in a failure to sustain the Registrant's progress;
- The Registrant may be subject to tax consequences which could reduce the Registrant's profitability;

- The Registrant may be exposed to risks from exchanging currencies, including currency exchange fees; and

- the other factors discussed under the heading, " *Risk Factors*" in the Registrant's Annual Information Form for the year ended December 31, 2021, dated March 28, 2022 ("AIF").

A description of assumptions used to develop such forward-looking information and a description of additional risk factors that may cause actual results to differ materially from forward-looking information can be found in the Registrant's disclosure documents on the SEDAR website at www.sedar.com, such as the Registrant's AIF, which is attached hereto as Exhibit 99.1. Although the Registrant has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Forward-looking information contained in this Annual Report and the exhibits incorporated by reference herein are expressly qualified by this cautionary statement. The forward-looking information contained in this Annual Report and the exhibits incorporated by reference herein represents the expectations of the Registrant as of the date of this Annual Report or the applicable exhibit incorporated by reference herein and, accordingly, is subject to change after such date. However, the Registrant expressly disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities laws.

DIFFERENCES IN UNITED STATES AND CANADIAN REPORTING PRACTICES

The Registrant is permitted, under a multijurisdictional disclosure system adopted by the United States, to prepare this report in accordance with Canadian disclosure requirements, which are different from those of the United States. The Registrant prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, and the audit is conducted in accordance with Canadian generally accepted auditing standards. IFRS differs in certain respects from United States generally accepted accounting principles ("U.S. GAAP") and from practices prescribed by the Securities and Exchange Commission (the "SEC"). Therefore, the Registrant's financial statements filed with this Annual Report may not be comparable to financial statements prepared in accordance with U.S. GAAP.

CURRENCY

Unless otherwise indicated, all dollar amounts in this Annual Report on Form 40-F are in United States dollars.

ANNUAL INFORMATION FORM

The Registrant's AIF for the year ended December 31, 2021 is attached as Exhibit 99.1 to this Annual Report on Form 40-F and is incorporated by reference herein.

AUDITED ANNUAL FINANCIAL STATEMENTS

The Registrant's audited annual consolidated financial statements as at and for the years ended December 31, 2021 and 2020 is attached as Exhibit 99.2 to this Annual Report on Form 40-F and are incorporated by reference herein.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Registrant's Management's Discussion and Analysis for the year ended December 31, 2021 is attached as Exhibit 99.3 to this Annual Report on Form 40-F and is incorporated by reference herein.

DISCLOSURE CONTROLS AND PROCEDURES

As of the end of the period covered by this Annual Report, the Registrant carried out an evaluation, under the supervision of the Registrant's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Registrant's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act). Based upon that evaluation, the Registrant's Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of the period covered by this Annual Report, the Registrant's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Registrant in reports that it files or submits under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and (ii) accumulated and communicated to the Registrant's management, including its principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure.

While the Registrant's principal executive officer and principal financial officer believe that the Registrant's disclosure controls and procedures provide a reasonable level of assurance that they are effective, they do not expect that the Registrant's disclosure controls and procedures or internal control over financial reporting will prevent all errors or fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management's Report on Internal Control Over Financial Reporting

This Annual Report does not include a report of management's assessment regarding internal control over financial reporting or an attestation report of the Registrant's registered public accounting firm due to a transition period established by rules of the SEC for newly public companies.

Changes in Internal Control Over Financial Reporting

Management has not identified any change in the Registrant's internal control over financial reporting that occurred during the fiscal year ending December 31, 2021, that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting.

Attestation Report of the Registered Public Accounting Firm

Under the Jumpstart Our Business Startups Act, "emerging growth companies" are exempt from Section 404(b) of the Sarbanes-Oxley Act of 2002, which generally requires that a public company's registered public accounting firm provide an attestation report relating to management's assessment of internal control over financial reporting. The Registrant qualifies as an "emerging growth company" and, therefore, has not included in, or incorporated by reference into, this Annual Report such an attestation report as of the end of the period covered by this Annual Report.

NOTICES PURSUANT TO REGULATION BTR

The Registrant was not required by Rule 104 of Regulation BTR to send any notices to any of its directors or executive officers during the fiscal year ended December 31, 2021.

AUDIT COMMITTEE

Identification of the Audit Committee

The Board of Directors has a separately designated standing Audit Committee established for the purpose of overseeing the accounting and financial reporting processes of the Registrant and audits of the financial statements of the Registrant in accordance with Section 3(a)(58)(A) of the Exchange Act and Rule 5602(c) of the NASDAQ Stock Market Rules. As of the date of this Annual Report, the Registrant's Audit Committee is comprised of Manish Z. Kshatriya, Donald Christie and Adam Rossman. Messrs. Kshatriya and Rossman are considered independent based on the criteria for independence prescribed by Rule 10A-3 of the Exchange Act and Rule 5605(a)(2) of the listing rules of the Nasdaq Stock Market LLC (the "Nasdaq Stock Market Rules"). Mr. Christie is not considered independent (as determined under Exchange Act Rule 10A-3 and Rule 5605(a)(2) of the Nasdaq Stock Market Rules) due to his recent appointment as Chief Operating Officer of the Registrant. In order to maintain Audit Committee membership at three members as required by the Nasdaq Stock Market Rules, Mr. Christie is expected to continue to serve on the Audit Committee until the Registrant's 2022 annual general meeting.

The Board of Directors has also determined that each member of the Audit Committee is financially literate, meaning each such member has the ability to read and understand a set of financial statements that present a breadth and level of complexity of the issues that can reasonably be expected to be raised by the Registrant's financial statements.

Audit Committee Financial Expert

The Board of Directors has determined that Donald Christie qualifies as a financial expert (as defined in Item 407(d)(5)(ii) of Regulation S-K under the Exchange Act and Rule 5605(c)(2)(A) of the Nasdaq Stock Market Rules). Mr. Christie is not considered independent (as determined under Exchange Act Rule 10A-3 and Rule 5605(a)(2) of the Nasdaq Stock Market Rules) due to his recent appointment as Chief Operating Officer of the Registrant.

The SEC has indicated that the designation or identification of a person as an audit committee financial expert does not make such person an "expert" for any purpose, impose any duties, obligations or liability on such person that are greater than those imposed on members of the audit committee and the board of directors who do not carry this designation or identification, or affect the duties, obligations or liability of any other member of the audit committee or board of directors.

CODE OF ETHICS

The Registrant has adopted a Code of Business Conduct and Ethics that applies to directors, officers and employees of, and consultants to, the Registrant (the "Code"). The Code is posted on the Registrant's website at https://digihost.ca/docs/investors/. The Code meets the requirements for a "code of ethics" within the meaning of that term in General Instruction 9(b) of Form 40-F.

All waivers of the Code with respect to any of the employees, officers or directors covered by it will be promptly disclosed as required by applicable securities rules and regulations. During the year ended December 31, 2021, the Registrant did not waive or implicitly waive any provision of the Code with respect to any of the Registrant's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table sets out the fees billed to the Registrant by Raymond Chabot Grant Thornton LLP for professional services rendered for the fiscal years ended December 31, 2021 and December 31, 2020. During each of those periods, Raymond Chabot Grant Thornton LLP was the Registrant's only external auditor.

(in USD dollars)	Year Ended December 31, 2021	Year Ended December 31, 2020
Audit Fees	$ 240,000	$ 397,731
Audit-Related Fees	--	--
Tax Fees	$ 20,000	$ 19,878
All Other Fees	$ 23,602	--
Total Fees Paid	$ 283,602	$ 417,609

Audit Fees: Audit fees consist of fees billed for professional services rendered for the audit of our year-end financial statements, quarterly review, and services that are normally provided by Raymond Chabot Grant Thornton LLP in connection with statutory and regulatory filings.

Audit-Related Fees: Audit-related services consist of fees billed by Raymond Chabot Grant Thornton LLP for assurance and related services that are reasonably related to the performance of the audit or review of our financial statements and are not reported under "Audit Fees." These services include attestation services that are not required by statute or regulation and consultations concerning financial accounting and reporting standards.

Tax Fees: Tax fees consist of fees billed by Raymond Chabot Grant Thornton LLP for professional tax services. These services also include assistance regarding federal, state, and local tax compliance.

All Other Fees: Other fees would include fees for products and services provided by Raymond Chabot Grant Thornton LLP other than the services reported above.

PRE-APPROVAL OF SERVICES PROVIDED BY INDEPENDENT AUDITOR

The audit committee pre-approves all audit and non-audit services to be provided to the Registrant by its independent registered public accounting firm. The audit committee sets forth its pre-approval and/or confirmation of services authorized by the audit committee in the minutes of its meetings.

NASDAQ CORPORATE GOVERNANCE

A foreign private issuer that follows home country practices in lieu of certain provisions of the Nasdaq Stock Market Rules must disclose the ways in which its corporate governance practices differ from those followed by U.S. domestic companies. As required by Nasdaq Rule 5615(a)(3), the Registrant discloses on its website, www.digihost.ca/docs/investors/, each requirement of the Nasdaq Stock Market Rules that it does not follow and describes the home country practice followed in lieu of such requirements.

MINE SAFETY DISCLOSURE

None.

DISCLOSURE REGARIDNG FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

None.

UNDERTAKING AND CONSENT TO SERVICE OF PROCESS

A. Undertaking. The Registrant undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the SEC staff, and to furnish promptly, when requested to do so by the SEC staff, information relating to the securities registered pursuant to Form 40-F or transactions in said securities.

B. Consent to Service of Process. The Registrant has previously filed a Form F-X in connection with its subordinate voting shares. Any change to the name or address of the Registrant's agent for service shall be communicated promptly to the Commission by amendment to the Form F-X referencing the file number of the Registrant.

EXHIBIT INDEX

The following documents are being filed with the Commission as Exhibits to this Registration Statement:

Exhibit	Description
99.1	Annual Information Form for the year ended December 31, 2021
99.2	Audited Consolidated Financial Statements for the years ended December 31, 2021 and 2020
99.3	Management's Discussion and Analysis for the year ended December 31, 2021
99.4	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the U.S. Securities Exchange Act of 1934, as amended

99.5	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the U.S. Securities Exchange Act of 1934, as amended
99.6	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.7	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.8	Consent of Raymond Chabot Grant Thornton LLP
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this Annual Report to be signed on its behalf by the undersigned, thereto duly authorized.

DIGIHOST TECHNOLOGY INC.

By: /s/ Michel Amar
Name: Michel Amar
Title: Chief Executive Officer

Date: March 28, 2022

Exhibit 99.1

ANNUAL INFORMATION FORM

FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2021

DIGIHOST TECHNOLOGY INC.

March 28, 2022

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GLOSSARY

"**AIF**" means this annual information form for the financial year ended December 31, 2021;

"**BCBCA**" means the *Business Corporations Act* (British Columbia), or its successor legislation and the regulations made thereunder;

"**Bit Digital**" means Bit Digital USA, Inc.;

"**Bitcoin Transfer Memo**" has the meaning given to it under the heading "*General Development of the Business – Three Year History – 2019*";

"**Blockchain**" means a distributed ledger comprised of blocks that serves as a historical transaction record of all past transactions and can be accessed by anyone with appropriate permissions. Blocks are chained together using cryptographic signatures;

"**Board**" means the board of directors of the Corporation;

"**Buffalo Facility Lease Agreement**" means the lease agreement dated June 4, 2018 entered into by East Delavan and Bit Management, LLC and assigned to by Bit Management, LLC to Digihost;

"**Buffalo Mining Facility**" means the 1001 East Delavan facility in Buffalo, NY subject to the Buffalo Facility Lease Agreement;

"**Buyer**" means the buyer under the Energy Contract;

"**CEO**" means Chief Executive Officer;

"**CFO**" means Chief Financial Officer;

"**Colocation Agreements**" means the Colocation Facilities Agreements no. 51 and 62, each dated May 20, 2018 between HashChain and Bit.Management, LLC, as amended from time to time including by the Bitcoin Transfer Memo dated July 1, 2019 between HashChain and Bit.Management, LLC;

"**Co-Mining Agreement**" means the Co-Mining Agreement entered into with Bit Digital as announced on June 10, 2021;

"**Consolidation**" means the Consolidation of the SV Shares and PV Shares on the basis of three (3) pre-consolidation SV Shares or PV Shares for every one (1) post-consolidation SV Share or PV Share, respectively, effective as of October 28, 2021;

"**Corporation**" means Digihost Technology Inc. (TSXV: DGHI);

"**Digifactory1**" means the 60 MW power plant located in the State of New York;

"**Digihost**" means Digihost International Inc., a corporation incorporated under the laws of the State of Delaware on October 9, 2018;

"**Digihost Shareholder**" means a holder of Digihost common shares, from time to time, including holders of Digihost common shares acquired through asset purchases or private placements;

"**East Delavan**" means East Delavan Property, LLC;

"**EH**" means Exahash per second;

"**Energy Contract**" means the energy contract dated February 6, 2018 entered into by EnergyMark and Bit Management, LLC, and assigned to by Bit Management, LLC to Digihost;

"**EnergyMark**" means EnergyMark LLC;

"**Escrow Agent**" means Computershare Investor Services Inc., 510 Burrard Street, 3rd Floor, Vancouver, British Columbia, V6C 3B9;

"**Exchange**" or "**TSXV**" means the TSX Venture Exchange;

"**Exchange Policies**" means the policies of the TSXV;

"**Exclusionary Offer**" has the meaning given to it under the heading "*Capital Structure – PV Shares*";

"**HashChain**" means HashChain Technology Inc., a corporation incorporated pursuant to the laws of British Columbia on February 18, 2017;

"**Insider**" if used in relation to an issuer, means: a director or senior office of the issuer; a director or senior officer of a company that is an Insider or subsidiary of the issuer; a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or, the issuer itself if it holds any of its own securities;

"**KVA**" means kilovolt-ampere;

"**Landlord**" means the landlord under the Buffalo Facility Lease Agreement;

"**Liberty Silver**" means Liberty Silver Corp;

"**MW**" means Megawatts;

"**Northern Data**" means Northern Data AG;

"**Northern Data Purchase Agreement"** means the agreement between Northern Data and the Corporation for the purchase of Bitcoin miners.

"**Option**" means an option to purchase SV Shares;

"**Order**" means the Order of Suspension of Trading issued by the SEC on October 5, 2012 with respect to Liberty Silver;

"**OSC**" means the Ontario Securities Commission;

"**OSC Order**" means the Liberty Silver cease trade order issued by the OSC on October 12, 2012;

"**OTCBB**" means the OTC Bulletin Board;

"**Permitted Transfer**" has the meaning given to it under the heading " *Capital Structure – PV Shares*";

"**Person**" means a company or individual;

"**PH**" means Petahash per second;

"**PV Share**" means a proportionate voting share of the Corporation;

"**RSU**" means a restricted share unit of the Corporation;

"**RTO**" means the reverse take-over whereby the business and assets of HashChain and Digihost were combined by way of a share exchange between HashChain and shareholders of Digihost;

"**SEC**" means the U.S. Securities and Exchange Commission;

"**Second Extension Agreement**" has the meaning given to it under the heading " *General Development of the Business – Three Year History – 2019*";

"**SEDAR**" means System for Electronic Document Analysis and Retrieval and located on the Internet at www.sedar.com;

"**Share Exchange Agreement**" means the share exchange agreement between HashChain and Digihost Shareholders;

"**Shareholder**" means a holder of SV Shares;

"**SV Share**" means a subordinate voting share of the Corporation;

"**Tenant**" means the tenant under the Buffalo Facility Lease Agreement;

"**Transactions**" has the meaning given to it under the heading " *General Development of the Business – Three Year History – 2019* ".

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION AND RISKS

This annual information form (the "**AIF**") of Digihost Technology Inc. (the "**Corporation**") contains or refers to certain forward-looking information or statements (collectively, "**forward-looking information**") that are covered by safe harbors under applicable securities laws. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "may", "potential" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. All information, other than information regarding historical fact that addresses activities, events or developments that the Corporation believes, expects or anticipates will or may occur in the future is forward-looking information. Forward-looking information does not constitute historical fact but reflects the current expectations the Corporation regarding future results or events based on information that is currently available. By their nature, forward-looking information involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking

information will not occur.

Forward-looking information in this AIF include, but are not limited to, information with respect to:

- the performance of the Corporation's business and operations;
- the intention to grow Corporation's business and operations;
- growth strategy and opportunities;
- the treatment of the Corporation under government regulatory and taxation regimes; and
- the Corporation's ability to monitor, assess and manage the impact of the COVID-19 pandemic.

Forward-looking information involve known and unknown risks, estimates, assumptions, uncertainties and other factors that may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. These factors include management's belief or expectations relating to the following and, in certain cases, management's response with regard to the following:

- The Corporation's cryptocurrency inventory may be exposed to cybersecurity threats and hacks;
- Regulatory changes or actions may alter the nature of an investment in the Corporation or restrict the use of cryptocurrencies in a manner that adversely affects the Corporation's operations;
- The value of cryptocurrencies may be subject to momentum pricing risk;
- Cryptocurrency exchanges and other trading venues are relatively new and, in most cases, largely unregulated and may therefore be more exposed to fraud and failure;
- Banks may not provide banking services, or may cut off banking services, to businesses that provide cryptocurrency-related services or that accept cryptocurrencies as payment;
- The impact of geopolitical events on the supply and demand for cryptocurrencies is uncertain;
- The further development and acceptance of the cryptographic and algorithmic protocols governing the issuance of and transactions in cryptocurrencies is subject to a variety of factors that are difficult to evaluate;
- Acceptance and/or widespread use of cryptocurrency is uncertain;
- The Corporation is subject to risks associated with the Corporation's need for significant electrical power. The Corporation's mining operations require electrical power to be available at commercially feasible rates. Government regulators may potentially restrict the ability of electricity suppliers to provide electricity to mining operations;
- The Corporation may be required to sell its cryptocurrency portfolio to pay for expenses;
- The Bitcoin block reward halves approximately every four year which reduces the number of Bitcoin the Corporation would receive from solving blocks;
- The Corporation is exposed to hash rate and network difficulty, which could reduce the ability of the Corporation to remain competitive with its peers;

- The risks posed by the COVID-19 pandemic cannot be predicted with certainty and the Corporation remains exposed to government imposed restrictions on operations;
- The Corporation's operations, investment strategies, and profitability may be adversely affected by competition from other methods of investing in cryptocurrencies;
- The Corporation's coins may be subject to loss, theft or restriction on access;
- Incorrect or fraudulent coin transactions may be irreversible;
- If the award of coins for solving blocks and transaction fees are not sufficiently high, miners (other than of the Corporation) may not have an adequate incentive to continue mining and may cease their mining operations, which could adversely impact the Corporation's mining operations;
- The price of coins may be affected by the sale of coins by other vehicles investing in coins or tracking cryptocurrency markets;
- Risk related to technological obsolescence and difficulty in obtaining hardware;
- Delays in the development of existing and planned cryptocurrency mining facilities may result in different outcomes than those intended;

- Exposure to environmental liabilities and hazards may result in the imposition of fines, penalties and restrictions;
- The Corporation's success is largely dependent on the performance of the Corporation's management and executive officers;
- The Corporation may be unable to attract, develop and retain its key personal and establish adequate succession planning;
- The Corporation may be unable to obtain additional financing on acceptable terms or at all;
- The Corporation faces competition from other cryptocurrency companies;
- Uninsured or uninsurable risks could result in significant financial liabilities;
- The Corporation does not currently pay cash dividends and therefore the Corporation's shareholders will not be able to receive a return on their SV Shares unless they sell them;
- The SV Shares are subject to volatility risk and there is no guarantee that an active or liquid market will be sustained for the SV Shares;
- There are significant legal, accounting, and financial costs of being a publicly traded company which may reduce the resources available for the Corporation to deploy on its cryptocurrency mining operations;
- Directors and officers may have a conflict of interest between their duties owed to the Corporation and their interest in other personal or business ventures;
- The Corporation may be subject to litigation arising out of its operations;
- The Corporation could lose its foreign private issuer status in the future, which could result in significant additional costs and expenses to the Corporation;
- The Corporation has a limited history of operations and is in the early stage of development;
- Ineffective management of growth could result in a failure to sustain the Corporation's progress;
- The Corporation may be subject to tax consequences which could reduce the Corporation's profitability;
- The Corporation may be exposed to risks from exchanging currencies, including currency exchange fees; and
- the other factors discussed under the heading, " *Risk Factors*" in this AIF.

New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of the Corporation or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking information. Further, the forward-looking information in this AIF speak only as of the date of this AIF, and, except as required by applicable law, the Corporation undertakes no obligation to update any forward-looking information to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events.

CORPORATE STRUCTURE

Name, Address, Incorporation, and Corporate Organizational Chart

Digihost Technology Inc. (formerly HashChain Technology Inc.) is a corporation incorporated under the *Business Corporations Act* (British Columbia). Its head office is located at 18 King Street East, Suite 902, Toronto, ON, M5C 1C4 and its registered office is located at 595 Howe Street – 10th Floor, Vancouver, BC V6C 2T5.

The following organization chart outlines the corporate structure of the Corporation and its material subsidiaries:



Material Amendments to the Corporation's Articles

The Corporation was originally incorporated under the BCBCA on February 18, 2017 under the name Chortle Capital Corp. and later changed its name to HashChain Technology Inc. ("**HashChain**") on September 18, 2017. HashChain was subject to a reverse takeover by Digihost International Inc., which closed on February 14, 2020 (the "**RTO**"). Prior to the closing date of the reverse takeover, the Corporation passed a special resolution authorizing an unlimited number of proportionate voting shares of the Corporation (the "**PV Shares**") and an unlimited number of subordinate voting shares of the Corporation (the "**SV Shares**") without par value. Upon closing of the RTO, HashChain filed articles of amendment to rename itself to Digihost Technology Inc.

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

The following is a summary of the general development of the Corporation's business over the three most recently completed financial years:

Fiscal 2019

In January 2019, HashChain and Bit.Management, LLC began discussing terms of a transaction whereby the hosting services provided under the Colocation Agreements would be vertically integrated with HashChain's operations.

On February 5, 2019, HashChain entered into a binding letter of intent to complete a reverse takeover transaction with Digihost International Inc.

On March 28, 2019, HashChain and the Digihost Shareholders entered into a share exchange agreement (the " **Share Exchange Agreement**"), whereby Digihost Shareholders agreed to exchange their issued and outstanding Digihost Shares for HashChain Shares representing 82% of the issued and outstanding shares of the Corporation. After completion of the share exchange, Digihost became a wholly owned subsidiary of HashChain.

On July 1, 2019, HashChain and Bit.Management, LLC documented the verbal agreement of October 2018 via memo (the " **Bitcoin Transfer Memo**") and agreed that HashChain would acknowledge a liability in favour of Bit.Management, LLC in the amount of US$499,877, such amount being based on the difference between the value of the Bitcoin mined and the monthly minimum recurring charges that would have been due under the Colocation Agreements but for the verbal agreement during such period. Pursuant to the Bitcoin Transfer Memo, HashChain and Bit.Management, LLC also agreed that (i) Bit.Management, LLC would sell and apply the proceeds of the Bitcoins mined by HashChain to satisfy the monthly minimum recurring charges under the Colocation Agreements, with any residual value to be applied firstly to the balance of the liability in favour of Bit.Management LLC and secondly to the account of HashChain; (ii) Bit.Management, LLC would deploy 3,500 rigs previously acquired by HashChain, sell the mined coin, and retain a portion of the proceeds with the residual value to be applied in the same manner as above; and (iii) as HashChain required operating funds, Bit.Management, LLC would release the proceeds of sale of Bitcoin in such amounts as it determined in its sole discretion and such amounts would be added to the liability in favour of Bit.Management, LLC. On August 31, 2019, HashChain's liability to Bit.Management, LLC under the Colocation Agreements was approximately US$450,000.

On August 30, 2019, HashChain entered into an extension agreement with the Digihost Shareholders extending the date before which the Digihost non-brokered private placement of units, consolidation of HashChain shares on a 40:1 basis and reverse takeover between HashChain and Digihost (collectively the "**Transactions**") were required to close under the terms of the Share Exchange Agreement from August 31, 2019 to October 31, 2019.

On November 28, 2019, HashChain entered into a second extension agreement (the " **Second Extension Agreement**") with the Digihost Shareholders extending the date before which the Transactions were required to close under the terms of the Share Exchange Agreement, from October 31, 2019 to February 29, 2020.

Fiscal 2020

On February 14, 2020, in connection with the RTO, Digihost entered into an agreement with Bit.Management, LLC, NYAM, LLC and BIT Mining International, LLC for the sale, transfer and assignment of a 100% right, title and interest in the leasehold improvements and equipment, the

transfer of the lease of the 1001 East Delavan facility in Buffalo, NY (the "**Buffalo Mining Facility**") and transfer of a power contract for the supply of electricity at the facility. As consideration and immediately prior to the closing of the reverse takeover transaction, Digihost issued 104,000 Digihost common shares for an aggregate value of C$2,704,000. On February 14, 2020, Digihost also entered into an agreement with BIT Mining International, LLC for the sale, transfer and assignment of a 100% right, title and interest in the leasehold improvements and equipment located at the Buffalo Mining Facility. As consideration and immediately prior to the closing of the reverse takeover, Digihost issued 60,000 Digihost common shares for an aggregate value of C$1,560,000.

On February 14, 2020, immediately prior to the completion of the RTO, Digihost closed its non-brokered private placement for aggregate gross proceeds of C$5,395,325 from the sale of 5,418,912 Digihost common share subscription receipts at a price of C$0.96 per Digihost common share subscription receipt and 110,575 Digihost unit subscription receipts at a price of C$1.20 per Digihost unit subscription receipt.

On February 14, 2020, the RTO was completed and HashChain changed its name to Digihost Technology Inc. In connection with the RTO, all the issued and outstanding 6,530,560 HashChain common shares were exchanged for 6,530,560 SV Shares. In addition, all 5,693,487 Digihost common shares were exchanged for 33,412,490 SV Shares and 10,000 PV Shares of the Corporation. In addition, 130,911 common shares of the Corporation were issued to creditors of HashChain in settlement of outstanding debt. As a result of the RTO completion, the Colocation Agreements were terminated, and the Corporation was released from accrued liabilities owing under the Colocation Agreements.

On March 20, 2020, the Corporation temporarily ceased operations at its Buffalo Mining Facility until the end of the month due to the COVID-19 pandemic. On April 7, 2020 the Corporation resumed operations at a 75% operating level pursuant to safe practices as they pertained to social distancing.

On October 20, 2020, the Corporation acquired 180 Whatsminer M30S cryptocurrency miners adding 16.2 petahash per second (" **PH**") of hashing power to the Corporation's aggregate cryptocurrency mining output.

On December 7, 2020, the Corporation received TSXV approval to undertake, at the Corporation's discretion, a Normal Course Issuer Bid program to purchase up to 2,003,683 SV Shares for cancellation. The issuer bid program is scheduled to run until December 10, 2021.

On December 31, 2020, the Corporation announced the acquisition of Antminer S19 Pro 110TH miners, adding an additional 15.4 PH to the Corporation's aggregate cryptocurrency mining output.

Fiscal 2021

On January 8, 2021, the Corporation closed a fully subscribed non-brokered private placement of SV Shares for C$0.81 per SV Share, capitalizing the company in the amount of C$283,400.00.

On February 8, 2021, the Corporation announced that its listing on the OTC Markets was upgraded from a listing on the Pink Sheets to the OTCQB.

On February 19, 2021, the Corporation announced the closing of a non-brokered private placement of 4,938,271 SV Shares at a price of C$0.81 per PV Share for aggregate gross proceeds of C$4,000,000. In connection with the private placement, the Corporation paid a commission of 148,148 PV Shares to third party advisors.

On March 4, 2021, the Corporation announced that it had increased its hashrate from 184 PH to 189 PH.

On March 17, 2021, the Corporation announced the closing of a private placement for gross proceeds C$25,000,000. The private placement consisted of the sale of 9,363,296 SV Shares and warrants to purchase up to 9,363,296 SV Shares at a price of C$2.67 per PV Share and associated warrant. Each warrant entitles the holder thereof to purchase PV Shares at an exercise price of C$3.14 per PV Share for a period of three (3) years from the date of issuance. 749,064 broker warrants were issued in connection with the private placement, exercisable at a price of C$3.3375 for a period of three (3) years from the date of issuance.

On March 24, 2021, the Corporation announced it has entered an agreement for the purchase of a 60MW power plant (" **Digifactory 1**") located in Upstate New York, which, as of the date thereof, is expected to bring the Corporation's total power capacity to approximately 102 MW. The Corporation expects that internal power generation capabilities will significantly reduce electricity costs, which is the Corporation's largest operating expense for its cryptocurrency mining operations. Digifactory1 will have the capacity to operate an additional 18,000 top tier Bitcoin miners. The increased power capacity would also allow a potential increase to the hashrate existing as of the date thereof from 190 PH to 3 exahash per second ("**EH**"). Under the terms of the agreement, the Corporation will pay to the vendor cash consideration of $3,500,000 and issue to the vendor 437,318 SV Shares with a deemed value of $750,000 ($1.71 per share. The transaction is subject to New York regulatory approval as well as the approval of the TSXV. The securities issuable in connection therewith will be subject to a statutory four month and a day hold period.

On March 29, 2021, the Corporation announced the acquisition of 700 Bitmain S17+ 76 TH miners for a total price of US$4.025 million, comprised of cash consideration of US$2,975 million and the issuance to the vendor of $533,781 SV Shares, The acquisition has the potential to increase the Corporation's hashrate by approximately 50 PH.

On April 6, 2021, the Corporation announced that it had repaid all of its debt in the aggregate amount of US$3,975,000.

On April 13, 2021, the Corporation announced the closing of a private placement for gross proceeds of C$25,000,000. The private placement consisted of the sale of 11,682,243 SV Shares and warrants to purchase up to 11,682,243 SV Shares at a purchase price of C$2.14 per SV Share and associated warrant. Each warrant entitles the holder thereof to purchase SV Shares at an exercise price of C$2.37 per SV Share for a period of four (4) years from the date of issuance.

On April 14, 2021, the Corporation announced the appointment of Raymond Chabot Grant Thornton LLP as auditors of the Corporation, replacing the Corporation's former auditors, Clearhouse LLP.

On April 29, 2021, the Corporation announced the resignation of Cindy Davis as Chief Financial Officer of the Corporation and the subsequent appointment of Paul Ciullo as Chief Financial Officer of the Corporation.

On May 10, 2021, the Corporation announced that it had commenced the application process for listing of its securities on the Nasdaq Capital Market ("**Nasdaq**").

On May 13 and May 14, 2021 the Corporation announced it had entered into a purchase agreement (the " **Northern Data Purchase Agreement**") with Northern Data AG (" **Northern Data**") for the purchase of 9,900 Bitcoin miners. This acquisition is expected to increase the Corporation's hashrate by between 925 PH to 1.145 EH once the miners are installed at the Corporation's facilities, which is expected to be completed by January 2022. Northern Data and the Corporation concurrently entered into an associated hosting arrangement in connection with purchase of the miners, whereby Northern Data will provide hosting services to the Corporation including the installation and hosting of the miners in proprietary pre-manufactured performance optimized mobile data centres. The Corporation and Northern Data will split the net revenue generated from Bitcoin mining operations according to a fixed distribution formula. As of the date hereof, the Corporation has received approximately 4050 miners and expects to receive the remaining miners and have them installed and operational by the end of Q1 2022.

On June 10, 2021, the Corporation announced it had entered into a co-mining agreement (the " **Co-Mining Agreement**") with Bit Digital USA, Inc. ("**Bit Digital**"). Pursuant to the Co-Mining Agreement, the Corporation agreed to provide its premises and power to Bit Digital for the operation of a 20 MW Bitcoin mining system. This collaboration is expected to increase the combined hashrate between the two companies by an aggregate of approximately 400 PH. It is expected that the miners will begin to be delivered and installed during Q1 2022.

On June 21, 2021, the Corporation closed a private placement for gross proceeds of C$15 million. The private placement was comprised of 8,333,336 SV Shares, as well as warrants to purchase up to 6,250,002 SV Shares, at a price of C$1.80 per SV Share and associated warrant. Each warrant entitles the holder thereof to purchase SV Shares at an exercise price of C$1.99 per SV Share for a period of three (3) years from the date of issuance.

On June 22, 2021, the Corporation announced it filed a registration statement on Form 40-F with the U.S. Securities and Exchange Commission (the "**SEC**").

On July 6, 2021, the Corporation announced that it was including Ether, the native token of the Ethereum network, as part of its cryptocurrency holdings so as to diversity its portfolio holdings. To further the same goal, the Corporation exchanged a portion of its Bitcoin held in its inventory to purchase Ether.

On July 26, 2021, the Corporation announced the expansion of its strategic collaboration with Bit Digital, pursuant to which the Corporation and Bit Digital entered into a second strategic co-mining agreement to provide its premises and power to Bit Digital for the operation of a 100 MW Bitcoin mining system. The collaboration is expected to increase the combined hashrate between the two companies by an aggregate of approximately 2 EH, for a total increase in hashrate of approximately 2.4 EH when combined with the Co-Mining Agreement announced on June 10, 2021. It is expected that the miners will be installed and operational by year end 2022.

On October 5, 2021 the Corporation announced that to facilitate a proposed listing of the SV Shares on Nasdaq and to satisfy the minimum share price requirements thereof, the Corporation underwent a consolidation (the "**Consolidation**") of the SV Shares and PV Shares on the basis of three (3) pre-consolidation SV Shares or PV Shares for every one (1) post-consolidation SV Share or PV Share, respectively. The exercise price and number of SV Shares issuable upon the exercise of the Corporation's outstanding options and warrants was also proportionately adjusted upon completion of the Consolidation. The Corporation did not issue any fractional post-Consolidation SV Shares or PV Shares as a result of the Consolidation. Instead, each fractional share remaining after conversion was rounded down to the nearest whole post-Consolidation SV Share or PV Share, as applicable. The Consolidation become effective on October 28, 2021.

On October 13, 2021 the Corporation announced that it had received 1,952 M30 Bitcoin miners pursuant to the Northern Data Purchase Agreement.

On November 12, 2021, the Corporation announced that it was approved to list its SV Shares on Nasdaq and that trading was expected to begin on November 15, 2021 under the symbol "DGHI".

On November 15, 2021, the Corporation's SV Shares began trading on Nasdaq.

Subsequent to Fiscal 2021

On January 13, 2022, the Corporation filed a preliminary base shelf short form prospectus.

On February 23, 2022, the Corporation filed a final base shelf short form prospectus.

On March 2, 2022, the Corporation closed a $10,000,000 committed, collateralized revolving credit facility (the " **Loan Facility**") with Securitize, Inc. The Loan Facility is collateralized against the Corporation's Bitcoin inventory and has a one-year committed term and an interest rate of 7.5% per annum and has been fully drawn by the Corporation.

On March 4, 2022, the Corporation entered into an equity distribution agreement (" **Equity Distribution Agreement**") with H.C. Wainwright & Co., pursuant to which the Corporation may, from time to time, sell up to $250 million of SV Shares. (the "**ATM Equity Program**"). As at March 25, 2022, the Corporation has not issued any SV Shares pursuant to the ATM Equity Program. The ATM Equity Program can be terminated by either party at any time upon delivery of written notice.

On March 6, 2022, the Corporation announced it had entered into a private placement with a single institutional investor, for gross proceeds of approximately C$13.3 million, comprised of 3,029,748 subordinate voting shares of the Corporation (or subordinate voting share equivalents) and warrants to purchase up to 3,029,748 subordinate voting shares, at a purchase price of C$4.40 per subordinate voting share and associated warrant. The Warrants have an exercise price of C$6.25 per subordinate voting share and exercise period of three and one-half years from the issuance date. H.C. Wainwright & Co. acted as the exclusive placement agent and received cash commission and expenses totaling $1,066,471 and 242,380 non-transferable broker warrants. Each broker warrant entitles the holder to purchase one subordinate voting share at an exercise price of C$6.25 at any time for a period of three years from the issuance date. In connection with the private placement, the investor has agreed to cancel existing warrants to purchase up to 1,248,440 subordinate voting shares of the Corporation at an exercise price of C$9.42 per share issued in March 2021 expiring on March 18, 2024, and existing warrants to purchase up to 1,781,308 subordinate voting shares of the Corporation at an exercise price of C$7.11 issued in April 2021 expiring on April 9, 2025.

Anticipated Changes in the Corporation's Business

Over the next 12 months, the Corporation intends to:

(a) extend its digital currency mining footprint through additional equity financings and the concurrent acquisition of additional Bitcoin mining rigs; and

(b) upon completion of the deployment of additional Bitcoin mining rigs, continue generating positive operating margins with a view to increasing these operating margins from both an increase in the price of Bitcoin and by pursuing opportunities to reduce power costs.

Significant Acquisitions

The Corporation has not engaged in any significant acquisitions of property, equipment or shares in the most recently completed financial year, ended December 31, 2021, for which disclosure is required under Part 8 of *National Instrument 51-102 – Continuous Disclosure Obligations.*

BUSINESS OF THE CORPORATION

The Corporation (formerly HashChain) was subject to the RTO, which closed on February 14, 2020, whereby the business and assets of HashChain and Digihost were combined by way of a share exchange between HashChain and shareholders of Digihost. In connection with the RTO, all the issued and outstanding 6,530,560 HashChain common shares were exchanged for 6,530,560 SV Shares, and all of Digihost's common shares were exchanged for 33,412,490 SV Shares and 10,000 PV Shares of the Corporation.

In connection with and immediately prior to the closing of the RTO, Digihost entered into an agreement with Bit.Management, LLC, NYAM, LLC and BIT Mining International, LLC for the sale, transfer and assignment of a 100% right, title and interest in the leasehold improvements and equipment, the transfer of the lease of the Buffalo Mining Facility and transfer of a power contract for the supply of electricity at the facility. As consideration and immediately prior to the closing of the reverse takeover transaction, Digihost issued 104,000 Digihost common shares for an aggregate value of C$2,704,000. Digihost also entered into an agreement with BIT Mining International, LLC for the sale, transfer and assignment of a 100% right, title and interest in the leasehold improvements and equipment located at the Buffalo Mining Facility. As consideration and immediately prior to the closing of the reverse takeover, Digihost issued 60,000 Digihost common shares for an aggregate value of C$1,560,000

The Corporation is a blockchain company primarily focused on digital currency mining, which is the Corporation's only operating segment that is a reportable segment. The Corporation's operations provide its shareholders with exposure to the operating margins of digital currency mining which the Corporation believes is the most profitable application of the Corporation's computing power. As of the date of this AIF, the Corporation has 13 employees.

The Corporation produces digital currencies by "mining". "Mining" is a process whereby "miners", which are specialized computers with high amounts of computational processing power, compete to solve "blocks", which are digital files where digital currency transactions are recorded. A miner that verifies and solves a new block is awarded newly-generated quantity of coins, an amount which is usually proportional to the miner's contributed hashrate or work, (plus a small transaction fee) as an incentive to invest their computer power, as mining is critical to the continuing functioning and security of the networks on which digital currencies operate on.

The Corporation's mining facility, the Buffalo Mining Facility, is located in Buffalo, New York with over 70,000 square feet of usable space and 115,000 kilovolt ampere ("**KVA**") outdoor substation under lease with an option to lease additional space totaling 240,000 square feet. The Buffalo Mining Facility has staff on the premises on a 24x7x365 basis and security guards are on duty on the weekends.

The Buffalo Mining Facility is currently the Corporation's only operational mining facility. As the Buffalo Mining Facility is located in a foreign jurisdiction, being Buffalo, New York, the Corporation's operations are significantly dependent on the production of the Buffalo Mining Facility. The Corporation currently purchases all of its power consumed at the Buffalo Mining Facility from EnergyMark LLC ("**EnergyMark**"), and, for all quantities of power used by the Corporation, the price that the Corporation pays EnergyMark per kWh is, and will be, a price that is updated

every hour, the so-called “NYISO Zone-A Real-Time Price”, plus US$0.001/kWh.

Miners require significant amounts of electrical power and these substantial energy requirements translate into the Corporation’s large energy expenses. The Corporation’s operating and maintenance expenses are therefor principally composed of electricity to power its computing equipment as well as cooling and lighting, etc. Other site expenses include leasing costs for the facilities, internet access, equipment maintenance and software optimization, and facility security, maintenance and management. Ultimately, the central production line of the Corporation is converting electrical power into digital currencies through ‘mining’.

The Corporation experiences moderate volatility in electricity prices at the Buffalo Mining Facility, which can impact profits. The Corporation’s power costs at the Buffalo Mining Facility are exposed to market prices and the electricity environment in Buffalo, which can fluctuate due to weather temperature changes. Additionally, there is a direct correlation between the price of gas and capital expended on energy consumption.

The Corporation’s operation in the digital currency mining industry requires extensive knowledge of cryptocurrency mining, cryptocurrency economics, and blockchain technology. Further, the Corporation’s focus on vertical integration with energy production and its focus on environmentally conscious development requires specialized knowledge of the energy procurement industry, with a particular focus on green energy.

All key components of the Buffalo Mining Facility are monitored including the intake air temperature, hash board temperature, voltage, hashrate, air temperature, exhaust air temperature and humidity. All parameters are monitored and changed remotely, as required. Parallel monitoring is performed by local on-site staff who are responsible for implementing any necessary repairs to mining infrastructure. In the event that the Company’s remote monitoring or any parallel monitoring identifies any malfunction or technical issue, personnel are dispatched to physically inspect and, if necessary, repair defective components. The Company intends to maintain an inventory of all necessary components for repair, which is kept at the same facility as operations.

During April 2021, the Corporation was approved for an account with Gemini Trust Company, LLC (“ **Gemini**”). Gemini is a digital currency exchange and custodian that allows customers to buy, sell, and store its digital assets. Gemini was the first crypto exchange and custodian in the world to complete a SOC 2 Type 1 and a SOC 2 Type 2 examination. While a SOC 2 Type 1 evaluates the design and implementation of system controls at a point in time, a SOC 2 Type 2 evaluates whether these system controls have been operating effectively over a period of time. A SOC 2 Type 2 examination is the highest level of security compliance an organization can demonstrate, and Gemini completes this examination on an annual basis. As of the date of this AIF, the Company has holdings of 273.43 BTC and 1000.89 ETH coins in its Gemini account. The Corporation holds the remainder of its digital currencies in cold storage solutions which are not connected to the internet in safety deposit boxes at US Bank, which is headquartered in Los Angeles, California.

The Company performs credit due diligence in the normal course of business when beginning a relationship with counterparties, as well as during on-going business activities. The Company has not been able to insure its mined digital currency. Given the novelty of digital currency mining and associated businesses, insurance of this nature is generally not available, or uneconomical for the Company to obtain which leads to the risk of inadequate insurance coverage.

The digital currency mining industry is highly competitive. In addition, there exist many online companies that offer digital currency cloud mining services, as well as companies, individuals and groups that run their own mining farms. Miners can range from individual enthusiasts to professional mining operations with dedicated data centres, including those of the kind operated by the Corporation’s principal publicly-listed competitors. The largest competitor operating in the same space as the Corporation in North America is Hut 8 Mining Corp. (TSX: HUT; NASDAQ: HUT), a public company trading on the TSXV. There are several other companies competing in the Corporation’s industry, including Riot Blockchain, Inc.(NASDAQ: RIOT), MGT Capital Investments Inc. (OTCQB: MGTI), Marathon Digital Holdings Inc. (NASDAQ: MARA), Bitfarms Ltd. (TSXV: BITF; NASDAQ: BITF), Argo Blockchain Plc (LSE: ARB; NASDAQ: ARBK), CryptoStar Corp. (TSXV: CSTR), HIVE Blockchain Technologies Ltd. (TSXV: HIVE; NASDAQ: HIVE), Skychain Technologies Inc. (TSXV: SCT), DMG Blockchain Solutions Inc. (TSXV: DMGI) and Link Global Technologies Inc. (CSE: LNK).

The vast majority of mining is now undertaken by mining pools, whereby miners organize themselves and pool their processing power over a network and mine transactions together. Rewards are then distributed proportionately to each miner based on the work/hashpower contributed. Mining pools became popular when mining difficulty and block time increased. While the rewards for successfully solving a block become considerably lower in the case of pooling, rewards are earned on a far more consistent basis, reducing the risk to miners with smaller computational power. Consequently, the Corporation may decide to participate in a mining pool in order to smooth the receipt of rewards.
Mining pools generally exist for each well-known cryptocurrency.

Other market participants in the digital currency industry include investors and speculators, retail users transacting in cryptocurrencies, and service companies that provide a variety of services including buying, selling, payment processing and storing of cryptocurrencies.

The Corporation strives to be a leader in its environmental impact and aims to develop its business along environmentally conscious lines. On May 17, 2021, the Corporation indicated that 90% of its energy originated from zero-carbon sources, and over 50% originated from renewable sources. On June 7, 2021, the Corporation announced the launch of its DigiGreen initiative so as to further reduce its carbon footprint.

Risk Factors

An investment in SV Shares should be considered highly speculative due to the nature of the Corporation's business and its present stage of development. Where applicable, references in this section to the Corporation include Digihost and vice versa. An investment in SV Shares should only be made by knowledgeable and sophisticated investors who are willing to risk and can afford the potential loss of their entire investment. Investors and potential investors should consult with their professional advisors to assess an investment in the Corporation. In evaluating the Corporation and its business, investors should carefully consider, in addition to other information contained in this AIF, the risk factors below. The following is a summary only of certain risk factors and is qualified in its entirety by reference to, and must be read in conjunction with, the detailed information appearing elsewhere in this AIF. These risks and uncertainties are not the only ones the Corporation is facing. Additional risks and uncertainties not presently known to the Corporation, or that the Corporation currently deems immaterial, may also impair its operations. If any such risks actually occur, the Corporation's business, financial condition, liquidity and results of operations could be materially adversely affected.

Risks Related to the Corporation's Business

The Corporation's cryptocurrency inventory may be exposed to cybersecurity threats and hacks.
Malicious actors may seek to exploit vulnerabilities within cryptocurrency programming codes. Several errors and defects have been found and corrected, including those that disabled some functionality for users and exposed users' information. Discovery of flaws in or exploitations of the source code that allow malicious actors to take or create virtual Bitcoin assets have been relatively rare, however not entirely uncommon. Hackers have been able to gain unauthorized access to digital wallets and cryptocurrency exchanges, thereby exposing the crypto-assets stored and traded on these platforms at risk.

If a malicious actor exposes a vulnerability on a platform or Blockchain on which the Corporation stores, trades or mines cryptocurrency, as may be applicable, that could interfere with and introduce defects to the mining operation and could put the Corporation's cryptocurrency holdings at risk of being hacked or stolen. Private keys which enable holders to transfer funds may also be lost or stolen, resulting in irreversible losses of cryptocurrencies. Hackers may discover novel tactics not currently contemplated herein which jeopardize the Corporation's assets and operations. The presence of a malicious actor could have a material adverse effect on the Corporation's business, financial condition, liquidity and results of operation.

Regulatory changes or actions may alter the nature of an investment in the Corporation or restrict the use of cryptocurrencies in a manner that adversely affects the Corporation's operations.

As cryptocurrencies have grown in both popularity and market size, governments around the world have reacted differently to cryptocurrencies with certain governments deeming cryptocurrency mining illegal while others have allowed their use and trade. Ongoing and future regulatory actions may alter, perhaps to a materially adverse extent, the ability of the Corporation to continue to operate. The effect of any future regulatory change on the Corporation or any cryptocurrency that the Corporation may mine is impossible to predict, but any such change could be substantial and have a material adverse effect on the Corporation. Governments may in the future curtail or outlaw the acquisition, use or redemption of cryptocurrencies. Ownership of, holding or trading in cryptocurrencies may then be considered illegal and subject to sanction. Governments may also take regulatory action that may increase the cost of mining cryptocurrency and/or subject cryptocurrency mining companies to additional regulation. Governments may in the future take regulatory actions that prohibit or severely restrict the right to acquire, own, hold, sell, use or trade cryptocurrencies or to exchange cryptocurrencies for fiat currency.

On March 9, 2022, the President of the United States issued an executive order that identified the following objectives for future regulation of digital assets in the United States: (1) protect consumers, investors, and businesses, (2) protect financial stability, (3) mitigate the illicit finance and national security risks posed by misuse of digital assets, (4) reinforce United States leadership in the global financial system and in technological and economic competitiveness, (5) promote access to safe and affordable financial services, and (6) support technological advances that promote responsible development and use of digital assets. Although the executive order was generally received positively by the digital asset industry, especially in the United States, the nature, scope and effect of any future regulations inspired by that executive order and their effect on the cryptocurrency mining industry, the use and adoption of cryptocurrency and, ultimately, the Corporation cannot be reasonably estimated at this time,

By extension, similar actions by other governments may result in the restriction of the acquisition, ownership, holding, selling, use or trading in the SV Shares. Such a restriction could result in the Corporation liquidating its cryptocurrency inventory at unfavorable prices and may otherwise adversely affect the Corporation's shareholders.

Increased scrutiny and changing expectations from stakeholders with respect to the Corporation's ESG practices and the impacts of Climate Change may result in additional costs or risks.

Companies across many industries are facing increasing scrutiny related to their environmental, social, and governance ("ESG") practices. Investor advocacy groups, certain institutional investors, investment funds and other influential investors are also increasingly focused on ESG practices and in recent years have placed increasing importance on the non-financial impacts of their investments. Furthermore, increased public awareness and concern regarding environmental risks, including global climate change, may result in increased public scrutiny of the Corporation's business and its industry, and the management team may divert significant time and energy away from the Corporation's operations and towards responding to such scrutiny and reassuring its employees.

In addition, the physical risks of climate change may impact the availability and cost of materials and natural resources, sources and supply of energy, demand for Bitcoin and other cryptocurrencies, and could increase the Corporation's insurance and other operating costs, including, potentially, to repair damage incurred as a result of extreme weather events or to renovate or retrofit facilities to better withstand extreme weather events. If environmental laws or regulations or industry standards are either changed or adopted and impose significant operational restrictions and compliance requirements on the Corporation's operations, or if its operations are disrupted due to physical impacts of climate change, the Corporation's business, capital expenditures, results of operations, financial condition and competitive position could be negatively

impacted.

The value of cryptocurrencies may be subject to momentum pricing.

Momentum pricing typically is associated with growth stocks and other assets whose valuation, as determined by the investing public, accounts for anticipated future appreciation in value. Cryptocurrency market prices are determined primarily using data from various exchanges, over-the-counter markets, and derivative platforms. Momentum pricing may have resulted, and may continue to result, in speculation regarding future appreciation in the value of cryptocurrencies, inflating and making their market prices more volatile. As a result, they may be more likely to fluctuate in value due to changing investor confidence in future appreciation (or depreciation) in their market prices, which could adversely affect the value of the cryptocurrency the Corporation mines and holds and thereby negatively affect the Corporation's shareholders.

Cryptocurrency exchanges and other trading venues are relatively new and, in most cases, largely unregulated and may therefore be more exposed to fraud and failure.

To the extent that cryptocurrency exchanges or other trading venues are involved in fraud or experience security failures or other operational issues, this could result in a reduction in cryptocurrency prices. Cryptocurrency market prices depend, directly or indirectly, on the prices set on exchanges and other trading venues, which are new and, in most cases, largely unregulated as compared to established, regulated exchanges for securities, derivatives and other currencies. For example, during the past three years, a number of Bitcoin exchanges have been closed due to fraud, business failure or security breaches. In many of these instances, the customers of the closed Bitcoin exchanges were not compensated or made whole for the partial or complete losses of their account balances in such Bitcoin exchanges. These risks also apply to other cryptocurrency exchanges, including exchanges on which Ether is traded. While smaller exchanges are less likely to have the infrastructure and capitalization that provide larger exchanges with additional stability, larger exchanges may be more likely to be appealing targets for hackers and "malware" (i.e., software used or programmed by attackers to disrupt computer operation, gather sensitive information or gain access to private computer systems) and may be more likely to be targets of regulatory enforcement action. The Corporation's current strategy is to hold its mined cryptocurrencies; however, if the Corporation decides to sell its cryptocurrency in the future, it may rely on a cryptocurrency exchange to facilitate such a sale. Fraud or failure of cryptocurrency exchanges could decrease the number of platforms available to the Corporation to liquidate its holdings and could also decrease public confidence in trading on such exchanges, which may adversely affect the price of cryptocurrencies. Sustained lack of regulation and potential fraud or failure of cryptocurrency exchanges could have a material adverse effect of the Corporation's business, financial condition, liquidity and results of operation.

Banks may not provide banking services, or may cut off banking services, to businesses that provide cryptocurrency-related services or that accept cryptocurrencies as payment.

A number of companies that provide Bitcoin and/or other cryptocurrency-related services have been unable to find banks that are willing to provide them with bank accounts and banking services. Similarly, a number of such companies have had their existing bank accounts closed by their banks. Banks may refuse to provide bank accounts and other banking services to Bitcoin and/or other cryptocurrency-related companies or companies that accept cryptocurrencies for a number of reasons, such as perceived compliance risks or costs. The difficulty that many businesses that provide Bitcoin and/or other cryptocurrency-related services have and may continue to have in finding banks willing to provide them with bank accounts and other banking services may be currently decreasing the usefulness of cryptocurrencies as a payment system and harming public perception of cryptocurrencies or could decrease its usefulness and harm its public perception in the future. Similarly, the usefulness of cryptocurrencies as a payment system and the public perception of cryptocurrencies could be damaged if banks were to close the accounts of many or of a few key businesses providing Bitcoin and/or other cryptocurrency-related services. This could decrease the market prices of cryptocurrencies and adversely affect the value of the Corporation's cryptocurrency inventory.

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

Crises may motivate large-scale purchases of cryptocurrencies, which could increase the price of cryptocurrencies rapidly. This may increase the likelihood of a subsequent price decrease as crisis-driven purchasing behavior wanes, adversely affecting the value of the Corporation's cryptocurrency inventory.

As an alternative to fiat currencies that are backed by central governments, cryptocurrencies, which are relatively new, are subject to supply and demand forces based upon the desirability of an alternative, decentralised means of buying and selling goods and services, and it is unclear how such supply and demand will be impacted by geopolitical events. Nevertheless, political or economic crises may motivate large-scale acquisitions or sales of Bitcoin either globally or locally. Large-scale sales of cryptocurrencies would result in a reduction in their market prices and adversely affect the Corporation's operations and profitability.

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

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

- Continued worldwide growth in the adoption and use of cryptocurrencies;

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

Acceptance and/or widespread use of cryptocurrency is uncertain.

Currently, there is relatively small use of Bitcoins and/or other cryptocurrencies in the retail and commercial marketplace in comparison to relatively large use by speculators, thus contributing to price volatility that could adversely affect the Corporation's operations, investment strategies, and profitability.

As relatively new products and technologies, Bitcoin and other cryptocurrencies have not been widely adopted as a means of payment for goods and services by major retail and commercial outlets. Conversely, a significant portion of cryptocurrency demand is generated by blockchain technology enthusiasts, price speculators and investors seeking to profit from the short-term or long-term holding of cryptocurrencies.

The relative lack of acceptance of cryptocurrencies in the retail and commercial marketplace limits the ability of end-users to use them to pay for goods and services. A lack of expansion by cryptocurrencies into retail and commercial markets, or a contraction of such use, may result in increased volatility or a reduction in their market prices, either of which could adversely impact the Corporation's operations, investment strategies, and profitability.

The Corporation is subject to risks associated with the Corporation's need for significant electrical power and for such electrical power to be available at commercially feasible rates. Government regulators may potentially restrict the ability of electricity suppliers to provide electricity to mining operations.

Cryptocurrency mining operations require substantial amounts of electrical power, and the Corporation's operations can only be successful if the Corporation can obtain electrical power on a reliable and cost-effective basis. Shortages of natural gas, infrastructural damage to power plants or power carriage infrastructure, increases in demand for power, or any other factor that contributes to a rise in the price of electrical power may render the Corporation's mining operations unprofitable. Additionally, in times of electricity shortages, government regulators may restrict or prohibit the provision of electricity to cryptocurrency mining operations.

At the same time, the consumption by cryptocurrency mining companies, including the Corporation of significant amounts of electrical power may potentially have a deleterious effect on the environment, which may cause government regulators to restrict the ability of electricity suppliers to provide electricity to mining operations in order to curtail their energy consumption.

The Corporation currently conducts its cryptocurrency mining in the state of New York. As a result of maintaining operations in a single geographic location, the Corporation's current and future operations and anticipated growth, as well as the sustainability of hydroelectricity at economical prices for the purposes of cryptocurrency mining in the state of New York poses certain risks. Specifically, pursuant to the Energy Contract (as defined below), the Corporation currently purchases all of its power from EnergyMark, and, for all quantities of power used by the Corporation, the price that the Corporation pays EnergyMark per kWh is, and will be, a price that is updated every hour, the so-called "NYISO Zone-A Real-Time Price", plus US$0.001/kWh. Any significant increase in the "NYISO Zone-A Real-Time Price" will increase the price the Corporation pays for the electrical power it consumes, which could adversely impact the Corporation's operations and profitability.

The Corporation may be required to sell its cryptocurrency portfolio to pay for expenses.

The Corporation may sell part of its cryptocurrency portfolio to pay for expenses incurred, irrespective of the price at that point in time. Consequently, the Corporation's cryptocurrencies may be sold at a time when the price is low, resulting in a negative effect on the Corporation's profitability.

The Bitcoin block reward halves approximately every four year which reduces the number of Bitcoin the Corporation would receive from solving blocks.

The difficulty of Bitcoin mining, or the amount of computational resources required for a set amount of reward for recording a new block, directly affects the Corporation's results of operations. Bitcoin mining difficulty is a measure of how much computing power is required to record a new block, and it is affected by the total amount of computing power in the Bitcoin network. The Bitcoin algorithm is designed so that one block is generated, on average, every ten minutes, no matter how much computing power is in the network. Thus, as more computing power joins the Bitcoin network, and assuming the rate of block creation does not change (remaining at one block generated every ten minutes), the amount of computing power required to generate each block, and, hence, the mining difficulty, increases. In other words, based on the current design of the Bitcoin network, Bitcoin mining difficulty would increase together with the total computing power available in the Bitcoin network, which is in turn

affected by the number of Bitcoin mining machines in operation.

In May 2020, the Bitcoin daily reward halved from 12.5 Bitcoin per block, or approximately 1,800 Bitcoin per day, to 6.25 Bitcoin per block, or approximately 900 Bitcoin per day. Bitcoin halving events are expected to occur approximately every four years, and each halving event may have a potential deleterious impact on the Corporation's profitability as the Corporation will be rewarded less Bitcoin for each new block it records. Based on the fundamentals of Bitcoin mining and historical data on Bitcoin prices and the network difficulty rate after a halving event, it is unlikely that the network difficulty rate and price would remain at the current level when the Bitcoin rewards per block are halved, which could offset some of the impact of a halving event. Nevertheless, there is a risk that a future halving event may render the Corporation unprofitable and unable to continue as a going concern.

The Corporation's profitability depends upon the hash rate of its miners and of the network as well as network difficulty, any adverse changes in which could reduce the ability of the Corporation to remain competitive.

The hash rate in cryptocurrency networks is expected to increase as a result of upgrades across the industry as Bitcoin and Ether miners use more efficient chips. As the hash rate increases, the mining difficulty will increase in response to the increase in computing power in the network. This may make it difficult for the Corporation to remain competitive as the Corporation may be required to deploy significant capital to acquire additional miners in order to increase their total mining power and offset the rise in hash rate. The effect of increased computing power in the network combined with fluctuations in the price of Bitcoin and Ether could have a material adverse effect on the Corporation's results of operations and financial condition.

There is a possibility of cryptocurrency mining algorithms transitioning to proof of stake validation and other mining related risks, which could make the Corporation less competitive and ultimately adversely affect the Corporation's business and the value of its shares.

Proof of stake is an alternative method in validating cryptocurrency transactions that is less dependent on the consumption of electricity. Should the algorithm for validating Bitcoin or Ether transactions, or transactions involving any cryptocurrency the Corporation mines in the future, shift from the current proof of work validation method to a proof of stake method, mining would likely require less energy, which may render any company that maintains advantages in the current climate (for example, from lower priced electricity, processing, real estate, or hosting) less competitive. The Corporation, as a result of its efforts to optimize and improve the efficiency of its mining operations by seeking to acquire low cost, long-term electricity may be exposed to the risk in the future of losing the relative competitive advantage it may have over some of its competitors as a result and may be negatively impacted if a switch to proof of stake validation were to occur. Such events could have a material adverse effect on our ability to continue as a going concern, which could have a material adverse effect on our business, prospects or results of operations, the value of Bitcoin, Ether and any other cryptocurrencies the Corporation mines in the future and your investment in the SV Shares.

The risks posed by the COVID-19 pandemic cannot be predicted with certainty, and the Corporation may be exposed to government-imposed restrictions on operations.

In March 2020, the World Health Organization declared COVID-19 a pandemic. The global response to the pandemic is constantly evolving, including various measures implemented at the global, national, state, provincial and local levels. The major impacts that COVID-19 has had or is expected to have, in each case, whether directly or indirectly, on the Corporation include increases in cryptocurrency price volatility, difficulty obtaining new financing due to global economic slowdown, and delays in receiving future orders of mining hardware and parts sourced from overseas. The Corporation may incur expenses or delays relating to such events outside of the Corporation's control which could have a material adverse impact on the Corporation's business, operating results and financial condition.

In March 2020, the Corporation temporarily ceased operations at its Buffalo Mining Facility until the end of that month due to the COVID-19 pandemic. The Corporation resumed operations at a 75% operating level in April 2020 and has since increased to a 100% operating level; however, exposure to potential future government-imposed restrictions that may restrict the number of employees permitted to work in the mining facilities remains uncertain. A reduction in workforce in the mining facilities may reduce the Corporation's ability to maximize operational efficiency. The duration and impact of the COVID-19 pandemic is not certain at this time, and, as a result, it is not possible to reliably estimate the length or severity of any such developments or their impact on the financial results and condition of the Corporation and its operating subsidiaries in future periods.

The Corporation's operations, investment strategies, and profitability may be adversely affected by competition from other methods of investing in cryptocurrencies.

The Corporation competes with other users and/or companies that are mining cryptocurrencies and other potential financial vehicles, possibly including securities backed by or linked to cryptocurrencies through entities similar to the Corporation. Market and financial conditions, and other conditions beyond the Corporation's control, may make it more attractive to invest in other financial vehicles, or to invest in cryptocurrencies directly which could limit the market for the Corporation's shares and reduce their liquidity.

The Corporation's coins may be subject to loss, theft or restriction on access.

There is a risk that some or all of the Corporation's coins could be lost or stolen. Access to the Corporation's coins could also be restricted by cybercrime (such as a denial of service attack) against a service at which the Corporation maintains a hosted online wallet. Any of these events may adversely affect the operations of the Corporation and, consequently, its investments and profitability.

The loss or destruction of a digital private key required to access the Corporation's digital wallets may be irreversible. The Corporation's loss of access to its private keys or its experience of a data loss relating to the Corporation's digital wallets could adversely affect its investments.

Cryptocurrencies are controllable only by the possessor of both the unique public and private keys relating to the local or online digital wallet in which they are held, which wallet's public key or address is reflected in the network's public Blockchain. The Corporation will publish the public key relating to digital wallets in use when it verifies the receipt of cryptocurrency transfers and disseminates such information into the network, but it will need to safeguard the private keys relating to such digital wallets. To the extent such private keys are lost, destroyed or otherwise compromised, the Corporation will be unable to access its coins, and such private keys will not be capable of being restored by network. Any loss of private keys relating to digital wallets used to store the Corporation's cryptocurrency could adversely affect its investments and profitability.

Incorrect or fraudulent coin transactions may be irreversible.

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

Coin transactions are not, from an administrative perspective, reversible without the consent and active participation of the recipient of the transaction. In theory, cryptocurrency transactions may be reversible with the control or consent of a majority of processing power on the network. Once a transaction has been verified and recorded in a block that is added to the Blockchain, an incorrect transfer of a coin or a theft of coin generally will not be reversible and the Corporation may not be capable of seeking compensation for any such transfer or theft. Although the Corporation's transfers of coins will regularly be made by experienced members of the management team, it is possible that, through computer or human error, or through theft or criminal action, the Corporation's coins could be transferred in incorrect amounts or to unauthorized third parties, or to uncontrolled accounts.

If the award of coins for solving blocks and transaction fees are not sufficiently high, miners (other than of the Corporation) may not have an adequate incentive to continue mining and may cease their mining operations, which could adversely impact the Corporation's mining operations.

As the number of coins awarded for solving a block in the Blockchain decreases, the incentive for miners to continue to contribute processing power to the network may transition from a set reward to transaction fees. Either the requirement from miners of higher transaction fees in exchange for recording transactions in the Blockchain or a software upgrade that automatically charges fees for all transactions may decrease demand for the relevant coins and prevent the expansion of the network to retail merchants and commercial businesses, resulting in a reduction in the market price of the relevant cryptocurrency that could adversely impact the Corporation's cryptocurrency inventory and investments.

In order to incentivize miners to continue to contribute processing power to the network, the network may either formally or informally transition from a set reward to transaction fees earned upon solving for a block. It is possible this transition could be accomplished either by miners independently electing to record on the blocks they solve only those transactions that include payment of a transaction fee or by the network adopting software upgrades that require the payment of a minimum transaction fee for all transactions. If transaction fees paid for recording transactions in a certain Blockchain become too high, the marketplace may be reluctant to use that Blockchain to transact and existing users may be motivated to switch between Blockchains, cryptocurrencies or back to fiat currency. Decreased use and demand for coins may adversely affect their value and result in a reduction in the market price of coins.

If the award of coins for solving blocks and transaction fees for recording transactions are not sufficiently high to incentivize miners, miners may cease expending processing power to solve blocks and confirmations of transactions on the Blockchain could be slowed temporarily or for an extended period of time if miners cease operations entirely. A reduction in the processing power expended by miners, including due to miners ceasing their operations, could increase the likelihood of a malicious actor or botnet obtaining control in excess of 50 percent of the processing power active on the Blockchain, potentially permitting such actor or botnet to manipulate the Blockchain in a manner that adversely affects the Corporation's mining activities. Any reduction in confidence in the confirmation process or processing power of the network may adversely impact the Corporation's mining activities, inventory of coins, and future investment strategies.

The price of coins may be affected by the sale of coins by other vehicles investing in coins or tracking cryptocurrency markets.

To the extent that other vehicles investing in coins or tracking cryptocurrency markets form and come to represent a significant proportion of the demand for coins, large redemptions of the securities of those vehicles and the subsequent sale of coins by such vehicles could negatively affect cryptocurrency prices and, therefore, affect the value of the inventory held by the Corporation.

The Corporation's business may be adversely impacted by technological obsolescence and difficulty in obtaining hardware.

To remain competitive, the Corporation will continue to invest in hardware and equipment required for maintaining the Corporation's mining activities. Should competitors introduce new services/software embodying new technologies, the Corporation's hardware and equipment and its underlying technology may become obsolete and require substantial capital to replace such equipment.

The increase in interest and demand for cryptocurrencies has led to a shortage of mining hardware as individuals purchase equipment for mining at home. In addition, ramifications from the COVID-19 pandemic, which included semiconductor and microchip shortages and logistical

complications in terms of sourcing and obtaining goods, could cause delays or negatively impact the Corporation's ability to source new hardware and equipment.

Equipment may require repair and replacement from time to time. Risks of shortages, including, but not limited to, shortages of graphics processing units may lead to downtime as the Corporation searches for replacement equipment, which may decrease the cryptocurrency the Corporation is able to mine.

Delays in the development of existing and planned cryptocurrency mining facilities may result in different outcomes than those intended.

The continued development of existing and planned facilities is subject to various factors and may be delayed or adversely affected by such factors beyond the Corporation's control, including delays in the delivery or installation of equipment by suppliers, difficulties in integrating new equipment into existing infrastructure, shortages in materials or labour, defects in design or construction, diversion of management resources, insufficient funding, or other resource constraints. Actual costs for development may exceed the Corporation's planned budget. Delays, cost overruns, changes in market circumstances and other factors may result in different outcomes than those intended.

The Corporation's proposed acquisition of a power plant and facility, as well as any future acquisitions, may not occur in a timely manner or at all.

The planned acquisition of a 60MW power plant located in the State of New York, previously announced in a news release of the Corporation on March 24, 2021, is subject to various factors and regulatory approvals, including final approval of the Public Service Commission ("PSC") in the State of New York. Receipt of final PSC approval may be delayed, or may not be received at all, and the Corporation's planned facilities development may be adversely affected by such delay or failure to receive final PSC approval.

Exposure to environmental liabilities and hazards may result in the imposition of fines, penalties and restrictions on the Corporation.

The Corporation may be subject to potential risks and liabilities associated with pollution of the environment through its use of electricity to mine cryptocurrencies. In addition, environmental hazards may exist on a property in which the Corporation directly or indirectly holds an interest that are unknown to the Corporation at present and have been caused by previous or existing owners or operators of the property, which hazards may result in environmental pollution. Any such occurrences that constitute a breach of environmental legislation, laws, rules or regulations may result in the imposition of fines and penalties.

To the extent the Corporation is subject to environmental liabilities, the payment of such liabilities or the costs that it may incur to remedy environmental pollution would reduce funds otherwise available to it and could have a material adverse effect on the Corporation. If the Corporation is unable to fully remedy an environmental problem, it might be required to suspend operations or enter into interim compliance measures pending completion of the required remedy. Environmental hazards and other occurrences, including allegations of the same, involving or otherwise relating to the Corporation may have an undesirable reputational impact on the Corporation and may be an impetus for potential restrictions to be imposed on the Corporation by regulators. The Corporation's potential exposure for any such occurrences may be significant and could have a material adverse effect on the Corporation.

General Business Risks Related to the Corporation

The Corporation's success is largely dependent on the performance of the Corporation's management and executive officers.

The success of the Corporation is dependent upon the ability, expertise, judgment, discretion, performance and good faith of a limited number of people constituting its senior management. While the Corporation has employment or consulting agreements with most of its senior management team, those agreements cannot ensure the Corporation of the continued services of such persons. Any loss of the services of one or more of such individuals could have a material adverse effect on the Corporation's business, operating results or financial condition.

Certain members of the Corporation's management team have experience in the cryptocurrency industry, while others have experience in areas including financial management, corporate finance and sales and marketing. The experience of these individuals is a factor that will contribute to the Corporation's continued success and growth. The Corporation will initially be relying on the Corporation's officers and board members, as well as independent consultants, for certain aspects of the Corporation's business. The amount of time and expertise expended on the Corporation's affairs by each of the Corporation's management team and the Corporation's directors will vary according to the Corporation's needs. The success of the Corporation may be affected by conflicts of interest the management team or directors may have or may develop in the future. Conflict of interest concerns are further addressed hereinbelow under the heading "*Directors and officers may have a conflict of interest between their duties owed to the Corporation and their interest in other personal or business ventures*." The Corporation does not intend to acquire any key man insurance policies, and there is, therefore, a risk that the death or departure of any member of management, the Corporation's board, or any key employee or consultant could have a material adverse effect on the Corporation's future.

The Corporation may be unable to attract, develop and retain its key personnel and ensure adequate succession planning.

The Corporation's operations and continued growth are dependent on its ability to attract, hire, retain and develop leaders and other key

personnel. Any failure to effectively attract talented and experienced employees and other personnel or to engage in adequate succession planning and retention strategies could cause the Corporation to have insufficient industry or other relevant knowledge, skills and experience, which could erode the Corporation's competitive position or result in increased costs, competition for or high turnover. Any of the foregoing could negatively affect the Corporation's ability to operate its business, which, in turn, could adversely affect the Corporation's reputation, operations or financial performance.

The Corporation may be unable to obtain additional financing on acceptable terms or at all.

Further acquisitions of additional cryptocurrency mining rigs will require additional capital, and the Corporation will require funds to continue to operate as a public company. To the extent it becomes necessary to raise additional cash in the future, the Corporation may seek to raise it through the public or private sale of assets, debt or equity securities, the procurement of advances on contracts or licenses, funding from joint-venture or strategic partners, debt financing or short-term loans, or a combination of the foregoing. The Corporation may also seek to satisfy indebtedness without any cash outlay through the private issuance of debt or equity securities. We currently do not have any binding commitments for, or readily available sources of, additional financing.: however, any future financing(s) may also be dilutive to the Corporation's existing shareholders at that time.

There is no assurance that the Corporation will be successful in obtaining any required financing(s) or that such financing(s) will be available on terms acceptable to the Corporation. Failure to obtain such additional financing could cause the Corporation to reduce or terminate its operations. The failure to raise or procure such additional funds or the failure to achieve positive cash flow could result in the delay or indefinite postponement of the Corporation's business objectives, including the acquisition of additional equipment, the expansion of the Corporation's management team, the pursuit of strategic acquisitions and other aspects of the Corporation's strategic plan. If the Corporation undergoes a debt financing, the Corporation may be required to secure the financing with part or all of the Corporation's assets, which could be sold or retained by the creditor should there be a default in the Corporation's payment obligations. As a condition to a debt financing, restrictive covenants may be imposed on the Corporation that could limit the ability of the Corporation to freely operate its business, which could result in the failure to capitalize on otherwise available opportunities. Furthermore, if the Corporation raises capital through a convertible debt offering, any conversion of the debt into equity would be dilutive to the Corporation's existing shareholders.

The Corporation faces competition from other cryptocurrency companies.

The Corporation competes, and, in the future, will compete, with other cryptocurrency and distributed ledger technology businesses, including other businesses focused on developing substantial cryptocurrency mining operations, many of which have greater resources and experience. A fundamental property of mining associated with many cryptocurrencies is that the computational complexity of the mining algorithm increases over time, which, when combined with the effect of new industry entrants and cryptocurrency price volatility, may make certain cryptocurrencies relatively unprofitable to mine compared to others. If the Corporation does not increase its hash rate to maintain competitive as the computational complexity of mining algorithms increase, this Corporation may be unable to effectively compete, it may be unprofitable and ultimately unable to continue as a going concern.

Uninsured or uninsurable risks could result in significant financial liabilities.

The Corporation intends to insure its operations in general accordance with technology industry practice. However, given the novelty of cryptocurrency mining and associated businesses, such insurance may not be available, uneconomical for the Corporation, or the nature or level may be insufficient to provide adequate insurance cover. The Corporation may become subject to liability for hazards against which the Corporation cannot insure or against which the Corporation may elect not to insure because of high premium costs or for other reasons. The payment of any such liabilities would reduce or eliminate the funds available for operations. Payments of liabilities for which the Corporation does not carry insurance may have a material adverse effect on the Corporation's financial position.

The Corporation does not currently pay cash dividends and therefore the Corporation's shareholders will not be able to receive a return on their SV Shares unless they sell them.

The Corporation does not anticipate paying dividends in the near future. The Corporation expects to retain earnings to finance further growth and, where appropriate, retire debt. Unless the Corporation pays dividends, the Corporation's shareholders will not be able to receive a return on their shares unless they sell them. There is no assurance that shareholders will be able to sell SV Shares when desired.

The market price for SV Shares may be volatile, and there is no guarantee that an active or liquid market will be sustained for the SV Shares.

The Corporation's SV Shares are listed on the TSXV and Nasdaq. External factors outside of the Corporation's control, such as announcements of quarterly variations in operating results, revenues and costs, and sentiments toward stocks, may have a significant impact on the market price of the SV Shares. The market price for the SV Shares could be subject to extreme fluctuations. Factors such as government regulation, interest rates, share price movements of the Corporation's peer companies and competitors, as well as overall market movements and the market price for the cryptocurrencies that the Corporation mines, may have a significant impact on the market price of the SV Shares. Global stock markets, including the TSXV and Nasdaq, have experienced extreme price and volume fluctuations from time to time. There can be no assurance that an active or liquid market will develop or be sustained for the SV Shares.

There are significant legal, accounting, and financial costs of being a publicly traded company, which costs may reduce the resources available for the Corporation to deploy on its cryptocurrency mining operations.

For so long as the Corporation has publicly-traded securities, it will continue to incur significant legal, accounting and filing fees. As a reporting issuer, the Corporation is subject to reporting requirements under applicable laws, rules and policies of the TSXV, Nasdaq, and the Canadian and US securities regulatory authorities, including the SEC. Compliance with those requirements increases legal and financial compliance costs, makes some activities more difficult, time consuming or costly, and increases demand on existing systems and resources. Among other things, the Corporation is required to file annual, quarterly, and current reports with respect to its business and results of operations and maintain effective disclosure controls and procedures and internal controls over financial reporting. To maintain and, if required, improve disclosure controls and procedures and internal controls over financial reporting to meet applicable requirements, significant resources and management oversight may be required. Under the US Sarbanes-Oxley Act of 2002 ("SOX"), the Corporation is required to adhere to strict financial reporting requirements, and documentation proving compliance therewith must be regularly updated and maintained. The Corporation may be required to incur significant costs to satisfy internal and external reporting requirements under SOX and other applicable laws, rules and regulations. Securities legislation and the rules and policies of the TSXV and Nasdaq require publicly listed companies to, among other things, adopt corporate governance policies and related practices and to continuously prepare and disclose material information, all of which carry significant legal, financial and securities regulatory compliance costs.

As a result of the Corporation ensuring reporting requirements are met, management's attention may be diverted from other business concerns, which could harm the Corporation's business and result of operations. The Corporation may need to hire additional employees to comply with these requirements in the future, which would increase its costs and expenses. Continuing as a reporting issuer may make it more expensive to maintain director and officer liability insurance, which, in turn, could also make it more difficult for the Corporation to retain qualified directors and executive officers.

Directors and officers may have a conflict of interest between their duties owed to the Corporation and their interest in other personal or business ventures.

Certain of the Corporation's directors and officers are, and may continue to be, involved in the cryptocurrency industry through their direct and indirect participation in corporations, partnerships or joint ventures that are potential competitors of the Corporation. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers may conflict with the Corporation's interests. Directors and officers of the Corporation with conflicts of interest will be subject to and must follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies; however, there may be corporate opportunities that the Corporation is not able to pursue due to a conflict of interest of one or more of the Corporation's directors or officers.

The Corporation may be subject to litigation arising out of its operations.

The Corporation may be subject to litigation from time to time arising from the ordinary course of its business or otherwise. Damages claimed in any such litigation against the Corporation may be material, and the outcome of such litigation may materially impact the Corporation's operations and the value of the SV Shares. While the Corporation will assess the merits of any lawsuits and defend against such lawsuits accordingly, the Corporation may be required to incur significant expense and devote significant financial resources to such defenses. In addition, any adverse publicity surrounding such litigation and claims may have a material adverse effect on the Corporation's reputation, which, in turn, may have a negative impact on the value of the SV shares.

The Corporation could lose its foreign private issuer status in the future, which could result in significant additional costs and expenses to the Corporation.

In order to maintain its current status as a foreign private issuer, (a) 50% or more of the Corporation's voting securities must be directly or indirectly owned of record by holders residing outside of the United States, (b) the majority of the Corporation's executive officers and the majority of its directors must not be U.S. citizens or U.S. residents; (c) 50% or more of the Corporation's assets must be located outside of the United States or (d) the issuer's business is administered principally outside of the United States. The Corporation may in the future lose its foreign private issuer status if a majority of the Corporation's voting securities are owned of record in the United States and the Corporation fails to meet any of the other qualifications to avoid loss of foreign private issuer status. The regulatory and compliance costs to the Corporation under U.S. federal securities laws as a U.S. domestic issuer may be significantly more than the costs the Corporation incurs as a foreign private issuer, particularly since it is currently eligible to use the U.S.-Canadian Multijurisdictional Disclosure System ("**MJDS**"). If the Corporation ceases to be a foreign private issuer, it would no longer be MJDS-eligible and would be required to file periodic and current reports and registration statements on U.S. domestic issuer forms with the SEC that require more detailed and extensive disclosure than the forms available to a foreign private issuer, particularly that a foreign private issuer is MJDS eligible.

The Corporation has a limited history of operations and is in the early stage of development.

The limited operating history of the Corporation is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. The Corporation may not be successful in achieving a return on shareholders' investment, and the likelihood of its success must be considered in light of the early stage of its operations. There can be no assurance that the Corporation will be able to develop any of its projects profitably or that any of its activities will generate positive cash flow.

Ineffective management of growth could result in a failure to sustain the Corporation's progress.

The Corporation has recently experienced, and may continue to experience, growth in the scope of its operations pursuant to the acquisition of additional miners. This growth has resulted in increased responsibilities for the Corporation's existing personnel, and, in general, higher levels of operating expenses. In order to manage its current operations and any future growth effectively, the Corporation will need to continue to implement and improve its operational, internal controls, financial, and management information systems, as well as hire, manage and retain employees and maintain its corporate culture. There can be no assurance that the Corporation will be able to manage such growth effectively or

that its management, personnel or systems will be adequate to support the Corporation's operations.

The Corporation may be subject to tax liabilities and consequences that could reduce the Corporation's profitability.

The Corporation is subject to various taxes including, but not limited to the following: Canadian income tax; goods and services tax; provincial sales tax; land transfer tax; and payroll tax. The Corporation's tax filings will be subject to audit by various taxation authorities. Due to its relative novelty, the cryptocurrency industry in particular is subject to a rapidly evolving set of rules as governments begin to regulate this industry, including in the domain of taxation. While the Corporation intends to base its tax filings and compliance on the advice of its tax advisors, there can be no assurance that its tax filing positions will never be challenged by a relevant taxation authority resulting in a greater than anticipated tax liability.

Due to the new and evolving nature of digital assets and the absence of comprehensive legal guidance with respect to digital assets and related transactions, many significant aspects of the U.S. federal income and applicable state, local and non-U.S. tax treatment of transactions involving digital assets, such as the purchase and sale of Bitcoin and the receipt of staking rewards and other digital asset incentives and rewards products, are uncertain, and it is unclear what guidance may be issued in the future with respect to the tax treatment of digital assets and related transactions.

Current IRS guidance indicates that for U.S. federal income tax purposes, digital assets such as Bitcoin, should be treated and taxed as property, and that transactions involving the payment of Bitcoin for goods and services should be treated in effect as barter transactions. The IRS has also released guidance to the effect that, under certain circumstances, hard forks of digital currencies are taxable events giving rise to taxable income and guidance with respect to the determination of the tax basis of digital currency. However, current IRS guidance does not address other significant aspects of the U.S. federal income tax treatment of digital assets and related transactions. Moreover, although current IRS guidance addresses the treatment of certain forks, there continues to be uncertainty with respect to the timing and amount of income inclusions for various crypto asset transactions, including, but not limited to, staking rewards and other crypto asset incentives and rewards products. While current IRS guidance creates a potential tax reporting requirement for any circumstance where the ownership of a Bitcoin passes from one person to another, it preserves the right to apply capital gains treatment to those transactions, which is generally favorable for investors in Bitcoin.

There can be no assurance that the IRS will not alter its existing position with respect to digital assets in the future or that other state, local and non-U.S. taxing authorities or courts will follow the approach of the IRS with respect to the treatment of digital assets, such as Bitcoin, for income tax and sales tax purposes. Any such alteration of existing guidance or issuance of new or different guidance may have negative consequences including the imposition of a greater tax burden on investors in Bitcoin or imposing a greater cost on the acquisition and disposition of Bitcoin, generally; in either case potentially having a negative effect on the trading price of Bitcoin or otherwise negatively impacting our business. In addition, future technological and operational developments that may arise with respect to digital currencies may increase the uncertainty with respect to the treatment of digital currencies for U.S. federal income and applicable state, local and non-U.S. tax purposes.

The Corporation may be characterized as a passive foreign investment company.

Generally, if for any taxable year 75% or more of the Corporation's gross income is passive income, or at least 50% of the average quarterly value of the Corporation's assets are held for the production of, or produce, passive income, the Corporation would be characterized as a passive foreign investment company ("PFIC") for U.S. federal income tax purposes. Whether the Corporation is a PFIC for 2022 or any future taxable year is uncertain. Further, the Corporation does not express any opinion with respect to its PFIC status or its expectations regarding its PFIC status. Given this uncertainty, United States persons contemplating an investment in SV Shares may want to assume that the Corporation is a PFIC and are urged to consult their own tax advisors regarding the Corporation's PFIC status and the resulting U.S. federal income tax consequences in light of their own particular circumstances. If the Corporation is characterized as a PFIC, United States holders of SV Shares may suffer adverse tax consequences, including the treatment of gains realized on the sale of SV Shares as ordinary income, rather than as capital gain, the loss of the preferential income tax rate applicable to dividends received on SV Shares by individuals who are United States holders, and the addition of interest charges to the tax on such gains and certain distributions. A United States shareholder of a PFIC generally may mitigate these adverse U.S. federal income tax consequences by making a Qualified Electing Fund ("QEF") election, or, to a lesser extent, a mark-to-market election. However, the Corporation does not intend to provide the information necessary for United States shareholders to make QEF elections if the Corporation classified as a PFIC.

The Corporation may be exposed to risks from exchanging currencies, including currency exchange fees.

The Corporation may have financial risk exposure to varying degrees relating to the currency risk and volatility. The Corporation may raise funds and subsequently exchange such funds to another currency, which could result in costly currency exchange fees.

Currently, the Corporation does not engage in foreign currency hedging transactions to protect against fluctuations in future exchange rates, in particular, between the U.S. dollar and the Canadian dollar, and the Corporation may be more adversely affected by any such currency fluctuations than its competitors that engage in hedging transactions. If the Corporation engages in hedging transactions in the future, it may become exposed to risks associated with such transactions, which may not eliminate any adverse impact of future currency fluctuations on its business, financial condition, results of operations, cash flow and prospects.

DIVIDENDS OR DISTRIBUTIONS

It is not expected that the Corporation will declare any dividends for the foreseeable future. The Corporation will have no restrictions on paying dividends, but, if the Corporation generates earnings in the foreseeable future, it is expected that they will be retained to finance growth, if any. The Board will determine if and when dividends should be declared and paid in the future based upon the Corporation's financial position at the relevant time. Holders of SV Shares and PV Shares (on an as-converted basis) are entitled to an equal share in any dividends declared and paid on the SV Shares and PV Shares (on an as-converted basis). See "*Capital Structure – PV Shares*"

CAPITAL STRUCTURE

Overview

The authorized capital of the Corporation consists of an unlimited number of SV Shares without par value and an unlimited number of PV Shares without par value. As of the date hereof, there are 27,685,913 SV Shares and 3,333 PV Shares issued and outstanding. PV Shares are not available for distribution to the public. PV Shares may be converted into SV Shares at a ratio of 200 SV Shares for every 1 PV Share, as described in further detail below.

In addition, as of the date of this AIF, there were: (i) 2,366,830 SV Shares issuable upon the exercise of outstanding stock options of the Corporation ("**Options**") at a weighted average exercise price of C$5.23; (ii) 9,881,950 SV Shares reserved for issuance on exercise of 9,881,950 issued and outstanding SV Share purchase warrants of the Corporation with a weighted average exercise price of C$7.14; and (iii) 1,449,250 SV Shares reserved for issuance upon the vesting of 1,449,250 restricted share units of the Corporation ("**RSUs**"), for a total of 41,383,943 SV Shares on a fully-diluted basis.

As of the date of this AIF, the current capital structure of the Corporation is as follows:

Designation of Security	Number Authorized	Number outstanding
Subordinate Voting Shares	Unlimited	27,685,913
Proportionate Voting Shares[(1)]	Unlimited	3,333

SV Shares

Each holder of SV Shares is entitled to receive notice of and to attend all meeting of shareholders of the Corporation. Holders of SV Shares are entitled to one (1) vote per SV Share on all matters subject to shareholder vote, voting together as a single class with holders of PV Shares, except as otherwise prohibited by law.

In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or in the event of any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of SV shares will be entitled to participate ratably along with all other holders of SV Shares and PV Shares (on an as-converted to SV Share basis)

The holders of the SV Shares have the right to receive dividends, out of any cash or other assets legally available therefor, *pari passu* as to dividends and any declaration or payment of any dividend on the SV Shares

Except as otherwise provided in this prospectus, the SV Shares and PV Shares are equal in all respects and are treated as shares of a single class for all purposes under the BCBCA.

The Corporation's SV Shares are not subject to any pre-emptive rights, conversion or exchange rights, redemption, retraction, purchase for cancellation or surrender provisions, sinking or purchase fund provisions, provisions permitting or restricting the issuance of additional securities or provisions requiring a shareholder to contribute additional capital.

PV Shares

Holders of PV Shares are entitled to receive notice of and to attend all meeting of shareholders of the Corporation. Holders of PV Shares are entitled to one vote in respect of each SV Share into which such PV Share could ultimately then be converted, which for greater certainty, shall be equal to two-hundred (200) votes per PV Share, on all matters subject to a shareholder vote, voting together as a single class with holders of SV Shares, except as otherwise prohibited by law.

Holders of PV Shares have the right to receive dividends, out of any cash or other assets legally available therefor, *pari passu* (on an as converted basis, assuming conversion of all PV Shares into SV Shares at the conversion ratio of 200:1) as to dividends and any declaration or payment of any dividend on the SV Shares. No dividend will be declared or paid on the PV Shares unless the Corporation simultaneously declares or pays, as applicable, equivalent dividends (on an as-converted basis) on the SV Shares.

In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or in the event of any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of PV Shares will be entitled to participate ratably along with all other holders of PV Shares (on an as-converted to Resulting Issuer Subordinate Voting Share basis) and SV Shares

Each PV Share is convertible, at the option of the holder thereof at any time after the date of issuance of such share, into fully paid and non-assessable SV Shares as is determined by multiplying the number of PV Shares by the Conversion Ratio. The "**Conversion Ratio**" for shares of

PV Shares shall be two-hundred (200) SV Shares.

PV Shares are not available for distribution to the public.

Except as otherwise provided in this AIF, the PV Shares and SV Shares are equal in all respects and are treated as shares of a single class for all purposes under the BCBCA.

MARKET FOR SECURITIES

Trading Price and Volume

The Corporation's SV Shares trade on the TSXV, under the ticker symbol "DGHI", and on Nasdaq, under the symbol "DGHI".

The following table represents the price range and trading volume for the SV Shares for each month of trading on the TSXV from January 2021 until the date hereof. The table is presented on a post-Consolidation basis.

	Price Range		
Month	**High (C$)**	**Low (C$)**	**Volume**
March 1, 2022 – March 25, 2022	4.92	3.12	651,132
February, 2022	5.90	3.20	1,274,103
January, 2022	6.20	3.07	1,033,882
December, 2021	7.24	4.28	1,910,064
November, 2021	9.93	6.33	4,973,291
October, 2021	7.14	5.40	2,052,603
September, 2021	7.53	4.92	1,896,640
August, 2021	7.98	5.01	2,932,493
July, 2021	5.52	3.45	1,693,499
June, 2021	7.14	3.36	3,425,292
May, 2021	9.27	3.24	5,541,451
April, 2021	7.89	4.62	5,920,927
March, 2021	14.67	6.18	4,505,400
February, 2021	17.61	1.92	3,041,985
January, 2021	3.51	1.65	1,049,143

The SV Shares commenced trading on Nasdaq on November 15, 2021. The following table represents the price range and trading volume of the SV Shares, as reported by Nasdaq, for each month since the SV Shares began trading on Nasdaq and up to the date of this prospectus supplement. The table is presented on a post-Consolidation basis.

	Price Range		
Month	**High (US$)**	**Low (US$)**	**Volume**
March 1, 2022 – March 25, 2022	3.99	2.42	2,384,703
February, 2022	4.65	2.53	2,251,800
January, 2022	4.95	2.438	2,871,300
December, 2021	5.90	3.21	4,035,800
November 15, 2021 – November 30, 2021	7.85	5.00	2,332,281

Prior to the listing of the SV Shares on Nasdaq, the SV Shares traded on the OTC Market. The following table sets out the price range and trading volume of the SV Shares, as reported by the OTC Market, for each month from January 2021 and up to the date the SV Shares began trading on Nasdaq. The table is presented on a post-Consolidation basis.

	Price Range		
Month	**High (US$)**	**Low (US$)**	**Volume**
November 1, 2021 – November 12, 2021	8.00	5.50	1,617,012
October, 2021	5.76	4.32	2,388,889
September, 2021	6.00	3.84	1,793,408
August, 2021	6.33	4.02	2,073,470
July, 2021	4.47	2.67	1,637,077
June, 2021	6.00	2.79	2,956,826
May, 2021	7.74	2.70	5,466,439
April, 2021	6.15	3.75	2,478,450
March, 2021	11.64	5.00	3,340,824
February, 2021	14.25	1.50	2,307,872
January, 2021	2.82	1.31	455,039

Prior Sales

SV Shares

The following table sets out details of an aggregate of 29,928,751 SV Shares issued by the Corporation during the most recently completed financial year.

Date of Issuance	Price per SV Share	Number of SV Shares
January 9, 2021	C$ 0.81	349,876(1)
February 9, 2021(2)	C$ 0.20	200,000(1)
March 16, 2021	C$ 2.67	9,363,296(1)
April 9, 2021	C$ 2.14	11,682,243(1)
June 18, 2021	C$ 1.80	8,333,336(1)

Note:

(1) On a pre-Consolidation basis.
(2) SV Shares were issued to settle a debt with two creditors.

Options

The following table summarizes details of the stock options to purchase an aggregate of 5,470,491 SV Shares issued by the Corporation during the most recently completed financial year.

Date of Issuance	Exercise Price per Option	Number of Options
January 5, 2021	$ 1.25	1,650,491(1)
February 24, 2021	$ 4.64	150,000(1)
March 26, 2021	$ 2.49	1,600,000(1)
May 17, 2021	$ 2.45	1,290,000(1)
June 22, 2021	$ 1.40	780,000(1)

Note:

(1) On a pre-Consolidation basis.

Warrants

The following table summarizes details of the warrants to purchase an aggregate of 29,645,851 SV Shares issued by the Corporation during the most recently completed financial year.

Date of Issuance	Exercise Price per Warrant	Number of Warrants
March 16, 2021	C$ 3.14	9,363,296(1)
March 16, 2021	C$ 3.3375	749,064(1)
April 9, 2021	C$ 2.37	11,682,243(1)
April 9, 2021	C$ 2.675	934,579(1)
June 18, 2021	C$ 1.99	6,250,002(1)
June 18, 2021	C$ 2.25	666,667(1)

Note:

(1) On a pre-Consolidation basis.

ESCROWED SECURITIES

The following table lists as of the date hereof, to the knowledge of the Corporation, securities of the Corporation owned by principals held in escrow pursuant to a Tier 2 surplus security escrow agreement with the Escrow Agent as of the February 14, 2020, the closing date of the RTO.

Name and Municipality of Residence of Securityholder	Designation of Class	Number of Corporation securities held in escrow	Percentage of class

Bit.Management, LLC[1][2]	SV Shares		
Los Angeles, California		1,191,240	4.30%
Bit Mining International LLC[1][2]	SV Shares		
Los Angeles, California		362,736	1.31%
NYAM, LLC[1][2][3]	SV Shares	821,240	2.97%
Los Angeles, California	PV Shares	1,833	100%
Michel Amar[2]	SV Shares	187,888	0.68%
Los Angeles, California	Options	83,333	N/A
Alec Amar[2]	Options		
New York, New York		83,333	N/A
Adam Rossman[2]	SV Shares	6,668	0.02%
Los Angeles, California	Options	50,000	N/A
Manish Kshatriya[2]	Options		
Toronto, Ontario		50,000	N/A
Donald Christie[2]	Options		
Toronto, Ontario		50,000	N/A

Notes:

(1) Bit.Management, LLC, BIT Mining International, LLC and NYAM, LLC are each controlled by Michel Amar, CEO of Digihost. Mr. Amar is also the CEO of Bit.Management, LLC, BIT Mining International, LLC and NYAM, LLC.
(2) SV Shares held by the principal individuals subject to a Tier 2 surplus security escrow agreement.
(3) PV Shares held by the principal individuals subject to a Tier 2 surplus security escrow agreement.

The escrowed securities of the above individuals are held pursuant to a Tier 2 surplus security escrow agreement with the following release schedule:

1. 5% released on February 17, 2020
2. 5% released on August 17, 2020
3. 10% released on February 17, 2021
4. 10% released on August 17, 2021
5. 15% to be released on February 17, 2022
6. 15% to be released on August 17, 2022
7. 40% to be released on February 17, 2023

The following table lists as of the date hereof, to the knowledge of the Corporation, securities of the Corporation held in escrow pursuant to a Tier 2 value security escrow agreement with the Escrow Agent as of the February 14, 2020, the closing date of the RTO.

Name and Municipality of Residence of Securityholder	**Designation of Class**	**Number of Corporation securities held in escrow**	**Percentage of class**
27 Squared, LLC	SV Shares		
New York, NY		275,107	0.99%
089623 BC Ltd.	SV Shares		
Vancouver, BC		190,921	0.69%
Anaya Capital Ltd.	SV Shares		
Dubai, UAE		289,835	1.05%
Annie Campbell	SV Shares		
Los Angeles, CA		3,637	0.01%
Anthony Benoit	SV Shares		
Marseille, France		10,455	0.04%
Arleen Cohen	SV Shares		
North Woodmere, NY		13,637	0.05%
Caerus Investment Holdings Ltd.	SV Shares		
Dubai, UAE		322,929	1.17%
Chuck Pacheco	SV Shares		
Beverly Hills, CA		9,091	0.01%
Darryn Garson	SV Shares		
New York, NY		5,455	0.02%
Fred Banjout	SV Shares		
Marrakech, Morocco		3,033	0.01%

Marc Garson *New York, NY*	SV Shares	14,091	0.05%
Marie Trasolini *Vancouver, BC*	SV Shares	92,733	0.33%
Natasha Collins *Surrey, BC*	SV Shares	4,353	0.02%
Patrick Gray *Niskayuna, NY*	SV Shares	4,353	0.02%
Paul Ciullo *Albany, NY*	SV Shares	4,353	0.02%
Ryan Trasolini *Dubai, UAE*	SV Shares	249,106	0.90%
Serge Choukroun *Mid-Levels, Hong Kong*	SV Shares	9,092	0.03%
Sungwoo Kim *La Miranda, CA*	SV Shares	3,637	0.01%
Geoffrey Browne *Toronto, ON*	SV Shares	27,500	0.10%

The escrowed securities of the above individuals and entities are held pursuant to a Tier 2 value security escrow agreement with the following release schedule:

1. 10% released on February 17, 2020
2. 15% released on August 17, 2020
3. 15% released on February 17, 2021
4. 15% released on August 17, 2021
5. 15% to be released on February 17, 2022
6. 15% to be released on August 17, 2022
7. 15% to be released on February 17, 2023

The escrowed securities may not be sold, assigned, transferred, redeemed, surrendered or otherwise dealt with in any manner except provided by the Corporation escrow agreements. Escrowed securities may be transferred within escrow to an individual who is a director or senior officer of the Corporation or a material operating subsidiary of the Corporation, provided that certain requirements of the Exchange are met, including that the new proposed transferee agrees to be bound by the terms of the agreement. In the event of bankruptcy of, the holder of escrowed securities held by the escrowed shareholder may be transferred within escrow to the trustee in bankruptcy or other person legally entitled to such escrowed securities provided that certain prescribed Exchange requirements are met. Escrowed securities may also be transferred within escrow by an escrowed shareholder to a registered retirement savings plan ("**RRSP**") or a registered retirement income fund (" **RRIF**") provided that the Exchange receives proper notice of the same, the escrowed shareholder is the sole beneficiary of the RRSP or RRIF and the trustee of the RRSP or RRIF agrees to be bound by the terms of the Corporation escrow agreements. In the event of the death of an escrowed shareholder, the escrowed securities shall be released to the legal representatives of the deceased holder thereof.

DIRECTORS AND OFFICERS

The following table sets out, for each of the Corporation's directors and executive officers, the person's name, province and country of residence, positions with the Corporation, principal occupation within the last five years and the number and percentage of securities each director and executive officer holds as of the date of this AIF. Each director will hold office until the next annual meeting of the Corporation unless his or her office is earlier vacated:

Name and Municipality of Residence	Principal Occupations for Last Five Years	Position	Director/Officer Since	Number and percentage of Shares		
Michel Amar *Los Angeles, California*	CEO and Chairman, Digihost Technology Inc., (2020 – present); President, NYAM LLC (2016 to present)	CEO, Chairman, Director and Promoter	February 14, 2020	SV Shares	4,803,928[(2)]	17.35%
				PV Shares	3,333[(3)]	100%
				Options	608,332	N/A
				RSUs	600,000	N/A
Alec Amar *Los Angeles,*	President and Director, Digihost Technology Inc., (2020 – present); President,	President and Director	February 14, 2020	SV Shares	49,700	0.18%
				Options	374,999	N/A

California	Bit.Management, LLC (2018 to present)			RSUs	600,000	N/A
Donald Christie[4] *Toronto, Ontario*	COO and Director, Digihost Technology Inc. (2020 to present); CFO, and Director, Nevada Zinc Corporation (2011 to present)	COO and Director	February 14, 2020 (Director); February 1, 2022 (COO)	SV Shares	83,333	0.30%
				Options	208,333	N/A
				RSUs	75,000	N/A
Paul Ciullo *Albany, New York*	CFO, Digihost Technology Inc. (formerly HashChain Technology, Inc.). (2021 to present; 2018 to 2020); Finance Manager, Conduent Inc. (2015-2018)	CFO	April 29, 2021	SV Shares	25,885	0.09%
				Options	28,000	N/A
				RSUs	15,000	N/A
Adam Rossman[4] *Los Angeles, California*	Business and Real Estate Attorney	Director	February 14, 2020	SV Shares	14,746	0.05%
				Options	107,999	N/A
				RSUs	20,000	N/A
Manish Kshatriya[4] *Toronto, Ontario*	Managing Director, MZK Advisors Inc. (2016 to present); President, CEO and CFO, Liberty Silver Corp. (2014 to 2016)	Director	February 14, 2020	SV Shares	8,333	0.03%
				Options	174,666	N/A
				RSUs	10,000	N/A

Notes:

(1) On a non-diluted basis, as a group the directors and officers of the Corporation will own 5,079,512 SV Shares for 18.00% of the total issued and outstanding SV Shares and 3,333 PV Shares for 100% of the total issued and outstanding PV Shares.
(2) 518,333 SV Shares are held by Michel Amar, 626,544 SV Shares are held by Bit Mining International LLC, 2,165,889 SV Shares are held by Bit Management, LLC and 1,493,162 SV Shares are held by NYAM, LLC. Bit.Management, LLC, BIT Mining International, LLC and NYAM, LLC are each controlled by Michel Amar, CEO of Digihost. Mr. Amar is also the CEO of Bit.Management, LLC, BIT Mining International, LLC and NYAM, LLC.
(3) 3,333 PV Shares are held by NYAM, LLC. NYAM, LLC is controlled by Michel Amar.
(4) Member of the Audit Committee. Manish Kshatriya is Chair of the Audit Committee.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Cease Trade Orders

Other than as disclosed below, to the knowledge of the Corporation as at the date of this AIF and within the ten years before the date of this AIF, no director or officer or proposed director of the Corporation is or has been a director or officer of any company (including the Corporation), that while that person was acting in that capacity:

a) was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemptions under securities legislation, for a period of more than 30 consecutive days;

b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemptions under securities legislation, for a period of more than 30 consecutive days; or

c) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted and proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Manish Kshatriya served as Chief Financial Officer and Secretary of Liberty Silver Corp. (" **Liberty Silver**") from January 2012 to October 2016 and as interim Chief Executive Officer and Director of Liberty Silver from December 2014 to October 2016.

On October 5, 2012, Liberty Silver was named in an Order of Suspension of Trading (the " **Order**") from the U.S. Securities and Exchange Commission (the "**SEC**"). The Order was based on the SEC position that there was a deficiency of up-to-date information concerning the control of Liberty Silver, Liberty Silver's market price, and trading in Liberty Silver's stock. Pursuant to the Order, trading in Liberty Silver's securities was suspended from October 5, 2012 through to October 18, 2012. Furthermore, effective October 11, 2012, Liberty Silver had its stock quotation under the symbol "LBSV" removed from the OTC Bulletin Board (the " **OTCBB**") as it became ineligible for quotation on OTCBB due to quoting inactivity under SEC Rule 15c2-11. On October 12, 2012, the Ontario Securities Commission (the "**OSC**") issued a cease trade order providing that trading in the securities of Liberty Silver (excepting issuances from treasury) shall cease until 11:59 pm EST on October 18, 2012 (the "**OSC Order**"). The OSC Order was effective for the same time frame as the Order of Suspension of Trading imposed by the SEC. On October 19,

2012, the cease trade orders imposed by the SEC and the OSC expired. Trading in the common shares of Liberty Silver on the Toronto Stock Exchange in Canada resumed on Monday, October 22, 2012.

Personal Bankruptcies

To the knowledge of the Corporation, no director or officer of the Corporation, or a personal holding company of any of them, has, within the ten years prior to the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver manager or trustee appointed to hold the assets of that individual.

Penalties or Sanctions

To the knowledge of the Corporation, no proposed director or officer of the Corporation has:

a) been subject to any penalties or sanctions imposed by a court relating to securities legislation by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable security holder.

Conflicts of Interest

To the knowledge of the Corporation, no proposed director, officer or promoter of the Corporation or its subsidiaries has any existing or potential material conflicts of interests as a result of their outside business interests. Conflicts of interest, if any, will be subject to and will be resolved in accordance with, the procedures and remedies under the BCBCA.

AUDIT COMMITTEE INFORMATION

The Audit Committee oversees the accounting and financial reporting practices and procedures of the Corporation and the audits of the Corporation's financial statements. The principal responsibilities of the Audit Committee include: (i) overseeing the quality and integrity of the internal controls and accounting procedures of the Corporation, including review the Corporation's procedures for internal control with the Corporation's auditor and chief financial officer; (ii) reviewing and assessing the quality and integrity of the Corporation's annual and quarterly financial statements and related management discussion and analysis, as well as all other material continuous; (iii) monitoring compliance with legal and regulatory requirements related to financial reporting; (iv) reviewing and approving the engagement of the auditor of the Corporation and independent audit fees; (v) reviewing the qualifications, performance and independence of the auditor of the Corporation, considering the auditor's recommendations and managing the relationship with the auditor, including meeting with the auditor as required in connection with the audit services provided to the Corporation; (vi) assessing the Corporation's financial and accounting personnel; (vii) reviewing the Corporation's risk management procedures; (viii) reviewing any significant transactions outside the Corporation's ordinary course of business and any pending litigation involving the Corporation; and (ix) examining improprieties or suspected improprieties with respect to accounting and other matters that affect financial reporting.

Audit Committee Charter

The full text of the charter of the Audit Committee is attached as Schedule "A" to this AIF.

Composition of the Audit Committee

The Audit Committee of the Corporation is comprised of Manish Kshatriya (Chair), Donald Christie and Adam Rossman. Messrs. Kshatriya and Rossman are "independent" within the meaning of National Instrument 52-110 – *Audit Committees.* Mr. Christie is not considered "independent" due to being appointed an officer of the Corporation on February 1, 2022. In addition, each Audit Committee member is "financially literate", within the meaning of National Instrument 52-110 – *Audit Committees* and possess education or experience that is relevant for the performance of their responsibilities as Audit Committee members.

The following table summarizes the relevant education and experience of the members of the Audit Committee:

Name of Member	Education	Experience
Manish Kshatriya (Chair)	B.A, *York University* CPA designation	Mr. Kshatriya is the CFO of CSE-listed The Tinley Beverage Company Inc. Mr. Kshatriya is also the managing director of MZK Advisors Inc., a Toronto based Business Advisory firm providing executive management, governance and compliance oversight, and capital markets advisory services to small and mid-market private and publicly listed companies. He has over 20 years of progressive experience in corporate finance, accounting, taxation and auditing obtained in public accounting practice and industry.

Donald Christie	B.Com, *Queen's University* CPA designation	Mr. Christie is the CFO and a director of TSXV-listed Nevada Zinc Corporation and Chairman of the Audit Committee of Northern Graphite Corporation. Mr. Christie holds a Bachelor of Commerce Honours degree from Queen's University and received his Chartered Accountant designation while working for PricewaterhouseCoopers LLP.
Adam Rossman	B.A, *University of California at Berkley* JD, *Loyola Law School* M.A, *University of California at Berkley*	Mr. Rossman is a business and real estate attorney. He is a member of the California Bar since 1995. Mr. Rossman has handled transactions throughout the United States relating to commercial real estate and trademark licensing.

Reliance on Certain Exemptions

The Corporation is relying on the exemption under Part 7 of NI 52-110 regarding composition of the Audit Committee. The Corporation has securities listed on a U.S. marketplace is in compliance with the requirements of that U.S. marketplace applicable to issuers, other than foreign private issuers, regarding the role and composition of audit committees.

Audit Committee Oversight

At no time since the commencement of the Corporation's financial year ended December 31, 2021 was a recommendation of the Audit Committee to nominate or compensate an external auditor (currently, Raymond Chabot Grant Thornton LLP) not adopted by the Board.

Pre-Approval Policies and Procedures

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board, and where applicable by the Audit Committee, on a case by case basis.

External Auditor Service Fees

	Year Ended December 31, 2021	Year Ended December 31, 2020
Audit fees[(1)]	$ 240,000	$ 397,731
Audit related fees	nil	nil
Tax fees	$ 20,000	$ 19,878
All other fees	$ 23,602	nil
Total fees:	$ 283,602	$ 417,609

Notes:

(1) Audit fees consist of fees billed for professional services rendered for the audit of the Corporation's year-end financial statements, quarterly review and services that are normally provided by Raymond Chabot Grant Thornton LLP in connection with statutory and regulatory filings.

PROMOTERS

Michel Amar is considered a promoter of the Corporation through his initiative in founding and organizing Digihost. Michel Amar holds in the aggregate 4,803,928 SV Shares and 3,333 PV Shares representing 17.35% of the issued and outstanding SV Shares on a non-diluted basis and 100% of the issued and outstanding PV Shares on a non-diluted basis. In addition, Michel Amar holds in the aggregate 608,332 Options and 600,000 RSUs.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Corporation is not currently a party to any actual or pending legal proceedings or regulatory actions which would materially affect the Corporation, nor is the Corporation currently contemplating any legal proceedings, which are material to its business or of which any of its assets are likely to be subject. Furthermore, the Corporation is not aware of any such proceeding known to be contemplated or threatened which would materially affect the Corporation.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as described in this AIF, no director, executive officer, person or corporation that beneficially owns, or controls, or directs, directly or indirectly, more than 10% of the Common Shares or any associate or affiliate of any such person or corporation, has or had any material interest, direct or indirect, in any transaction either within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect the Corporation.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Corporation is Computershare Investor Services Inc., 510 Burrard Street, 3 rd Floor, Vancouver, British Columbia, V6C 3B9.

MATERIAL CONTRACTS

The following material contracts of the Corporation were either entered into during the last financial year or entered into prior to the last financial year and still in effect:

1. Lease agreement dated June 4, 2018 (the "**Buffalo Facility Lease Agreement**") between East Delavan Property, LLC (" **East Delavan**") as "**Landlord**" and Bit.Management, LLC (the "**Tenant**" under the Lease Agreement, as the context requires) was assigned by Bit.Management, LLC to Digihost prior to completion of the RTO. The agreement is comprised of the warehouse lease agreement for the Buffalo Mining Facility and the substation lease addendum, used for cryptocurrency mining operations located in Buffalo, NY. Buffalo Facility Lease Agreement has a term of five years at an annual rental cost of US$350,000 and annual maintenance of US$105,000 (with an annual increase in rent and maintenance of 1%), commencing on June 4, 2018 and expiring on July 1, 2023, at which point the Tenant has the option to renew the lease for an additional five years. Pursuant to the Buffalo Facility Lease Agreement, the Tenant shall have the option commencing after the third year of the lease, and continuing up until the expiration, to purchase an approximately 240,000 square foot portion of the Buffalo warehouse for the price of US$3,272,000. The substation lease addendum is for an 115,000 KVA outdoor substation at the Buffalo Mining Facility, used to provide power for cryptocurrency mining operations. The cost of the substation lease is US$100 per month, triple-net. Pursuant to the substation lease addendum, if the Tenant exercises the purchase option under the Buffalo Facility Lease Agreement, the substation lease addendum will automatically convert to a forty-nine (49) year term with three additional ten (10) year extensions at the option of the Tenant.

2. The energy contract dated February 6, 2018 between EnergyMark and Bit.Management, LLC (the " **Energy Contract**") was assigned by Bit.Management, LLC to Digihost (the "**Buyer**" under the Energy Contract, as the context requires) prior to completion of the RTO. EnergyMark is the provider of power under the contract. There is no cap to the amount of power that the Buyer can purchase under the contract. For all quantities of power used by the Buyer, the price that the Buyer shall pay EnergyMark per kWh shall be a price which is updated every hour, the "NYISO Zone-A Real-Time Price", plus US$0.001/kWh. Pursuant to the terms of the Energy Contract, the Buyer has the option to request a "forward price" for all or any portion of the power that the Buyer will purchase under the contract for the upcoming month and for any subsequent months, and the Buyer's request shall designate the fixed quantity of power that the Buyer shall purchase at a fixed price agreed to by the Buyer and EnergyMark. The Corporation has not requested a 'forward price' at this time and the price paid is a variable rate based off the above noted "NYISO Zone-A Real-Time Price".

INTERESTS OF EXPERTS

Names of Experts

Raymond Chabot Grant Thornton LLP, Suite 200, National Bank Tower, 600 De La Gauchetiere Street West, Montreal, Quebec H3B 4L8, prepared the auditor's report for the audited financial statements of the Corporation for the years ended December 31, 2021 and December 31, 2020.

Interest of Experts

No person or company who is named as having prepared or certified a part of this AIF or prepared or certified a report or valuation described or included in this AIF has any direct or indirect interest in the Corporation.

ADDITIONAL INFORMATION

Additional financial information is provided in the Corporation's audited annual financial statements and the management's discussion and analysis for its most recently completed financial year. Other additional information, including directors' and officers' remuneration and indebtedness, principal holders of securities of the Corporation and securities authorized for issuance under equity compensation plans, may be found in the management information circular of the Corporation for its most recent meeting of shareholders. These documents and other additional information relating to the Corporation may be found on SEDAR at www.sedar.com.

SCHEDULE "A"

DIGIHOST Technology, INC.

(the "Corporation")

AUDIT COMMITTEE CHARTER

MANDATE

The Audit Committee (hereinafter referred to as the "**Audit Committee**") shall i) assist the Board of Directors in its oversight role with respect to the quality and integrity of the financial information; ii) assess the effectiveness of the Corporation's risk management and compliance practices; iii) assess the independent auditor's performance, qualifications and independence; iv) assess the performance of the Corporation's internal audit function; v) ensure the Corporation's compliance with legal and regulatory requirements, and vi) prepare such reports of the Committee required to be included in any Management Information Circular in accordance with applicable laws or the rules of applicable securities regulatory authorities.

STRUCTURE AND OPERATIONS

The committee shall be composed of not less than three Directors. All members shall satisfy the applicable independence and experience requirements of the laws governing the Corporation, the applicable stock exchanges on which the Corporation's securities are listed and applicable securities regulatory authorities.

Each member of the Committee shall be financially literate as such qualification is interpreted by the Board of Directors in its business judgment.

Members of the Committee shall be appointed or reappointed at the annual meeting of the Corporation and in the normal course of business will serve a minimum of three years. Each member shall continue to be a member of the Committee until a successor is appointed, unless the member resigns, is removed or ceases to be a Director. The Board of Directors may fill a vacancy that occurs in the Committee at any time.

The Board of Directors or, in the event of its failure to do so, the members of the Committee, shall appoint or reappoint, at the annual meeting of the Corporation a Chairman among their number. The Chairman shall not be a former Officer of the Corporation. Such Chairman shall serve as a liaison between members and senior management. The time and place of meetings of the Committee and the procedure at such meetings shall be determined from time to time by the members therefore provided that:

(a) a quorum for meetings shall be at least three members;

(b) the Committee shall meet at least quarterly;

(c) notice of the time and place of every meeting shall be given in writing or by telephone, facsimile, email or other electronic communication to each member of the Committee at least 24 hours in advance of such meeting;

(d) a resolution in writing signed by all directors entitled to vote on that resolution at a meeting of the Committee is as valid as if it had been passed at a meeting of the Committee.

The Committee shall report to the Board of Directors on its activities after each of its meetings. The Committee shall review and assess the adequacy of this charter annually and, where necessary, will recommend changes to the Board of Directors for its approval. The Committee shall undertake and review with the Board of Directors an annual performance evaluation of the Committee, which shall compare the performance of the Committee with the requirements of this charter and set forth the goals and objectives of the Committee for the upcoming year. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board of Directors may take the form of an oral report by the chairperson of the Committee or any other designated member of the Committee.

SPECIFIC DUTIES

Oversight of the Independent Auditor

- Sole authority to appoint or replace the independent auditor (subject to shareholder ratification) and responsibility for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between Management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Committee.

- Sole authority to pre-approve all audit services as well as non-audit services (including the fees, terms and conditions for the performance of such services) to be performed by the independent auditor.

- Evaluate the qualifications, performance and independence of the independent auditor, including (i) reviewing and evaluating the lead partner on the independent auditor's engagement with the Corporation, and (ii) considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.

- Obtain and review a report from the independent auditor at least annually regarding: the independent auditor's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm; any steps taken to deal with any such issues; and all relationships between the independent auditor and the Corporation.

- Review and discuss with Management and the independent auditor prior to the annual audit the scope, planning and staffing of the annual audit.

- Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law.

- Review as necessary policies for the Corporation's hiring of employees or former employees of the independent auditor.

Financial Reporting

- Review and discuss with Management and the independent auditor the annual audited financial statements prior to the publication of earnings.
- Review and discuss with Management the Corporation's annual and quarterly disclosures made in Management's Discussion and Analysis. The Committee shall approve any reports for inclusion in the Corporation's Annual Report, as required by applicable legislation.
- Review and discuss with Management and the independent auditor management's report on its assessment of internal controls over financial reporting and the independent auditor's attestation report on management's assessment.
- Review and discuss with Management the Corporation's quarterly financial statements prior to the publication of earnings.

- Review and discuss with Management and the independent auditor at least annually significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements, including any significant changes in the Corporation's selection or application of accounting principles, any major issues as to the adequacy of the Corporation's internal controls and any special steps adopted in light of material control deficiencies. Review and discuss with Management and the independent auditor at least annually reports from the independent auditors on: critical accounting policies and practices to be used; significant financial reporting issues, estimates and judgments made in connection with the preparation of the financial statements; alternative treatments of financial information within generally accepted accounting principles that have been discussed with Management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and other material written communications between the independent auditor and Management, such as any management letter or schedule of unadjusted differences.
- Discuss with the independent auditor at least annually any “Management” or “internal control” letters issued or proposed to be issued by the independent auditor to the Corporation.
- Review and discuss with Management and the independent auditor at least annually any significant changes to the Corporation's accounting principles and practices suggested by the independent auditor, internal audit personnel or Management.
- Discuss with Management the Corporation's earnings press releases, including the use of “pro forma” or “adjusted” non-GAAP information, as well as financial information and earnings guidance (if any) provided to analysts and rating agencies.
- Review and discuss with Management and the independent auditor at least annually the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Corporation's financial statements.
- Review and discuss with the Chief Executive Officer and the Chief Financial Officer the procedures undertaken in connection with the Chief Executive Officer and Chief Financial Officer certifications for the annual filings with applicable securities regulatory authorities.
- Review disclosures made by the Corporation's Chief Executive Officer and Chief Financial Officer during their certification process for the annual filing with applicable securities regulatory authorities about any significant deficiencies in the design or operation of internal controls which could adversely affect the Corporation's ability to record, process, summarize and report financial data or any material weaknesses in the internal controls, and any fraud involving Management or other employees who have a significant role in the Corporation's internal controls.
- Discuss with the Corporation's General Counsel at least annually any legal matters that may have a material impact on the financial statements, operations, assets or compliance policies and any material reports or inquiries received by the Corporation or any of its subsidiaries from regulators or governmental agencies.

Oversight of Risk Management

- Review and approve periodically Management's risk philosophy and risk management policies.
- Review with Management at least annually reports demonstrating compliance with risk management policies.
- Review with Management the quality and competence of Management appointed to administer risk management policies.
- Review reports from the independent auditor at least annually relating to the adequacy of the Corporation's risk management practices together with Management's responses.
- Discuss with Management at least annually the Corporation's major financial risk exposures and the steps Management has taken to monitor and control such exposures, including the Corporation's risk assessment and risk management policies.

Oversight of Regulatory Compliance

- Establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

- Discuss with Management and the independent auditor at least annually any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Corporation's financial statements or accounting.

- Meet with the Corporation's regulators, according to applicable law.

- Exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board of Directors.

FUNDING FOR THE INDEPENDENT AUDITOR AND RETENTION OF OTHER INDEPENDENT ADVISORS

The Corporation shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent auditor for the purpose of issuing an audit report and to any advisors retained by the Committee. The Committee shall also have the authority to retain such other independent advisors as it may from time to time deem necessary or advisable for its purposes and the payment of compensation therefore shall also be funded by the Corporation.

Procedures for Receipt of Complaints and Submissions Relating to Accounting Matters

1. The Corporation shall inform employees on the Corporation’s intranet, if there is one, or via a newsletter or e-mail that is disseminated to all employees at least annually, of the officer (the “Complaints Officer”) designated from time to time by the Committee to whom complaints and submissions can be made regarding accounting, internal accounting controls or auditing matters or issues of concern regarding questionable accounting or auditing matters.

2. The Complaints Officer shall be informed that any complaints or submissions so received must be kept confidential and that the identity of employees making complaints or submissions shall be kept confidential and shall only be communicated to the Committee or the Chair of the Committee.

3. The Complaints Officer shall be informed that he or she must report to the Committee as frequently as such Complaints Officer deems appropriate, but in any event no less frequently than on a quarterly basis prior to the quarterly meeting of the Committee called to approve interim and annual financial statements of the Corporation.

4. Upon receipt of a report from the Complaints Officer, the Committee shall discuss the report and take such steps as the Committee may deem appropriate.

5. The Complaints Officer shall retain a record of a complaint or submission received for a period of six years following resolution of the complaint or submission.

Procedures for Approval of Non-Audit Services

1. The Corporation’s external auditors shall be prohibited from performing for the Corporation the following categories of non-audit services:

   (a) bookkeeping or other services related to the Corporation’s accounting records or financial statements;

   (b) financial information systems design and implementation;

   (c) appraisal or valuation services, fairness opinion or contributions-in-kind reports;

   (d) actuarial services;

   (e) internal audit outsourcing services;

   (f) management functions;

   (g) human resources;

   (h) broker or dealer, investment adviser or investment banking services;

   (i) legal services;

   (j) expert services unrelated to the audit; and

   (k) any other service that the Canadian Public Accountability Board determines is impermissible.

2. In the event that the Corporation wishes to retain the services of the Corporation's external auditors for tax compliance, tax advice or tax planning, the Chief Financial Officer of the Corporation shall consult with the Chair of the Committee, who shall have the authority to approve or disapprove on behalf of the Committee, such non-audit services. All other non-audit services shall be approved or disapproved by the Committee as a whole.

3. The Chief Financial Officer of the Corporation shall maintain a record of non-audit services approved by the Chair of the Committee or the Committee for each fiscal year and provide a report to the Committee no less frequently than on a quarterly basis.

DIGIHOST TECHNOLOGY INC.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

(EXPRESSED IN UNITED STATES DOLLARS)

Raymond Chabot Grant Thornton

Independent Auditor's Report

Raymond Chabot
Grant Thornton LLP
Suite 2000
National Bank Tower
600 De La Gauchetière Street West
Montréal, Quebec
H3B 4L8

T 514-878-2691

To the Shareholders of
Digihost Technology Inc.

Opinion

We have audited the consolidated financial statements of Digihost Technology Inc. (hereafter ''the Company''), which comprise the consolidated statements of Financial Position as at December 31, 2021 and 2020, and the consolidated statement of comprehensive income (loss), the consolidated statements of changes in shareholders' equity and the consolidated statements of cash flows for the years then ended, and notes to consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the consolidated financial statements and the auditor's report thereon

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Louis Roy, CPA auditor, CA.

Raymond Chabot Grant Thornton LLP

Montreal
March 25, 2022

PCAOB Firm ID Number 1232

[1] CPA auditor, CA public accountancy permit n° A125741

Digihost Technology Inc.
Consolidated Statements of Financial Position
(Expressed in United States Dollars)

	As at December 31, 2021	As at December 31, 2020
ASSETS		
Current assets		
Cash	**$ 915,715**	$ 31,250
Digital currencies (note 5)	**33,491,986**	4,508,042
Amounts receivable and prepaid expenses (note 4)	**1,808,304**	12,622
Loan receivable	**-**	141,552
Total current assets	**36,216,005**	4,693,466
Property, plant and equipment (note 6)	**38,142,107**	6,497,634
Right of use assets (note 9)	**2,078,599**	2,413,720
Promissory note receivable (note 10)	**800,000**	-
Intangible asset (note 8)	**1,443,260**	1,572,500
Goodwill (notes 3 and 7)	**1,346,904**	1,342,281
Total assets	**$ 80,026,875**	$ 16,519,601
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	**$ 2,272,850**	$ 920,914
Lease liabilities (note 11)	**-**	111,672
Amount owing for Miner Lease Agreement (note 5)	**2,940,412**	-
Income tax payable (note 19)	**305,601**	-
Loans payable (note 12)	**-**	2,010,172
Total current liabilities	**5,518,863**	3,042,758
Deposits payable	**1,788,500**	-
Lease liabilities (note 11)	**-**	2,434,488
Loans payable (note 12)	**-**	532,911
Deferred tax liability (note 19)	**2,514,743**	65,638
Total liabilities	**9,822,106**	6,075,795
Shareholders' equity		
Share capital (note 13)	**54,863,819**	12,541,038
Contributed surplus	**17,358,982**	1,267,551
Cumulative translation adjustment	**(266,730)**	118,162
Digital currency revaluation reserve	**3,706,624**	1,982,501
Deficit	**(5,457,926)**	(5,465,446)
Total shareholders' equity	**70,204,769**	10,443,806
Total liabilities and shareholders' equity	**$ 80,026,875**	$ 16,519,601

Nature of operations (note 1)
Subsequent events (note 23)

Approved on behalf of the Board:

"*Michel Amar*" ,Director "*Donald Christie*" Director

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

Consolidated Statements of Comprehensive Income (Loss)
(Expressed in United States Dollars)

	Year Ended December 31,	
	2021	**2020**
Revenue from digital currency mining (note 5)	**$ 24,952,344**	$ 3,553,362
Cost of digital currency mining		
Operating and maintenance costs	**(10,542,051)**	(4,163,007)
Depreciation and amortization	**(3,281,143)**	(3,387,043)
Gross profit (loss)	**11,129,150**	(3,996,688)
Expenses		
Office and administrative expenses	**(1,182,258)**	(233,227)
Professional fees	**(1,496,418)**	(229,573)
Regulatory fees	**(162,681)**	(77,827)
Gain on sale of property, plant and equipment	**1,552,295**	-
Loss on settlement of debt	**(390,290)**	-
Foreign exchange	**358,985**	-
Gain on sale of digital currencies (note 5)	**290,948**	62,799
Other income	**98,443**	44,068
Change in fair value of amount owing for Miner Lease Agreement	**528,875**	-
Insurance proceeds	**-**	109,900
Share based compensation (note 15)	**(7,804,271)**	(1,247,551)
Operating income (loss)	**2,922,778**	(5,568,099)
Net financial expenses (note 18)	**(332,814)**	(258,427)
Net income (loss) before income taxes	**2,589,964**	(5,826,526)
Income tax expense (note 19)	**(127,340)**	-
Deferred tax (expense) recovery (note 19)	**(2,173,279)**	635,813
Net income (loss) for the year	**289,345**	(5,190,713)
Other comprehensive income (loss)		
Items that will be reclassified to net income		
Foreign currency translation adjustment	**(384,892)**	118,162
Items that will not be reclassified to net income		
Revaluation of digital currencies, net of tax	**1,724,123**	1,982,501
Total comprehensive income (loss) for the year	**$ 1,628,576**	$ (3,090,050)
Basic income (loss) per share (note 16)	**$ 0.01**	$ (0.44)
Diluted income (loss) per share (note 16)	**$ 0.01**	$ (0.44)

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

Digihost Technology Inc.
Consolidated Statements of Cash Flows
(Expressed in United States Dollars)

	Year Ended December 31,	
	2021	**2020**
Operating activities		
Net income (loss) for the year	**$ 289,345**	$ (5,190,713)
Adjustments for:		
Digital currency sold	**-**	1,792,071
Gain on sale of digital currencies	**(290,948)**	(62,799)
Digital currency mined	**(24,952,344)**	(3,553,362)
Rent charge back for Miner Lease Agreement	**3,469,287**	-
Gain on sale of property, plant and equipment	**(1,552,295)**	-
Depreciation of right-of-use assets	**198,291**	174,388
Depreciation and amortization	**3,082,852**	3,212,655
Interest on lease liabilities	**236,680**	216,435
Change in fair value of amount owing for Miner Lease Agreement	**(528,875)**	-
Share based compensation	**7,804,271**	1,247,551
Loss on settlement of debt	**390,290**	-
Income tax expense	**127,340**	-
Deferred tax expense (recovery)	**2,173,279**	(635,813)

Foreign exchange (gain) loss	**(333,148)**	63,464
Working capital items:		
Amounts receivable and prepaid expenses	**(1,604,703)**	(275,294)
Accounts payable and accrued liabilities	**842,584**	761,560
Deposit payable	**1,788,500**	-
Net cash used in operating activities	**(8,859,594)**	(2,249,857)
Investing activities		
Purchase of property, plant and equipment	**(33,924,780)**	(1,154,260)
Net funds for loan receivable	**-**	(113,917)
Promissory note receivable	**(800,000)**	-
Net cash used in investing activities	**(34,724,780)**	(1,268,177)
Financing activities		
Proceeds from private placement, net of costs	**50,218,093**	-
Return of subscription proceeds	**-**	(39,335)
Repurchase of shares	**(599,997)**	(20)
Loans payable	**1,473,495**	2,543,083
Repayment of loans payable	**(3,975,083)**	-
Lease payments	**(2,647,669)**	(258,381)
Net cash provided by financing activities	**44,468,839**	2,245,347
Net change in cash	**884,465**	(1,272,687)
Cash, beginning of year	**31,250**	1,303,937
Cash, end of year	**$ 915,715**	$ 31,250
Supplemental information		
Interest paid	**$ 117,697**	$ 18,114

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

Digihost Technology Inc.
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in United States Dollars)

	Number of shares (note 13)							
	Subordinate voting hares	Proportionate voting shares	Share capital	Contributed surplus	Cumulative Translation Adjustment	Digital currency revaluation reserve	Deficit	Total
Balance, December 31, 2019	**2,176,805**	-	**$ 20**	**$ -**	**$ -**	**$ -**	**$ (274,733)**	**$ (274,713)**
Issuance of Old Digihost shares for transfer of lease and property and equipment and intangibles (notes 6, 8, 9 and 11)	-	-	5,480,000	-	-	-	-	5,480,000
Cancellation of founder shares (note 13(b)(ii))	-	-	(20)	-	-	-	-	(20)
Shares issued pursuant to reverse takeover transaction (note 3)	9,940,000	-	2,957,458	-	-	-	-	2,957,458
Private placement (note 13(b)(i))	1,864,162	-	4,044,431	20,000	-	-	-	4,064,431
Share exchange for proportionate voting shares (note 13(b)(i))	(666,666)	3,333	-	-	-	-	-	-
Shares issued as payment for accounts payable (note 13(b)(iii))	43,537	-	59,149	-	-	-	-	59,149
Share based compensation	-	-	-	1,247,551	-	-	-	1,247,551
Transaction with owners	13,357,838	3,333	12,541,038	1,267,551	-	-	(274,733)	13,533,856
Foreign currency translation adjustment	-	-	-	-	118,162	-	-	118,162
Revaluation of digital currencies, net of tax	-	-	-	-	-	1,982,501	-	1,982,501
Net loss for the year	-	-	-	-	-	-	(5,190,713)	(5,190,713)
Total comprehensive loss for the year	-	-	-	-	118,162	1,982,501	(5,190,713)	(3,090,050)
Balance, December 31, 2020	**13,357,838**	**3,333**	**$12,541,038**	**$ 1,267,551**	**$ 118,162**	**$ 1,982,501**	**$(5,465,446)**	**$10,443,806**
Private placements (note 13(b)(vi)(vii)(viii)(ix)(x))	11,555,674	-	49,589,591	5,514,401	-	-	-	55,103,992
Cost of issue - cash (note 13(b)(viii)(ix)(x))	-	-	(4,838,229)	-	-	-	-	(4,838,229)
Cost of issue - broker warrants (note 13(b)(viii)(ix)(x))	-	-	(2,827,528)	2,827,528	-	-	-	-
Shares issued as payment for accounts payable (note 13(b)(v))	82,803	-	345,055	-	-	-	-	345,055
Shares cancelled (note 13(b)(iv))	(164,533)	-	(319,040)	-	-	-	(281,825)	(600,865)
Units issued as commission (note 13(b)(vii))	49,383	-	-	-	-	-	-	-
Shares issued for exercise of stock options	75,000	-	372,932	(181,953)	-	-	-	190,979

Share based compensation	-	-	-	7,804,271	-	-	-	7,804,271
Excess tax benefit on exercised stock options	-	-	-	56,702	-	-	-	56,702
Excess tax benefit on outstanding stock options	-	-	-	70,482	-	-	-	70,482
Transaction with owners	24,956,165	3,333	54,863,819	17,358,982	118,162	1,982,501	(5,747,271)	68,576,193
Foreign currency translation adjustment	-	-	-	-	(384,892)	-	-	(384,892)
Revaluation of digital currencies, net of tax	-	-	-	-	-	1,724,123	-	1,724,123
Net income for the year	-	-	-	-	-	-	289,345	289,345
Total comprehensive income for the year	-	-	-	-	(384,892)	1,724,123	289,345	1,628,576
Balance, December 31, 2021	**24,956,165**	**3,333**	**$54,863,819**	**$ 17,358,982**	**$ (266,730)**	**$ 3,706,624**	**$(5,457,926)**	**$70,204,769**

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

Digihost Technology Inc.
Notes to Consolidated Financial Statements
Years Ended December 31, 2021 and 2020
(Expressed in United States Dollars)

1. Nature of operations

Digihost Technology Inc. (the "Company" or "Digihost") was incorporated in British Columbia, Canada, on February 18, 2017 as Chortle Capital Corp and subsequently changed its name to HashChain Technology Inc. on September 18, 2017, and again to Digihost Technology Inc. on February 14, 2020. Digihost and its subsidiaries, Digihost International, Inc., and DGX Holding, LLC (together the "Company") is a blockchain technology company with operations in cryptocurrency mining. The head office of the Company is located at 2830 Produce Row, Houston, TX, 77023.

On February 14, 2020, a reverse takeover transaction (the “RTO Transaction”) between Digihost International, Inc. ("Old Digihost") and HashChain Technology Inc. ("HashChain") was completed (note 3). On completion of the RTO Transaction, Old Digihost was determined to be the accounting acquirer and accordingly, the financial statements are a continuation of the Old Digihost. In connection with completion of the RTO Transaction, HashChain has changed its name to “Digihost Technology Inc.”. The Company carried on the business of HashChain as a Tier 2 technology issuer under the symbol "DGHI". Digihost subordinate voting shares were listed for trading on the TSX Venture Exchange ("TSXV") February 20, 2020.

On October 28, 2021, the Company consolidated the outstanding subordinate voting shares and proportionate voting shares of the Company on the basis of three (3) pre-consolidation shares for every one (1) post-consolidation share in order to facilitate a proposed listing of its subordinate voting shares on the Nasdaq Capital Market and satisfy the minimum share price requirement set by Nasdaq. All subordinate voting shares, proportionate voting shares, per share amounts, warrants and stock options in these consolidated financial statements have been retroactively restated to reflect the share consolidation.

These consolidated financial statements of the Company were reviewed, approved and authorized for issue by the Board of Directors on March 25, 2022.

2. Significant accounting policies

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with IFRS issued effective for the Company’s reporting for the year ended December 31, 2021.

(b) Statement of presentation

The Company's consolidated financial statements have been prepared on an accrual basis and under the historical cost basis.

(c) Basis of consolidation

These consolidated financial statements include the accounts of Digihost and its wholly owned subsidiaries: Digihost International, Inc. and DGX Holdings, LLC. Subsidiaries are consolidated from the date of acquisition, being the date on which the Company obtains control, and continues to be consolidated until the date that such control ceases. Control is achieved when an investor has power over an investee to direct its activities, exposure to variable returns from an investee, and the ability to use the power to affect the investor's returns. All intercompany transactions and balances have been eliminated upon consolidation.

(d) Functional and presentation currency

These financial statements are presented in United States Dollars. The functional currency of Digihost is the Canadian dollar and the functional currency of Digihost International, Inc. and DGX Holding, LLC is the United States Dollars. All financial information is expressed in United States Dollars, unless otherwise stated.

2. Significant accounting policies (continued)

(e) Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currency at exchange rates in effect at the reporting date. Non-monetary assets and liabilities are translated at historical exchange rates at the respective transaction dates. Revenue and expenses are translated at the rate of exchange at each transaction date. Gains or losses on translation are included in foreign exchange expense.

The results and financial position of an entity whose functional currency are translated into a different presentation currency are treated as follows:

- assets and liabilities are translated at the closing rate at the reporting date;
- income and expenses for each income statement are translated at average exchange rates at the dates of the period; and
- all resulting exchange differences are recognized in other comprehensive income as cumulative translation adjustments.

(f) Revenue recognition

The Company recognizes revenue from the provision of transaction verification services within digital currency networks, commonly termed “cryptocurrency mining”. As consideration for these services, the Company receives digital currency from each specific cryptocurrency mining pool in which it participates. Revenue is measured based on the fair value of the digital currencies received. The fair value is determined using the spot price of the digital currencies on the date of receipt. Digital currencies are considered earned on the completion and addition of a block to the blockchain, at which time the economic benefit is received and can be reliably measured.

(g) Digital currencies

Digital currencies consist of bitcoin and ethereum. Digital currencies meet the definition of intangible assets in IAS 38 Intangible Assets as they are identifiable non-monetary assets without physical substance. They are initially recorded at cost and the revaluation method is used to measure the digital currencies subsequently. Where digital assets are recognized as revenue, the fair value of the bitcoin received is considered to be the cost of the digital assets. Under the revaluation method, increases in fair value are recorded in other comprehensive income, while decreases are recorded in profit or loss. The Company revalues its digital currencies at the end of each quarter. There is no recycling of gains from other comprehensive income to profit or loss. However, to the extent that an increase in fair value reverses a previous decrease in fair value that has been recorded in profit or loss, that increase is recorded in profit or loss. Decreases in fair value that reverse gains previously recorded in other comprehensive income are recorded in other comprehensive income. Gains and losses on digital currencies sold between revaluation dates are included in profit or loss.

Digital currencies are measured at fair value using the quoted price on Cryptocompare. Cryptocompare is a pricing aggregator, as the principal market or most advantageous market is not always known. The Company believes any price difference amongst the principal market and an aggregated price to be immaterial. Management considers this fair value to be a Level 2 input under IFRS 13 Fair Value Measurement fair value hierarchy as the price on this source represents an average of quoted prices on multiple digital currency exchanges.

Digihost Technology Inc.
Notes to Consolidated Financial Statements
Years Ended December 31, 2021 and 2020
(Expressed in United States Dollars)

2. Significant accounting policies (continued)

(h) Property, plant and equipment

Details as to the Company’s policies for property, plant and equipment are as follows:

Asset	Amortization method	Amortization period
Data miners	Straight-line	12 - 36 months
Equipment	Straight-line	36 and 120 months
Leasehold improvement	Straight-line	120 months
Building	Straight-line	480 months

Property, plant and equipment are recorded at cost less accumulated depreciation. Cost includes all expenditures incurred to bring assets to the

location and condition necessary for them to be operated in the manner intended by management. Material residual value estimates and estimates of useful life are updated as required, but at least annually.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any replaced parts is derecognized. All other repairs and maintenance are charged to profit or loss during the fiscal year in which they are incurred.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognized in profit or loss.

(i) Intangible assets

Intangible assets are accounted for using the cost model whereby capitalized costs are amortized on a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date. The right of use of an electric power facility is depreciated over 13 years.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognized in profit or loss

Amortization of intangible assets has been included in depreciation and amortization in the consolidated statement of comprehensive loss.

(j) Impairment of non-financial assets

The Company reviews the carrying amounts of its non-financial assets, including property, plant and equipment, right of use assets and intangible assets when events or changes in circumstances indicate the assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. Assets carried at fair value, such as digital currencies, are excluded from impairment analysis. Cash generating units to which goodwill has been allocated are tested for impairment annually.

2. Significant accounting policies (continued)

(j) Impairment of non-financial assets (continued)

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows to be derived from continuing use of the asset or cash generating unit are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Fair value less costs of disposal is the amount obtainable from the sale of an asset or cash generating unit in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. When a binding sale agreement is not available, fair value less costs of disposal is estimated using a discounted cash flow approach with inputs and assumptions consistent with those of a market participant. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash generating unit is reduced to its recoverable amount. An impairment loss is recognized immediately in net income. With the exception of goodwill, where an impairment loss subsequently reverses, the carrying amount of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized.

(k) Leases and right-of-use assets

All leases are accounted for by recognizing a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of twelve months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by the incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted if it is reasonable certain to assess that option;

- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at cost, which includes the initial amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Lease liabilities, on initial measurement, increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

Right-of-use assets are amortized on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is judged to be shorter than the lease term.

2. Significant accounting policies (continued)

(k) Leases and right-of-use assets (continued)

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term or recorded in profit or loss if the right-of-use asset is reduced to zero.

(l) Goodwill

The Company measures goodwill as the fair value of the cost of the acquisition less the fair value of the identifiable net assets acquired, all measured as of the acquisition date. Goodwill is carried at cost less accumulated impairment losses.

(m) Financial instruments

Financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. The primary measurement categories for financial assets are measured at amortized cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit and loss ("FVTPL").

Financial assets

Financial assets are classified as either financial assets at FVTPL, amortized cost, or FVTOCI. The Company determines the classification of its financial assets at initial recognition. The Company does not have any financial assets categorised as FVTOCI.

- Amortized cost

Financial assets are classified as measured at amortized cost if both of the following criteria are met: 1) the object of the Company's business model for these financial assets is to collect their contractual cash flows; and 2) the asset's contractual cash flows represent "solely payments of principal and interest". After initial recognition, these are measured at amortized cost using the effective interest rate method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash, amounts receivables and loan receivable are classified as financial assets and measured at amortized cost.

Revenues from these financial assets are recognized in financial revenues, if any.

- FVTPL

Financial assets carried at FVTPL are initially recorded at fair value and transactions costs expensed in the consolidated statements of net loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets held at FVTPL are recorded in the consolidated statements of comprehensive income (loss) in the period in which they arise. The Company's promissory note receivable is classified as a financial asset and measured at FVTPL.

Financial liabilities

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method.

The Company's accounts payable and accrued liabilities (excluding salaries payable) and loans payable are classified as measured at amortized cost.

The Company's amount owing for Miner Lease Agreement is classified as measured at FVTPL.

2. Significant accounting policies (continued)

(m) Financial instruments (continued)

Derecognition

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss. Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

Expected Credit Loss Impairment Model

The Company uses the single expected credit loss impairment model, which is based on changes in credit quality since initial application.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full or when the financial asset is more than 90 days past due.

The carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Fair Value

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices); and
- Level 3 – inputs for the assets or liability that are not based on observable market data (unobservable inputs).

(n) Share capital and equity

Share capital represents the amount received on the issue of shares, less issuance costs, net of any underlying income tax benefit from these issuance costs. When warrants are issued in connection with shares, the Company uses the residual method for allocating fair value to the shares and then to warrants.

Contributed surplus include the value of warrants and stock options. When warrants and stock options are exercised, the related compensation cost and value are transferred to share capital.

Deficit includes all current and prior year losses.

Digital currency revaluation reserve includes gains and losses from the revaluation of digital currencies, net of tax.

Cumulative translation reserve includes foreign currency translation differences arising from the translation of financial statements of foreign entities into United States dollars.

2. Significant accounting policies (continued)

(o) Share-based compensation

The granting of stock options to employees, officers, directors or consultants of the Company requires the recognition of share-based compensation expense with a corresponding increase in contributed surplus in shareholders' equity. The fair value of stock options that vest immediately are recorded as share-based compensation expense at the date of the grant. The expense for stock options that vest over time is recorded over the vesting period using the graded method, which incorporates management's estimate of the stock options that are not expected to vest. For stock options where vesting is subject to the completion of performance milestones, the estimate for completion of the milestone is reviewed at each reporting date for any change in the estimated vesting date, and to the extent there is a material change in the vesting date estimate, the amortization to be recognized is recalculated for the new timeline estimate and adjusted on a prospective basis in the current period. The effect of a change in the number of stock options expected to vest is a change in an estimate and the cumulative effect of the change is recognized in the period when the change occurs. On exercise of an stock option, the consideration received and the estimated fair value previously recorded in contributed surplus is recorded as an increase in share capital.

Stock options awarded to consultants are measured based on the fair value of the goods and services received unless that fair value cannot be estimated reliably. If the fair value of the goods and services cannot be reliably measured, then the fair value of the equity instruments granted is used to recognize the expense.

(p) Loss per share

The Company presents basic and diluted loss per share data for its subordinate voting shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of subordinate voting shares and proportionate voting shares outstanding during the period. Diluted loss per share is determined by adjusting the weighted average number of subordinate voting shares and proportionate voting shares outstanding to assume conversion of all dilutive potential subordinate voting shares. Diluted loss per share equals basic loss per share given the anti-dilutive options and warrants for 2020.

(q) Provisions

Provisions are recognized when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

(r) Business combinations

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Company, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred. Assets acquired and liabilities assumed are measured at their acquisition-date fair values.

Digihost Technology Inc.
Notes to Consolidated Financial Statements
Years Ended December 31, 2021 and 2020
(Expressed in United States Dollars)

2. Significant accounting policies (continued)

(s) Income taxes

Income tax on the profit or loss for the years presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes and the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date.

A deferred tax asset is recognized only to the extent that it is probable that the underlying tax loss or deductible temporary difference will be

utilized against future taxable income. Deferred tax liabilities are always provided for in full.

Changes in deferred tax assets or deferred tax liabilities are recognized as revenues or expense in profit and loss, unless they relate to items that were recognized directly in equity, in which case the related deferred taxes are also recognized in equity.

(t) Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company.

At the date of authorization of these consolidated financial statements, several new, but not yet effective, standards and amendments to existing standards, and interpretations have been published by the IASB. None of these standards or amendments to existing standards have been adopted early by the Company. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New standards, amendments and interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Company's consolidated financial statements.

(u) Critical accounting judgements, estimates and assumptions

The preparation of these financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the year in which the estimate is revised and future years if the revision affects both current and future years. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2. Significant accounting policies (continued)

(u) Critical accounting judgements, estimates and assumptions (continued)

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant judgements

(i) Income from digital currency mining

The Company recognizes income from digital currency mining from the provision of transaction verification services within digital currency networks, commonly termed "cryptocurrency mining". As consideration for these services, the Company receives digital currency from each specific network in which it participates ("coins"). Income from digital currency mining is measured based on the fair value of the coins received. The fair value is determined using the spot price of the coin on the date of receipt. The coins are recorded on the statement of financial position, as digital currencies, at their fair value less costs to sell and re- measured at each reporting date. Revaluation gains or losses, as well as gains or losses on the sale of coins for traditional (fiat) currencies are included in profit or loss in accordance with the Company's treatment of its digital currencies as a traded commodity.

There is currently no specific definitive guidance in IFRS or alternative accounting frameworks for the accounting for the mining and strategic selling of digital currencies and management has exercised significant judgement in determining appropriate accounting treatment for the recognition of income from digital currency mining for mining of digital currencies. Management has examined various factors surrounding the substance of the Company's operations, including the stage of completion being the completion and addition of a block to a blockchain and the reliability of the measurement of the digital currency received.

(ii) Business combination

Management uses judgement to determines whether assets acquired and liabilities assumed constitute a business. A business consists of inputs and processes applied to those inputs that have the ability to create outputs.

The Company completed the RTO Transaction in February 2020 (note 3) and concluded that the entity acquired did qualify as a business combination under IFRS 3, "Business Combinations", as significant processes were acquired. Accordingly, the RTO Transaction has been accounted for as a business combination.

(iii) Leases – incremental borrowing rate

Judgment is applied when determining the incremental borrowing rate used to measure the lease liability of each lease contract, including an estimate of the asset-specific security impact. The incremental borrowing rate should reflect the interest rate the Company would pay to borrow at a similar term and with similar security.

(iv) Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the year in which such determination is made.

2. Significant accounting policies (continued)

(u) Critical accounting judgements, estimates and assumptions (continued)

Significant estimates

(i) Determination of asset and liability fair values and allocation of purchase consideration

Significant business combinations require judgements and estimates to be made at the date of acquisition in relation to determining the relative fair value of the allocation of the purchase consideration over the fair value of the assets. The information necessary to measure the fair values as at the acquisition date of assets acquired requires management to make certain judgements and estimates about future events, including but not limited to availability of hardware and expertise, future production opportunities, future digital currency prices and future operating costs.

(ii) Useful lives of property, plant and equipment

Depreciation of data miners and equipment are an estimate of its expected life. In order to determine the useful life of computing equipment, assumptions are required about a range of computing industry market and economic factors, including required hashrates, technological changes, availability of hardware and other inputs, and production costs.

(iii) Digital currency valuation

Digital currencies consist of cryptocurrency denominated assets (note 5) and are included in current assets. Digital currencies are carried at their fair value determined by the spot rate less costs to sell. The digital currency market is still a new market and is highly volatile; historical prices are not necessarily indicative of future value; a significant change in the market prices for digital currencies would have a significant impact on the Company’s earnings and financial position.

(iv) Impairment of goodwill

Goodwill is tested for impairment if there is an indicator of impairment and annually for all CGUs with goodwill. The Company considers both external and internal sources of information for indications that goodwill is impaired. External sources of information we consider include changes in the market and economic and legal environment in which the CGU operates that are not within its control and affect the recoverable amount of goodwill. Internal sources of information considered include the strategic plans for the Company including estimates of revenue and other indications of economic performance of the assets.

3. Reverse takeover

On February 14, 2020, there was a RTO Transaction between Old Digihost and HashChain. In connection with completion of the RTO Transaction, HashChain acquired all the issued and outstanding shares of Old Digihost in exchange for 29,820,000 subordinate voting shares of the Company. In substance, the transaction involves Old Digihost shareholders obtaining control of the Company; accordingly, the transaction is considered to be a reverse acquisition transaction under which Old Digihost is identified as the accounting acquirer.

At the time of the transaction, HashChain had operations in cryptocurrency mining and met the definition of a business, and the transaction was accordingly considered a business combination. The purpose of the RTO Transaction was to acquire the operations of HashChain and to obtain listing on a public exchange. The transaction costs associated with this RTO Transaction was $59,149.

As Old Digihost was deemed to be the acquirer for accounting purposes, these consolidated financial statements present the historical financial information to the date of the Transaction are those of Old Digihost presented as a continuation of Old Digihost.

Pursuant to the business combination transaction, the net assets acquired from the acquisition are to be recorded at their estimated fair values in accordance with IFRS 3. The allocation of the purchase consideration is as follows:

Consideration

Fair value of 6,530,560 subordinate voting shares of HashChain [(1)]	**$ 2,957,458**
Net assets acquired	
Property, plant and equipment	**$ 2,244,509**
Accounts payable and other payables	**(576,957)**
	1,667,552
Goodwill acquired [(2)]	**1,289,906**
	$ 2,957,458

(1) The common shares issued were valued based on the HashChain closing price of CAD$ 0.60 on the TSXV on February 14, 2020.

(2) The goodwill acquired from the RTO Transaction is primarily attributable to the synergies expected to arise from vertical integration of the cryptocurrency mining operations which is the only segment of the Company.

4. Amounts receivable and prepaid expenses

	As at December 31, 2021	As at December 31, 2020
Prepaid insurance and deposits	**$ 709,575**	$ 12,622
Receivable from Miner Lease Agreement	**911,200**	-
Other receivable	**187,529**	-
	$ 1,808,304	$ 12,622

5. Digital currencies

The Company's holdings of digital currencies consist of the following:

	As at December 31, 2021	As at December 31, 2020
Bitcoin	**$ 29,770,994**	$ 4,508,042
Ethereum	**3,720,992**	-
	$ 33,491,986	$ 4,508,042

The continuity of digital currencies was as follows:

	Number of Bitcoin	Amount	Number of Ethereum	Amount	Total Amount
Balance, December 31, 2019	**-**	**$ -**	**-**	**$ -**	**$ -**
Bitcoin mined	**335**	**3,553,362**	**-**	**-**	**3,553,362**
Bitcoin traded for cash	**(181)**	**(1,792,071)**	**-**	**-**	**(1,792,071)**
Gain on sale of bitcoin	**-**	**62,799**	**-**	**-**	**62,799**
Revaluation adjustment [(1)]	**-**	**2,683,952**	**-**	**-**	**2,683,952**
Balance, December 31, 2020	**154**	**4,508,042**	**-**	**-**	**4,508,042**
Bitcoin mined [(2)]	**519**	**24,952,344**	**-**	**-**	**24,952,344**
Received from sale of property, plant and equipment	**24**	**1,347,977**	**63**	**204,318**	**1,552,295**
Received from private placement	**1**	**47,671**	**-**	**-**	**47,671**

Acquisition (disposal) of digital currencies	**(66)**	**(3,347,790)**	**974**	**3,347,034**	**(756)**
Acquisition of property, plant and equipment	**-**	**-**	**(36)**	**(163,942)**	**(163,942)**
Gain on sale of digital currencies	**-**	**235,067**	**-**	**55,881**	**290,948**
Revaluation adjustment[(1)]	**-**	**2,027,683**	**-**	**277,701**	**2,305,384**
Balance, December 31, 2021	**632**	**$ 29,770,994**	**1,001**	**$ 3,720,992**	**$ 33,491,986**

(1) Digital assets held are revalued each reporting period based on the fair market value of the price of Bitcoin and Ethereum on the reporting date. As at December 31, 2021, the prices of Bitcoin and Ethereum were $47,117 (2020 - $29,273) and $3,718, resulting in total revaluation gain of $2,305,384, net of taxes of $ 581,270 (2020 - $2,683,952, net of taxes of $ 701,451) recorded to other comprehensive income.

(2) During the year the Company entered into a Miner Lease Agreement with Northern Data, NY LLC, pursuant to which the parties have agreed to split a portion of the mining rewards received and energy costs incurred for the miners put in service pursuant to that lease agreement. In connection with this agreement, as at December 31, 2021, the Company must remit 62 Bitcoin with a value of $2,940,412 which is presented in the current liabilities.

6. Property, plant and equipment

	Data miners	Equipment and other	Leasehold improvement	Powerplant in progress	Total
Cost					
Balance - December 31, 2019	$ -	$ -	$ -	$ -	$ -
Additions	3,558,280(1)	2,760,000(2)	1,040,000(2)	-	7,358,280
Acquired from RTO Transaction	2,244,509	-	-	-	2,244,509
Balance - December 31, 2020	**5,802,789**	**2,760,000**	**1,040,000**	**-**	**9,602,789**
Additions	26,845,831(3)	603,324	-	7,148,920	34,598,075
Disposal	(990,517)	-	-	-	(990,517)
Balance - December 31, 2021	**$ 31,658,103**	**$ 3,363,324**	**$ 1,040,000**	**$ 7,148,920**	**$ 43,210,347**
Accumulated depreciation					
Balance - December 31, 2019	$ -	$ -	$ -	$ -	$ -
Depreciation	2,538,211	479,888	87,056	-	3,105,155
Balance - December 31, 2020	**2,538,211**	**479,888**	**87,056**	**-**	**3,105,155**
Depreciation	2,272,602	577,000	104,000	-	2,953,602
Disposal	(990,517)	-	-	-	(990,517)
Balance - December 31, 2021	**$ 3,820,296**	**$ 1,056,888**	**$ 191,056**	**$ -**	**$ 5,068,240**
Net carrying value					
As at December 31, 2020	$ 3,264,578	$ 2,280,112	$ 952,944	$ -	$ 6,497,634
As at December 31, 2021	**$ 27,837,807**	**$ 2,306,436**	**$ 848,944**	**$ 7,148,920**	**$ 38,142,107**

(1) Mining assets of $2,404,020 purchased by the Company in February 2020 from Nyam, LLC, a company controlled by the Chief Executive Officer ("CEO").

(2) Assets acquired as part of facility lease assignment prior of the closing of the RTO Transaction (see note 11).

(3) Included in this total are 10,000 high performance Bitcoin miners sourced from Northern Data AG per a definitive purchase agreement entered into on May 12, 2021.

Pursuant to the terms of the purchase agreement, the Company has concurrently entered into a hosting agreement with Northern Data in connection with the miners, whereby Northern Data will provide services to the Company including the installation and hosting of the miners in proprietary pre-manufactured performance optimized mobile data centres to be located at Digihost's company-owned facility.

As at December 31, 2021, the Company has prepaid for $ 9,353,358 of data miners.

Additions for an amount of $509,352 are unpaid and included in accounts payable as at December 31, 2021.

7. Goodwill

	As at December 31, 2021	As at December 31, 2020
Balance, beginning of period	**$ 1,342,281**	$ -
RTO transaction	**-**	1,289,906
Foreign currency translation	**4,623**	52,375
Balance, end of period	**$ 1,346,904**	$ 1,342,281

For the realization of its impairment test, management has used the approach of fair value less costs to sell. The fair value is derived from the market capitalization of the Company as December 31, 2021 and 2020 and management determined that the fair value less cost of sales, was higher than the carrying value of the CGU. Following this analysis, management has determined that no impairment was necessary. For these tests, the Company allocates all of its goodwill to a single CGU, the Company as a whole, since this is the lowest level at which goodwill is monitored for internal purposes.

8. Intangible asset

Intangible asset relates to the right of use of an electric power facility.

	As at December 31, 2021	As at December 31, 2020
Balance, beginning of period	**$ 1,572,500**	$ -
Addition at cost	**-**	1,680,000
Amortization	**(129,240)**	(107,500)
Balance, end of period	**$ 1,443,260**	$ 1,572,500

9. Right-of-use assets

	As at December 31, 2021	As at December 31, 2020
Balance, beginning of period	**$ 2,413,720**	$ -
Additions	**-**	2,588,107
Depreciation	**(198,291)**	(174,387)
Modification of lease	**(136,830)**	-
Balance, end of period	**$ 2,078,599**	$ 2,413,720

On December 31, 2021, the Company entered into a 99 year lease for the 1001 East Delavan facility in exchange for a one time prepayment of $2.3 million. This long-term lease is treated as a lease modification of the current lease.

Right-of-use assets are depreciated over 40 years. The lease for these right-of-use assets has been modified because of the prepayment as the Company has acquired the premises under a long-term lease. Refer to note 11.

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10. Promissory note receivable

In December 2021, the Company entered into an agreement for a Secured Convertible Promissory Note (“Note”) with principal of $ 800,000. The Note accrues interest at a rate of 6% per annum, with interest payments every calendar quarter commencing March 31, 2022. The Note is convertible at the Company's option into Series C Preferred Stock of the issuer. If the Note is not converted into shares by the Company, all unpaid and accrued interest are due on Maturity Date of December 21, 2026. The Notes are secured by the assets of the issuer.

11. Lease liabilities

On February 14, 2020, prior to the closing of the RTO Transaction, BIT Management, LLC, Nyam, LLC and BIT Mining International, LLC (collectively the "Sellers", all companies controlled by the CEO of Digihost) sold to the Company leasehold improvements and equipment and transferred and assigned the lease of the 1001 East Delavan facility. As consideration, Digihost issued 164,000 common shares. These transactions resulted in increases in equipment of $2,760,000, leasehold improvements of $ 1,040,000, intangible assets of $ 1,680,000 and right of use assets and lease liabilities of $2,588,107 for a total of $ 5,480,000 recorded in share capital.

At the time of the transaction, the leases were valued based on their initial term ending in March 2023 including renewal options with the intention to renew the leases for an additional 10 years. When measuring lease liability, the Company's incremental borrowing rate applied was estimated to be 10% per annum.

On December 31, 2021, the Company entered into a 99 year lease for the 1001 East Delavan facility in exchange for a one time prepayment of $2.3 million. This long-term lease is treated as a lease modification of the current lease. Refer to note 9.

The continuity of the lease liabilities are presented in the table below:

	As at December 31, 2021	As at December 31, 2020
Balance, beginning of period	**$ 2,546,160**	$ -
Additions	**-**	2,588,107
Interest	**236,680**	216,434
Lease payments	**(2,647,669)**	(258,381)
Modification of lease	**(135,171)**	-
Balance, end of period	**$ -**	$ 2,546,160
Current portion	**$ -**	$ 111,672
Non-current portion	**-**	2,434,488
Total lease liabilities	**$ -**	$ 2,546,160

12. Loans payable

The Company procured loans as follows:

	As at December 31, 2021	As at December 31, 2020
Loans at interest rate of 8%	**$ -**	**$ 1,182,333**
Loans at interest rate of 6.5% and 9.5%	**-**	**385,750**
Loan at interest rate of 17.5%	**-**	**400,000**
Loan at interest rate of 17.5%	**-**	**575,000**
Total loans	**$ -**	**$ 2,543,083**
Current	**$ -**	**$ 2,010,172**
Non-current	**$ -**	**$ 532,911**

	As at December 31, 2021	As at December 31, 2020
Balance, beginning of the period	**$ 2,543,083**	**$ -**
New loans	**1,432,000**	**2,543,083**
Repayment of loans	**(3,975,083)**	**-**
Balance, end of the period	**$ -**	**$ 2,543,083**

13. Share capital

On October 28, 2021, the Company consolidated the outstanding subordinate voting shares and proportionate voting shares of the Company on the basis of three (3) pre-consolidation shares for every one (1) post-consolidation share. All subordinate voting shares, proportionate voting shares, per share amounts, warrants and stock options in these consolidated financial statements have been retroactively restated to reflect the share consolidation.

a) Authorized share capital

Unlimited subordinate voting shares without par value and conferring 1 vote per share.
Unlimited proportionate voting shares without par value, conferring 200 votes per share, convertible at the holder's option into subordinate voting shares on a basis of 200 subordinate voting shares for 1 proportionate voting shares.

b) Subordinate voting shares and proportionate voting shares issued

Year ended December 31, 2020

(i) In 2019, the Company closed a non-brokered private placement, for aggregate gross proceeds of $4,064,431 (CAD$5,395,338) from the sale of 1,827,304 common share subscription receipts at a price of CAD$2.88, with each common share subscription receipt exchangeable for one common share of Digihost, and 36,858 unit subscription receipts at a price of CAD$3.60 per unit subscription receipt, with each unit subscription receipt exchangeable for one unit. Each unit consisted of one subordinate voting share and one subordinate voting share purchase warrant of Digihost. Each warrant entitles the holder thereof to acquire one subordinate voting share at a price of CAD$5.25 with expiry date August 14, 2021. The proceeds were received prior to December 31, 2020 and were recorded as subscription liability. In February 2020, prior to the closing of the RTO transaction, the subscription receipts were exchanged for 1,864,162 common shares of Digihost and then exchanged for 1,864,162 subordinate voting shares of the Company.

13. Share capital (continued)

Year ended December 31, 2020 (continued)

(i) (continued) The grant date fair value of the 36,858 warrants was estimated as $20,000.

In addition, immediately prior to completion of the RTO Transaction, the Company exchanged 666,666 subordinate voting shares of Digihost owned by the CEO and director of Digihost for 3,333 proportionate voting shares.

(ii) On February 14, 2020, the Company cancelled the 2 founder shares of Old Digihost.

(iii) On February 14, 2020, the Company issued 43,537 subordinate voting shares as settlement of payables of $ 59,149.

Year ended December 31, 2021

(iv) On December 7, 2020, the Company announced that it has received approval to undertake, at the Company's discretion, a normal course issuer bid program to purchase up to 667,894 of its subordinate voting shares for cancellation (the "Bid"). The Company received acceptance from the TSXV to commence the Bid on December 10, 2020. The Bid was terminated on December 10, 2021. As at December 31, 2021, the Company repurchased and cancelled 164,533 subordinate voting shares for a total repurchase price of $ 600,865.

(v) On February 9, 2021, the Company issued 66,667 subordinate voting shares (valued at $ 305,055) to settle a debt of $40,000 with two third-party creditors.

(vi) On January 8, 2021, the Company closed a non-brokered private placement for 116,625 subordinate voting shares for CAD$ 2.43 for gross proceeds of $220,551.

(vii) On February 18, 2021, the Company closed a non-brokered private placement financing for 1,646,090 subordinate voting shares for CAD$2.43 for gross proceeds of $3,124,018 (CAD$4,000,000). In connection with the private placement, the Company will pay a commission of 49,383 shares to third party advisors.

(viii) On March 16, 2021, the Company closed a non-brokered private placement financing for 3,121,099 units for CAD$8.01 per unit for gross proceeds of $19,985,611 (CAD$25 million). 3,121,099 subordinate voting shares of the Company and warrants to purchase 3,121,099 subordinate voting shares were issued. The warrants have an exercise price of CAD$9.42 per subordinate voting share and exercise period of three years from the issuance date.

H.C. Wainwright & Co. acted as the exclusive placement agent and received cash commission and expenses totalling $ 1,978,303 and 249,688 non-transferable broker warrants. Each broker warrant entitles the holder to purchase one subordinate voting share at an exercise price of CAD$10.01 at any time for a period of three years from the issuance date. The 3,121,099 warrants and 249,688 broker warrants were assigned fair values of $748,525 and $1,124,704, respectively.

The fair value of $1,124,704 was estimated using the following assumptions and inputs: share price of CAD$ 7.71; exercise price of CAD$ 10.01; expected dividend yield of 0%; expected volatility of 235% which is based on comparable companies; risk-free interest rate of 0.53%; and an expected average life of three years.

13. Share capital (continued)

Year ended December 31, 2021 (continued)

(ix) On April 9, 2021, the Company closed a non-brokered private placement financing for 3,894,081 units for CAD$6.42 per unit for gross proceeds of $19,748,795 (CAD$25 million). 3,894,081 subordinate voting shares of the Company and warrants to purchase 3,894,081 subordinate voting shares were issued. The warrants have an exercise price of CAD$7.11 per subordinate voting share and exercise period of four years from the issuance date.

H.C. Wainwright & Co. acted as the exclusive placement agent and received cash commission and expenses totalling $ 1,695,460 and 311,526 non-transferable broker warrants. Each broker warrant entitles the holder to purchase one subordinate voting share at an exercise price of CAD$8.025 at any time for a period of four years from the issuance date. The 3,894,081 warrants and 311,526 broker warrants were assigned fair values of $2,887,034 and $1,121,763, respectively.

The fair value of $1,121,763 was estimated using the following assumptions and inputs: share price of CAD$ 5.49; exercise price of CAD$ 8.025; expected dividend yield of 0%; expected volatility of 143% which is based on comparable companies; risk-free interest rate of 0.77%; and an expected average life of four years.

(x) On June 18, 2021, the Company closed a non-brokered private placement financing for 2,777,779 units for CAD$5.40 per unit for gross proceeds of $12,025,016 (CAD$15 million). 2,777,779 subordinate voting shares of the Company and warrants to purchase 2,083,334 subordinate voting shares were issued. The warrants have an exercise price of CAD$5.97 per subordinate voting share and exercise period of three years from the issuance date.

H.C. Wainwright & Co. acted as the exclusive placement agent and received cash commission and expenses totalling $ 1,164,466 and 222,222 non-transferable broker warrants. Each broker warrant entitles the holder to purchase one subordinate voting share at an exercise price of CAD$6.75 at any time for a period of three years from the issuance date. The 2,083,334 warrants and 222,222 broker warrants were assigned fair values of $1,878,842 and $581,060, respectively.

The fair value of $581,060 was estimated using the following assumptions and inputs: share price of CAD$ 4.56; exercise price of CAD$ 6.75; expected dividend yield of 0%; expected volatility of 136% which is based on comparable companies; risk-free interest rate of 0.63%; and an expected average life of three years.

(xi) On November 30, 2021, the Company issued 16,136 subordinate voting shares (valued at $ 40,000) to settle a debt of $ 40,000 with a third-party creditor.

14. Warrants

	Number of Warrants	Weighted Average Exercise Price (CAD$)
Balance, December 31, 2019	**-**	**-**
Issued (note 13(b)(i))	36,858	5.25
Balance, December 31, 2020	**36,858**	**5.25**
Issued (note 13(b)(viii)(ix)(x))	9,881,950	7.69
Expired	(36,858)	5.25
Balance, December 31, 2021	**9,881,950**	**7.69**

14. Warrants (continued)

The following table reflects the warrants issued and outstanding as of December 31, 2021:

Number of Warrants Outstanding	Exercise Price (CAD$)	Weighted Average Contractual Life (years)	Expiry Date
3,121,099	9.42	2.21	March 16, 2024
249,688	10.01	2.21	March 16, 2024[1]
2,083,334	5.97	2.47	June 18, 2024
222,222	6.75	2.47	June 18, 2024[1]
3,894,081	7.11	3.27	April 9, 2025
311,526	8.025	3.27	April 9, 2025[1]
9,881,950	7.69	2.72	

(1) Broker warrants.

15. Stock options

The Company has a stock option plan whereby the maximum number of shares subject to the plan, in the aggregate, shall not exceed 10% of the Company's issued and outstanding shares. The exercise price shall be no less than the discount market price as determined in accordance with TSXV policies.

The following table reflects the continuity of stock options for the periods presented below:

	Number of Stock Options	Weighted Average Exercise Price (CAD$)
Balance, December 31, 2019	**-**	**-**
Granted (i)	625,000	2.88
Balance, December 31, 2020	**625,000**	**2.88**
Granted (ii)(iii)(iv)(v)(vi)	1,823,497	6.03
Exercised	(75,000)	3.17
Expired / cancelled	(28,332)	6.09
Balance, December 31, 2021	**2,345,165**	**5.28**

(i) On February 14, 2020, the Company granted stock options to directors, officers and consultants of the Company to acquire an aggregate of 625,000 subordinate voting shares. The stock options may be exercised at a price of CAD$ 2.88 per share and expire on February 14, 2025. The stock options vest six months after grant date.

A value of CAD$ 2.64 per option was estimated for the 625,000 stock options on the date of grant with the following assumptions and inputs: share price of CAD$2.88; exercise price of CAD$ 2.88; expected dividend yield of 0%; expected volatility of 154% which is based on comparable companies; risk-free interest rate of 1.37%; and an expected average life of five years. An expense of $ 1,247,551 was recorded during the year ended December 31, 2020.

15. Stock options (continued)

(ii) On January 5, 2021, the Company granted stock options to directors, officers, employees and consultants of the Company to acquire an aggregate of 550,164 subordinate voting shares. Each stock option is exercisable into a subordinate voting share at a price of CAD$ 3.75 and expire on January 5, 2026. The stock options vest fully on the six- month anniversary of the date of grant.

A value of CAD$ 2.76 per option was estimated for the 550,164 stock options on the date of grant with the following assumptions and inputs: share price of CAD$3.03; exercise price of CAD$ 3.75; expected dividend yield of 0%; expected volatility of 155% which is based on comparable companies; risk-free interest rate of 0.39%; and an expected average life of five years. For the year ended December 31, 2021, an expense of $1,162,888 was recorded.

(iii) On February 24, 2021, the Company granted stock options to consultants of the Company to acquire an aggregate of 50,000 subordinate voting shares. Each stock option is exercisable into a subordinate voting share at a price of CAD$13.92 and expire on February 24, 2026. The stock options vested immediately.

A value of CAD$ 12.78 per option was estimated for the 50,000 stock options on the date of grant with the following assumptions and inputs:

share price of CAD$13.92; exercise price of CAD$ 13.92; expected dividend yield of 0%; expected volatility of 155% which is based on comparable companies; risk-free interest rate of 0.73%; and an expected average life of five years. For the year ended December 31, 2021, an expense of $491,918 was recorded.

(iv) On March 26, 2021, the Company granted stock options to directors, officers, employees and consultants of the Company to acquire an aggregate of 533,333 subordinate voting shares. Each stock option is exercisable into a subordinate voting share at a price of CAD$ 7.47 and expire on March 25, 2026. The stock options vest fully on the six- month anniversary of the date of grant.

A value of CAD$ 6.87 per option was estimated for the 533,333 stock options on the date of grant with the following assumptions and inputs: share price of CAD$7.47; exercise price of CAD$ 7.47; expected dividend yield of 0%; expected volatility of 155% which is based on comparable companies; risk-free interest rate of 0.90%; and an expected average life of five years. For the year ended December 31, 2021, an expense of $2,881,295 was recorded.

(v) On May 17, 2021, the Company granted stock options to directors, officers, employees and consultants of the Company to acquire an aggregate of 430,000 subordinate voting shares. Each stock option is exercisable into a subordinate voting share at a price of CAD$ 7.35 and expire on May 17, 2026. The stock options vest fully on the six- month anniversary of the date of grant.

A value of CAD$ 6.09 per option was estimated for the 430,000 stock options on the date of grant with the following assumptions and inputs: share price of CAD$7.86; exercise price of CAD$ 7.35; expected dividend yield of 0%; expected volatility of 105% which is based on comparable companies; risk-free interest rate of 0.95%; and an expected average life of five years. For the year ended December 31, 2021, an expense of $2,480,995 was recorded.

(vi) On June 22, 2021, the Company granted stock options to directors, officers, employees and consultants of the Company to acquire an aggregate of 260,000 subordinate voting shares. Each stock option is exercisable into a subordinate voting share at a price of CAD$ 4.20 and expire on June 22, 2026. The stock options vest fully on the six- month anniversary of the date of grant.

A value of CAD$ 3.06 per option was estimated for the 260,000 stock options on the date of grant with the following assumptions and inputs: share price of CAD$4.02; exercise price of CAD$ 4.20; expected dividend yield of 0%; expected volatility of 105% which is based on comparable companies; risk-free interest rate of 0.95%; and an expected average life of five years. For the year ended December 31, 2021, an expense of $797,380 was recorded.

The underlying expected volatility of all option grants was determined by reference to historical data of comparable companies share price over the expected stock option life.

15. Stock options (continued)

The following table reflects the stock options issued and outstanding as of December 31, 2021:

Expiry Date	Exercise Price (CAD$)	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (exercisable)	Number of Options Unvested
February 14, 2025	2.88	3.13	575,000	575,000	-
January 5, 2026	3.75	4.02	525,164	525,164	-
February 24, 2026	13.92	4.15	50,000	50,000	-
March 25, 2026	7.47	4.23	525,000	525,000	-
May 17, 2026	7.35	4.38	421,667	421,667	-
June 22, 2026	4.20	4.48	248,334	248,334	-
	5.28	3.96	2,345,165	2,345,165	-

16. Income (loss) per share

	Year Ended December 31,	
	2021	**2020**
Net income (loss) for the year	**$ 289,345**	$ (5,190,713)
Net income (loss) per share - basic	**$ 0.01**	$ (0.44)
Net income (loss) per share - diluted	**$ 0.01**	$ (0.44)
Weighted average number of shares outstanding - basic	**21,781,806**	11,715,524

Dilutive effect of stock options and warrants	**638,914**	-
Weighted average number of shares outstanding - diluted	**22,420,720**	11,715,524

17. Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties include key management personnel and may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions are recorded at the exchange amount, being the amount agreed to between the related parties.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and members of the Board of Directors.

Remuneration of key management personnel of the Company was as follows:

	Year Ended December 31,	
	2021	**2020**
Professional fees [(1)]	**$ 91,249**	$ 40,491
Salaries	**144,231**	-
Share based compensation[(2)]	**6,016,173**	1,047,943
	$ 6,251,653	$ 1,088,434

(1) In September 2019, Ms. Cindy Davis was appointed Chief Financial Officer of the Company. Ms. Davis is also a senior employee of Marrelli Support Services Inc. ("Marrelli Support"). Marrelli Support also provides accounting services to the Company. On April 29, 2021, Mr. Paul Ciullo was appointed as the Chief Financial Officer replacing Ms. Davis.

(2) Represents the share based compensation for officer and directors. See notes 6 and 11 for additional related party transactions.

18. Additional information on the nature of comprehensive loss components

	Year Ended December 31,	
	2021	**2020**
Expenses for employee benefits		
Operating and maintenance costs	**$ 528,658**	$ 182,628
Professional fees	**91,249**	40,491
Share based compensation	**7,804,271**	1,247,551
	$ 8,424,178	$ 1,470,670
Net financial expenses		
Interest on loans	**$ 96,134**	$ 41,992
Interest on lease liabilities	**236,680**	216,435
	$ 332,814	$ 258,427

19. Income taxes

(a) Provision for income taxes

	Year Ended December 31,	
	2021	**2020**
Income (loss) before income taxes	**$ 2,589,964**	$ (5,826,526)
Combined statutory income tax rate	**27.00%**	27.00%
Income tax benefit at the statutory tax rate	**699,291**	(1,573,162)
Non-deductible expenses	**273,784**	119,543
Share based compensation	**1,304,058**	336,839
Tax asset recognized	**-**	(71,801)
Effect of lower tax rate of subsidiary	**(103,388)**	-
Change in deferred tax rates	**-**	18,682
Other	**126,874**	1,497
Temporary difference unrecognized	**-**	532,589
Deferred Income tax (recovery) provision	**$ 2,300,619**	$ (635,813)
Current income taxes in the income statement	**$ 127,340**	$ -
Composition of deferred income taxes in the income statement		
Inception and reversal of temporary differences	**$ 2,089,839**	$ (1,168,402)
Deductible temporary differences unrecognized	**-**	532,589
Prior period adjustment	**83,440**	-
Deferred Income tax (recovery) provision	**$ 2,173,279**	$ (635,813)
Total income tax expense (recovery) for the year	**$ 2,300,619**	$ (635,813)

(b) Deferred income tax

Movement of deferred income tax in 2021

	January 1, 2021	**Profit or loss**	**Other Comprehensive Income**	**Equity**	**December 31, 2021**
Property, plant and equipment	$ (755,431)	$ (1,026,336)	$ -	$ -	**$ (1,781,767)**
Right of use assets	(630,826)	87,584	-	-	**(543,242)**
Digital currencies	(701,451)	-	(346,308)	-	**(1,047,759)**
Lease liabilities	665,439	(665,439)	-	-	**-**
Stock based compensation	-	638,992	-	70,482	**709,474**
Non-capital losses	1,356,631	(1,208,080)	-	-	**148,551**
Total	**$ (65,638)**	**$ (2,173,279)**	**$ (346,308)**	**$ 70,482**	**$ (2,514,743)**

19. Income taxes (continued)

Movement of deferred income tax in 2020

	January 1, 2020	**Profit or loss**	**Other Comprehensive Income**	**Equity**	**December 31, 2020**
Property, plant and equipment	$ -	$ (755,431)	$ -	$ -	**$ (755,431)**
Right of use assets	-	(630,826)	-	-	**(630,826)**
Digital currencies	-	-	(701,451)	-	**(701,451)**
Lease liabilities	-	665,439	-	-	**665,439**
Non-capital losses	-	1,356,631	-	-	**1,356,631**
Total	**$ -**	**$ 635,813**	**$ (701,451)**	**$ -**	**$ (65,638)**

As at December 31, 2021 and 2020, deductible timing differences available in Canada for which the Company has not recognized deferred tax asset are as follows:

	As at December 31, 2021	As at December 31, 2020
Property, plant and equipment	**$ -**	$ 26,402,452
Share issue costs	**529,320**	758,041
Capital losses carried forward	**-**	123,757
Operating losses carried forward, expiring in 2041	**2,359,944**	433,285
	$ 2,889,264	$ 27,717,535

The ability to realize the tax benefits is dependent upon a number of factors, including the future profitability of operations. Deferred tax assets are recognized only to the extent that it is probable that sufficient taxable profits will be available to allow the asset to be recovered.

20. Segmented reporting

The Company has one operating segment being cryptocurrency mining located in the United States. The operations of the Company are located in two geographic locations, Canada and the United States. Geographic segmentation is as follows:

As at December 31, 2021	Canada	United States	Total
Current assets	$ 179,396	$ 36,036,609	$ 36,216,005
Non-current assets	1,346,904	42,463,966	43,810,870
Total assets	**$ 1,526,300**	**$ 78,500,575**	$ 80,026,875

As at December 31, 2020	Canada	United States	Total
Current assets	$ -	$ 4,693,466	$ 4,693,466
Non-current assets	1,342,281	10,483,854	11,826,135
Total assets	**$ 1,342,281**	**$ 15,177,320**	**$ 16,519,601**

21. Financial instruments and risk management

Fair value

The fair value of the Company's financial instruments, including cash, amounts receivable, loan receivable, accounts payable and accrued liabilities, amount owing for Miner Lease Agreement, deposit payable and loans payable approximates their carrying value due to their short-term nature. Promissory note receivable is due from an arm's length third party, the fair value of this note are measured using relevant market input (Level 3). The fair value of long term loans payable approximate their carrying amounts based on actualized cash flows (Level 2). Digital currencies are measured at fair value using the quoted price on Cryptocompare (Level 2).

Risks

The Company is exposed to a variety of financial related risks.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash, amounts receivable, promissory note receivable and loan receivable. The cash is deposited in a bank account held with one major bank in the United States so there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The Company believes no impairment is necessary in respect of amounts receivable, promissory note receivable and loan receivable as balances are monitored on a regular basis with the result that exposure to bad debt is insignificant.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by maintaining cash balances to ensure that it is able to meet its short term and long-term obligations as and when they fall due. The Company manages cash projections and regularly updates projections for changes in business and fluctuations cause in digital currency prices and exchange rates.

The following table summarizes the expected maturity of the Corporation's significant financial liabilities based on the remaining period from the balance sheet date to the contractual maturity date:

As at December 31, 2021	Payments by period					
	Less than 1 year	1-3 years	4-5 years	More than 5 years	Total	Carrying Value
Accounts payable and accrued liabilities	$ 2,272,850	$ -	$ -	$ -	$2,272,850	$2,272,850
Amount owing for Miner Lease Agreement 2,940,412		-	-	-	2,940,412	2,940,412
Deposit payable	-	1,788,500	-	-	1,788,500	1,788,500
	$ 5,213,262	$ 1,788,500	$ -	$ -	$7,001,762	$7,001,762

As at December 31, 2020	Payments by period					
	Less than 1 year	1-3 years	4-5 years	More than 5 years	Total	Carrying Value
Accounts payable and accrued liabilities	$ 920,914	$ -	$ -	$ -	$ 920,914	$ 920,914
Loan payable	2,146,231	570,933	-	-	2,717,164	2,543,083
	$ 3,067,145	$ 570,933	$ -	$ -	$3,638,078	$3,463,997

21. Financial instruments and risk management (continued)

Foreign currency risk

Currency risk relates to the risk that the fair values or future cash flows of the Company's financial instruments will fluctuate because of changes in foreign exchange rates. Exchange rate fluctuations affect the costs that the Company incurs in its operations.

The Company's functional and presentation currency is the US dollar. As the Company operates in an international environment, some of the Company's financial instruments and transactions are denominated in currencies other than an entity's functional currency. The fluctuation of the Canadian dollar in relation to the US dollar will consequently impact the profitability of the Company and may also affect the value of the Company's assets and liabilities and the amount of shareholders' equity. As at December 31, 2021 and 2020, the foreign currency risk was considered minimal.

Digital currency risk

Digital currency prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and the global political and economic conditions. The profitability of the Company is directly related to the current and future market price of digital currencies; in addition, the Company may not be able liquidate its holdings of digital currencies at its desired price if required. A decline in the market prices for digital currencies could negatively impact the Company's future operations. The Company has not hedged the conversion of any of its sales of digital currencies.

Digital currencies have a limited history and the fair value historically has been very volatile. Historical performance of digital currencies is not indicative of their future price performance. The Company's digital currencies currently consist of bitcoin and ethereum.

At December 31, 2021, had the market price of the Company's holdings of bitcoin and ethereum increased or decreased by 10% with all other variables held constant, the corresponding asset value increase or decrease respectively would amount to $3,055,157 (2020 - $450,804).

22. Capital management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of equity comprised of issued share capital, reserves and loans payable. The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issuances or by undertaking other activities as deemed appropriate under the specific circumstances. The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended December 31, 2020.

23. Subsequent events

(i) On March 6, 2022, the Company announced it had entered into a private placement with a single institutional investor, for gross proceeds of approximately CAD$13.3 million, comprising of 3,029,748 subordinate voting shares of the Company and warrants to purchase up to 3,029,748 subordinate voting shares at a purchase price of CAD$ 4.40 per subordinate voting share and associated warrant. The warrants have an exercise price of CAD$6.25 per share and exercise period of three and one-half years from the issuance date.

In connection with the private placement, the investor has agreed to cancel existing warrants to purchase up to 1,248,440 common subordinate voting shares of the Company at an exercise price of CAD$9.42 per share issued in March 2021 expiring on March 18, 2024, and the existing warrants to purchase up to 1,781,308 common subordinate voting shares of the Company at an exercise price of CAD$ 7.11 issued in April 2021 expiring on April 9, 2025.

(ii) On March 2, 2022, the Company announced the closing of a $ 10,000,000 committed, collateralized revolving credit facility with Securitize, Inc. (the “Loan Facility”). The Loan Facility has a one-year committed term and an interest rate of 7.5% per annum and has been fully drawn by the Company.

(iii) On March 10, 2022, the Company added to its digital currency holdings with the purchase of 100 bitcoins at a price of $ 39,320 per bitcoin.

Exhibit 99.3

DIGIHOST TECHNOLOGY INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED

DECEMBER 31, 2021

Introduction

The following management's discussion & analysis ("MD&A") of the financial condition and results of the operations of Digihost Technology Inc. (the "Company" or "Digihost") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended December 31, 2021. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This MD&A should be read in conjunction with the audited consolidated financial statements of the Company for the years ended December 31, 2021 and 2020, together with the notes thereto. Results are reported in United States dollars, unless otherwise noted. The Company's audited consolidated financial statements and the financial information contained in this MD&A, unless otherwise indicated, are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee. Information contained herein is presented as of March 25, 2022, unless otherwise indicated all financial information is expressed in United States dollars, unless otherwise stated.

The effective date of this MD&A is March 25, 2022.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Information about the Company and its operations can be obtained from the offices of the Company or on the System for Electronic Documents Analysis and Retrieval ("SEDAR") and is available for review under the Company's profile on the SEDAR website (**www.sedar.com**).

DIGIHOST TECHNOLOGY INC.
Management's Discussion & Analysis
For the year ended December 31, 2021

Description of Business

Digihost and its US operating subsidiaries (together "Digihost" or the "Company") is a blockchain technology company currently focussed on bitcoin mining. The Company's growth-oriented strategy is to continuously exploit opportunities that increase mining hash rate, reduce energy

costs through favourable contracts and vertical integration, and increase the Company's inventory of coins mined and held. The Company's operating facility is located in Buffalo, New York, with over 70,000 square feet of usable space and a 115,000 KVA outdoor substation under lease. The Company focuses on validation through mining, hosting solutions and blockchain software solutions.

Digihost utilizes low-cost power and infrastructure in upstate New York and currently operates approximately 12,000 miners. The Company has the capacity of adding an additional 25MW to its existing facility and is currently focused on procuring power from renewable energy sources and those that create zero carbon emissions.

Additionally, the Company is currently awaiting receipt of Public Service Commission approval to close the previously announced acquisition (March 14, 2021) of a 60MW independent power project in upstate New York. To date, the Company has received all required permits from the city of North Tonawanda, New York. This facility has the capacity to accommodate approximately 17,000 new miners.

The head office of the Company is located at 2830 Produce Row, Houston, TX 77023.

Mining operation and network overview

Revenue from the Company's Bitcoin mining operation is recorded based upon the Bitcoin price in effect at the time Bitcoins are mined and received by the Company. Bitcoins are received within in a 24-hour period from the actual time they are mined. The Bitcoin price is volatile and can change markedly from day to day. This volatility in price can result in material changes in revenue recorded from period to period.

Network mining difficulty is one of the most significant competitive conditions the Company faces in its Bitcoin mining operation. Network difficulty is a unitless measure of how difficult it is to find a hash below a given target. Network difficulty is impacted directly by the price of Bitcoin. As the price of Bitcoin increases network mining difficulty may increase if more competitors begin to mine for Bitcoin, which would result in a decrease in the number of Bitcoins mined by the Company based upon its existing computing power.

The Bitcoin network protocol automatically adjusts network difficulty by changing the target every 2,016 blocks hashed based on the time it took for the total computing power used in bitcoin mining to solve the previous 2,016 blocks such that the average time to solve each block is maintained as close to ten minutes as possible. Price and network difficulty are positively correlated such that as the price of Bitcoin rises, there is an added incentive for miners to enter the market, and such increase in miners typically has a proportional increase in network difficulty. In order to expand the Company's operations and increase profitability the Company requires a significant capital investment to fund the acquisition of both additional power generating capacity and Bitcoin miners as well as the infrastructure and set-up costs necessary to support these new miners.

With respect to the conversion of the Company's Bitcoin to cash, the Company relies on a third-party service provider to broker sales of its mined Bitcoin. For the reporting period ended December 31, 2021 and through to and including the date hereof, the Company's strategy is to hold Bitcoin mined and Ethereum purchased in its digital currency inventory as opposed to monetizing its digital currencies.

Highlights

Financings

- On February 19, 2021, the Company announced the closing of a non-brokered private placement financing for aggregate gross proceeds of CAD$4,000,000. Pursuant to the financing, the Company issued 4,938,271 subordinate voting shares of the Company at a price of CAD $0.81 per share.

- On March 17, 2021, the Company announced the closing of a private placement of 9,363,296 units at a price of CAD$2.67 per unit for gross proceeds of CAD$25 million. Each unit consists of one subordinate voting share of the Company and one warrant to purchase one subordinate voting share. The warrants have an exercise price of CAD$3.14 per subordinate voting share and an exercise period of three years from the issuance date.

  H.C. Wainwright & Co. acted as the exclusive placement agent and received (i) a cash commission equal to 8.0% of the gross proceeds of the offering and (ii) 749,064 non-transferable broker warrants. Each broker warrant entitles the holder to purchase one subordinate voting share at an exercise price of CAD$3.3375 at any time for a period of three years from the issuance date.

- On April 6, 2021, the Company announced the closing of a private placement of 11,682,243 units at a price of CAD$2.14 per unit for gross proceeds of CAD$25 million. Each unit consisted of one subordinate voting share of the Company and one warrant to purchase one subordinate voting share, at an exercise price of CAD$2.37 per subordinate voting share. The warrants have an exercise period of four years from the issuance date.

  H.C. Wainwright & Co. acted as the exclusive placement agent and received (i) a cash commission equal to 8.0% of the gross proceeds of the offering and (ii) 934,579 non-transferable broker warrants. Each broker warrant entitles the holder to purchase one subordinate voting share at an exercise price of CAD$2.675 at any time for a period of four years from the issuance date.

- On June 21, 2021, the Company announced the closing of a private placement of 8,333,336 units at a price of CAD$1.80 per unit for gross proceeds of CAD$15 million. Each unit consisted of one subordinate voting share of the Company and ¾ of one warrant, with each full warrant entitling the holder to purchase one subordinate voting share. to purchase subordinate voting shares. The warrants have an exercise price of CAD$1.99 per subordinate voting share and an exercise period of three years from the issuance date.

  H.C. Wainwright & Co. acted as the exclusive placement agent and received cash commission and expenses totalling $1,164,466 and 666,667 non-transferable broker warrants. Each broker warrant entitles the holder to purchase one subordinate voting share at an exercise price of CAD$2.25 at any time for a period of three years from the issuance date.

- On March 6, 2022, the Company announced it had entered into a private placement with a single institutional investor, for gross proceeds of approximately CAD$13.3 million, comprised of 3,029,748 subordinate voting shares of the Company (or subordinate voting share equivalents) and warrants to purchase up to 3,029,748 subordinate voting shares, at a purchase price of CAD$4.40 per subordinate voting share and associated warrant. The Warrants have an exercise price of CAD$6.25 per Share and exercise period of three and one-half years from the issuance date.

  H.C. Wainwright & Co. acted as the exclusive placement agent and received cash commission and expenses totaling $1,066,471 and 242,380 non-transferable broker warrants. Each broker warrant entitles the holder to purchase one subordinate voting share at an exercise price of CAD$6.25 at any time for a period of three years from the issuance date.

  In connection with the private placement, the investor has agreed to cancel existing warrants to purchase up to 1,248,440 common subordinate voting shares of the Company at an exercise price of CAD$9.42 per share issued in March 2021 expiring on March 18, 2024, and the existing warrants to purchase up to 1,781,308 common subordinate voting shares of the Company at an exercise price of CAD$7.11 issued in April 2021 expiring on April 9, 2025. H.C. Wainwright & Co. is acting as the exclusive placement agent for the private placement.

At-the-Market Offering

On March 4, 2022, the Company announced that it had entered into an at-the-market offering agreement (the "ATM Agreement") with H.C. Wainwright & Co. (the "Agent"). Pursuant to the ATM Agreement, the Company and the Agent will implement an "at-the-market" equity offering program (the "ATM Equity Program"), under which the Agent may issue and sell from time to time such number of subordinate voting shares of the Company having an aggregate offering price of up to US$250 million. A cash commission of 3.0% on the aggregate gross proceeds raised under the ATM Equity Program will be paid to the Agent in connection with its services. The Company intends to use the net proceeds of the ATM Equity Program, if any, to support the growth and development of the Company's existing mining operations as well as for working capital and general corporate purposes and to repay outstanding indebtedness from time to time. The ATM can be terminated with notice by either party, though the Agent has an 18 month right of first refusal from the date of the agreement (even in the event of agreement termination).

Acquisitions and Joint Ventures

- On March 24, 2021, the Company announced the signing of a binding agreement for the purchase of a 60 MW power plant ("Digifactory1") located in upper New York State, bringing the Company's total power capacity to approximately 102 MW.

  Under the terms of the agreement, the Company will pay to the vendor cash consideration of US$3,500,000 and issue to the vendor 437,318 subordinate voting shares of the Company with a deemed value of US$750,000 (US$1.71 per share).

  The transaction is subject to New York regulatory approval as well as the approval of the TSX Venture Exchange. The securities issuable in connection therewith will be subject to a statutory four month and a day hold period.

- On March 29, 2021, the Company announced the acquisition of 700 Bitmain S17+ 76TH miners for a total purchase price of $2.975 million, that increased the Company's hashrate by 50PH, or approximately 20% in the second quarter of 2021.

- On May 14, 2021, the Company announced that it had signed a definitive purchase agreement to acquire approximately 9,900 high-performance Bitcoin miners. The Miners have been sourced from Northern Data AG, a leading infrastructure supplier for BTC mining and other high-performance computing infrastructure solutions.

  Pursuant to the terms of the purchase agreement, the Company has concurrently entered into a hosting agreement with Northern Data in connection with the miners, whereby Northern Data will provide services to the Company including the installation and hosting of the miners in proprietary pre-manufactured performance optimized mobile data centers to be located at Digihost's company-owned facility. Miners associated with this agreement began arriving at the Company's premises for setup in October 2021, with the order received in full during the first quarter of 2022.

- On June 10, 2021, the Company announced that it had entered into a strategic co-mining agreement with Bit Digital USA, Inc ("BTBT) (Nasdaq: BTBT). Pursuant to the terms of the agreement, the Company will provide certain premises to BTBT for the purpose of the operation and storage of a 20 MW bitcoin mining system to be delivered by BTBT, and the Company will also provide services to maintain the premises for a term of two years. The Miners under this agreement have been received and are expected to be online during Q2 of 2022. The collaboration between Digihost and BTBT is expected to generate an increase in hashrate of approximately 400 PH between the companies.

- On July 26, 2021, the Company and BTBT announced that they had entered into a second strategic co-mining agreement. Pursuant to the terms of the agreement, Digihost will provide certain premises to Bit Digital for the operation of a 100 MW bitcoin mining system to be delivered by Bit Digital for a term of two years. This expanded collaboration between Digihost and Bit Digital is expected to facilitate an additional increase in hashrate of approximately 2 EH between the companies, and a total increase in hashrate between the two companies of approximately 2.4 EH including the initial collaboration agreement. The Company is currently exploring potential alternative sites for the contracted hosting capacity pursuant to our agreements, with delivery date of miners to be determined.

- On August 10, 2021, the Company and Northern Data entered into an agreement in which the parties agreed to split a portion of the mining rewards received and energy costs incurred for the Miners put in service pursuant to the agreement.

- On February 22, 2022, the Company and Watercool Asset Management LLC., entered into an agreement in which the Company would host 100 of Watercool's Miners in return for a share of the rewards generated by the Miners. This agreement has a term of one year.

- The market value of the miners in the Company's inventory as of this MD&A is approximately $100m.

Mining Operations

Bitcoin

As of December 31, 2021, the Company held a total of 631.86 bitcoins. For the year ended December 31, 2021, Digihost mined a total of 520.63 bitcoins as compared to 335 for the year ended December 31, 2020.

On March 10, 2022, the Company added to its digital currency holdings with the purchase of 100 bitcoins at a price of $39,320 per coin.

As of the date of this MD&A, Digihost holds 775.93 bitcoins, which at the approximate bitcoin price of $45,000 values the bitcoin inventory at approximately $34,916,400.

Ethereum

During May 2021, the Company elected to differentiate its cryptocurrency holdings by converting approximately 31 BTC into Ethereum (ETH). In September 2021, approximately 32 additional BTC were converted to ETH. As of the date of this MD&A, Digihost holds 1,000.89 ETH in its inventory, which at the approximate Ethereum price of $3,200 per ETH, values the Ethereum holdings at approximately $3,202,850.

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NASDAQ Listing

On November 12, 2021, Company announced that it had been approved to list on the Nasdaq Capital Market (" **Nasdaq**"), with trading on Nasdaq commencing on November 15, 2021, under the symbol "DGHI." Digihost also retained its listing on the TSX Venture Exchange under the symbol "DGHI."

The Company expects the Nasdaq listing to enhance its investor profile and increase liquidity for its shareholders by making it easier US and international investors to acquire the Company's subordinate voting shares

Green Initiative

Currently, 90% of the energy consumed by Digihost's operation is from sources that create zero-carbon emissions, with more than 50% of the energy consumed being generated from renewable sources. As Digihost intends to purchase and bring online its own power generation facilities, the Company will focus on powering these facilities using "bridge" power sources for low-carbon or renewable sources of energy where available.

The following table provides a breakdown of the sources of energy consumed by Digihost in its BTC mining operations in 2020:

SOURCE OF ENERGY *	**%**
Hydro	42.68
Nuclear	41.19
Wind	6.45

Hydro pumped storage	0.56
Other renewables	1.15
Gas	7.00
Duel fuel	0.72
Coal	0.23
Oil	0.02

** **Source of Energy** information obtained from NYISO: Zone A- E*

Current Carbon-Neutrality Efforts & Initiatives include:

- 100% Carbon Neutral: Digihost plans for 100% of its operations to achieve carbon neutrality with a net-zero footprint by the end of 2025, and 100% renewable by 2030.
- Digigreen Initiative: A Digihost initiative focused on immediate steps to create sustainable, environmentally, and economically sound in-house practices, distinguishing the Company as an industry leader in lowering/eliminating its carbon footprint while maintaining profitability.
- Crypto Climate Accord: Digihost has joined a private sector-led initiative for the entire crypto community focused on decarbonizing the cryptocurrency industry in record time.
- Proof of Green: Digihost has begun initial research into developing proprietary standards for measuring the Company's carbon impact. Using these standards as an environmental audit tool for the various operations, we will be able to generate accountability reports and to advise Directors and Shareholders on efforts to minimize the Company's the carbon footprint.

Normal Course Issuer Bid Facility

On December 7, 2020, the Company announced that it has received approval to undertake, at the Company's discretion, a normal course issuer bid program to purchase up to 2,003,683 of its subordinate voting shares for cancellation (the "NCIB Facility"). The Company received acceptance from the TSXV to utilize the NCIB Facility for a period commencing on December 10, 2020, and terminating on December 10, 2021, or on an earlier date in the event that the maximum number of common shares bought pursuant to the facility have been purchased. A total of 164,533 subordinate voting shares were purchased and subsequently cancelled pursuant to the NCIB Facility. The NCIB Facility was terminated on December 10, 2021.

Revolving Credit Facility

On March 2, 2022, the Company announced the closing of a $10,000,000 committed, collateralized revolving credit facility with Securitize, Inc. (the "Loan Facility") The Loan Facility provides Digihost with significant, non-dilutive, liquidity options to assist in the financing of its aggressive growth strategy. The Loan Facility has a one-year committed term and an interest rate of 7.5% per annum and has been fully drawn by the Company.

Proceeds from the Loan Facility, collateralized by the Company's growing Bitcoin inventory, will be used to fund both operating and capital costs thereby giving Digihost the ability to continue to add to its Bitcoin inventory, a key component of the Company's value creation strategy. The Loan Facility, combined with alternative equity issuing options available to the Company, will allow Digihost to continue to optimize the design of its capital structure, improve profitability, and add working capital flexibility

Custodial services for digital currencies

During April 2021, the Company was approved for an account with Gemini Trust Company, LLC (Gemini). Gemini is a digital currency exchange and custodian that allows customers to buy, sell, and store its digital assets. Gemini is not a related party of the Company. As of the date of this prospectus, Gemini is only responsible for safeguarding the cryptocurrency assets as of the Company, however Gemini has the infrastructure to process cryptocurrency asset payments and the Company may use Gemini to sell digital currencies should the Company elect to do so. The Company is not aware of anything with regards to Gemini's operations that would adversely affect the Company's ability to obtain an unqualified audit opinion on its audited financial statements.

The Company has chosen to hold the majority of the Company's cryptocurrency assets with Gemini due to its track record in the industry. Gemini is a New York trust company regulated by the New York State Department of Financial Services and is the foreign equivalent of a Canadian financial institution (as that term is defined in National Instrument 45-106 – *Prospectus Exemption*). Gemini is a qualified custodian under New York Banking Law and is licensed by the State of New York to custody digital assets. Gemini has not appointed a sub-custodian to hold any of the Company's cryptocurrencies. Gemini has US$200 million in cold storage insurance coverage backing its digital asset custody, one of the highest levels of regulatory certifications in the market and US$90 million in hot storage insurance. The Company has utilized both cold and hot storage for its digital crypto assets with Gemini, however, currently holds all its cryptocurrencies custodied with Gemini in hot storage

The Company has conducted due diligence on Gemini and has not identified any material concerns. It routinely reviews and verifies its asset balances on public blockchain explorers. Management of the Company is not aware of any security breaches or other similar incidents involving Gemini which resulted in lost or stolen cryptocurrency assets. In the event of an insolvency or bankruptcy of Gemini, the Company would write off as losses any unrecoverable cryptocurrency assets.

In order to monitor Gemini, the Company relies on system and organization controls provided by a SOC 2 Type II report, which was undertaken by Deloitte & Touche LLP, an independent audit firm. SOC 2 Type II certification and report are viewed as instrumental in providing verification to third parties that appropriate controls have been put in place to safeguard the Company's cryptocurrency assets, specifically as it relates to having strict security and data protection processes and protocols.

In general, a SOC 2 Type II certification is issued by an outside auditor and evaluates the extent to which a vendor complies with five trust principles based on the systems and processes in place. These five principles include the following:

- "Security", which addresses the safeguarding of system resources and assets against unauthorized access;
- "Availability", which addresses the accessibility of the system as stipulated by the applicable service agreement between vendor and customer;
- "Processing Integrity", which addresses whether or not a system achieves its purpose;
- "Confidentiality", which addresses whether access and disclosure of data is restricted to a specified set of persons or organizations; and
- "Privacy", which addresses the system's collection, use, retention, disclosure and disposal of personal information in conformity with an organization's privacy notice.

The Company has elected to use Gemini as its sole custodian as Gemini compiles documented controls that can be provided to the Company, such as the SOC 2 Type II certification. The Company reviews the SOC 2 Type II report to ensure it maintains a secure technology infrastructure and the security systems designed to safeguard cryptocurrency assets are operating effectively. To date, the Company has not identified any material concerns based on its review of the SOC 2 Type II report.

The Company holds the remaining 20% of its digital currencies in cold storage solutions which are not connected to the internet. The Company's digital assets that are held in cold storage are stored in safety deposit boxes at US Bank, at a branch which is located in the State of California. The wallets on which the Company stores its cryptocurrency assets are not multi-signature wallets, however, the Company secures the 24-word seed phrase, which facilitates recovery of the wallets should the wallets become lost, stolen or damaged, by partitioning the seed phrase in two parts, and securing each part in a separate location. Each part of the seed phrase is stored in either a safe or safety deposit box located in California, and at least two of the Company's executives have access to such safe or safety deposit box. The Company replicates this security protocol by taking the same 24-word seed phrase, partitioning this into several parts and storing each part in a secure location in a separate safe or safety deposit box in California than was used for the first copy of the seed-phrase. This duplication ensures that the digital currencies held via cold storage solutions will be recoverable by the Company, should the Company's cold-wallets become lost, stolen or damaged. The Company's current strategy is to hold its cryptocurrencies, and therefore as of the date hereof, very infrequently monetizes its digital currencies into fiat currency.

Gemini maintains insurance coverage for the cryptocurrency held on behalf of the Company in its online hot wallet. The Company is in the process of looking to insure the remainder of its mined digital currency. Given the novelty of digital currency mining and associated businesses, insurance of this nature is generally not available, or is uneconomical for the Company to obtain, which leads to the risk of inadequate insurance cover.

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ADJUSTED EBITDA – NON-GAAP MEASURE

"Adjusted EBITDA" is a metric used by management which is income (loss) from operations, as reported, before interest, tax, and adjusted for removing other non-cash items, including the stock-based compensation expense, depreciation, and further adjusted to remove acquisition related costs. Management believes "Adjusted EBITDA" is a useful financial metric to assess its operating performance on a cash basis before the impact of non-cash items and acquisition related activities.

	Year ended Dec 31	
	2021	2020
	$	$
Income (Loss) before other items	289,345	(5,190,713)
Share-based compensation	7,804,271	1,247,551
Taxes and Interest	2,633,433	(377,386)
Depreciation	3,281,143	3,387,043

Adjusted EBITDA	**14,008,192**	**(933,505)**

Selected Financial Information

	Year ended December 31, 2021 ($)	Year ended December 31, 2020 ($)	Year ended December 31, 2019 ($)
Revenue	24,952,344	3,553,362	nil
Net income (loss)	289,345	(5,190,713)	(269,968)
Net income (loss) per share – basic and diluted	0.01	(0.15)	(742)

	Year ended December 31, 2021 ($)	As at December 31, 2020 ($)	As at December 31, 2019 ($)
Total assets	80,026,875	16,519,601	3,897,511
Total long-term liabilities	4,303,243	3,003,037	nil

Selected Quarterly Information

A summary of selected information for each of the eight most recent quarters prepared in accordance with IFRS is as follows:

		Net Income or (Loss)		
Three Months Ended	**Revenues ($)**	**Total ($)**	**Per Share - Basic ($)**	**Per Share - Diluted ($)**
2021-December 31	9,586,962	1,266,031	0.01	0.01
2021-September 30	5,485,754	(771,154)	(0.02)	(0.02)
2021-June 30	5,112,553	(278,849)	(0.00)	(0.00)
2021-March 31	4,767,075	72,957	0.00	0.00
2020-December 31	1,187,362	(959,580)	(0.02)	(0.02)
2020-September 30	437,813	(2,171,782)	(0.05)	(0.05)
2020-June 30	1,089,877	(1,293,527)	(0.03)	(0.03)
2020-March 31	838,310	(765,824)	(0.04)	(0.04)

The Company is generally not subject to seasonality. Factors that may impact revenues and profitability include Bitcoin price, network difficulty, foreign currency fluctuations and the Company's hashrate.

Results of Operations

For the three months ended December 31, 2021, compared to the three months ended December 31, 2020:

For the three months ended December 31, 2021, the Company's net income was $1,266,031 compared to net loss of $959,580 for the three months ended December 31, 2020. The increase in net income and decrease in net loss of $2,225,611 is a result of the following:

Revenue

Revenue from Bitcoin mining was $9,586,962 for the period ended December 31, 2021, compared to $1,187,362 for the period ended December 31, 2020.

During the three-month period ended December 31, 2021, the Company mined 172.38 Bitcoins at an average Bitcoin price of US$55,900 (from CoinDesk) compared to the period ended December 31, 2020, where the Company mined 64.27 Bitcoins at an average price of Bitcoin of US$17,000 (from CoinDesk).

The most significant factors impacting the increase in the Company's revenues in Q4 2021 versus Q3 2021 were the growth of the organization's mining operation (hashrate went from approximately 143 Petahash as of December 31, 2020, to approximately 415 Petahash as of December 31, 2021), the commencement of revenues associated with the Miner Lease Agreement with Northern Data, and the increase in average Bitcoin price mentioned above.

Cost of Sales

The Company's cost of sales was $6,225,994 for the three-month period ended December 31, 2021, compared to $2,172,317 for the period ended December 31, 2020.

The overall increase in cost of sales was due to the increase in energy and infrastructure expenses along with a slight increase in depreciation and amortization expense. Energy and infrastructure expenses increased by $3,979,538 due to the Company adding new miners thereby significantly increasing its hashrate from approximately 143 Petahash as of December 31, 2020 to approximately 415 Petahash as of December 31, 2021. Depreciation and amortization expense increased by $0.1 million in Q4 2021 as compared to Q4 2020 as a majority of the Company's new miners and electrical infrastructure were not placed into service until Q4 of 2021, thereby not being depreciated.

General & Administrative Expenses

The Company's general and administrative expenses were $1,232,879 for the three-month period ended December 31, 2021, compared to $656,723 for the period ended December 31, 2020.

The variance from the prior quarter of $576,156 as due to an increase in shared based compensation expenses which represents the expense associated with the vesting of stock options during the periods.

For the year ended December 31, 2021, compared to the year ended December 31, 2020:

For the year ended December 31, 2021, the Company's net income was $289,345 compared to net loss of $5,190,713 for the year ended December 31, 2020. The year over year increase in net income and decrease in net loss of $5,480,058 is a result of the following:

Revenue

Revenue from Bitcoin mining was $24,952,344 for the year ended December 31, 2021, compared to $3,553,362 for the year ended December 31, 2020.

During the year ended December 31, 2021, the ramp in the Company's mining operation led to the mining of 520.63 Bitcoins at an average Bitcoin price of US$47,430 (from CoinDesk) compared to the period ended December 31, 2020, where the Company mined 335 Bitcoins at an average price of Bitcoin of US$10,750 (from CoinDesk).

In addition to the incremental hashing power the Company added during 2021, the revenue increase can be attributed to the price of Bitcoin which began to rise in Q4 of 2020 that continued into 2021 and the entering into of the Miner Lease Agreement with Northern Data.

Cost of Sales

The Company's cost of sales was 13,823,194 for the year ended December 31, 2021, compared to $7,550,050 for the year ended December 31, 2020.

The overall increase in cost of sales was due to the increase in energy and infrastructure expenses that were partially offset by a slight decrease in depreciation and amortization expense. Energy and infrastructure expenses increased by $6,379,044, due to the Company adding new miners thereby significantly increasing its hashrate from approximately 143 Petahash as of December 31, 2020 to approximately 400 Petahash as of December 31, 2021. Depreciation and amortization expense decreased by US$0.1 million in 2021 as the Company's new miners and electrical infrastructure were not placed into service until Q4 of 2021.

General & Administrative Expenses

The Company's general and administrative expenses were $ $8,206,372 for the year ended December 31, 2021, compared to $1,571,411 for the year ended December 31, 2020.

The year over difference was driven by an increase of 6,556,720 in shared based compensation expenses which represents the expense associated with the vesting of stock options during the periods.

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Cash flows

Operating Activities

Cash used in operating activities for the year ended December 31, 2021, was $8,859,594 as compared to $2,249,857 for the year ended

December 31, 2020. The decrease in net cash flows from operating activities was primarily driven by the ramp in the Company's mining operation coupled with its policy of retaining its Bitcoin, which led to 662 coins held at the end of the year rather than being converted into fiat currency (154 held as of December 31, 2020).

Investing Activities

Cash used in investing activities for the reporting year ended December 31, 2021, was $34,724,780 as compared to $1,268,177 for the year ended December 31, 2020. The year over year increase in cash used was due to the purchase of mining and data centre equipment of $33,924,780.

Financing Activities

Cash provided by financing activities for the reporting year ended December 31, 2021, was $44,468,839 as compared to $2,245,347 for the year ended December 31, 2020. The Company received proceeds from a private placement of $50,218,093, made lease payments of $2,647,669, repaid custodial loans of $3,975,083, repurchased shares of $599,997 and received net funds from loans of $1,473,495.

Liquidity and Financial Position

As of December 31, 2021, the Company had working capital of $30,697,142, which digital currencies of $33,491,986. The Company commenced earning revenue from digital currency mining in mid-February 2020, however it has limited history and no assurance that historical performance will be indicative of future performance.

The improvement in working capital was primarily due to $49.6 million raised in total from private placements during 2021 and the accumulation of 632 Bitcoin with a fair value approximating $29.8 million as of December 31, 2021. The proceeds were used primarily to acquire property, plant and equipment and make deposits to secure orders of Mining hardware and electrical distribution equipment and to repay loans payable from 2020.

The Company's ability to continue as a going concern is dependent on the Company's ability to efficiently mine and liquidate digital currencies, manage operational expenses, and raise additional funds through debt or equity financing.

Capital Resources

The Company's capital management objective is to provide the financial resources that will enable Digihost to maximize the return to its shareholders while also enhancing its cost of capital. In order to achieve this goal, the Company monitors its capital structure and adjusts as required in response to an ever-changing economic environment and the various risks to which the Company is exposed. The Company's approach for attaining this objective is to preserve a flexible capital structure that optimizes the cost of capital at a satisfactory level of risk, to maintain its ability to meet financial obligations as they come due, and to ensure the Company has appropriate financial resources to fund its organic and acquisitive growth.

The Company anticipates that its existing financial resources will be sufficient to put into operation all previously announced acquisitions of Mining hardware with deliveries scheduled in the first half of 2022. In order to achieve its future business objectives, the Company may need to liquidate or borrow against the Bitcoin that have been accumulated as of the date hereof as well as Bitcoin generated from ongoing operations, which may or may not be possible on commercially attractive terms. The Company presently anticipates that additional financing will be required to acquire additional power generation facilities in the future in order to meet the Company's objective of obtaining access to an additional 100MW of power by the end of 2022. The Company also anticipates that additional financing will be required to purchase the miners required to utilize its maximum capacity.

Digihost may manage its capital structure by issuing equity, seeking financing through loan products, adjusting capital spending, or disposing of assets.

Notes Receivable and Related Party Transactions

Promissory Notes Receivable

In December 2021, the Company entered into an agreement for a Secured Convertible Promissory Note ("Note") with A principal of $800,000. The Note accrues interest at a rate of 6% per annum, with interest payments every calendar quarter commencing March 31, 2022. The Note is convertible at the Company's option into Series C Preferred Stock of the issuer. If the Note is not converted into shares by the Company, all unpaid and accrued interest are due on Maturity Date of December 21, 2026. The Notes are secured by the assets of the issuer.

Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties include key management personnel and may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions are recorded at the exchange

amount, being the amount agreed to between the related parties.

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and members of the Board of Directors.

Remuneration of key management personnel of the Company was as follows:

	Year Ended December 31, 2021	Year Ended December 31, 2020
Professional fees [1]	91,249	40,491
Salaries	144,231	-
Share based compensation [2]	6,016,173	1,047,943
Total	**$ 6,251,653**	**$ 1,088,434**

(1) In September 2019, Ms. Cindy Davis was appointed Chief Financial Officer of the Company. Ms. Davis is also a senior employee of Marrelli Support Services Inc. ("Marrelli Support"). Marrelli Support also provides accounting services to the Company. On April 29, 2021, Mr. Paul Ciullo was appointed as the Chief Financial Officer replacing Ms. Davis.

(2) Represents the share-based compensation for officer and directors.

Share Capital

On October 26, 2021, the Company announced it would effect the consolidation of its outstanding subordinate voting shares and proportionate voting shares of the Company on the basis of three (3) pre-consolidation shares for every one (1) post-consolidation share in order to facilitate a listing of its subordinate voting shares on the Nasdaq. The subordinate voting share began trading on the TSX Venture Exchange ("TSXV") on a consolidated basis and with a new CUSIP number on October 28, 2021. As a result of the Consolidation, the outstanding subordinate voting shares of the Company were reduced to approximately 25,029,610 Shares.

As at December 31, 2021, the Company has 24,956,165 common shares outstanding.

As at December 31, 2021 the Company had issued 2,345,165 stock options and 9,881,950 warrants.

Subsequent Events

On March 4, 2022, the Company announced that it had entered into an at-the-market offering agreement with H.C. Wainwright & Co.. Pursuant to the ATM Agreement, the Company and the Agent will implement an "at-the-market" equity offering program, under which the Agent may issue and sell from time to time such number of subordinate voting shares of the Company having an aggregate offering price of up to US$250 million. A cash commission of 3.0% on the aggregate gross proceeds raised under the ATM Equity Program will be paid to the Agent in connection with its services. The Company intends to use the net proceeds of the ATM Equity Program, if any, to support the growth and development of the Company's existing mining operations as well as for working capital and general corporate purposes and to repay outstanding indebtedness from time to time

On March 6, 2022, the Company announced that it had entered into a private placement with a single institutional investor, for gross proceeds of approximately CAD$13.3 million, comprised of 3,029,748 subordinate voting shares of the Company (or subordinate voting share equivalents) and warrants to purchase up to 3,029,748 subordinate voting shares, at a purchase price of CAD$4.40 per subordinate voting share and associated warrant. The Warrants have an exercise price of CAD$6.25 per Share and exercise period of three and one-half years from the issuance date.

H.C. Wainwright & Co. acted as the exclusive placement agent and received cash commission and expenses totaling $1,066,471 and 242,380 non-transferable broker warrants. Each broker warrant entitles the holder to purchase one subordinate voting share at an exercise price of CAD$6.25 at any time for a period of three years from the issuance date.

In connection with the private placement, the investor has agreed to cancel existing warrants to purchase up to 1,248,440 subordinate voting shares of the Company at an exercise price of CAD$9.42 per share issued in March 2021 expiring on March 18, 2024, and existing warrants to purchase up to 1,781,308 subordinate voting shares of the Company at an exercise price of CAD$7.11 issued in April 2021 expiring on April 9, 2025.

On March 2, 2022, the Company announced the closing of a $10,000,000 committed, collateralized revolving credit facility with Securitize, Inc. (the "Loan Facility"). The Loan Facility has a one-year committed term and an interest rate of 7.5% per annum and has been fully drawn by the Company.

On March 10, 2022, the Company added to its digital currency holdings with the purchase of 100 bitcoins at a price of $39,320 per coin.

Off-Balance Sheet Arrangements

As at the date of this MD&A, the Company did not have any off-balance sheet arrangements.

Adoption of new accounting policies

(a) Basis of consolidation

These consolidated financial statements include the accounts of Digihost and its wholly owned subsidiary: Digihost International, Inc. Subsidiaries are consolidated from the date of acquisition, being the date on which the Company obtains control, and continues to be consolidated until the date that such control ceases. Control is achieved when an investor has power over an investee to direct its activities, exposure to variable returns from an investee, and the ability to use the power to affect the investor's returns. All inter-company transactions and balances have been eliminated upon consolidation.

(b) Functional and presentation currency

These financial statements are presented in United States Dollars. The functional currency of Digihost is the Canadian dollar and the functional currency of Digihost International, Inc. is the United States Dollars. All financial information is expressed in United States Dollars, unless otherwise stated.

(c) Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated to United States dollars at exchange rates in effect at the reporting date. Non-monetary assets and liabilities are translated at historical exchange rates at the respective transaction dates. Revenue and expenses are translated at the rate of exchange at each transaction date. Gains or losses on translation are included in foreign exchange expense.

The results and financial position of an entity whose functional currency are translated into a different presentation currency are treated as follows:

- assets and liabilities are translated at the closing rate at the reporting date;
- income and expenses for each income statement are translated at average exchange rates at the dates of the period; and
- all resulting exchange differences are recognized in other comprehensive income as cumulative translation adjustments.

(d) Revenue recognition

The Company recognizes revenue from the provision of transaction verification services within digital currency networks, commonly termed "cryptocurrency mining". As consideration for these services, the Company receives digital currency from each specific cryptocurrency mining pool in which it participates. Revenue is measured based on the fair value of the digital currencies received. The fair value is determined using the spot price of the digital currencies on the date of receipt. Digital currencies are considered earned on the completion and addition of a block to the blockchain, at which time the economic benefit is received and can be reliably measured.

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(e) Digital currencies

Digital currencies consist of Bitcoin. Digital currencies meet the definition of intangible assets in IAS 38 Intangible Assets as they are identifiable non-monetary assets without physical substance. They are initially recorded at cost and the revaluation method is used to measure the digital currencies subsequently. Where digital assets are recognized as revenue, the fair value of the bitcoin received is considered to be the cost of the digital assets. Under the revaluation method, increases in fair value are recorded in other comprehensive income, while decreases are recorded in profit or loss. The Company revalues its digital currencies at the end of each quarter. There is no recycling of gains from other comprehensive income to profit or loss. However, to the extent that an increase in fair value reverses a previous decrease in fair value that has been recorded in profit or loss, that increase is recorded in profit or loss. Decreases in fair value that reverse gains previously recorded in other comprehensive income are recorded in other comprehensive income. Gains and losses on digital currencies sold between revaluation dates are included in profit or loss.

Digital currencies are measured at fair value using the quoted price on Cryptocompare. Cryptocompare is a pricing aggregator, as the principal

market or most advantageous market is not always known. The Company believes any price difference amongst the principal market and an aggregated price to be immaterial. Management considers this fair value to be a Level 2 input under IFRS 13 Fair Value Measurement fair value hierarchy as the price on this source represents an average of quoted prices on multiple digital currency exchanges.

(f) Property, plant, and equipment

Details as to the Company's policies for property, plant and equipment are as follows:

Asset	Measurement Basis	Amortization Method	Amortization Rate
Data miners	Cost	Straight-line	12 - 36 months
Equipment	Cost	Straight-line	36 - 120 months
Leasehold improvement	Cost	Straight-line	120 months

Property, plant, and equipment are recorded at cost less accumulated depreciation. Cost includes all expenditures incurred to bring assets to the location and condition necessary for them to be operated in the manner intended by management.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any replaced parts is derecognized. All other repairs and maintenance are charged to profit or loss during the fiscal period in which they are incurred.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognized in profit or loss.

(g) Intangible assets

intangible assets that qualify for separate recognition are recognized as intangible assets at their fair values. Right of use of an electric power facility is depreciated over 13 years.

(h) Impairment of non-financial assets

The Company reviews the carrying amounts of its non-financial assets, including property, plant, and equipment, when events or changes in circumstances indicate the assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. Assets carried at fair value, such as digital currencies, are excluded from impairment analysis.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows to be derived from continuing use of the asset or cash generating unit are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Fair value less costs of disposal is the amount obtainable from the sale of an asset or cash generating unit in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. When a binding sale agreement is not available, fair value less costs of disposal is estimated using a discounted cash flow approach with inputs and assumptions consistent with those of a market participant. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash generating unit is reduced to its recoverable amount. An impairment loss is recognized immediately in net income. Where an impairment loss subsequently reverses, the carrying amount of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized.

(i) Leases and right-of-use assets

All leases are accounted for by recognizing a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of twelve months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by the incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;

- The exercise price of any purchase option granted if it is reasonably certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at cost, which includes the initial amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the Company is contractually required to dismantle, remove, or restore the leased asset.

Lease liabilities, on initial measurement, increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

Right-of-use assets are amortized on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term or recorded in profit or loss if the right-of-use asset is reduced to zero.

(j) Goodwill

The Company measures goodwill as the fair value of the cost of the acquisition less the fair value of the identifiable net assets acquired, all measured as of the acquisition date. Goodwill is carried at cost less accumulated impairment losses.

(k) Share capital and equity

Share capital represents the amount received on the issue of shares, less issuance costs, net of any underlying income tax benefit from these issuance costs. When warrants are issued in connection with shares, the Company uses the residual method for allocating fair value to the shares and then to warrants.

Contributed surplus include the value of outstanding warrants and stock options. When warrants and stock options are exercised, the related compensation cost and value are transferred to share capital.

Deficits include all current and prior year losses.

Digital currency revaluation reserve includes gains and losses from the revaluation of digital currencies, net of tax.

Cumulative translation reserve includes foreign currency translation differences arising from the translation of financial statements of foreign entities into United States dollars.

(l) Share-based compensation

The granting of stock options to employees, officers, directors, or consultants of the Company requires the recognition of share-based compensation expense with a corresponding increase in contributed surplus in shareholders' equity. The fair value of stock options that vest immediately are recorded as share-based compensation expense at the date of the grant. The expense for stock options that vest over time is recorded over the vesting period using the graded method, which incorporates management's estimate of the stock options that are not expected to vest. For stock options where vesting is subject to the completion of performance milestones, the estimate for completion of the milestone is reviewed at each reporting date for any change in the estimated vesting date, and to the extent there is a material change in the vesting date estimate, the amortization to be recognized is recalculated for the new timeline estimate and adjusted on a prospective basis in the current period. The effect of a change in the number of stock options expected to vest is a change in an estimate and the cumulative effect of the change is recognized in the period when the change occurs. On exercise of a stock option, the consideration received, and the estimated fair value previously recorded in contributed surplus is recorded as an increase in share capital.

Stock options awarded to consultants are measured based on the fair value of the goods and services received unless that fair value cannot be estimated reliably. If the fair value of the goods and services cannot be reliably measured, then the fair value of the equity instruments granted is used to recognize the expense.

Critical accounting judgements, estimates and assumption

The preparation of these financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant judgements

(i) Income from digital currency mining

The Company recognizes income from digital currency mining from the provision of transaction verification services within digital currency networks, commonly termed "cryptocurrency mining". As consideration for these services, the Company receives digital currency from each specific network in which it participates ("coins"). Income from digital currency mining is measured based on the fair value of the coins received. The fair value is determined using the spot price of the coin on the date of receipt. The coins are recorded on the statement of financial position, as digital currencies, at their fair value less costs to sell and re- measured at each reporting date. Revaluation gains or losses, as well as gains or losses on the sale of coins for traditional (fiat) currencies are included in profit or loss in accordance with the Company's treatment of its digital currencies as a traded commodity.

There is currently no specific definitive guidance in IFRS or alternative accounting frameworks for the accounting for the mining and strategic selling of digital currencies and management has exercised significant judgement in determining appropriate accounting treatment for the recognition of income from digital currency mining for mining of digital currencies. Management has examined various factors surrounding the substance of the Company's operations, including the stage of completion being the completion and addition of a block to a blockchain and the reliability of the measurement of the digital currency received.

(ii) Business combination

Management uses judgement to determines whether assets acquired, and liabilities assumed constitute a business. A business consists of inputs and processes applied to those inputs that have the ability to create outputs.

The Company completed the RTO Transaction in February 2020 (note 3) and concluded that the entity acquired did qualify as a business combination under IFRS 3, "Business Combinations", as significant processes were acquired. Accordingly, the RTO Transaction has been accounted for as a business combination.

(iii) Going concern

The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available for its operations and working capital requirements as discussed in note 1.

(iv) Leases – incremental borrowing rate

Judgment is applied when determining the incremental borrowing rate used to measure the lease liability of each lease contract, including an estimate of the asset-specific security impact. The incremental borrowing rate should reflect the interest rate the Company would pay to borrow at a similar term and with similar security.

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(v) Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting

period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Significant estimates

(i) Determination of asset and liability fair values and allocation of purchase consideration

Significant business combinations require judgements and estimates to be made at the date of acquisition in relation to determining the relative fair value of the allocation of the purchase consideration over the fair value of the assets. The information necessary to measure the fair values as at the acquisition date of assets acquired requires management to make certain judgements and estimates about future events, including but not limited to availability of hardware and expertise, future production opportunities, future digital currency prices and future operating costs.

(ii) Useful lives of property, plant, and equipment

Depreciation of data miners and equipment are an estimate of its expected life. In order to determine the useful life of computing equipment, assumptions are required about a range of computing industry market and economic factors, including required hashrates, technological changes, availability of hardware and other inputs, and production costs.

(iii) Digital currency valuation

Digital currencies consist of cryptocurrency denominated assets (note 4) and are included in current assets. Digital currencies are carried at their fair value determined by the spot rate less costs to sell. The digital currency market is still a new market and is highly volatile; historical prices are not necessarily indicative of future value; a significant change in the market prices for digital currencies would have a significant impact on the Company's earnings and financial position.

(iv) Impairment of goodwill

Goodwill is tested for impairment if there is an indicator of impairment and annually for all CGUs with goodwill. The Company considers both external and internal sources of information for indications that goodwill is impaired. External sources of information we consider include changes in the market and economic and legal environment in which the CGU operates that are not within its control and affect the recoverable amount of goodwill. Internal sources of information considered include the strategic plans for the Company including estimates of revenue and other indications of economic performance of the assets.

Disclosure of Internal Controls

Management has established processes to provide it with sufficient knowledge to support representations that it has exercised reasonable diligence to ensure that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements, and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized, and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Risk Factors

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk Factors" in the Company's Annual Information Form for the fiscal year ended December 31, 2021, dated March 28, 2022 available on SEDAR at www.sedar.com and the Risk Factors contained the Company's various filings on SEDAR.

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Cautionary Note Regarding Forward-Looking Information

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements. In particular, this MD&A contains forward-looking statements pertaining to the following:

- the impact of the ongoing novel coronavirus disease outbreak (COVID-19) on the business, operations, financial results, and prospects of the Company;
- the impact of the Bitcoin Halving in May 2020 on the price of BTC and the normalization after the Bitcoin Halving to pre-Bitcoin Halving profitability levels;
- future debt levels, financial capacity, liquidity, and capital resources;
- anticipated future sources of funds to meet working capital requirements;
- future capital expenditures and contractual commitments;
- expectations respecting future financial results;
- expectations regarding benefits of certain transactions and capital investments;
- the Company's objectives, strategies, and competitive strengths and growth strategy;
- expectations with respect to future opportunities;
- expectations with respect to the Company's financial position;
- the Company's capital expenditure programs and future capital requirements;
- capital resources and the Company's ability to raise capital; and
- industry conditions pertaining to the cryptocurrency industry;
- the other factors discussed under " *Risk Factors*".

This list of factors should not be construed as exhaustive.

Additional Information

Additional information concerning the Company is available on SEDAR at **www.sedar.com**.

Exhibit 99.4

CERTIFICATION

I, Michel Amar, certify that:

1. I have reviewed this Annual Report on Form 40-F of Digihost Technology Inc. (the "issuer");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the issuer and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) [reserved];

   (c) evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: March 28, 2022

/s/ Michel Amar

Name: Michel Amar
Title: Chief Executive Officer

Exhibit 99.5

CERTIFICATION

I, Paul Ciullo, certify that:

1. I have reviewed this Annual Report on Form 40-F of Digihost Technology Inc. (the "issuer");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the issuer and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) [reserved];

   (c) evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: March 28, 2022

/s/ Paul Ciullo

Name: Paul Ciullo
Title: Chief Financial Officer

Exhibit 99.6

CERTIFICATION PURSUANT TO
18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Digihost Technology Inc. (the "Company") on Form 40-F for the period ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michel Amar, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

March 28, 2022

/s/ Michel Amar
Name: Michel Amar
Title: Chief Executive Officer
(Principal Executive Officer)

Exhibit 99.7

CERTIFICATION PURSUANT TO
18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Digihost Technology Inc. (the "Company") on Form 40-F for the period ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Paul Ciullo, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

March 28, 2022

/s/ Paul Ciullo
Name: Paul Ciullo
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 99.8

Raymond Chabot Grant Thornton

Raymond Chabot
Grant Thornton LLP
Suite 2000
National Bank Tower
600 De La Gauchetière Street West
Montréal, Quebec
H3B 4L8

T 514-878-2691

Consent of Independent Auditor

Digihost Technology Inc.

We hereby consent to the use of our reports dated March 25, 2022, on the consolidated financial statements of Digihost Technology Inc., incorporated by reference in the Annual Report on Form 40-F for the year ended December 31, 2021 of Digihost Technology Inc. We also consent to the incorporation by reference in the Registration Statement on Form F-10 (No. 333-263255) of Digihost Technology Inc. of our reports dated March 25, 2022 referred to above.

We also consent to the reference to our firm under the heading “Interests of Experts”, in the Annual Information Form included in Exhibit 99.1 incorporated by reference in the Annual Report on Form 40-F, which is incorporated by reference in the Registration Statement on Form F-10.

Raymond Chabot Grant Thornton LLP

Chartered Professional Accountants

Montréal, Canada
March 28, 2022