AMENDED THIS 14-May-2026 PURSUANT TO
MODIFIÉ CONFORMÉMENT À

x RULE/LA RÈGLE 26.02 (A)

☐ THE ORDER OF ______________________________
L'ORDONNANCE DU
DATED/FAIT LE______________________________

Lisa Lawson Digitally signed by Lisa Lawson Date: 2026.05.14 14:41:07 -04'00'

REGISTRAR GREFFIER
SUPERIOR COURT OF JUSTICE COUR SUPÉRIEURE DE JUSTICE

Court File No.: CV-25-00757022-00CP

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

CHRISTOPHER DUCKETT

Plaintiffs

– and –

HUT 8 CORP.,
ASHER GENOOT; JAIME LEVERTON, and MICHAEL HO

Defendants

Proceeding under the *Class Proceedings Act, 1992*

SECOND FRESH AS AMENDED STATEMENT OF CLAIM

TO THE DEFENDANTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the plaintiffs. The claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a statement of defence in Form 18A prescribed by the Rules of Civil Procedure, serve it on the plaintiff's lawyers or, where the plaintiff does not have a lawyer, serve it on the plaintiff, and file it, with proof of service in this court office, WITHIN TWENTY DAYS after this statement of claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your statement of defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a statement of defence, you may serve and file a notice of intent to defend in Form 18B prescribed by the Rules of Civil Procedure. This will entitle you to ten more days within which to serve and file your statement of defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

IF YOU PAY THE PLAINTIFFS' CLAIM, and $5,000.00 for costs, within the time for serving and filing your statement of defence you may move to have this proceeding dismissed by the court. If you believe the amount claimed for costs is excessive, you may pay the plaintiff's claim and $400.00 for costs and have the costs assessed by the court.

Date Issued: 01-DEC-2025	Issued by: ________________ Local Registrar
	Address of Court Office: Superior Court of Justice 330 University Avenue, 8th Floor Toronto, Ontario, M5G 1R7

TO:

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DEFINED TERMS

1. In addition to the terms defined in sections 1(1) and 138.1 of the *Securities Act*, R.S.O. 1990, c. S. 5, and elsewhere herein, the following capitalized terms used throughout this Statement of Claim have the meanings indicated below:

(a) "***BCBCA***" means the British Columbia *Business Corporations Act*, SBC 2002, c 57;

(b) "**B.C. Proceeding**" means Legacy Hut 8's court-sanctioned plan of arrangement under the *Business Corporations Act*, SBC 2002, c 57;

(c) "***CJA***" means the *Courts of Justice Act*, RSO 1990, c C.43;

(d) "**Class**" collectively means the Primary Market Class and the Secondary Market Class, defined as:

Primary Market Class:

(i) all investors, other than Excluded Persons, who owned "Legacy Hut 8" securities prior to November 30, 2023, who had those securities converted into "New Hut 8" securities on or about December 4, 2023, pursuant to the Form S-4 filed on November 8, 2023, the Prospectus filed on November 9, 2023 and the Form S-8 filed on November 29, 2023 (the "Impugned Registration Statement" as defined below) and who held some or all of those securities until after the release of the J Capital Report on January 18, 2024; and

Secondary Market Class:

(ii) all investors, other than Excluded Persons, who purchased Legacy Hut 8 securities listed on the TSX and other Canadian markets between February 7, 2023 and November 30, 2023 and "New Hut 8" securities on the TSX and other Canadian markets after December 4, 2023, and who held some or all of these securities until after the release of the J Capital Report on January 18, 2024;

(e) "**Class Period**" means February 7, 2023 through January 17, 2024;

(f) "***CPA***" means the Ontario Class Proceedings Act, 1992, SO 1992, c 6;

(g) "**Excluded Persons**" means the Defendants, Hut 8's board members, executives, family members and any company that they have a financial interest in, plus the senior executives and members of the boards of Coinbase Global, Inc., a lender to Hut 8, USBTC, and their family members;

(h) "**Hut 8**" collectively means both Hut 8 Mining Corp. and Hut 8 Corp.;

(i) "**Impugned Documents**" means the documents released by Hut 8 on February 7, February 13, April 27, August 9, August 11, November 8, November 9, November 29, November 30 and December 19, 2023;

(j) "**Impugned Registration Statement**" means, collectively, the Form S-4 filed on November 8, 2023, the Prospectus filed on Form 424(b)(3) incorporating the November 8, 2023 Form S-4 filed on November 9, 2023 and the Form S-8 filed on November 29, 2023;

(k) "**King Mountain JV**" means a facility in McCamey, Texas, which USBTC, as defined below, acquired on December 15, 2022, from Compute North Holdings, Inc. for USD $10 million structured as a $3 million down payment and $7 million to pay down a secured promissory note, which was taken over by Hut 8, and which was to provide a total capacity of 280MW of electrical power, which is located on a 29-acre wind farm;

(l) "**Legacy Hut 8**" means Hut 8 Mining Corp., which securities were publicly traded until November 30, 2023;

(m) "**New Hut 8**" means Hut 8 Corp., which formed as a result of the merger of Hut 8 Mining Corp. and USBTC as defined below, which securities commenced being publicly traded on December 4, 2023;

(n) "**J Capital**" means J Capital Research USA LLC, an investment firm that conducts its own due diligence, research, and financial analysis relating to publicly traded companies, and publishes research reports;

(o) "**The J Capital Report**" means the report titled "HUT Get Ready for the Pump and Dump: Management hiding stock ownership through undisclosed related party, a stock-promoter cabal, and a host of left-for-dead assets," published on January 18, 2024;

(p) "**Kroll**" means Kroll, LLC;

(q) "**Management Circular**" means the impugned management circular published by Legacy Hut 8 on SEDAR on August 11, 2023;

(r) "**MARA**" means Marathon Digital Holdings, Inc., a publicly traded company involved in similar activities as Hut 8 whose securities are traded on the Nasdaq, which has made public disclosures about the King Mountain JV, including that it had operational problems resulting in USD $1.7 million in losses per day just prior to when USBTC acquired the King Mountain JV;

(s) "**Public Corrective Disclosure**" means the material facts within the J Capital Report published on January 18, 2024;

(t) "**Stifel**" means Stifel Nicolaus Canada Inc. a.k.a Stifel GMP.

(u) "**Stifel and Kroll Fairness Opinions**" means both the fairness opinion of Stifel and the fairness opinion of Kroll rendered on February 6, 2023 concerning the merger of Hut 8 Mining Corp. and USBTC; and,

(v) "**USBTC**" means U.S. Data Mining Group, Inc. (dba, US Bitcoin Corp.), which was a company incorporated pursuant to the laws of the State of Nevada. USBTC was a privately held company that operated four (4) Bitcoin mining centres across the United States: (i) Niagara Falls, New York ("Alpha"), for up to 50MW of electrical power; (ii) Kearney, Nebraska, up to 100MW of electrical power; (iii) Grandbury, Texas, for up to 300MW of electrical power; and (iv) McCamey, Texas, being a 50% ownership in the King Mountain JV, ("Echo"), for up to 280MW of electrical power (*i.e.*, for which USBTC paid $10 million, but paid only a $3 million down payment while transferring the remaining $7 million to pay down a secured promissory note, which was taken over by Hut 8 on November 30, 2023.

CAUSES OF ACTION

2. The causes of action asserted by the Plaintiffs against the Defendants, on behalf of themselves and the Class are:

(a) Primary Market common law and statutory misrepresentations leading up to the offering of the shares of New Hut 8 in connection with the transaction through which members of the Class exchanged their Legacy Hut 8 shares on or about December 4, 2023; and,

(b) Secondary Market common law and statutory misrepresentations associated with common shares purchased in the secondary market during the Class Period, if s. 138.8 of the OSA is granted, statutory secondary market negligent misrepresentations, pursuant to Part XXIII.1, s. 138.3 of the OSA, associated with common shares purchased during the Class Period and held until after the Public Corrective Disclosure.

RELIEF CLAIMED

3. The Plaintiff claims on his own behalf and on behalf of the members of the Class, subject to further disclosures and discovery:

(a) a declaration that the Impugned Documents released by the Defendants contained misrepresentations;

(b) a declaration that during the Class Period and until the merger of Hut 8 Mining Corp. and USBTC, the individuals that published New Hut 8's registration statements and prospectuses on EDGAR were influential persons of Legacy Hut 8;

(c) a declaration that during the Class Period and until the merger of Hut 8 Mining Corp. and USBTC, the USBTC individual defendants were influential persons of Legacy Hut 8;

(d) a declaration that during the Class Period and until the merger of Hut 8 Mining Corp. and USBTC, the New Hut 8 and USBTC individual defendants were influential persons of Legacy Hut 8;

(e) an order pursuant to s. 5 of the *CPA* certifying this action as a class proceeding and appointing the Plaintiffs as the representative plaintiffs for the Class advancing the causes of action identified herein;

(f) subject to common law and Part XXIII.1 of the *OSA*, damages in a sum to be determined, including but not limited to rescission, or such other sum as this Court finds appropriate at the trial of the common issues or at a reference or references;

(g) an order directing a reference or giving such other directions as may be necessary to determine issues not determined in the trial of the common issues;

(h) prejudgment and post-judgment interest, compounded, or pursuant to ss. 128 and 129 of the *CJA*;

(i) costs of this action, plus, pursuant to s. 26(9) of the *CPA*, the costs of administering the plan of distribution of the recovery in this action; and

(j) such further and other relief that this Honourable Court deems just.

OVERVIEW OF THIS PROCEEDING

4. The Plaintiff's causes of action against the Defendants concern the purchase of Legacy Hut 8's securities prior to its merger with USBTC which resulted in New Hut 8 securities during the Class Period. Certain adverse material facts about USBTC were negligently omitted from the Impugned Documents that resulted in (a) USBTC's then investment value being artificially inflated (*i.e.*, omitting that USBTC was essentially bankrupt and its King Mountain JV asset was encountering operational problems); (b) the exchange ratio for the merger of Hut 8 Mining Corp. and USBTC being artificially low; and (c) members of the Class suffering an economic injury when the truth of USBTC's pre-merger status became widely known to the investing public.

5. These Impugned Documents were publicly corrected by the publication of the J Capital Report on January 18, 2024. The market's reaction to the J Capital Report was harsh and immediate, sending New Hut 8's shares listed on the TSX from a closing price of $12.56 per share on January 17, 2024 to a closing price of $9.61 per share on January 18, 2024, a decline of 23% on extremely high trading volume. There was no other Company-specific news or news released about any of the Defendants on that date.

6. The Plaintiffs, on behalf of themselves and the putative Class, seek damages from the Defendants for negligently omitting the adverse material facts about USBTC's business operations in the Impugned Documents measured by either the value of the then dissenter rights' value,

rescission, a different exchange ratio, or the dollar amount of how much Hut 8's shares were artificially inflated because of the omissions of material fact about USBTC's business operations.

THE PLAINTIFF

Christopher Duckett

7. Christopher Duckett is a resident of Hamilton, Ontario, Canada. Prior to and during the Class Period, in relying upon Hut 8's core and non-core documents, he made investment decisions to purchase Hut 8's securities listed on the TSX. The Plaintiff held these shares until after January 18, 2024, and suffered an economic loss.

8. Had the Plaintiff known that as of August 11, 2023 that there were numerous adverse material facts about USBTC being negligently or intentionally omitted from the Management Circular, i.e., such as the prior regulatory investigations of USBTC's executives and the problems at USBTC, he would not have purchased Hut 8 securities or sold said Hut 8 securities prior to November 30, 2023.

THE DEFENDANTS

Hut 8 Corp.

9. Hut 8 Corp., defined above as "New Hut 8", incorporated in the State of Delaware in the U.S., reports itself as an energy infrastructure platform that integrates Power, Digital Infrastructure, and Compute at scale to fuel next-generation, energy-intensive use cases such as Bitcoin mining and high-performance computing across North America. Hut 8 Corp. acquires, designs, builds, manages, and operates data centers that power these energy intensive workloads. Commencing February 7, 2023, Legacy Hut 8 and Hut 8 Corp., herein defined as New Hut 8, at all times with USBTC's consent, published the Impugned Documents on SEDAR and EDGAR containing misrepresentations of material fact about, *inter alia*, USBTC's capital structure,

financial stability, and business operations at its King Mountain JV asset. The accuracy of these documents was certified by the Individual Defendants.

10. Legacy Hut 8 was a reporting and responsible issuer in Ontario. New Hut 8 is a reporting and responsible issuer in Ontario.

11. While not a reporting issuer, commencing February 7, 2023 – through Legacy Hut 8 – USBTC published core documents on SEDAR and EDGAR which were publicly available, and which became a part of the total mix of information about Legacy Hut 8's merger with USBTC. The individual defendants consistently reported USBTC's overall financial stability and its assets, including: (a) Alpha, Niagara Falls, NY, with 50 MW of electrical power; (b) Charlie, Kearney, NE, with 100 MW of electrical power; (c) Delta, Granbury, TX, with 300 MW of electrical power; and (d) King Mountain JV, McCamey, Texas, with 280 MW of electrical power.

12. Within Legacy Hut 8's B.C. Proceeding, USBTC's King Mountain JV was identified as a "significant data center." USBTC had only acquired this asset on December 15, 2022, through a bankruptcy proceeding of Compute North, and King Mountain JV's operational problems were not thoroughly incorporated within the fairness opinions for the merger of Hut 8 Mining Corp. and USBTC.

13. USBTC's generation of revenues by providing computing power to mining pools is an output of its ordinary activities and is its single performance obligation in its contracts with the mining pool operators.

14. The first form of USBTC's revenues is based solely upon it providing computing power to the Bitcoin mining pool operator, and is not dependent on the mining pool operator successfully mining said Bitcoin, specifically adding a new block to the Bitcoin blockchain.

15. The second form of USBTC's revenues are transaction fees, derived from validating transactions on the Bitcoin blockchain. With one of the Company's pool operators, the transaction fees earned are included in the calculation of the amount of Bitcoin earned based solely upon the Company providing computing power to the pool operator, and is also not dependent on the mining pool operator successfully adding a block to the Bitcoin blockchain.

16. With a separate USBTC pool operator, the transaction fees are based solely upon actual blocks added to the Bitcoin blockchain by the pool operator. The Company receives a pro-rata share of the transaction fees the pool operator receives, based on the proportion of computing power the Company contributed to the pool operator to the total computing power contributed by all mining pool participants.

17. A disruption in the computer power of King Mountain JV, as a significant asset of USBTC (i.e., its second largest), would have a direct correlation to USBTC's revenues and corresponding valuation of the exchange ratio.

18. Prior to USBTC's acquisition of the King Mountain JV asset on December 15, 2022, through Compute North's bankruptcy proceeding, MARA—who purchased electricity from Compute North, then operator of the King Mountain JV— complained in its continuous disclosure core documents that its revenues were down because of the operational problems at King Mountain during 2022, including that it had experienced significant production downtime in the second and third quarters of 2022 in part due to delays in miner energization at the King Mountain JV.

19. MARA also filed a claim against Compute North for "for daily lost revenue, profits and other damages" because of King Mountain JV's operational problems in delivering consistent electricity.On December 15, 2022, USBTC acquired the King Mountain JV asset through a bankruptcy proceeding with limited disclosures, and as a result Legacy Hut 8's reliance on the

Stifel and Kroll Fairness Opinions, rendered February 6, 2023, had to have omitted proper information about USBTC's King Mountain JV asset or its ongoing operational problems, as disclosed in the J Capital Report, and therefore negligently relied and reported upon.

20. In conjunction with the merger of Hut 8 Mining Corp. and USBTC and incorporated within the Stifel and Kroll Fairness Opinions was the audit opinion of RSM US LLP, auditor for USBTC, for the period ending June 30, 2022, long prior to USBTC's acquisition of the King Mountain JV asset and over a year prior to the time when members of the Class were invited to vote or exercise their dissenter rights.

21. Stifel and Kroll Fairness Opinions were not updated to reflect USBTC's financial position or King Mountain JV's operations after February 6, 2023. Yet, Legacy Hut 8 reported subsequent to February 6, 2023 that there was a 50% chance that USBTC would go bankrupt if the merger of Hut 8 Mining Corp. and USBTC did not close.

22. On February 7, 2023, Legacy Hut 8 and New Hut 8 published the proposed merger of Hut 8 Mining Corp. and USBTC (business combination records) on SEDAR and EDGAR. Therein contained an acknowledgement that the representations relating to USBTC were expressly qualified through actual knowledge, after due and diligent inquiries, of USBTC's CEO, President, CFO, or Senior VP of Operations.

Jaime Leverton

23. Jaime Leverton was the Chief Executive Officer and a director of Legacy Hut 8 and later New Hut 8 until she was terminated on February 6, 2024. During her time as an officer and director, she signed certifications accompanying Hut 8's quarterly filings during the Class Period which stated that the Impugned Documents were fairly stated and did not contain any untrue statements of material fact, when in fact they did.

Asher Genoot

24. Asher Genoot was the President of Legacy Hut 8 and/or New Hut 8 as of November 2023 and later the Chief Executive Officer of New Hut 8 as of February 2024, as well as a director of New Hut 8. During his time at Hut 8 as an officer and director signed certifications accompany Hut 8's quarterly filings throughout the Class Period which stated that the Impugned Documents were fairly stated and did not contain any untrue statements of material fact, when in fact they did.

Michael Ho

25. Michael Ho was the former Chief Executive Officer and Chairman of USBTC at all relevant times and is now the Chief Strategy Officer and a Director of New Hut 8. He signed certifications accompanying Hut 8's Impugned Documents throughout the Class Period which stated that the Impugned Documents were fairly stated and did not contain any untrue statements of material fact, when in fact they did.

TOTAL MIX OF INFORMATION BEFORE AND DURING THE CLASS PERIOD, MISREPRESENTATIONS, AND THE PUBLIC CORRECTIVE DISCLOSURE

A. PRE-CLASS PERIOD

26. On **November 10, 2022**, a mutual non-disclosure agreement was signed between Legacy Hut 8 and USBTC to discuss a potential merger.

27. By **November 23, 2022**, Legacy Hut 8 had access to USBTC's corporate records and discussed potential business combination issues, including valuation considerations.

28. On **November 25, 2022**, Defendant Asher Genoot, on behalf of USBTC, signed an asset purchase agreement with Compute North to purchase the King Mountain JV asset for a total of $10 million, but with only $3 million down. Although this asset was still not at its operational full capacity, its historical operational results were not provided to Legacy Hut 8's investment banks.

29. On **December 15, 2022**, USBTC acquired its interest in the King Mountain JV asset with $3 million down and immediately flipped the remaining $7 million debt to pay down a secured promissory note, which was taken over by Hut 8, specifically Legacy Hut 8, as part of the terms of the merger of Hut 8 Mining Corp. and USBTC. USBTC also has assumed a contract to provide property management services and responsibility for a senior note.

30. By **January 12, 2023**, Stifel delivered a draft merger of Hut 8 Mining Corp. and USBTC agreement to the representatives of Legacy Hut 8. The affidavit evidence within the B.C. Proceeding is that Legacy Hut 8 representatives had in-person site visits in New York, Texas, Nebraska, and in Ontario, Alberta, and Vancouver, so that their later dated reliance on the Stifel and Kroll Fairness Opinions was stale.

31. By **February 6, 2023**, Legacy Hut 8's senior management held a meeting with its Board of Directors to discuss the "key terms of the potential transactions and to discuss various transactional matters." Based upon the known material facts provided to them, Stifel and Kroll rendered the Stifel and Kroll Fairness Opinions, determining that the exchange ratio was fair to Legacy Hut 8 investors.[1]

B. CLASS PERIOD: THE KNOWN OMITTED MATERIAL FACTS

32. On **February 7, 2023**, Legacy Hut 8, New Hut 8, and USBTC jointly announced a proposed business combination agreement, subject to shareholder approval. The plan called for an amalgamation to happen on November 30, 2023, as part of a court-sanctioned plan of arrangement under the British Columbia *Business Corporations Act*, the B.C. Proceeding.

[1] In USBTC's annual report ended June 30, 2022, USBTC had not acquired the King Mountain JV asset yet, and Stifel and Kroll did not provide updated fairness opinions after February 6, 2023; the merger closed on November 30, 2023. Stifel and Kroll were denied the opportunity to conduct an industry standard level due diligence over USBTC's King Mountain JV asset at the time when they supported the exchange ratio as being fair to Legacy Hut 8 investors.

33. Under the arrangement, holders of Legacy Hut 8's securities would exchange their securities for New Hut 8 securities at a 5 to 1 exchange ratio based upon the relative values of each company. Alternatively, holders of Legacy Hut 8's securities could opt not to exchange their securities and instead exercise their dissenter rights.

34. The new material facts intentionally provided to the market relevant to the proposed merger of Hut 8 Mining Corp. and USBTC included:

(a) The New Hut 8 (post-merger) would have access to approximately 825 MW of electrical power across its sites with self-mining, hosting, and managed infrastructure operations;

(b) USBTC's King Mountain JV asset was 50% owned by "a leading energy partner" which the Defendants intentionally omitted to identify because it would have allowed members of the Class to identify then existing operational problems and related litigation, which would have impacted the value of USBTC and the exchange ratio agreed to by the parties in the proposed agreement;

(c) The New Hut 8 would nevertheless manage 220 MW of electrical power hosting infrastructure at the King Mountain JV;

(d) Hut 8 agreed to provide USBTC with secured bridge financing;

(e) The proposed arrangement would require approval from the Supreme Court of British Columbia; and

(f) Defendant Mr. Ho allowed himself to be quoted therein about the material facts reported to the market and Class.

35. These Impugned Documents contained misrepresentations because, among other reasons:

(a) USBTC was on the verge of bankruptcy, which was not factored into the exchange ratio;

(b) USBTC's King Mountain JV asset, acquired only recently by, on December 15, 2022, had a history of operational problems relating to the production of electricity and ongoing connectivity to the internet, problems which were not disclosed to the members of the Class at the time and only learned of upon the Public Corrective Disclosure; and,

(c) as a result of these omissions, members of the Class were denied these material facts when: reviewing the impugned Management Circular; reviewing submissions in the B.C. Proceeding; voting for or against the merger with USBTC (with dissenters' rights); and making the decision to purchase shares of Hut 8 at market prices. Holders of the Legacy Hut 8 securities should have received a different exchange ratio upon the exchange to New Hut 8 securities.

36. On **February 13, 2023**, Legacy Hut 8 published the merger of Hut 8 Mining Corp. and USBTC core documents, including those identified as a registration statement and prospectus with USBTC's financial statements. Defendants Michael Ho and Jaime Leverton signed these materials, representing that they were accurate in all material respects.

37. These material facts updated the total mix of information about USBTC and indicated why members of the Class should continue to hold and indeed purchase additional Legacy Hut 8 securities. Such facts included the Defendants' joint report that USBTC believes its current cash on hand and subsequent equity and debt financings will be sufficient to meet its operating and capital requirements for at least the next twelve months from the date these unaudited condensed consolidated financial statements were issued.

38. These Impugned Documents contained misrepresentations because, among other reasons:

(a) USBTC was on the verge of bankruptcy, which was not factored into the exchange ratio;

(b) USBTC's King Mountain JV asset, which had only been acquired on December 15, 2022, had a history of operational problems relating to the production of electricity and ongoing connectivity to the internet that were not disclosed to the members of the Class until the Public Corrective Disclosure; and

(c) As a result of these material omissions, members of the Class were denied these material facts when reviewing the impugned Management Circular; reviewing submissions in the B.C. Proceeding; voting for or against the merger of Hut 8 Mining Corp. with USBTC (with dissenters' rights); and making the decision to purchase shares of Hut 8 at market prices. Holders of the Legacy Hut 8 securities should have received a different exchange ratio upon the exchange to New Hut 8 securities.

39. On **April 27, 2023**, Legacy Hut 8 filed published a news release entitled "Hut 8 Provides Update on Business Combination with USBTC" reporting that it continued to make progress on its proposed business combination with USBTC.

40. On **August 9, 2023**, Legacy Hut 8 filed records in the Supreme Court of British Columbia (Court File S-235593) and reported the following material facts, with references to US Bitcoin meaning USBTC:

(a) There were 221,691,798 common shares outstanding as of August 9, 2023;

(b) There were "extensive negotiations conducted between Hut 8 and US Bitcoin, their respective financial and legal representatives and advisors;"

(c) Following the amalgamation, each common share of Legacy Hut 8 would be exchanged for 0.2 of a share of new Hut 8, which would effectively result in a 5:1 ratio;

(d) "Each of Hut 8 and US Bitcoin... regularly review and discuss their company's performance, business strategy and competitive position in the digital asset mining industry;" and

(e) During 2022 [not 2023], Stifel presented work to Legacy Hut 8 to acquire or merge with USBTC, and Defendants Michael Ho and Asher Genoot engaged in communications with Hut 8, directly and indirectly through Stifel.

41. These Impugned Documents contained misrepresentations because, among other reasons:

(a) USBTC was on the verge of bankruptcy, which was not factored into the exchange ratio;

(b) USBTC's King Mountain JV asset, which was only acquired on December 15, 2022, had a history of operational problems relating to the production of electricity and ongoing connectivity to the internet that were not disclosed to the members of the Class until the Public Corrective Disclosure; and,

(c) As a result of these material omissions, members of the Class were denied these material facts when: reviewing the impugned Management Circular; reviewing submissions in the B.C. Proceeding; voting for or against the merger of Hut 8 Mining Corp. with USBTC (with dissenters' rights); and making the decision to purchase shares of Hut 8 at market prices. Holders of the Legacy Hut 8 securities should have received a different exchange ratio for New Hut 8 securities.

42. Concurrently on **August 9, 2023**, Legacy Hut 8 had correspondence sent to the U.S. Securities and Exchange Commission, acknowledging that it believed that if the merger of Hut 8 Mining Corp. and USBTC did not transpire, there was a 50% chance of USBTC seeking bankruptcy protection.

43. On **August 11, 2023**, Legacy Hut 8 provided materials, including the Management Circular, to its shareholders setting a special meeting for a shareholder vote on the merger of Hut 8 Mining Corp. with USBTC, a meeting which would take place on September 12, 2023, in accordance with an interim order of the Supreme Court of British Columbia dated August 11, 2023. This material fact omitted the Stifel and Kroll Fairness Opinions, including that these Fairness Opinions were essentially stale because they did not include up to date information about the King Mountain JV asset, and the records submitted within the British Columbia proceeding.

44. These Impugned Documents contained misrepresentations because, among other reasons:

(a) USBTC was on the verge of bankruptcy, which was not factored into the exchange ratio;

(b) USBTC's King Mountain JV asset, which was only acquired on December 15, 2022, had a history of operational problems relating to the production of electricity and ongoing connectivity to the internet that were not disclosed to the members of the Class until the Public Corrective Disclosure; and,

(c) As a result of these material omissions, members of the Class were denied these material facts when: reviewing the impugned Management Circular; reviewing submissions in the B.C. Proceeding; voting for or against the merger of Hut 8 Mining Corp. with USBTC (with dissenters' rights); and making the decision to purchase shares of Hut 8 at market prices. Holders of the Legacy Hut 8 securities should have received a different exchange ratio for New Hut 8 securities.

45. On **September 12, 2023**, Legacy Hut 8 investors voted in favour of the merger with USBTC, thus ratifying the proposed exchange ratio for New Hut 8 shares.

46. On **September 15, 2023**, the Supreme Court of British Columbia provided a final order approving the merger of Hut 8 Mining Corp. and USBTC, including the ratio of shares that members of the Class were to receive based upon the value of USBTC as represented in the core documents that negligently contained misrepresentations.

47. On **November 8, 2023**, Legacy Hut 8 published the Form S-4 registration statement that registered certain Hut 8 shares with the U.S. Securities and Exchange Commission.

48. On **November 9, 2023**, Legacy Hut 8 filed a final prospectus on Form 424(b)(3) incorporating the November 8, 2023 Form S-4.

49. On **November 29, 2023**, Legacy Hut 8 published the Form S-8 registration statement that registered certain Hut 8 shares with the U.S. Securities and Exchange Commission (the November 8, 9 and 29, 2023 filings collectively forming the Impugned Registration Statement).

50. On **November 30, 2023**, the merger between Hut 8 Mining Corp. and USBTC closed, and Hut 8 published a News Release omitting material facts about USBTC's King Mountain JV. Members of the Class exchanged their Legacy Hut 8 shares for New Hut 8 shares pursuant to the Impugned Registration Statement instead of (i) selling their Hut 8 securities in the secondary market; or (ii) exercising their refusal / dissenter rights pursuant to the British Columbia's *Business Corporations Act*.

51. On **December 1, 2023**, all the issued and outstanding securities of Legacy Hut 8 were delisted from the TSX and the Nasdaq, and the securities of New Hut 8 began trading on December 4, 2023.

52. On **December 19, 2023**, New Hut 8 published an Impugned Document and reported that USBTC had sufficient capital (*i.e.*, cash and ability to sell cryptocurrency) to self-finance itself for at least the next 12-months and was not encountering any problems with its King Mountain JV operations, a location that it previously reported within its Plan of Arrangement as being material to USBTC and influential to the exchange ratio.

53. These Impugned Documents contained misrepresentations because, among other reasons:

(a) USBTC was on the verge of bankruptcy, which was not factored into the exchange ratio;

(b) USBTC's King Mountain JV asset, which was only acquired on December 15, 2022, had a history of operational problems relating to the production of electricity and ongoing connectivity to the internet that were not disclosed to the members of the Class until the Public Corrective Disclosure; and

(c) As a result of these material omissions, members of the Class were denied these material facts when: reviewing the impugned Management Circular; reviewing submissions in the B.C. Proceeding; voting for or against the merger of Hut 8 Mining Corp. with USBTC (with dissenters' rights); and making the decision to purchase shares of Hut 8 at market prices. Holders of the Legacy Hut 8 securities should have received a different exchange ratio for New Hut 8 securities.

THE PUBLIC CORRECTION

54. On **January 18, 2024**, J Capital published the J Capital Report titled "HUT Get Ready for the Pump and Dump: Management hiding stock ownership through undisclosed related party, a stock-promoter cabal, and a host of left-for-dead assets." The J Capital Report documented how the Defendants omitted to disclose various adverse material facts about USBTC's business operations and demonstrated that USBTC was essentially bankrupt during the Class Period, with its King Mountain JV asset having material operational problems, as reflected in other lawsuits, which included:

(a) a quote from a confidential witness from Legacy Hut 8 that, without the merger of Hut 8 Mining Corp. and USBTC, USBTC would have done a structured bankruptcy (i.e., consistent with what disclosed to the U.S. Securities and Exchange Commission but did which was not publicly reported to members of the Class or to the B.C. Proceeding);

(b) a quote from a confidential witness that the King Mountain JV asset had historically had energy and high-speed internet problems, consistent with MARA's news releases and complaint against Compute North Holdings, Inc.; and

(c) a quote from a confidential witness that King Mountain JV's internet connection was so poor that it had to rely upon satellite internet to prop-up normal internet service.

55. The market's reaction to the J Capital Report was harsh and immediate, sending New Hut 8's shares listed on the TSX from a closing price of $12.56 per share on January 17, 2024 to a closing price of $9.61 per share on January 18, 2024, a decline of 23%, on extremely high trading

volume. There was no other Company specific news or news released about any of the Defendants on that date.

A. CAUSE OF ACTION: THE COMMON LAW

56. The Defendants had a special relationship to the members of the Class because they were either the controlling minds of Legacy Hut 8, influential persons over Legacy Hut 8, or were voted into their position by the members of the Class.

57. The process to conduct the due diligence over USBTC was conducted by Legacy Hut 8 and its directors, officers, and third-party advisors Stifel and Kroll (i.e., limiting the Stifel and Kroll Fairness Opinions to information known on February 6, 2023, and not being updated to reflect USBTC's most recent financial condition or the operations at the King Mountain JV at the time when the vote was presented to members of the Class).

58. The decision to negotiate the final exchange ratio of Legacy Hut 8 shares to New Hut 8 was conducted by Legacy Hut 8 and its directors, officers, and third-party advisors, who were not provided with the then most recent information about USBTC or its King Mountain JV asset's operations.

59. The Defendants were in a position of authority and controlled Hut 8's continuous disclosure statements within the Impugned Documents released during the Class Period, and for the information presented to the B.C. Supreme Court for the order approving the plan of arrangement.

60. A duty of care was owed to the Class Members to ensure the Impugned Documents did not contain misrepresentations, including the material facts reported therein, specifically about USBTC's financial position and that its King Mountain JV was already encountering operational problems.

61. The Plaintiffs relied upon the material fact statements within the Impugned Documents, including the Management Circular, and in other related non-core documents/statements released on SEDAR and Hut 8's website in making a decision to purchase Hut 8's securities and to hold some or all of those securities until the release of the Public Corrective Disclosure.

62. It was reasonable for members of the Class to rely upon Hut 8's core documents in making a decision to invest, as reflected by the act of purchasing Hut 8's securities for an investment, that the price or value of Hut 8's securities would go up in price or value.

63. The director and officer Defendants breached the applicable standard of care as set out above by negligently reporting USBTC's financial condition and the operations at the King Mountain JV, and certifying that their representations were accurate.

64. Specifically, the impugned core and non-core documents are identified because the Defendants, jointly and severally, negligently omitted to disclose the material facts that would influence the Plaintiff's decision to (a) purchase Hut 8's securities; (b) not object to the merger of Hut 8 Mining Corp. and USBTC and seek dissenter rights; and (c) purchase Hut 8's securities after the merger with USBTC.

65. The Plaintiffs and members of the Class suffered a direct and foreseeable economic injury by purchasing Hut 8's securities at a time when the investment price and value was artificially inflated and holding all or some of the artificially priced securities until after the release of the Public Corrective Disclosure.

66. The Plaintiffs seek remedies in the form of (a) rescission of the securities purchased during the Class Period; and (b) damages for purchasing Hut 8's securities in the secondary market at artificially high prices or, alternatively, for being misled about USBTC's value and the

corresponding exchange ratio for converting Legacy Hut 8 securities into the New Hut 8 securities on December 4 2023, said misrepresentations being publicly corrected on January 18, 2024.

B. CAUSE OF ACTION: ONTARIO *SECURITIES ACT*

67. Hut 8 was a responsible issuer and subject to the continuous disclosure requirements of the *OSA* and other provincial *Securities Acts*.

68. During the Class Period, USBTC's directors became influential persons of Hut 8.

69. Pursuant to Part XXIII and Part XXIII.1 of the *OSA*, if s. 138.8 of the *OSA* is granted, the Plaintiffs are advancing the causes of action against all of the Defendants.

70. Subject to s. 138.5 of the *OSA*, the Plaintiffs will seek damages but may, alternatively, also seek the Court's guidance as to the damages relating to the exchange ratio for members of the Class that purchased Legacy Hut 8's shares prior to the merger of Hut 8 Mining Corp. and USBTC subject to the artificially deflated exchange ratio.

REAL AND SUBSTANTIAL CONNECTION WITH ONTARIO

71. The Plaintiffs plead that this action has a real and substantial connection with Ontario and for the application of Ontario substantive and procedural laws on behalf of all Class Members for the following non-exhaustive reasons:

(a) Hut 8 is a reporting issuer in Ontario;

(b) The Defendants knew prior to and during the Class Period that Hut 8 had a material amount of Canadian investors;

(c) The Plaintiffs and members of the Class are residents of Canada and it is reasonably foreseeable that Hut 8's investors would suffer economic injuries in Ontario; and

(d) There is no other reasonably convenient venue to litigate the causes of action because United States' federal laws prohibit investors that purchase securities outside of the United States to rely upon its securities laws to seek damages for the type of injuries alleged within this pleading.

RELEVANT LEGISLATION, PLACE OF TRIAL

72. The Plaintiffs plead and rely upon the *BCBCA*, *CJA*, *CPA*, and *OSA*.

73. The Plaintiffs propose that this action be tried in the City of Toronto, in the Province of Ontario, as a proceeding under the *CPA*.

01-DEC-2025

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Court File No.: CV-25-00757022-00CP

CHRISTOPHER DUCKETT
Plaintiff

and

HUT 8 CORP. et al.
Defendants

ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDINGS COMMENCED AT **TORONTO**

SECOND FRESH AS AMENDED STATEMENT OF CLAIM

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