

*No securities regulatory authority or regulator has assessed the merits of the securities described in this Offering Document or reviewed this document. Any representation to the contrary is an offence. This Offering (as defined herein) may not be suitable for you and you should only invest in it if you are willing to risk the loss of your entire investment. In making this investment decision, you should seek the advice of a registered dealer.*

*The securities described in this Offering Document have not been registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any of the securities laws of any state of the United States, and may not be offered or sold within the United States or for the account or benefit of persons in the United States except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This Offering Document does not constitute an offer to sell, or the solicitation of an offer to buy, any of the securities described herein within the United States or to, or for the account or benefit of, U.S. persons or persons in the United States. “United States” and “U.S. person” has the meanings ascribed to it in Regulation S under the U.S. Securities Act.*

**Offering Document under the Listed Issuer Financing Exemption  
December 16, 2024**

**BTQ TECHNOLOGIES CORP.  
(the “Company” or the “Issuer” or “BTQ”)**

**PART 1: SUMMARY OF OFFERING**

*What are we offering?*

<b>Offering:</b>	Between 2,684,563 and 3,355,704 common shares (each, a “ <b>Common Share</b> ”) of the Issuer (the “ <b>Offering</b> ”). Subject to compliance with applicable regulatory requirements and in accordance with National Instrument 45-106 - <i>Prospectus Exemptions</i> (“ <b>NI 45-106</b> ”), the Offering is being made to purchasers resident British Columbia, Ontario and Alberta, pursuant to the listed issuer financing exemption under Part 5A of NI 45-106 (the “ <b>Listed Issuer Financing Exemption</b> ”).  In the event that the Minimum Offering is not raised, the Offering pursuant to this offering document (“ <b>Offering Document</b> ”) may not proceed.
<b>Offering Price:</b>	C\$2.98 per Common Share
<b>Offering amount:</b>	A minimum of 2,684,563 Common Shares (the “ <b>Minimum Offering</b> ”) and a maximum of 3,355,704 Common Shares (the “ <b>Maximum Offering</b> ”), for minimum gross proceeds of C\$8,000,000 and maximum gross proceeds of \$10,000,000.
<b>Closing date:</b>	Closing of the Offering is expected to occur on or about December 19, 2024, or on such date or dates as the Issuer may determine.
<b>Exchanges:</b>	The Company’s Common Shares are listed on the Cboe Canada (“ <b>Cboe Canada</b> ”) under the symbol “BTQ”, quoted on the OTCQX trading

	platform in the United States under the symbol “BTQQF” and on the Frankfurt Stock Exchange in Germany under the symbol “NG3”.
<b>Last Closing Price:</b>	On December 16 2024, the last trading day prior to the date of this Offering Document, on which the Company’s shares traded the closing price of the Common Shares on the Cboe Canada was \$3.72 per Common Share and on the OTCQX was US\$2.58 per Common Share.

**The Company is conducting a listed issuer financing under section 5A.2 of NI 45-106. In connection with this Offering, the Company represents the following is true:**

- **The Company has active operations and its principal asset is not cash, cash equivalents or its exchange listing.**
- **The Company has filed all periodic and timely disclosure documents that it is required to have filed.**
- **The total dollar amount of this Offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption in the 12 months immediately before the date of this Offering Document, will not exceed \$10,000,000.**
- **The Company will not close this Offering unless the Company reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.**
- **The Company will not allocate the available funds from this Offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the issuer seeks security holder approval.**

#### **CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION**

This Offering Document contains forward-looking information within the meaning of applicable Canadian securities legislation with respect to the Company and its subsidiaries. Forward looking information may include, but is not limited to: information with respect to amounts and use of available funds; anticipated developments in operations in future periods; planned asset acquisitions; future business operations; the adequacy of financial resources; the costs and timing of development of the Company’s business; the costs, timing and receipt of approvals, consents and permits under applicable legislation; the growth of the quantum technology and security market; the future applications of Company products; the development of and applicability of quantum technologies; the commercialization of the Company’s intellectual property; the general adoption of quantum technologies; the Company’s research and development plan; the results from Company research and development; future intellectual property registrations of the Company; the future availability of Company products; and the composition of directors and committees.

Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words and phrases such as “will”, “may”, “is expected to”, “anticipates”, “estimates”, “intends”, “plans”, “projection”, “could”, “vision”, “goals”, “objective” and “outlook”) are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. In making these forward-looking statements, the Company has made certain assumptions, as contemplated below.

Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause actual events or results to differ from those expressed or implied by the forward-looking information, including, without limitation:

- the performance of the Company's business and operations;
- the intention to grow the Company's business and operations;
- the introduction and continued offering of services and product features;
- the market for the Company's products and services and competitive conditions;
- the Company's pricing and revenue models;
- the future liquidity and financial capacity;
- the treatment of the Company and its subsidiaries under government regulatory and taxation regimes;
- the Company's intellectual property;
- the Company's ability to operate in certain markets;
- the Company's ability to meet current and future obligations;
- the Company's ability to obtain services in a timely manner or at all;
- the Company's ability to obtain financing on acceptable terms or at all;
- the Company's targeted business milestones and related timelines and costs; and
- expectations of the blockchain, quantum computing and cryptocurrency markets and associated regulations.

The above list is not exhaustive of factors that may affect any of the forward-looking information contained in this Offering Document. Although the Company 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. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Forward-looking information involves statements about the future and is inherently uncertain, and the actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking information due to a variety of risks, uncertainties and other factors. Forward-looking information contained in this Offering Document is based on the beliefs, expectations and opinions of management of the Company on the date the statements are made, and the Company does not assume any obligation to update forward-looking information, whether as a result of new information, future events or otherwise, other than as required by applicable law. In making the forward-looking statements in this Offering Document, the Company has applied several material assumptions which may prove to be inaccurate, including, but not limited to, the assumptions that any financing needed to fund the operations of the Company will be available on reasonable terms. For the reasons set forth above, prospective investors should not place undue reliance on forward-looking information.

## **CURRENCY**

Unless otherwise indicated, all references to "\$", "C\$" or "dollars" in this Offering Document refer to Canadian dollars, which is the Company's functional currency.

## **PART 2: SUMMARY DESCRIPTION OF BUSINESS**

### ***What is our Business?***

BTQ was founded by a group of post-quantum security experts with an interest in addressing the urgent security threat's posed by large-scale quantum computers. With the support of leading research institutes and universities, BTQ's extensive technology portfolio and commercialization platform is focused on accelerating quantum computing advantage's. The Company plans to provide various products in the coming years focused on securing the networks of mission critical industries including telecommunications, financials, healthcare, and blockchain applications. BTQ has strategically established offices globally in

Vancouver, Toronto, Sydney, and Seoul to pursue projects with selected partners and institutions that are part of these quantum innovation hubs.

### ***Recent Developments***

On February 20, 2024, BTQ announced its participation in the Commonwealth Scientific and Industrial Research Organization's Next Generation Emerging Technologies Graduates Program. This initiative aims to cultivate the next wave of tech talent and advance the field of emerging technologies. As part of this agreement, BTQ joined forces with the Commonwealth Scientific and Industrial Research Organization, certain Australian universities, Sydney Quantum Academy, and Diraq Pty Ltd. to create the next generation of quantum technology specialists.

On March 13, 2024, BTQ announced its sponsorship with the Cybersecurity and Privacy Institute (“CPI”) at the University of Waterloo and the establishment of a multi-year relationship for research and development collaboration. CPI's mission is to be internationally recognized as a leading interdisciplinary research institute making significant impacts in improving information security and human privacy. Earlier this year, CPI secured over \$3.3 million in funding from the National Cybersecurity Consortium under the Cyber Security Innovation Network program.

On May 3, 2024, the Company entered into a software consulting agreement with ZKP Corp., a Delaware corporation, for which the Company will receive \$1,000,000 for the use of its proprietary software and the provision of related services

On September 18, 2024, BTQ announced the appointment of Jeffrey Morais (Head of Quantum Software), Kohei Suenaga (Zero-Knowledge Cryptography Advisor), Eylon Yogev (Post-Quantum Cryptography Advisor), and Deepesh Singh (Quantum Photonics Advisor) to its leadership and scientific advisory Board.

On September 24, 2024, BTQ announced the completion of the acquisition of Radical Semiconductor's Processing-in-Memory Technology Portfolio, advancing its Post-Quantum Cryptography capabilities. The integration of Radical's cutting-edge technology is set to enhance BTQ's quantum-secure communications infrastructure and provide substantial growth opportunities in emerging markets such as internet of things (IoT), financial services, blockchain, and government sectors.

On September 9, 2024, BTQ entered into a convertible loan agreement with Novus Paradigm Technologies Corp. (the “**Loan**”) The principal amount of the Loan is \$1,000,000. The Loan is non-interest bearing and is convertible at the option of the holder at a price of \$0.40 per Common Share over a two year term. The Company is using the proceeds from the Loan for general corporate and working capital purposes.

On November 5, 2024, BTQ and Macquarie University announced a strategic research collaboration to advance quantum computing and secure communications. The partnership is focused in the areas of quantum information theory and post-quantum secure communications, with the aim of integrating quantum processing into a range of communication protocols to enhance speed, security, and energy efficiency.

On November 8, 2024, BTQ entered into another convertible loan agreement with Novus Paradigm Technologies Corp. (the “**Second Loan**”) The principal amount of the Second Loan is \$500,000. The Second Loan is non-interest bearing and is convertible at the option of the holder at a price of \$0.40 per Common Share over a two year term. The Company is using the proceeds from the Second Loan for general corporate and working capital purposes.

On December 11, 2024, BTQ entered into a convertible loan agreement (the “**Third Loan**”) with Olivier Roussy Newton, the Chief Executive Officer of the Company. The principal amount of the Third Loan is \$500,000. The Third Loan is non-interest bearing and is convertible at the option of the holder at a price of \$0.40 per Common Share with a two year term, and remains subject to final approval of Cboe Canada. The Company expects to use the proceeds from the Third Loan for general corporate and working capital purposes.

More detailed information regarding the above recent developments, together with all of the Company’s other material information, can be obtained by reviewing copies of the applicable news releases and other materials filed on SEDAR+ under the Issuer’s profile at [www.sedarplus.ca](http://www.sedarplus.ca).

### **Material Facts**

There are no other material facts about the securities being distributed that have not been disclosed in this Offering Document or in any other document filed by the Issuer in the 12 months preceding the date of this Offering Document.

### **Business Objectives and Milestones**

#### ***What are the business objectives that we expect to accomplish using the available funds?***

The business objectives that the Company expects to accomplish using the net proceeds of the Offering, together with existing cash and cash equivalents, is to fund the company’s research and development (“**R&D**”) efforts, accelerate the commercialization of its products, and to fund ongoing operations as well as general working capital needs. In terms of R&D investments, the main project will be Quantum Computation in Memory (“**QCIM**”), a method that integrates logic circuits into memory blocks to achieve highly energy-efficient computations by reducing data movements in traditional von Neumann architecture (i.e. a computer design model). The following significant events must occur in order for the Company to accomplish the business objectives set out:

<b>Event</b>	<b>Completion Timeline</b>	<b>Assuming Minimum Offering</b>	<b>Assuming Maximum Offering</b>
<b>Quantum Computation in Memory Product</b>			
Server costs <sup>(1)</sup>	Q1 2025	\$900,000	\$1,371,600
Chip certification testing <sup>(2)</sup>	Q2 2025	\$850,000	\$1,295,400
Semiconductor tapeouts <sup>(3)</sup>	Q4 2025	\$750,000	\$1,143,000
<b>TOTAL</b>		<b>\$2,500,000</b>	<b>\$3,810,000</b>

<sup>1</sup> R&D associated with compute for post-quantum cryptography acceleration using cloud services from Amazon Web Services and other providers.

<sup>2</sup> Engaging certification labs to ensure QCIM's hardware is secure and compliant with industry standards.

<sup>3</sup> Working with foundries to produce real world prototypes of the Company’s hardware products.

## **PART 3 USE OF AVAILABLE FUNDS**

### ***What will our available funds be upon the closing of the Offering?***

Based on the Company’s working capital deficit of \$1,290,836 as at November 30, 2024, and the Third Loan, the Company’s expected available funds following closing of the Minimum Offering is \$7,840,000 and the expected available funds from the Maximum Offering is \$10,700,000.

		<b>Assuming the Minimum Offering</b>	<b>Assuming the Maximum Offering</b>
A	Amount to be raised by this Offering	\$8,000,000	\$10,000,000
B	Selling commissions and fees	\$560,000	\$700,000
C	Estimated offering costs (e.g., legal, accounting, audit)	\$300,000	\$300,000
D	<b>Net proceeds of offering: D = A - (B+C)</b>	<b>\$7,140,000</b>	<b>\$9,000,000</b>
E	Working capital as at most recent month end (November 30, 2024 – deficiency)	(\$1,290,836)	(\$1,290,836)
F	Additional sources of funding (Third Loan)	\$500,000	\$500,000
G	<b>Total available funds: G = D+E+F</b>	<b>\$6,349,164</b>	<b>\$8,209,164</b>

### *How will we use the available funds?*

The Company intends to use the net proceeds from this Offering to fund general and administrative needs including salaries and corporate expenses, as well as the hiring of key research and development personnel. The company also plans to accelerate the development of both hardware and software products with the proceeds of this Offering with the details outlined below.

<b>Intended Use of Available Funds (listed in order of priority)</b>	<b>Assuming the Minimum Offering</b>	<b>Assuming the Maximum Offering</b>
Quantum Computation in Memory Product	<b>\$2,500,000</b>	<b>\$3,810,000</b>
General and administrative <sup>(1)</sup>	\$850,000	\$1,400,000
Ongoing operations <sup>(2)</sup>	\$1,500,000	\$1,500,000
Working Capital <sup>(3)</sup>	\$1,499,164	\$1,499,164
<b>Total: (Equal to G in the Available Funds table above)</b>	<b>\$6,349,164</b>	<b>\$8,209,164</b>

<sup>1</sup> Includes salaries for the hiring of R&D, business development, and sales personnel, additional office space rent, travel expenses, software subscriptions, stock exchange costs, and director and officer insurance.

<sup>2</sup> Run-rate expenses for the business including employee salaries, rent, travel, and other expenses.

<sup>3</sup> Assumes the company uses these proceeds to clear its current liabilities and would return to a positive net working capital position of \$208,328.

The above noted allocation represents the Company's current intentions with respect to its use of proceeds based on current knowledge, planning and expectations of management of the Company. Although the Company intends to expend the proceeds from this Offering as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including the Company's ability to execute on its business plan and financing objectives. Such uses will not include a significant acquisition, a restructuring transaction, or any transaction requiring approval of the Company's security holders

The Company's most recent unaudited financial statements for the period ended September 30, 2024 included a going-concern note. During the nine months ended September 30, 2024, the Company had a net loss and negative cash flow from operations. As at September 30, 2024, the Company has an accumulated deficit of \$39,127,263. As at November 30, 2024, the Company had a net working capital deficit of \$1,290,836. The Company's ability to continue its operations and to realize its assets at their carrying values

is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. The Offering is intended to enable the Company to continue its operations and to realize its assets at their carrying values. However, unless and until the Company's operations begin to generate positive cash flow, the Offering is not expected to affect the decision to include a going concern note in the Company's next interim or annual financial statements.

*Describe the timing and stage of research and development that management anticipates will be reached using the funds*

The company has various patents already filed in various jurisdictions that form the basis for the commercialization of its products. Using the proceeds from this Offering, the company anticipates it will be able to progress to a stage where it will have a live product ready for deployment along with at least a proof-of-concept application for its QCIM project.

*Describe the major components of the proposed programs the issuer will use the available funds for, including an estimate of anticipated costs*

In order to complete the QCIM project, the Company will need to execute on the following technical milestones: secure server space (Q1 2025), chip certification testing (Q2 2025), and semiconductor tapeouts (Q4 2025). Additionally, the Company will hire additional R&D and sales staff which could be attributed to advancing this project.

*State if the issuer is conducting its own research and development, is subcontracting out the research and development or is using a combination of those methods*

The Company is expecting to primarily conduct its own R&D research through its full-time employees, or its researchers engaged as part of collaboration projects with partner universities. It is possible the Company leverages the technical expertise of another partner organization to achieve its milestones as well.

*Describe the additional steps required to reach commercial production and an estimate of costs and timing*

The Company may require additional investments both for technical R&D and key personnel in the period following the 12-months after the completion of the Offering to bridge the product to full-scale commercialization. Additional investments would include production scale-up costs along developing the company's sales and business development team.

***How have we used the other funds we have raised in the past 12 months?***

The Company has not completed any financing in the past 12 months, other than pursuant to three convertible loan financings for aggregate gross proceeds of \$2,000,000, which has been allocated and used for general corporate and working capital purposes.

#### **PART 4 FEES AND COMMISSIONS**

***Who are the dealers or finders that we have engaged in connection with this offering, if any, and what are their fees?***

<b>Agent</b>	A.G.P. Canada Investments ULC (the "Agent")
<b>Compensation Type:</b>	Cash fee equal to 7% of the gross proceeds of the Offering - \$560,000 (Assuming the Minimum Offering) - \$700,000 (Assuming the Maximum Offering)

<b>Broker Warrants</b>	Such number of warrants as is equal to 5% of the Common Shares issued under the Offering, with each broker warrant exercisable into one Common Share at a price of \$4.09 per Common Share and a term of five (5) years from the date of issuance.
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*Does the Agent have a conflict of interest?*

To the knowledge of the Company, it is not a “related issuer” or “connected issuer” of or to the Agent, as such terms are defined in National Instrument 33-105 – Underwriting Conflicts.

**PART 5 PURCHASER’S RIGHTS**

**Rights of Action in the Event of a Misrepresentation**

**If there is a misrepresentation in this Offering Document, you have a right:**

- a) to rescind your purchase of these securities with the Company; or
- b) to damages against the Company and may, in certain jurisdictions, have a statutory right to damages from other persons.

**These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the offered securities.**

**If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.**

**You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.**

**PART 6 ADDITIONAL INFORMATION**

*Where can you find more information about us?*

The Company’s continuous disclosure filings with applicable securities regulatory authorities in the provinces and territories of Canada are available electronically under the Company’s profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

For further information regarding the Company, visit our website at: [www.btg.com](http://www.btg.com).

***U.S. Securities Law Matters***

The Common Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and, subject to certain exemptions from registration under the U.S. Securities Act and applicable state securities laws, may not be offered or sold within the United States or to, or for the account or benefit of, persons in the United States.

Any placement agent utilized for sales in the United States is to agree that it will not offer or sell the Common Shares within the United States or to, or for the account or benefit of, persons in the United States except to institutional accredited investors (as defined in Rule 501(a) (1), (2), (3), (7), (8), (9), (12) or (13) of Regulation D (“**Regulation D**”) under the U.S. Securities Act) (“**U.S. Institutional Accredited**



**Investors**”) and/or qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act) that also qualify as U.S. Institutional Accredited Investors in accordance with the exemption from registration under the U.S. Securities Act provided by Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act and similar exemptions from the registration requirements of applicable securities laws of any state of the United States. Offers and sales of the Common Shares will be made outside the United States in accordance with Rule 903 of Regulation S under the U.S. Securities Act.

This Offering Document does not constitute an offer to sell or a solicitation of an offer to buy any Common Shares in the United States to, or for the account or benefit of, persons in the United States. In addition, until 40 days after the commencement of the Offering, an offer or sale of Common Shares within the United States or to, or for the account or benefit of, persons in the United States by any dealer (whether or not participating in the Offering) may violate the registration provisions of the U.S. Securities Act and applicable state securities laws unless made in accordance with an exemption from the registration requirements under the U.S. Securities Act and similar exemptions under applicable state securities laws.

**CERTIFICATE**

This Offering Document, together with any document filed under Canadian securities legislation on or after June 4, 2024 contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

**BTQ TECHNOLOGIES CORP.**

Signed the 16<sup>th</sup> day of December, 2024.

*“Olivier Roussy Newton”*

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Olivier Roussy Newton  
Chief Executive Officer

*“Lonny Wong”*

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Lonny Wong  
Chief Financial Officer