

NOTICE TO ACCOUNT HOLDERS

CRYPTOPIA LIMITED (IN LIQUIDATION) – IMPORTANT NOTICE FOR ACCOUNT HOLDERS TO REGISTER CLAIMS BEFORE SOFT CUT-OFF DATE

1. The liquidators of Cryptopia Limited (in liquidation) provide this notice to account holders (You) about the need to register your claim in the Cryptopia claims portal by **31 March 2025 (the Soft Cut-off date)**. **Note this soft cut-off only applies to those who remain unregistered on the claims portal, if you have at least registered an account on the claims portal this cut-off will not be applicable to you.**

Background

2. In January 2019, the Cryptopia exchange was hacked. Cryptopia closed after the hack, re-opened for a short period, and was then placed into liquidation in May 2019.
3. On 8 April 2020, the High Court of New Zealand held that Cryptopia held the cryptocurrency on trust for the benefit of account holders. A separate trust was held to exist in respect of each coin type.
4. The liquidators have undertaken significant work in securing, reconciling and administering the cryptocurrency held on trust for account holders (Cryptocurrency). On 31 July 2023 the liquidators filed an application with the High Court for directions as to distribution to account holders. Judgment was given on **1 March 2024** by **Justice Palmer**. The orders can be found [\[here\]](#).

Distribution process

5. The liquidators will conduct a phased distribution process.

Interim Distribution

6. The liquidators **have already undertaken** a distribution to a subset of account holders. In August 2024, account holders who had registered and accepted their balance in the BTC and DOGE trusts with a holding of more than **NZD200** were invited to participate in the Interim Distribution. Actual distributions began in December 2024. The liquidators distributed a maximum of **90%** of those account holders' cryptocurrency holdings. Cryptocurrency was transferred via a wallet-to-wallet transfer.

Phase One Distribution

7. This phase is open to all eligible account holders. To be eligible for a distribution an account holder must:
 - (a) Be in a trust (coin type) that has sufficient value.
 - (b) Have an account balance equivalent to or greater than their cost allocation.
 - (c) Have registered their claim in the Cryptopia claims portal before **31 March 2025**.
 - (d) Have completed identity verification and completed the balance acceptance / dispute process in the Cryptopia claims portal.
8. Eligible account holders will, after **31 March 2025** receive a notice in the Cryptopia claims portal advising them of the amount that will be deducted from each of their holdings for trust administration costs. Eligible account holders will then receive a distribution of their holdings, less a deduction of allocated trust administration costs. Distribution will be done via a wallet-to-wallet transfer.

Effect of not registering by 31 March 2025

9. If as an account holder you have not registered your claim in the Cryptopia claims portal by **31 March 2025**, then:
 - (e) The liquidators can proceed as if you are not a beneficiary, per orders from the New Zealand High Court.
 - (f) Cryptocurrency that cannot be attributed to an account holder who has registered a claim in the Cryptopia claims portal will be considered unclaimed holdings.
 - (g) After **31 March 2025**, the liquidators will use any unclaimed holdings in a trust to cover trust administration costs for that trust. Eligible account holders will only be allocated trust administration costs if there is not sufficient value in the unclaimed holdings to bear all administration costs of the trust.

10. Nothing prevents claims from being received, considered and resolved after the passing of **31 March 2025**. If you, as an account holder, register a claim after **31 March 2025** you would still receive a distribution, but only if there is still cryptocurrency in the relevant trust(s) after trust administration costs have been removed. It is possible that, if you do not register your claim, some or all of your cryptocurrency will be used to cover trust administration costs and may not be available to be distributed to you.

Phase Two Distribution

11. **The Final Cut-Off Date** for all claims will be **30 September 2025**. After this date, the liquidators will wind up the trusts.
12. At this time, the liquidators may be able to conduct a further distribution if:
 - (h) There are account holders who have started the claims process but abandoned it.
 - (i) Trust administration costs are less than anticipated, and the trusts will need to be reimbursed.
 - (j) The liquidators are able to recover some of the Cryptocurrency stolen in the January 2019 hack.
13. The liquidators will issue a further notice to account holders closer to the time.

Distribution details

Cryptocurrency Entitlement Date

14. The entitlement of each account holder to your respective Cryptocurrency is calculated as at **14 May 2019**.

Review process

15. There is a review process available for account holders who wish to dispute their balance.
16. You may make a claim with supporting evidence. The liquidators may accept that claim. If the liquidators reject the claim in whole or in part, the liquidators must prepare a written statement of reasons for doing so and send it to the account holder **(you)** within **20 days**.

17. If you are dissatisfied with the liquidators' decision, you may, at any time up until the final cut-off date of **30 September 2025**, request a review to determine if the decision should be reversed or varied.
18. Details of the review process (which has been sanctioned by orders of the High Court) will be available in the Cryptopia claims portal.
19. This review process does not extinguish your legal right to prove your claim in the New Zealand High Court.

Low / no value trusts & low account balances

20. The liquidators will not make distributions for coins in trusts that have no or low realisable value and cannot bear all of the costs of trust administration. The liquidators will assess realisable value of each trust first at **31 March 2025** before the Phase One Distribution, and will continuously review realisable values before making distributions.

Countries where it is unlawful to hold or transact cryptocurrencies

21. If you live in a country where it is or may be unlawful to own, hold or transact cryptocurrencies, then the liquidators will not make distributions to you in a cryptocurrency. Instead, in order to receive a distribution, you will be required to provide details of a bank account. The liquidators will pay you a fiat currency equivalent value of your entitlement, less any additional costs associated with paying you in fiat currency. Before payment is made to you, additional information may be required from you to satisfy the liquidators' legal obligations under New Zealand's laws, including its sanctions and anti-money laundering and countering funding of terrorism laws.

Post-appointment deposits

22. Deposits of cryptocurrency were made to Cryptopia wallet addresses after the appointment of liquidators and while the exchange was offline. Those deposits have not been swept into Cryptopia's wallets and do not form part of the cryptocurrencies held on trust.
23. If cryptocurrency was deposited to your deposit address/account after the date of liquidation (14 May 2019), please contact the liquidators' customer service with proof of the deposit and your payment details. Once the liquidators have verified the deposit, we will arrange for the deposit to be

distributed to you. Transaction costs will be deducted from the amount deposited.

24. Please note that the liquidators are not required to take any other steps to return post-appointment deposits, and post-appointment deposits will only be made to eligible account holders.

David Ruscoe

Liquidator

Russell Moore

Liquidator