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Quarterly Update

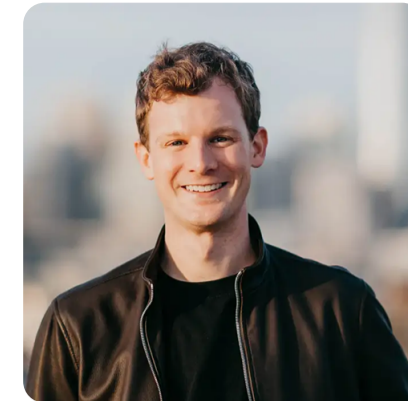
Q4 2023

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Marshall Hayner

CEO



Dear Investors and Friends,

I hope your 2024 has started off wonderfully, and I'm thrilled to share some updates from Metallicus with you.

We closed 2023 on a high note, celebrating remarkable revenue achievements across both of Metallicus's core products, Metal Pay and Metal X. Our product team made significant progress in enhancing the Metal Pay onboarding flow, and we launched a new Metal X landing page, offering our customers a smoother and more informative entry into the world of cryptocurrency. Coupled with a successful festive campaign and our initial paid advertising efforts for both platforms, we achieved triple-digit revenue growth for Metal X and a solid 52% increase for Metal Pay. As we refine our digital marketing funnel and gear up for some exciting campaigns set to launch in Q1, we're poised for continued momentum.

The product and engineering teams have once again made substantial contributions, advancing our entire portfolio. They've not only refined the experience for our current users but also stayed abreast of industry developments and integrations, ensuring that Metallicus remains at the forefront of creating the world's most customer-centric digital asset banking network.

Our steadfast commitment to compliance has been rewarded with the acquisition of another Money Transmitter license in Florida. Additionally, Metallicus's approach to regulation has captured the attention of leading industry publications, including Inc. Magazine, USA Today, and more niche outlets like Milk Road and Blockworks.

Our marketing and PR efforts are moving full steam ahead, with an impressive lineup of interviews with even more tier-1 publications on the horizon. The excitement around the XPR Network continues to grow, fueled by the community's approval of significant advertising expenditure on the X platform. This initiative aims to bolster our development community, driving the creation of industry-leading blockchain use cases that can further integrate blockchain into everyday life.

Lastly, the development and partnership achievements for Metal Blockchain have been phenomenal this quarter. Notable progress on the Antelope Virtual Machine, a new block explorer, and two proof-of-concept projects now underway for leading financial services companies mark just the beginning of what promises to be an exciting year.

As 2024 unfolds, even though it's already February, we've made considerable progress, and I encourage you all to stay informed through our official channels.

#MoveToMetal

Marshall Hayner

Company Metrics

We are delighted to announce a record-setting revenue surge versus the previous quarter, showcasing substantial growth across our Metal Pay and Metal X platforms. This achievement is largely due to the successful launch of both organic and paid campaigns, alongside the streamlining of our onboarding processes. These strategic moves have not only optimized our approach but have also set a solid foundation for success as we prepare to scale our efforts with an upcoming series of targeted advertising and acquisition campaigns in Q1.

 Metal X

112% ↑

TOTAL REVENUE

 Metal Pay

52% ↑

TOTAL REVENUE

 Metal Pay

3% ↑

KYC USERS

 WebAuth

2% ↑

KYC USERS

Product Update

This quarter at Metallicus, we have dedicated ourselves to advancing the Metal Pay platform, enhancing user interaction, and broadening our market presence through strategic developments and innovations.

Improved Onboarding Experience

We have made significant improvements to our onboarding process, making it faster and more user-friendly. The introduction of a "sign in with Google" feature simplifies account creation, allowing new users to join Metal Pay with just one click. This streamlines the identity verification process, enabling users to start trading with minimal delay.

Introduction of Limit Orders

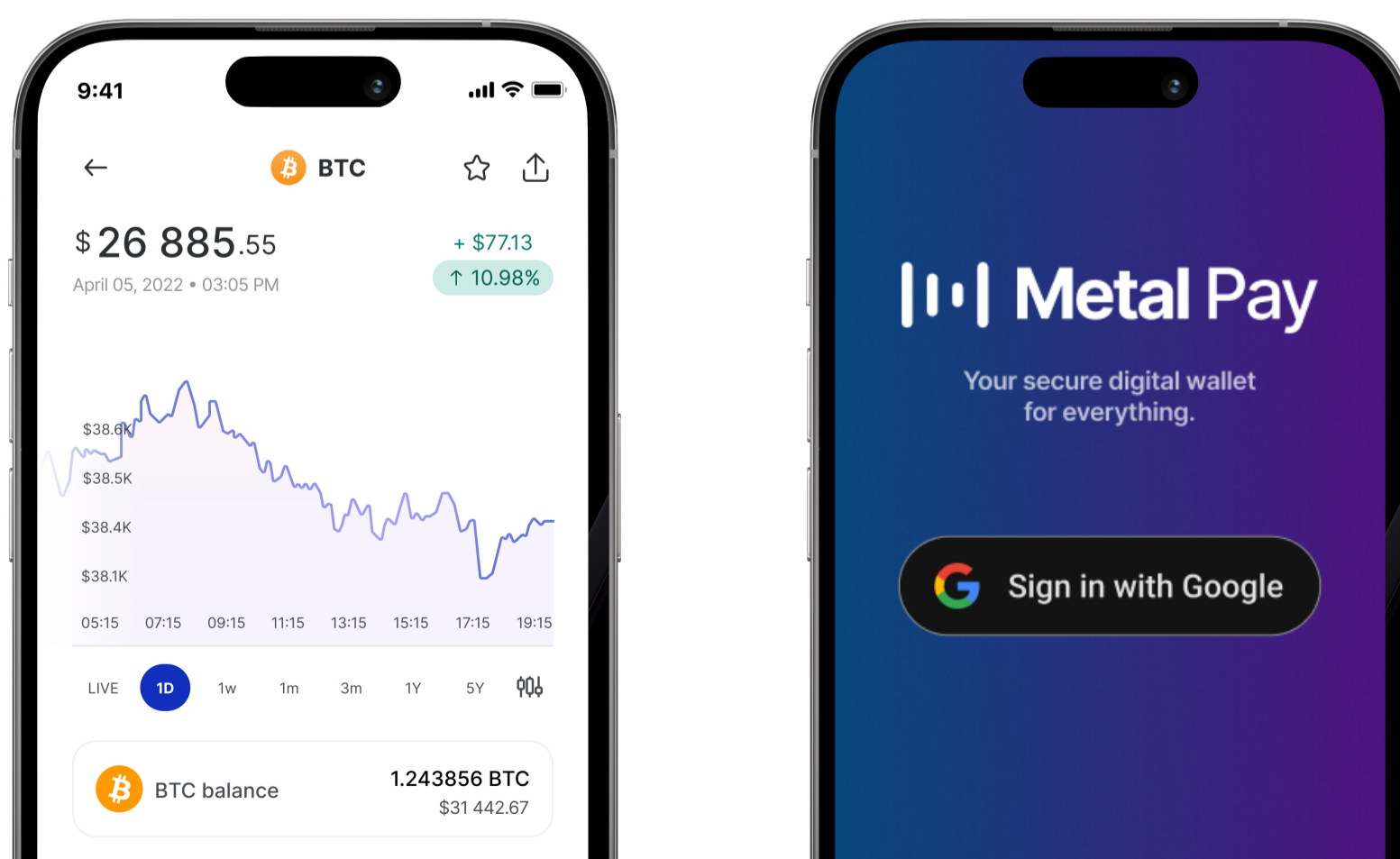
In our ongoing effort to empower users with advanced trading tools, we will soon introduce the ability to place limit orders within the Metal Pay app. This feature, complemented by existing market order capabilities, will offer users enhanced control over their investment strategies by executing trades on the Metal X decentralized exchange (DEX) at their preferred prices.

Metal Pay Connect

We are excited to announce the development of Metal Pay Connect is underway, a new initiative that positions Metal Pay as a cryptocurrency on-ramp for other platforms. This expansion of our B2B offerings is designed to facilitate seamless crypto transactions for businesses, enhancing our ecosystem's utility and accessibility.

WebAuth & WalletConnect

We have enhanced WebAuth with key updates, including integration with WalletConnect for seamless dApp interaction, price charts and a new 'Invite Friends' function to encourage community growth. These improvements solidify WebAuth's commitment to providing a secure and user-friendly multi-blockchain experience.



Metal Blockchain

In Q4, Metal Blockchain's efforts were centered on fortifying partnerships with leading fintech companies and developing the necessary applications to bolster support for financial institutions.

New C-Chain Block Explorer

A more intuitive block explorer for the C-Chain (EVM) has been developed and is currently accessible on the testnet. We anticipate its production rollout in the early months of 2024, aiming to enhance user experience significantly.

A-Chain Development

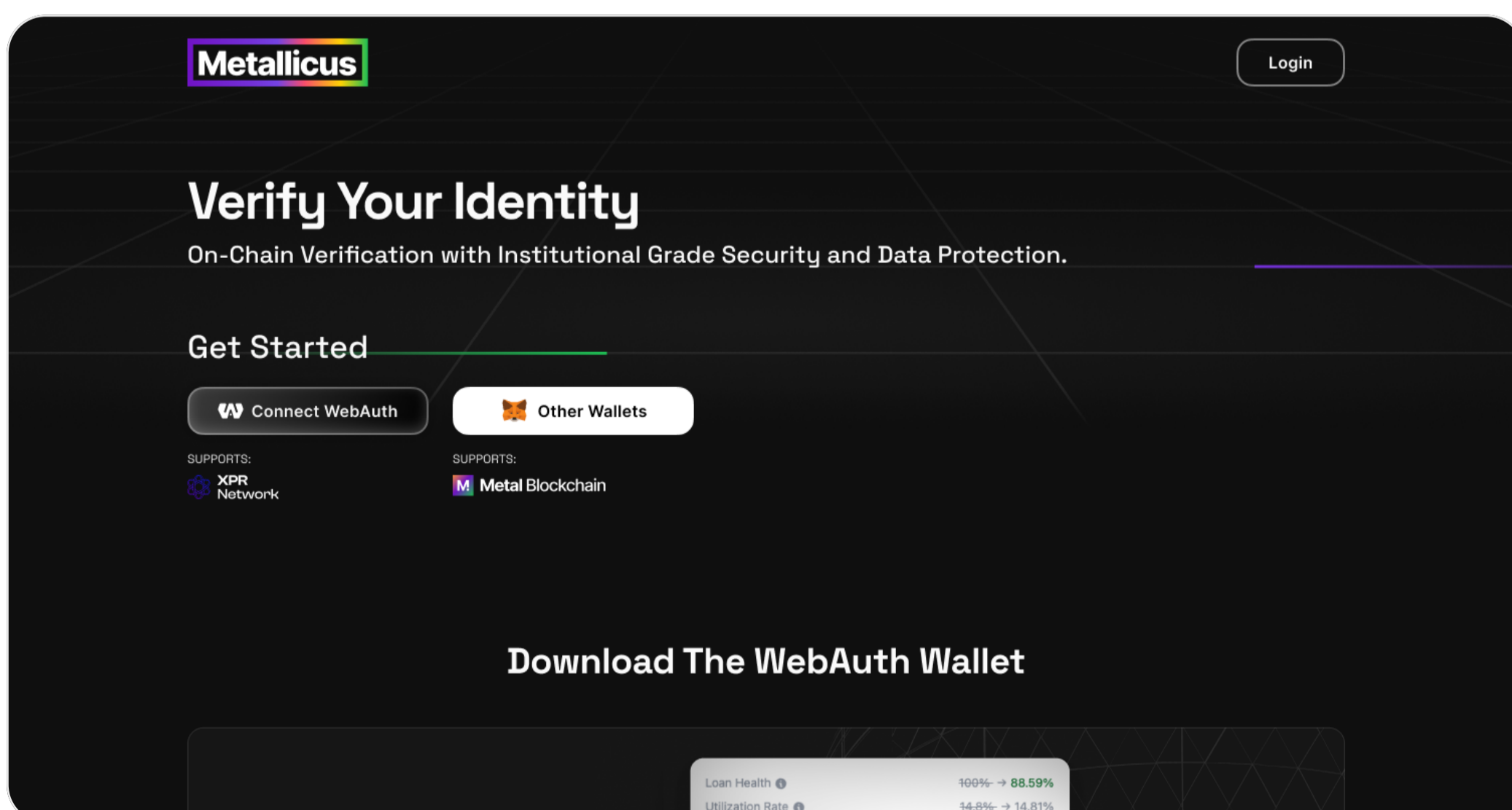
Progress continues on supporting the Antelope Virtual Machine. Our next milestone, expected in Q1, focuses on reinforcing the integration between Metal Blockchain's consensus mechanism and AVM block production. This advancement is critical for the robust operation of our blockchain infrastructure.

Metal Identity

The quarter also saw a renewed emphasis on Metal Identity. Originating on the XPR Network, our ambition for a decentralized identity standard is extending to Metal Blockchain. This advancement not only simplifies the creation of BSA-compliant solutions on Metal Blockchain but also ensures that our forthcoming bridge adheres to the regulatory requirements of our target markets.

Metal Blockchain Bridge

A new cross-chain bridge was launched on the test-net in 2023. Since its introduction, we have concentrated on enhancing its security, compliance, and user-friendliness. Scheduled to be production-ready in Q1, this bridge will facilitate seamless transactions between Ethereum and Metal Blockchain's C-Chain, marking a significant technological leap forward.



Media Coverage

Metallicus continues to garner significant media attention, reflecting our pioneering role in the blockchain and fintech sectors. From highlighting our regulatory navigation strategies to showcasing strategic partnerships, here's a look at our latest features in leading publications:

Inc. Magazine Feature

In an article titled "How Blockchain Fintechs Are Navigating Regulation," Inc.com delves into the challenges and strategies of blockchain fintechs, with a focus on Metallicus' proactive approach to navigating the complex regulatory landscape. This feature underscores our commitment to compliance and innovation in the blockchain space.

USA Today Coverage

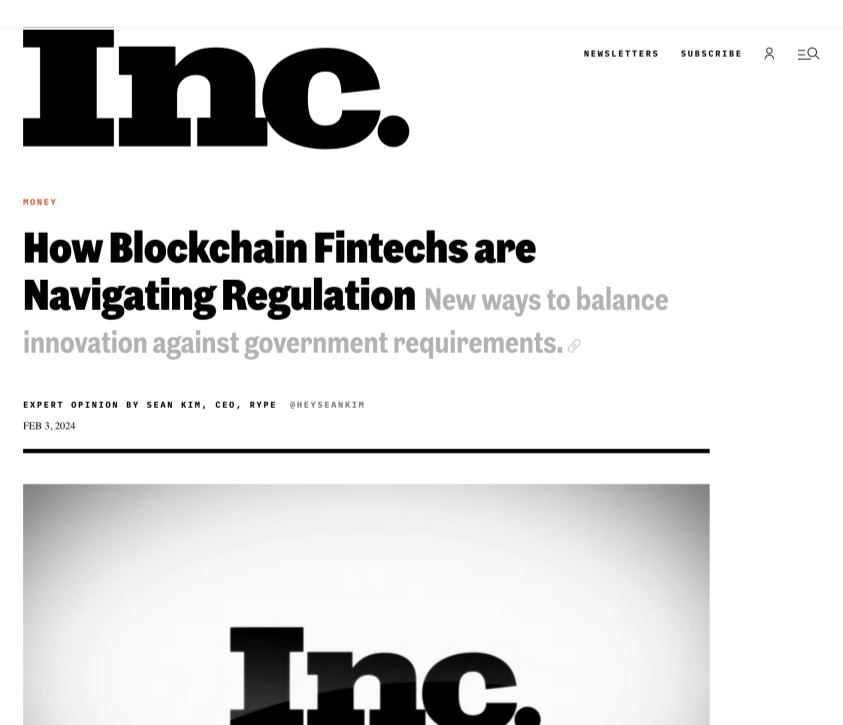
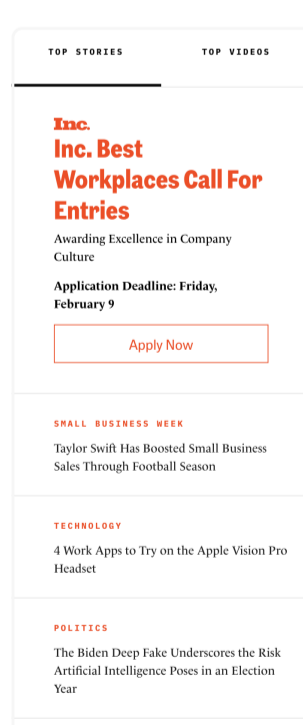
Marshall Hayner's vision for the future of finance through blockchain innovation was highlighted in USA Today. The piece showcases Metallicus' efforts in reshaping financial services, emphasizing our leadership in integrating blockchain technologies with mainstream financial operations.

San Francisco Examiner on Rarible Partnership

Our partnership with Rarible, aimed at creating fintech-compliant NFT solutions, was featured in the San Francisco Examiner. This collaboration is pivotal for integrating compliant digital asset transfers and tokenized rewards into the banking and fintech sectors.

Grit Daily on the Metal Blockchain Banking Innovation Program

Grit Daily covered the launch of the Metal Blockchain Banking Innovation Program, a milestone initiative that marks a significant advancement in our mission to bridge the gap between traditional banking and blockchain technology.



Marketing Update

Metallicus has achieved significant milestones in marketing, governance, and innovation, reflecting our dynamic approach to growth and community engagement within the blockchain ecosystem. Here's a closer look at our key accomplishments and strategic initiatives:

XPR Network Advertising Campaign

The first-ever digital advertising campaign for the XPR Network, funded by community votes, is now live on the X platform. Designed in three phases, the campaign aims to broaden awareness of the blockchain, showcase development use cases, and encourage grant submissions, demonstrating our commitment to fostering and growing a vibrant developer ecosystem.

XPR Network Governance

The governance landscape has been enriched by contributions from notable entities such as the Harvard Behavioural Strategy Group, Blockworks and Milk Road, with more submissions on the horizon. These community-driven initiatives underscore our focus on on-chain development and collaborative innovation this year.

Metal Blockchain Banking Innovation Program

The introduction of the Metal Blockchain Banking Innovation Program, marked by the unveiling of a new, sleekly designed landing page, represents a significant stride towards blending traditional banking with blockchain technologies. This initiative, set to reshape our digital footprint, previews an upcoming comprehensive redesign across our entire website, aligning with our vision for financial innovation.

Milk Road Collaboration

Our partnership with Milk Road has significantly amplified visibility across our product suite, particularly spotlighting the XPR Network and Metal X. In addition to the community funded collaboration, Milk Road also conducted independent reviews, resulting in ratings for WebAuth (4.2 out of 5) and Metal X (4.4 out of 5), demonstrating our commitment to delivering excellence and innovation in our offerings.

Gift Crypto Not Cash Campaign

The "Gift Crypto, Not Cash" festive campaign served as a pilot for more extensive campaigning starting in Q1. The campaign led to a significant uplift in engagement on platform X and drove a 230% increase in trading volume on Metal Pay. Expect to see more 360-degree campaigns that leverage multiple channels with a blend of paid and organic content.

What's Coming?

Looking ahead, we're poised for a dynamic period of growth and development across several key areas of our operation. Here's what's on the horizon for Metallicus:

Metal Pay Growth Marketing

Our focus sharpens on scaling acquisition campaigns, particularly for Metal Pay, leveraging the X platform (formerly Twitter) to amplify our reach and drive revenue.

Metal Pay Website Revamp

The Metal Pay website is undergoing an update to mirror the sleek, user-centric design of Metal Pay 3, enhancing the overall user experience and brand consistency.

XPR Network Development

We are actively engaging with numerous potential partners to foster on-chain development, guiding them through our governance and grants program to support their initiatives. We welcome interested parties to join us in this endeavor.

WebAuth Landing Page Launch

The highly anticipated launch of the WebAuth.com landing page is set to make a significant impact. This launch is aimed at increasing wallet creations and optimizing our marketing funnels for better user engagement and conversion.