



ProphecyDeFi

PROPHECY DEFI ANNOUNCES CEASE TRADE ORDER

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FOR DISSEMINATION IN THE UNITED STATES**

Toronto, Ontario – May 7, 2026 – Prophecy DeFi Inc. ("**Prophecy DeFi**" or the "**Company**") (CSE: PDFI) announces that the Ontario Securities Commission (the "**OSC**") has issued a failure to file cease trade order against the Company which orders that general trading, whether direct or indirect, of the securities of the Company cease under Multilateral Instrument 11-103 - *Failure-to-File Cease Trade Orders in Multiple Jurisdictions* (the "**CTO**"). A copy of the CTO has been posted to the OSC website.

The CTO was issued as a result of the Company's failure to file its audited consolidated financial statements for the year ended December 31, 2025, annual management's discussion and analysis for the same period and management certifications of annual filings (collectively, the "**Required Filings**") before the April 30, 2026, filing deadline. The failure to file the Required Filings by the filing deadline was mainly due to the complexities of the recent conversion of debentures which required extra time for the auditors.

The Company continues to work diligently to complete the filing of the Required Filings and does not expect an interruption of the operations of the Company during the CTO. The Company anticipates that it will complete the Required Filings on or before May 15, 2026. Revocation of the CTO is expected to occur within a few days after the Required Filings are made.

About Prophecy DeFi

Prophecy DeFi Inc. (PDFI) is a publicly traded investment company whose primary objective is to invest its funds for the purpose of generating returns from capital appreciation and income. It plans to accomplish these goals by bringing together technology start-ups in the Blockchain and Decentralized Finance sectors to fund innovation, elevate industry research, and create new business opportunities in a coherent ecosystem.

www.prophecydefi.com

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Forward-Looking Information

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. These statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements or information. More particularly and without limitation, this news release contains forward-looking statements and information relating to the effective date of the closing of the Private Placement. The forward-looking statements and information are based on certain key expectations and assumptions made by management of the Company. Although management of the Company believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the

forward-looking statements and information since no assurance can be given that they will prove to be correct.

Forward-looking statements and information are provided for the purpose of providing information about the current expectations and plans of management of the Company relating to the future. Readers are cautioned that reliance on such statements and information may not be appropriate for other purposes, such as making investment decisions. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements and information contained in this news release are made as of the date hereof and no undertaking is given to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws. The forward-looking statements or information contained in this news release are expressly qualified by this cautionary statement.

Neither the CSE nor its Market Regulator (as such term is defined in the policies of the CSE) accept responsibility for the adequacy or accuracy of this release.