PROPHECY DEFI PROVIDES UPDATE ON ANNUAL FILINGS

Toronto, Ontario – May 20, 2026 – Prophecy DeFi Inc. ("**Prophecy DeFi**" or the "**Company**") (CSE: PDFI) is providing an update on the status of the cease trade order (the "**CTO**") imposed on May 6, 2026 by the Ontario Securities Commission (the "**OSC**") under National Policy 11-207 following the Company's failure to file its audited annual financial statements for the year ended December 31, 2025, its management's discussion and analysis of financial statements for the year ended December 31, 2025 and related filings (collectively, the "**Required Annual Filings**"). Under National Instrument 51-102, the Required Annual Filings were required to be made by April 30, 2026.

Management of the Company continues to work diligently with its auditors to complete the Required Annual Filings, at which time it expects the CTO to be lifted within two days following filing. The Company expects the Required Annual Filings to be completed on or around May 29, 2026.

There is no material information concerning the affairs of the Company that has not been generally disclosed.

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. 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.