

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1 Name and Address of Company

Cathedra Bitcoin Inc. ("Cathedra" or the "Corporation")
320 – 638 Broughton Street
Vancouver, BC V6G 3K3

Item 2 Date of Material Change

September 27, 2024.

Item 3 News Release

The press release attached as Schedule "A" was released on September 27, 2024 by a newswire company in Canada.

Item 4 Summary of Material Change

The material change is described in the press release attached as Schedule "A".

Item 5 Full Description of Material Change

The material change is described in the press release attached as Schedule "A".

Item 6 Reliance of subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Antonin Scalia
Chief Executive Officer
Cathedra Bitcoin Inc.
E: ir@cathedra.com

Item 9 Date of Report

September 27, 2024.

Cathedral Bitcoin Announces Business Updates

Toronto, Ontario--(Newsfile Corp. - September 27, 2024) - (Block Height: 863,000) - Cathedral Bitcoin Inc. (TSXV: CBIT) (OTC Pink: CBTF) ("**Cathedral**" or the "**Company**"), a developer and operator of high-density compute infrastructure across North America, is pleased to provide the following updates:

Strategy Update

On September 16, 2024, management published a memo outlining the Company's treasury strategy and formally adopting bitcoin holdings per share as the key metric which will guide future capital allocation decisions. The full memo can be found on the Cathedral website at: <https://cathedral.com/Bitcoin-Strategy.pdf>

Operations Update

Washington Operations

In recent weeks, the Company amended the terms for one of its leased bitcoin mining facilities in Washington State. Under the amended terms, effective August 1, 2024, the Company will pay to the facility owner and operator a rate of US\$50.00 per megawatt-hour plus a profit share equal to 35% of the gross margin from the Company's Bitmain S19J Pro machines operating at that site. The contract expiration date has also been revised to February 28, 2025 (the "**Expiration Date**"), subject to renewal at the Company's discretion. Beginning in September 2024 and ending on the Expiration Date, the Company will be credited back its initial security deposit incrementally on each month's bill. These revisions will result in an all-in cash cost of approximately US\$28.00 per megawatt-hour (under current market conditions) and an effective break-even hash price of less than US\$15.00/PH/s/d at the site under current market conditions.

Tennessee Operations

The Company's three data centers in Tennessee and Kentucky recently enrolled in a demand response program through the Tennessee Valley Authority. Under this program, the Company will be compensated for curtailing its data center load for up to 1% of the year. The compensation will consist of a fixed credit of approximately US\$10 per megawatt-hour for participating in the program plus additional compensation for each curtailment event. In July and August, the Company accrued credits equal to approximately US\$300,000.

Repricing of Warrants

The Company also announces that it has closed its proposed warrant repricing, as previously announced on August 19, 2024. An aggregate of 36,819,700 outstanding subordinate voting share purchase warrants of the Company (the "**Warrants**") were amended such that (the "**Amendments**"): (a) the exercise price of the Warrants was reduced to C\$0.12, and (b) as required by the TSX Venture Exchange (the "**TSXV**"), the Warrants were also amended to include a mandatory acceleration provision which provides that, if for any 10 consecutive trading days (the "**Premium Trading Days**") following the effective date of the Amendments, the closing price of the Company's subordinate voting shares (the "**Shares**") on the TSXV exceeds C\$0.15, being 25% or more of the amended exercise price of the Warrants, the amended Warrants' expiry date will be accelerated such that holders will have 30 calendar days to exercise the Warrants (if they have not first expired in the normal course). The Company will announce any acceleration of the expiry date by press release and the 30-day period will commence seven days after the last Premium Trading Day. The terms of the Warrants remain otherwise unchanged.

Certain of the Warrants were issued under a warrant indenture dated March 26, 2021 (the "**Bought**

Deal Warrants"), and in accordance with the terms thereof, the Company received the consent of holders of the Bought Deal Warrants representing at least 66 2/3% of the outstanding Bought Deal Warrants to enter into a supplemental warrant indenture to effect the Amendments with respect to the Bought Deal Warrants. All holders of the Warrants other than the Bought Deal Warrants consented to the Amendments.

The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements. This news release will not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

About Cathedra Bitcoin

Cathedra Bitcoin Inc. develops and operates digital infrastructure assets across North America with the goal of maximizing its per-share bitcoin holdings. The Company hosts bitcoin mining clients across its portfolio of three data centers (30 megawatts total) in Tennessee and Kentucky. Additionally, Cathedra is a 25% partner in a joint venture that is developing a 60-megawatt data center in North Dakota which will also host bitcoin miners upon its expected completion. Cathedra also operates a fleet of proprietary bitcoin mining machines at its own and third-party data centers, producing approximately 400 PH/s of hash rate. Cathedra is headquartered in Vancouver and its shares trade on the TSX Venture Exchange under the symbol CBIT and in the OTC market under the symbol CBTTF.

For more information about Cathedra, visit cathedra.com or follow Company news on Twitter at [@CathedraBitcoin](https://twitter.com/CathedraBitcoin) or on Telegram at [@CathedraBitcoin](https://t.me/CathedraBitcoin).

Media and Investor Relations Inquiries

Please contact:

AJ Scalia
Chief Executive Officer
ir@cathedra.com

Cautionary Statement

Trading in the securities of the Company should be considered highly speculative. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements

This news release contains certain "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities laws that are based on expectations, estimates and projections as at the date of this news release. The information in this release about future plans and objectives of the Company, are forward-looking information. Forward-looking information contained in this news release includes but is not limited to information concerning the Warrants, the Company's expectations with respect to the amendments to the terms for one of its leased bitcoin mining facilities in Washington State and the Company's compensation expectations under the demand response program through the Tennessee Valley Authority. Any statements that involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled",

"forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking information and are intended to identify forward-looking information. This forward-looking information is based on reasonable assumptions and estimates of management of the Company at the time it was made. The Company has also assumed that no significant events occur outside of its normal course of business.

Additionally, these forward-looking statements may be affected by risks and uncertainties in the business of Cathedra and general market conditions. Investors are cautioned that forward-looking statements are not based on historical facts but instead reflect Cathedra's management's expectations, estimates or projections concerning future results or events based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made. Although Cathedra believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed thereon, as unknown or unpredictable factors could have material adverse effects on future results, performance or achievements of the Company. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking statements are the following: the potential impact of the announcement of the completion of the Transaction on relationships, including with regulatory bodies, employees, customers and competitors; changes in general economic, business and political conditions, including changes in the financial markets; changes in applicable laws and regulations both locally and in foreign jurisdictions; compliance with extensive government regulation and the costs associated with compliance; unanticipated costs; changes in market conditions impacting the average revenue per MWh, and the risks and uncertainties associated with foreign markets. Additionally, the forward-looking statements contained herein may be affected by risks and uncertainties in the business of Cathedra and general market conditions. Please see the Company's management information circular dated June 18, 2024 which is available for view the Company's SEDAR+ profile on www.sedarplus.ca. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended and such changes could be material. Readers should not place undue reliance on forward-looking information.

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Cathedra

To view the source version of this press release, please visit
<https://www.newsfilecorp.com/release/224806>