Cathedra Bitcoin Announces Favorable Debt Restructuring, Retiring C$5.7m of Convertible Debt at a Discount and Cancelling 10.9m Warrants

Toronto, Ontario--(Newsfile Corp. - March 24, 2025) - Cathedra Bitcoin Inc. (TSXV: CBIT) (OTCQB: CBTTF) (the "**Company**" or "**Cathedra**"), a bitcoin company that develops and operates digital infrastructure assets is pleased to announce that it has favorably restructured its outstanding indebtedness as set forth below.

The Company entered into a repayment agreement dated March 19, 2024 (the "**Repayment Agreement**"), with the holder (the "**Creditor**") of the outstanding 3.5% senior secured convertible debentures of the Company due November 11, 2025 (the "**Debentures**"), pursuant to which, the Company paid the Creditor C$4,586,982 (the "**Repayment Amount**") plus accrued interest to settle the entire outstanding principal amount of the Debentures of C$5,733,728 (the "**Outstanding Principal Amount**"), implying a 20% discount to par on the Outstanding Principal Amount. In addition, the Creditor agreed to surrender 10,897,000 warrants of the Company (the "**Warrants**") to the Company for cancellation. Each Warrant was exercisable for one subordinate voting share of the Company (a "**Warrant Share**") at a price of C$0.12 per Warrant Share until November 11, 2026, subject to acceleration in certain circumstances.

The Company has entered into a new loan of US$2,494,693 (the "**Loan**") to partially repay the Outstanding Principal Amount of the Debentures. The Loan is secured by approximately 50 of the Company's bitcoin; carries interest at a rate of 13.0% per annum, payable monthly; and is interest-only until maturity on March 18, 2026.

By retiring the Debentures at a discount with a mix of proceeds from the Loan and cash on-hand, the Company has reduced its outstanding debt obligations by approximately C$2,155,800; prevented potential dilution by eliminating 10,897,000 warrants at no additional cost; and replaced the all-asset lien from the Debentures with a more favorable security arrangement under the new Loan consisting of only 50 bitcoin, freeing the Company to manage its balance sheet with greater flexibility.

About Cathedra Bitcoin Inc.

At time of publishing, the Company holds approximately 52.5 bitcoin worth approximately US$4.4 million and amounting to approximately 6 satoshis (or "sats") per share.

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 and recently developed and sold a 60-megawatt data center in North Dakota, a joint venture in which Cathedra was a 25% partner. 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 or on Telegram at @CathedraBitcoin.

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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, including statements about the Debentures and repayment of the Loan, the proceeds thereof and the use of such proceeds, are forward-looking information. Forward-looking information contained in this news release includes but is not limited to the goal of maximizing its per-share bitcoin holdings. 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 inability to repay the Loan; the inability to apply the proceeds of the Loan as anticipated; changes in the Company's 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; the risks and uncertainties associated with foreign markets; the construction and operation of new facilities may not occur as currently planned, or at all; expansion of existing facilities may not materialize as currently anticipated, or at all; new miners may not perform up to expectations; revenue may not increase as currently anticipated, or at all; the ongoing ability to successfully mine Bitcoin is not assured; failure of the equipment upgrades to be installed and operated as planned; the availability of additional power may not occur as currently planned, or at all; and the power purchase agreements and economics thereof may not be as advantageous as expected. Additionally, the forward-looking statements contained herein may be affected by risks and uncertainties in the business of Cathedra and general market conditions. For further information concerning these risks and uncertainties and other risks and uncertainties, please see the Company's filings under the Company's SEDAR+ profile on www.sedarplus.ca, including but not limited to the Company's *management information circular dated June 18, 2024 and the Company's most recent interim and annual management discussion and analysis. 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 from those expressed in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended and such changes could be material, including factors that are currently unknown to or deemed immaterial by the Company. Readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to revise or update any forward-looking information other than as required by law.*

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.

Cathedra

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