

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

Item 1 Name and Address of Company

Cloud3 Ventures Inc. (the “Company”)
22 Leader Lane, Suite 409
Toronto, Ontario M5E 0B2

Item 2 Date of Material Change

February 26, 2025

Item 3 News Release

News release dated February 26, 2025, was disseminated through the news dissemination services of Newsfile Corp., and filed on SEDAR+ (www.sedarplus.ca).

Item 4 Summary of Material Change

On February 26, 2025, the Company announced the successful closing of an over-subscribed private placement, raising CAD\$768,633.42 through the issuance of 2,562,112 Subordinate Voting Shares (SVS) at CAD\$0.30 per share.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

On February 26, 2025, the Company proudly announced the successful closing of an over-subscribed private placement, raising CAD\$768,633.42 through the issuance of 2,562,112 Subordinate Voting Shares (SVS) at CAD\$0.30 per share. The strong demand for this Financing underscores the market’s confidence in Cloud3’s vision and growth strategy.

Strategic Investment Highlights

- **Lif3.One Ltd. Participation:** A significant portion of the Financing was led by Lif3.One Ltd., a Singapore-based investment firm co-founded by Harry Yeh and Jonathan Teo, two industry leaders in blockchain and decentralized finance (DeFi). This partnership reinforces Cloud3’s position as a driving force in the blockchain infrastructure and digital asset ecosystem.
- **Acquisition of Lif3 Tokens:** As part of this transaction, Cloud3 has acquired over 111 million Lif3 Tokens, deepening its integration within the rapidly expanding Lif3 ecosystem and positioning itself for strategic opportunities within the DeFi sector.
- **Insider Commitment:** CEO and co-founder David Nikzad, and co-founder Jason Hobson, participated in the Financing, acquiring 952,000 SVS, demonstrating their long-term confidence in the Company’s growth trajectory.

About Lif3.One Ltd. and Its Founders

Lif3.One Ltd. is a Singapore-based investment firm specializing in blockchain innovation, DeFi, and digital asset infrastructure. Led by industry veterans Harry Yeh and Jonathan Teo, the firm invests in transformative blockchain ecosystems with a focus on global impact.

- Harry Yeh: Managing Director of Quantum Fintech Group, a pioneering blockchain and cryptocurrency investment firm. Harry has played a pivotal role in the development of DeFi protocols, digital asset markets, and institutional-grade crypto solutions.
- Jonathan Teo: A visionary investor with deep expertise in blockchain infrastructure and high-growth technology companies. As a co-founder of Lif3.One Ltd., Jonathan brings strategic foresight and a track record of scaling next-generation financial ecosystems.

Cloud3's Future Expansion Strategy

With this infusion of capital and strategic alignment, Cloud3 is poised for accelerated growth, with several key initiatives underway:

- Upcoming Financing Round: Following the strong demand for this private placement, Cloud3 is preparing for an additional capital raise, which has already garnered significant interest from institutional investors and strategic partners.
- Expansion of Digital Assets & Blockchain Investments: Cloud3 is actively evaluating new DeFi protocols, blockchain projects, and digital assets to further diversify its ecosystem and enhance its market positioning.
- Exploring U.S. Markets: Cloud3 is actively exploring opportunities in the U.S. markets, aiming to enhance liquidity, attract a broader investor base, and drive shareholder value. Discussions with regulatory advisors and exchange representatives are currently underway.

Regulatory Compliance

In accordance with Canadian Securities Exchange (CSE) policies, the closing of the Financing is subject to certain conditions including, but not limited to, the submission of all required forms to the CSE. The securities issued under the Financing are subject to a four-month and one-day hold period from the closing date of the Financing under Canadian securities laws. The Company plans to use the proceeds of the Financing for general working capital purposes and for deployment into strategic investments.

The participation of David Nikzad and Jason Hobson in the Financing is considered to be a “related party transaction” as defined under Multilateral Instrument 61-101 (“MI 61-101”). The Company has relied on exemptions from the minority shareholder approval and formal valuation requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as neither the fair market value of the securities to be issued to, nor the consideration to be paid by, such persons exceeded 25% of the Company's market capitalization. The Company did not file a material change report 21 days prior to the closing date of the Financing as details of the respective participation of such insiders in the Financing was unknown at such time.

This announcement does not constitute an offer to sell or a solicitation of an offer to buy any securities in jurisdictions where such actions would be unlawful. The securities have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

For more information, please refer to the news release dated February 26, 2025, which is available on SEDAR+ (www.sedarplus.ca).

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

David Nikzad
CEO and Director
Tel: 1-866-395-6989
E: admin@cloud3.ventures

Item 9 Date of Report

February 27, 2025

Cautionary Note Regarding Forward-Looking Statements

Certain information set forth in this material change report may contain forward-looking statements that involve substantial known and unknown risks and uncertainties, certain of which are beyond the control of the Company. Forward-looking statements are frequently characterized by words such as “plan”, “continue”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate”, “may”, “will”, “potential”, “proposed” and other similar words, or statements that certain events or conditions “may” or “will” occur or be achieved and other similar expressions. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made. In the news release, such forward-looking statements include, but are not limited to, statements regarding the Company’s performance, business objectives, milestones and the potential outcomes from its development contained therein.

In making the forward-looking statements in this news release, the Company has applied several material assumptions, including without limitation: the Company’s ability to comply with all applicable regulations and laws, including environmental, health and safety laws; the success of 4worlds as a metaverse universe and a DAO on the Bitcoin blockchain; the experience of Orthogonal’s advisory board to oversee the project; the Company has sufficient working capital for future operating activities; the ability of the Company to achieve its business objectives and milestones and the anticipated timing of execution; the Company’s ability to continue as a going concern; the Company’s ability to achieve profitability in the 2025 fiscal year; the Company’s ability to obtain additional financing for continued operations on terms acceptable to the Company outlined herein.

The above lists of forward-looking statements and assumptions are not exhaustive. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated or implied by such forward-looking statements due to a number of factors and risks. These include: changes in general economic, business and political conditions, including changes in the financial markets; consents or authorizations required; changes in laws, regulations and policies affecting the Company’s operations; currency fluctuations; environmental issues and liabilities; the inability of the Company to obtain additional financing for continued operations on terms acceptable to the Company; the lack of control over the Company’s investees; risks relating to investing in the SVS; volatility in the market price of the

Company's SVS; dilution of shareholders' holdings; negative operating cash flow; the negative effects of interest rate and exchange rate changes; risks relating to the Company's reliance on key employees; limitations in the liquidity of the SVS; litigation risks; risks with the integration of new businesses and acquisitions; risks related to the Company's status as an "emerging growth company" under the U.S. securities laws; the Company's inability to expand into new business areas and geographic markets; management of growth; the risk of defaulting on existing debt; the Company's inability to continue as a going concern; and the Company's inability to achieve profitability in 2025.