



Form 51-102F3 | Material Change Report

Item 1 – Name and Address of Company

Bluesky Digital Assets Corp. (the "Corporation")
First Canadian Place | 100 King Street West, Suite 5700
Toronto, Ontario | M5X 1C9

Item 2 – Date of Material Change

May 12th, 2020

Item 3 – News Release

A news release for Bluesky Digital Assets Corp., dated May 11th, 2020, was disseminated through Newsfile Corp. A copy of the full News Release is attached to this report as "Schedule 'A'".

Item 4 – Summary of Material Change

Bluesky Digital Assets Corp., (CSE: BTC), (CSE: BTC.PR.A), (OTC Pink: BTCWF), announced that at market open on May 12th, 2020 the Corporation's Common Shares will commence trading on a consolidated basis of one (1) post-consolidation Common Share for every twelve (12) pre-consolidation Common Shares. As a result, the outstanding Common Share total of the Corporation will be reduced from 202,736,270 Common Shares to 16,894,689 Common Shares. The Corporation further announced that effective May 12th, 2020, 09629B305 and CA09629B3056 had been assigned as the new CUSIP and ISIN numbers for the Corporation's post-consolidated Common Shares. There has been no change to the Corporation's Class - A Preferred Shares.

The consolidation of the Corporation's Common Shares as described above is a material event as defined by NP 51-201 as the aforementioned consolidation will reduce the total number of the Corporation's issued common shares from 202,736,270 (As At May 11th, 2020) to 16,894,689 (As At May 12th, 2020).

Item 5 – Full Description of Material Change

5.1 Full Description of Material Change

For a full description of the material change, see Schedule "A"

5.2 Disclosure for Restructuring Transactions

Not Applicable.

Item 6 – Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not Applicable.

Item 7 – Omitted Information

Not Applicable.

Item 8 – Executive Officer

Frank Kordy, Secretary & Director | T: (647) 466-4037 | E: frank.kordy@blueskydigitalassets.com

Item 9 – Date of Report

May 11th, 2020

Schedule "A"



News Release

THIS NEWS RELEASE IS NOT FOR DISSEMINATION IN THE UNITED STATES OR FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES.

Bluesky Digital Assets Corp., Provides Update on Share Consolidation

FOR IMMEDIATE RELEASE

May 11th, 2020

Toronto, Ontario, May 11th, 2020 – Bluesky Digital Assets Corp., (CSE: BTC), (CSE: BTC.PR.A), (OTC Pink: BTCWF), (“Bluesky” or the “Corporation”) announced today that effective at market open on May 12th, 2020 the Corporation’s Common Shares will commence trading on consolidated basis of one (1) post-consolidation Common Share for every twelve (12) pre-consolidation Common Shares. As a result, the outstanding Common Share total of the Corporation will be reduced from 202,736,270 Common Shares to 16,894,689 Common Shares.

Effective May 12th, 2020, 09629B305 and CA09629B3056 will be assigned as the new CUSIP and ISIN numbers for the Corporation’s post-consolidated Common Shares.

As previously stated in the Corporation’s May 4th, press release, a letter of transmittal (a “Letter of Transmittal”) with respect to the Consolidation will be mailed to registered shareholders of the Corporation. All registered shareholders with physical certificates will be required to send their share certificates representing pre-Consolidation Common Shares along with a completed Letter of Transmittal to the Corporation’s transfer agent, TSX Trust , in accordance with the instructions provided in the Letter of Transmittal. Additional copies of the Letter of Transmittal can be obtained through TSX Trust. All shareholders who submit a duly completed Letter of Transmittal along with their pre-Consolidation Common Share certificate(s) to TSX Trust will receive a post-Consolidation Common Share certificate. Shareholders who hold their Common Shares through a broker or other intermediary and do not have Common Shares registered in their name will not need to complete a Letter of Transmittal.

There has been no change to the Corporation’s Class - A Preferred Shares.

About Bluesky Digital Assets Corp.

Bluesky Digital Assets Corp, is building a high value digital currency enterprise. Bluesky mines digital currencies, such as Bitcoin and Ether, and is developing value-added technology services for the digital currency market, such as digital mining proprietary software. Offering a complete ecosystem of value-creation, Bluesky is targeting reinvesting appropriate portions of its digital currency mining profits back into its operations. A percentage of the profit will be invested in the development of a proprietary Artificial Intelligence (“AI”) based technology. Overall, Bluesky takes an approach that enables the Corporation to scale, and respond to changing conditions, within the still-emerging digital currency industry. The Corporation is poised to capture value in successive phases as this industry continues to scale. For more information please visit www.blueskydigitalassets.com

For further information please contact:

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Forward-Looking Statements

Information set forth in this news release may involve forward-looking statements under applicable securities laws. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this document are made as of the date of this document and the Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation. Although management believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. This news release does not constitute an offer to sell or solicitation of an offer to buy any of the securities described herein and accordingly undue reliance should not be put on such. Neither CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release. We seek safe harbor.