

**Report Pursuant to National Instrument 62-103  
and Section 5.2 of Multilateral Instrument 62-104**

**1. Security and Reporting Issuer**

This report is made pursuant to the provisions of the securities legislation referred to above in connection with certain dispositions of securities of Bluesky Digital Assets Corp. (the “Company” or “Bluesky”), First Canadian Place, 100 King Street West, Suite 5700, Toronto, Ontario, M5X 1C9. The transaction was through the facilities of the Canadian Securities Exchange.

**2. Identity of Disposer**

ThreeD Capital Inc.  
130 Spadina Avenue, Suite 401  
Toronto, ON, M5V 2L4

The dispositions described in item 1 above took place through a series of transactions ending February 18, 2022, and involved the following joint actor of ThreeD Capital Inc. (“ThreeD”):

- Sheldon Inwentash (the “Joint Actor”), 126 Old Forest Hill Road, Toronto, ON M5P 2R9

**3. Interest in Securities of the Reporting Issuer**

Through a series of transactions ending February 18, 2022 (“Dispositions”), ThreeD and its Joint Actor disposed of ownership and control of an aggregate of 8,445,000 common shares of the Company (the “Subject Shares”). The Subject Shares represented approximately 14.3% of all issued and outstanding common shares of Bluesky. As a result of the Dispositions, the percentage ownership held by ThreeD and the Joint Actor decreased by 14.3% from its last early warning report filed in connection with the acquisition of Bluesky shares, from which ThreeD, with the Joint Actor, reported a 29.5% ownership on a partially diluted basis, assuming the exercise of outstanding warrants and options held.

Immediately prior to the Dispositions, ThreeD and the Joint Actor owned and controlled an aggregate of 10,957,000 common shares, 7,150,000 warrants, and 500,000 options of Bluesky, representing approximately 20.2% of all issued and outstanding common shares of the Company (or approximately 30.1% on a partially diluted basis assuming exercise of the warrants and options). Of this total, ThreeD held an aggregate of 7,068,500 common shares and 3,950,000 warrants of the Company, representing approximately 13.0% of the issued and outstanding common shares of the Company (or approximately 19.0% on a partially diluted basis assuming exercise of the warrants held). The Joint actor held an aggregate 3,888,500 common shares, 3,200,000 warrants, 500,000 options of the Company, representing approximately 7.2% of the issued and outstanding common share

of the Company (or approximately 13.1% on a partially diluted basis, assuming exercise of the warrants and options held).

Immediately following the Dispositions, ThreeD and the Joint Actor owned and controlled an aggregate of 2,512,000 common shares, 7,150,000 warrants, and 500,000 options of Bluesky, representing approximately 4.2% of all issued and outstanding common shares of the Company (or approximately 15.2% on a partially diluted basis assuming exercise of the warrants and options). Of this total, ThreeD held an aggregate of 1,662,000 common shares and 3,950,000 warrants of the Company representing approximately 2.8% of the issued and outstanding common shares of the Company (or approximately 8.9% on a partially diluted basis assuming exercise of the warrants). The Joint Actor held an aggregate of 850,000 common shares, 3,200,000 warrants, and 500,000 options of the Company representing approximately 1.4% of the issued and outstanding common shares of the Company (or approximately 7.2% on a partially diluted basis, assuming exercise of the warrants and options held).

**4. Consideration Received**

The Subject Shares were disposed at an average price of \$0.22 per Subject Share for total proceeds of \$1,841,891.

**5. Purpose of the Transaction**

The holdings of securities of the Company by ThreeD and the Joint Actor are managed for investment purposes. ThreeD and the Joint Actor may from time to time acquire additional securities of the Company, dispose of some or all of the existing or additional securities it holds or will hold, or may continue to hold its current position.

**6. Agreements, Arrangements, Commitments or Understandings with respect to Securities of the Company**

Not Applicable.

**7. Change in Material Fact.**

Not Applicable.

**8. Exemption.**

Not Applicable

**9. Certification**

The undersigned certifies that the information herein is true and complete in every respect.

**DATED** this 28<sup>th</sup> day of February 2022

**THREED CAPITAL INC.**

*“Lynn Chapman”*

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Lynn Chapman

Chief Financial Officer and Corporate Secretary