

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

Item 1. Name and Address of Company

Bluesky Digital Assets Corp. (the “Company”)
First Canadian Place,
100 King Street West, Suite 5700
Toronto, Ontario M5X 1C9

Item 2. Date of Material Change

January 10, 2023; January 30, 2023; February 1, 2023; February 3, 2023; and March 13, 2023.

Item 3. News Release

A news release announcing the material change was issued on March 31, 2023, through the facilities of Newsfile Corp., a copy of which has been filed under the Company’s issuer profile on SEDAR at www.sedar.com.

Item 4. Summary of Material Change

On March 31, 2023, the Company announced that it has settled an aggregate debt of \$492,350 owed to certain creditors and consultants of the Company through the issuance of 17,557,884 common shares in the capital of the Company (“Common Shares”) (“Debt Settlement”) and terminated its cryptocurrency mining operations in the State of Texas, effective February 1, 2023.

Item 5. 5.1 - Full Description of Material Change

The Debt Settlement consisted of the issuance of (i) 6,877,180 Common Shares at a deemed price of \$0.025 per Common Share on January 10, 2023, (ii) 1,629,170 Common Shares at a deemed price of \$0.03 per Common Share on January 10, 2023, (iii) 1,666,666 Common Shares at a deemed price of \$0.03 per Common Share on January 30, 2023, (iv) 814,585 Common Shares at a deemed price of \$0.03 per Common Share on February 3, 2023, and (v) 6,570,283 Common Shares at a deemed price of \$0.03 per Common Share on March 13, 2023.

All securities under the Debt Settlement are subject to a hold period of four months and one day from their issuance, in accordance with applicable securities legislation and the policies of the Canadian Securities Exchange.

The Company terminated its cryptocurrency mining operations in the State of Texas as a result of an increase in hydro consumption costs by approximately 150%, as learned by the Company on October 25, 2022, and the potential introduction of a 30% consumption tax on electrical usage by cryptocurrency miners, as proposed by the federal regulators (“Hydro Consumption Costs”). In connection with Hydro Consumption Costs and increased difficulty in mining of Bitcoin, the Corporation decided to relocate its cryptocurrency mining equipment to Canada for its other operations, including Bluesky INTEL and Bluesky DEFI. The Company completed the relocation of equipment on March 9, 2023.

5.2 - Disclosure for Restructuring Transactions

Not applicable

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

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer

For additional information with respect to this material change, please contact:

Frank Kordy
Secretary and Director
Phone: (647) 466-4037
Email: frank.kordy@blueskydigitalassets.com

Item 9. Date of Report

April 3, 2023