



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

April 28, 2023

Item 3 – News Release

April 28, 2023

Item 4 – Summary of Material Change

Bluesky Digital Assets Corp., (CSE: BTC), (CSE: BTC.PR.A), (OTCQB: BTCWF) announced via press release that the Corporation had closed the first tranche of its Private Placement Offering and that it had sold 1,960,000 Units at a price of C\$0.045 per Unit for aggregate gross proceeds of C\$88,200.

The issuance of the 1,960,000 Common Share portion of the 1,960,000 Units is a material event as defined by NP 51-201 as the aforementioned issuance will increase the total number of the Corporation's issued Common Shares from 84,816,364 to 86,776,364 (As At April 28, 2023).

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" (Page 3) of this form

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 8, 2023

APPENDIX - A



News Release

Bluesky Digital Assets Corp. Closes First Tranche of Non-Brokered Private Placement and Extends Closing Date

FOR IMMEDIATE RELEASE

Toronto, Ontario, April 28, 2023 – Bluesky Digital Assets Corp. (CSE: BTC), (CSE: BTC.PR.A), (OTCQB: BTCWF) (“**Bluesky**” or the “**Corporation**”) is pleased to announce that, further to its news release on April 11, 2023 announcing non-brokered private placement of up to 14,750,000 units of the Corporation (each a “**Unit**”) at a price of C\$0.045 per Unit for aggregate gross proceeds of up to C\$663,750 (“**LIFE Offering**”), it has closed the first tranche of the LIFE Offering through the issuance of 1,960,000 Units at a price of C\$0.045 per Unit for aggregate gross proceeds of C\$88,200 (the “**LIFE First Tranche**”).

Each Unit consists of one common share of the Corporation (a “**Common Share**”) and one Common Share purchase warrant (each a “**Warrant**”). Each Warrant entitles its holder to purchase one additional Common Share at an exercise price of \$0.065 per Common Share for a period of 24 months from the date of issue (“**Closing Date**”). Units in the LIFE First Tranche were offered for sale to purchasers resident in Canada (except Quebec) and/or other qualifying jurisdictions pursuant to the listed issuer financing exemption under Part 5A of National Instrument 45-106 – *Prospectus Exemption*, and will not be subject to any statutory hold period in accordance with applicable Canadian securities laws.

In the event that, during the period following 24 months from the Closing Date, the volume-weighted average trading price of the Common Shares exceeds C\$0.13 per Common Share for any period of 10 consecutive trading days, the Corporation may, at its option, following such 10-day period, accelerate the expiry date of the Warrants by issuing a press release (a “**Warrant Acceleration Press Release**”), and, in such case, the expiry date of the Warrants shall be deemed to be 5:00 p.m. (Toronto time) on the 30th day following the date of issuance of the Warrant Acceleration Press Release.

The Corporation intends to use the net proceeds from the LIFE First Tranche for (i) marketing and promotion of the Corporation's blockchain engagement platform (www.blueskyintel.com) (the “**WEP**”), (ii) the development of the Corporation's artificial intelligence (“**AI**”) division, Bluesky INTEL, and (iii) general working capital purposes.

In connection with the LIFE First Tranche, the Corporation paid a cash commission of C\$6,660.00 and issued 148,000 finder's warrants to certain eligible finders.

Extension of Private Placement Closing Date

The Corporation is also announcing an extension of the closing date of the LIFE Offering from May 3, 2023 to May 26, 2023. In Connection with the LIFE Offering, there is an amended and restated offering document dated April 28, 2023 that can be accessed under the Corporation's SEDAR profile at www.sedar.com and on the Corporation's website at: www.blueskydigitalassets.com.

This press release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the Units in any jurisdiction in which such offer, solicitation or sale would be unlawful. The Units have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any state securities laws. Accordingly, the Units may not be offered or sold within the United States, its territories or possessions, any state of the United States or the District of Columbia (collectively, the “**United States**”) or to, or for the account or benefit of, U.S. persons (as such term is defined in Regulation S under the U.S. Securities Act) except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable securities laws of any state of the United States.

About Bluesky Digital Assets Corp.

Bluesky Digital Assets Corp. is building a high value digital enterprise. Bluesky in its startup phase, mined digital currencies such as Bitcoin and Ether and developed value-added technology services for the digital currency market, such as proprietary technology solutions. Offering a complete ecosystem of value-creation, Bluesky has invested appropriate portions of its previous digital currency mining profits back into its operations. A percentage of the profit was invested in the development of a proprietary AI based Blockchain technology. Overall, Bluesky takes an approach that enables the Corporation to scale, and respond to changing conditions, within the still-emerging Blockchain industry. The Corporation is poised to capture value in successive phases as this industry continues to change, evolve, and scale.

For more information please visit Bluesky at: www.blueskydigitalassets.com or www.blueskyintel.com

Please also follow us on LinkedIn at: www.linkedin.com/company/bluesky-digital-assets/

For further information please contact:

Mr. Ben Gelfand
CEO & Director
Bluesky Digital Assets Corp.
T: (416) 363-3833
E: ben.gelfand@blueskydigitalassets.com

Mr. Frank Kordy
Secretary & Director
Bluesky Digital Assets Corp.
T: (647) 466-4037
E: frank.kordy@blueskydigitalassets.com

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking information or forward-looking statements under applicable Canadian securities laws (collectively, "forward-looking statements"). All information that addresses activities or developments that we expect to occur in the future are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "likely" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" 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 press release, such forward-looking statements include, but are not limited to, statements regarding, the Corporation's performance, business objectives and milestones and the anticipated timing thereof; acceleration of the expiry date of the Warrants; the size and terms of the LIFE Offering; and the anticipated use of net proceeds from the LIFE Offering.

In making the forward-looking statements in this press release, the Corporation has applied several material assumptions, including without limitation: the Corporation obtaining requisite regulatory approvals and the satisfaction of other conditions to the consummation of the LIFE Offering on the proposed terms herein; the Corporation's ability to comply with all applicable regulations and laws, including environmental, health and safety laws; the Corporation's ability to meet the listing requirements of the CSE and OTCQB; the Corporation's ability to develop its AI, Bluesky INTEL, Bluesky DEFI and the WEP; the Corporation having sufficient working capital for future operating activities; the ability of the Corporation to achieve its business objectives and milestones and the anticipated timing of execution; the Corporation's ability to continue as a going concern; the Corporation's ability to achieve profitability in the 2023 fiscal year; the Corporation's ability to obtain additional financing for continued operations on terms acceptable to the Corporation; and the Corporation's ability to use the proceeds from the LIFE Offering for the business objectives 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; the inability of the Corporation to complete the LIFE Offering on the terms contemplated herein; delays or the inability of the Corporation to obtain necessary permits, consents or authorizations required; changes in laws, regulations and policies affecting the Corporation's operations; currency fluctuations; environmental issues and liabilities; the potential impact of the announcement or consummation of the LIFE Offering on relationship, including with regulatory bodies, employees, suppliers, customers and competitors; the Corporation's inability to continue to meet the listing requirements of the CSE and OTCQB; the inability of the Corporation to obtain additional financing for continued operations on terms acceptable to the Corporation; the lack of control over the Corporation's investees; risks relating to investing in the Common Shares; risks relating to the use of proceeds from the LIFE Offering; volatility in the market price of the Corporation's Common Shares; dilution of shareholders' holdings; negative operating cash flow; the negative effects of interest rate and exchange rate changes; the potential impact of health crises and market instability due to the COVID-19 pandemic; risks relating to the Corporation's reliance on key employees; limitations in the liquidity of the Common Shares; litigation risks; risks related to the Corporation's status as a "foreign private issuer" under U.S. securities laws, including the loss of status thereof; risks with the integration of new businesses and acquisitions; risks related to the Corporation's status as an "emerging growth company" under the U.S. securities laws; the Corporation's inability to expand into new business areas and geographic markets; management of growth; the risk of defaulting on existing debt; the Corporation's inability to continue as a going concern; and the Corporation's inability to achieve profitability in 2023, as well as those factors discussed under the heading "Risks Related to Our Business and Industry" in the Corporation's latest Management Discussion and Analysis and other filings of the Corporation, copies of which can be found under the Corporation's profile on SEDAR at www.sedar.com.

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 Corporation has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. The Corporation does not intend, and does not assume any obligation, to update this forward-looking information except as otherwise required by applicable law.