

FORM 51-102F3

MATERIAL CHANGE REPORT

1. Name and Address of Company

Hydro66 Holdings Corp. (the "Issuer")
365 Bay Street, Suite 400
Toronto, Ontario M5H 2V1
Phone : (416) 479-4094

2. Date of Material Change

May 30, 2019

3. Press Release

The press release was issued on May 30, 2019 through various approved public media and filed with the Canadian Securities Exchange and the British Columbia, Alberta, Ontario, Saskatchewan and Nova Scotia Securities Commissions.

4. Summary of Material Change(s)

See attached press release.

5. Full Description of Material Change

See attached press release.

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

Not Applicable

7. Omitted Information

Not Applicable

8. Officer

Nick DeMare, Corporate Secretary
Phone: (604) 685-9316

9. Date of Report

May 31, 2019

NEWS RELEASE

Hydro66 Announces Proposed Merger with Whinstone US Inc.

Combined Company plans to expand to 196MW of data centre facilities, including a new 157MW build and the purchase of a substation

Boden, Sweden, May 30, 2019 - **Hydro66 Holdings Corp. (“Hydro66” or the “Company”) (CSE:SIX) (OTCQB:HYHDF)** is pleased to announce that it has on May 30 2019 entered into a non-binding letter of intent (“LOI”) with Whinstone US Inc. (“**Whinstone**”) to merge the two companies on a 50/50 basis (the “**Transaction**”). In connection with the Transaction, Hydro66 will issue approximately 127,000,000 common shares of Hydro66 in exchange for all of the issued and outstanding common shares of Whinstone. As a result, upon completion of the Transaction, the combined company will have approximately 254,000,000 shares outstanding, with the current shareholders of Hydro66 holding approximately 50% of the shares of the combined company and the former shareholders of Whinstone holding approximately 50% of the shares of the combined company.

Following completion of the Transaction the combined company intends to build to a combined capacity of 196MW in Sweden and the USA to fulfil anticipated customer demand and its own blockchain hashing services.

The combined company intends on raising US \$40 million to fund the build-out of its facilities.

David Rowe, Chairman Hydro66 commented, “This transaction creates a critical global infrastructure for the emerging landscape in crypto, blockchain and HPC (high performance compute). Our ambition is to be one of the largest and most significant companies in the blockchain, crypto and HPC space. The combined experience of both teams in building, scaling, operating and running leading-edge, purpose-built facilities for HPC colocation including crypto is world class, and we look forward to creating huge value for our shareholders.”

Whinstone is a privately held company that operates colocation data centres for large-scale cryptocurrency mining and high-speed video rendering and currently operates data centre facilities in Louisiana representing 112,500 sq. ft of space and up to 20MW of power at some of the lowest power costs in the world. In addition to their data centre operations, they manufacture a proprietary rack system that reduces operating temperature, increases server density, and reduces facility footprint.

The combination of Hydro66 and Whinstone will create an industry leading blockchain infrastructure company with an enhanced ability to operate in the Company’s 3 target sectors: enterprise high-performance computing, wholesale cryptocurrency mining, and blockchain services. The Transaction will provide expanded access to key data centre infrastructure that will help the Company grow market share, increase revenues and earnings, and create significant value for shareholders.

Completion of the Transaction is subject to the execution of a definitive agreement and related documentation and all necessary shareholder and regulatory approvals. The LOI and the Transaction has been negotiated on an arm’s length basis. There are no finder fees payable to any party in connection with the Transaction and management does not anticipate the Transaction will result in a change of control.

Provided Hydro66 and Whinstone enter into a definitive agreement, the parties expect that the Transaction can be completed in the third quarter of 2019. No assurance can be given that a definitive agreement will be entered into, that the Transaction will be consummated, or that the combined company will be able to obtain adequate funds needed to fund its business plan.

Hydro66 does not currently have financial statements relating to Whinstone, however, the relevant financial disclosure will be obtained and disclosed following the Company's due diligence review process.

FOR MORE INFORMATION, PLEASE CONTACT:

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About Hydro66

Hydro66 owns and operates an award-winning colocation data centre in Sweden specializing in High Performance Computing ("HPC") hosting. The Company hosts third party IT infrastructure, utilizing 100% green power, at amongst the EU's lowest power prices and within an ISO27001 accredited facility.

Hydro66 is uniquely positioned to capitalize on opportunities in blockchain infrastructure as well as the traditional Enterprise colocation data centre market. The Company provides truly green power at a leading price, purpose-built space and cooling, telecoms, IT support services and 24/7 physical security in their facility in Boden, Sweden. www.hydro66.com.

About Whinstone

Whinstone provides solutions and support for large scale miners to maximize their investment by providing industry leading security, uptime, and profitability. The Company operates facilities in Louisiana providing up to 20MW capacity.

Forward-Looking Information

Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. All statements other than statements of historical fact are forward-looking statements, including, without limitation, statements regarding future financial position, business strategy, use of proceeds, corporate vision, proposed acquisitions, partnerships, joint-ventures and strategic alliances and co-operations, budgets, cost and plans and objectives of or involving the Company. Such forward-looking information reflects management's current beliefs and is based on information currently available to management. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "predicts", "intends", "targets", "aims", "anticipates" or "believes" or variations (including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. A number of known and unknown risks, uncertainties and other factors may cause the actual results or performance to materially differ from any future results or performance expressed or implied by the forward-looking information. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of the Company including, but not limited to, the impact of general economic conditions, industry conditions and dependence upon regulatory approvals. Certain material assumptions regarding such forward-looking statements may be discussed in this news release and the Company's annual and quarterly management's discussion and analysis filed at www.sedar.com. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The Company does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by securities laws.

Neither the 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 news release.