

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

**Item 1 Name and Address of Company**

Cloud Nine Web3 Technologies Inc. (the “Company”)  
Suite 1080 – 789 West Pender Street  
Vancouver, BC V6C 1H2

**Item 2 Date of Material Change**

January 24, 2022

**Item 3 News Release**

The news release attached hereto as Schedule “A” announcing the material change described herein was disseminated through the news dissemination services of The Newswire on January 24, 2022.

**Item 4 Summary of Material Change**

The Company announced that it has entered into a third party services agreement with Argent Crypto, Inc., a British Columbia cryptocurrency based Money Services Business.

**Item 5 Full Description of Material Change**

**5.1 Full Description of Material Change**

See the attached news release for a full description of the material change.

**5.2 Disclosure for Restructuring Transactions**

Not applicable.

**Item 6 Reliance on Subsection 7.1(2) of National Instrument 51-102**

Not applicable.

**Item 7 Omitted Information**

Not applicable.

**Item 8 Executive Officer**

Sefton Fincham  
President  
Telephone: (604) 669-9788

**Item 9 Date of Report**

January 24, 2022.



# CLOUD NINE WEB3 TECHNOLOGIES

## Cloud Nine Web3 Technologies Retains Cryptocurrency Miner to Monetize Operations

- Enters into service agreement that permits third party miner to access Cloud Nine's unused computer processing power of its userbase for cryptocurrency mining.
- Company continues to grow userbase through no-charge Limitless VPN (virtual private network) available at [www.limitlessvpn.com](http://www.limitlessvpn.com).
- Management anticipates commencing mining once userbase reaches 50,000 registered active users.

News Release - Vancouver, British Columbia, January 24, 2022 - Cloud Nine Web3 Technologies Inc. (CSE: CNI) (OTC: CLGUF) (FRANKFURT: 1JIO) ("**Cloud Nine**" or the "**Company**"), a leading decentralized network and data storage technology company, announces it has entered into a third party services agreement with Argent Crypto, Inc., a British Columbia cryptocurrency based Money Services Business (the "**Crypto MSB**"), whereby the Crypto MSB has agreed to access and utilize Cloud Nine's unused computer processing power of its userbase to mine digital assets, collect digital assets from such activity and convert such assets into fiat currency on behalf of the Company.

Sefton Fincham, President of Cloud Nine states, "We are excited to partner with a trusted organization like Argent Crypto to undertake our future mining operations. This agreement represents a key step in our monetization strategy as we continue to grow our userbase."

The Company intends to utilize this relationship to perform a monetization strategy for the foreseeable future until the Company has the personnel and cash resources necessary to support such operations independently and until the Company believes it can safely mitigate the regulatory and business risks associated with cryptocurrency mining.

Pursuant to the terms of the services agreement, the Crypto MSB has agreed to utilize the Company's proprietary technology to access the unused processing power of the devices of the Company's userbase to mine digital assets. The Crypto MSB is required to collect all digital assets generated from cryptocurrency mining and convert such digital assets into fiat currency and distribute the proceeds back to the Company. During the term of the agreement, the Company has the right to require the Crypto MSB to initiate, halt and re-commence such services at the Company's sole discretion. For their services, the Crypto MSB is entitled to a service fee equal to an agreed upon percentage from the converted fiat amount, with the balance being paid out to the Company. The agreement may be terminated at any time by any party with at least 90 days written notice.

The Limitless VPN (virtual private network) is a proprietary product owned by the Company and offered to users which relates to the usage of network infrastructure to perform distributed computational processing and to provide the user with a secure and encrypted connection to the internet. The initial version of the Limitless VPN ([www.limitlessvpn.com](http://www.limitlessvpn.com)) was released and available to the public on September 23, 2021.

As at January 21, 2022, there were 19,227 registered active users of the Company's Limitless VPN. Management believes that it will need to increase its userbase to approximately 50,000 active registered users before it reaches a sufficient number to economically justify activating its operations and utilizing its userbase for either cryptocurrency mining through the Crypto MSB or independently for decentralized data storage on a cash fee basis.

The Company currently offers its products and content without charge or, in some cases, for a reduced or nominal cash fee. Instead, users who wish to use such products and access such content are required to agree to the Company's privacy policy and terms of use which authorize the Company and its contractors to access and utilize their unused computer processing power. At this time, the Company intends to pursue its growth strategy of focusing on growing its userbase by marketing its existing products and offering additional content. Once the Company's userbase increases to approximately 50,000 registered active users, the Company intends to initiate its monetization strategies as noted above.

On Behalf of the Board,

**CLOUD NINE WEB3 TECHNOLOGIES INC.**

Sefton Fincham  
President  
(604) 669-9788

#### **About Cloud Nine Web3 Technologies Inc.**

Cloud Nine is a diversified technology company focused on leveraging its proprietary Web 3.0 technology products to enable the decentralized movement among consumers and business alike. Web 3.0 enables a sustainable world where decentralized users and machines are able to interact with data, value and other counterparties via a substrate of peer-to-peer networks without the need for third parties creating many benefits such as giving each user full control and ownership of all personal and corporate data.

#### **About Argent Crypto Inc.**

Argent Crypto, Inc. a blockchain and cryptocurrency based Money Services Business (MSB), aims to promote the mass adoption of blockchain technology. Founded in 2018, Argent Crypto, Inc. is dedicated to enabling the decentralized future through custom blockchain consulting and investment services.

#### **For further information, please contact:**

Paul Searle  
Corporate Communications  
Citygate Capital Corp  
Phone: (778) 240-7724  
[psearle@citygatecap.com](mailto:psearle@citygatecap.com)

## **Forward-Looking Statements**

*Certain statements in this press release are forward-looking statements and are prospective in nature. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. These statements generally can be identified by the use of forward-looking words such as “may”, “should”, “will”, “could”, “intend”, “estimate”, “plan”, “anticipate”, “expect”, “believe” or “continue”, or the negative thereof or similar variations. Forward-looking statements in this news release include statements regarding: utilization of the Company’s userbase for cryptocurrency mining by the Crypto MSB; the Crypto MSB’s ability to mine, convert and generate fiat currency; the ability of the Company to perform mining operations in the future after addressing regulatory and business risks; the growth of the Company’s userbase; management’s expectation that a userbase of 50,000 registered active users will justify commencement of mining operations through the Crypto MSB; and growth strategies of the Company. Factors that could cause actual results to differ materially from those in forward-looking statements include: the continued availability of capital and financing; failure to obtain any approvals, permits, approvals and licenses required to operate the business; technology integration between the Crypto MSB and the Company to access its userbase; the impact of technology changes on the industry; lack of demand for the Company’s products and services; fluctuations in access from the Company’s userbase; userbase utilizing inefficient or legacy hardware and software; competition; increase in operating costs; litigation; loss of key employees, consultants and directors; security threats; privacy and cybersecurity risks and failures; failure to develop new and innovative products and services; failure of counterparties to perform their obligations; the impact of the Covid-19 pandemic on the Company’s ability to operate and hire personnel; and adverse general economic, market or business conditions. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which the Company will operate in the future, including the demand for its products and services, the ability to successfully develop software, that there will be no regulation or law that will prevent the Company from operating its business, anticipated costs, and the ability to secure sufficient capital to complete its business plans. Given these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements. Such forward-looking statements should therefore be construed in light of such factors, and, except as required by applicable law, the Company is not under any obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*