

FOR IMMEDIATE RELEASE

Spirit Blockchain Capital Announces the Signing of a Letter of Intent to Acquire Troon Technologies, Propelling Industry Innovation and Growth

Vancouver, British Columbia, June 16, 2023 - Spirit Blockchain Capital Inc. (the “Company” or “Spirit”) (CSE: SPIR), a leading digital asset investment firm, and Troon Technologies, a renowned technology solutions provider, are delighted to announce the entering into of a non-binding letter of intent (“**LOI**”) contemplating the acquisition of Troon Technologies by Spirit, marking a pivotal milestone in their shared pursuit of industry-leading innovation and growth (the “**Transaction**”).

"We are thrilled to announce the signing of this letter of intent with Troon Technologies," said Lewis Bateman, CEO of Spirit. "This LOI serves as a crucial step in establishing a mutual understanding and will pave the way for our successful negotiation and execution of the purchase agreement. This strategic partnership will amplify our combined strengths, positioning us at the forefront of the digital asset and technology sectors."

"Troon Technologies is pleased to announce the signing of this letter of intent with Spirit Blockchain Capital," stated Paul Dubé, Troon Technologies' Co-Founder and Managing Partner. "This merger represents a strong alignment and steps toward an acquisition, and thus represents a significant milestone in Troon Technologies' growth strategy, allowing us to expand our offerings to empower the Spirit ecosystem. We are thrilled to incorporate Troon Technologies' comprehensive services and cutting-edge technology into the Spirit portfolio, offering customers even more advanced solutions to meet their expanding demands. We are committed to providing exceptional value to our clients, and this acquisition exemplifies that commitment."

The Transaction

While non-binding and subject to change, the LOI contemplates the terms of the Transaction which may include the Company, a subsidiary of the Company, or a newly formed entity affiliated with the Company combining with Troon Technologies. Following the Transaction, Spirit will have acquired Troon Technologies, merging their expertise, resources, and market presence to create a formidable force within the digital asset and technology sectors. This strategic partnership is set to unlock new opportunities, bolster market positioning, and drive forward ground-breaking solutions and is designed to foster collaboration and integration, ensuring a seamless transition and the realization of synergistic benefits.

The completion of the Transaction is subject to customary closing conditions and regulatory approvals. Additionally, as part of the definitive purchase agreement, Spirit will close its current financing round, which will contribute to the working capital of the business. This infusion of capital will further strengthen the merged entity's financial position and support the overall investment thesis. By securing additional funding, Spirit aims to enhance its ability to execute strategic initiatives, drive innovation, and capitalize on emerging opportunities within the digital asset industry. The merged entity will be able to pursue its investment thesis with greater conviction and create value for its clients and stakeholders thanks to the combined resources and expanded investment capabilities. Further details will be disclosed as the transaction progresses toward completion.

Additional Updates

In keeping with the goal of fostering a collaborative and unified culture, Spirit will cancel all current options and re-issue them to select individuals at a future date in accordance with applicable securities requirements and stock exchange rules. The company recognizes the importance of attracting and retaining top talent in the industry and aims to provide options that aligns with current market conditions. The new options will be priced to offer competitive incentives and align the interests of employees and stakeholders with the long-term success of the merged entity. By reassessing and reissuing the options, Spirit seeks to create a motivating and rewarding environment for its dedicated team members while driving sustained growth and performance.

Finally, the Company announces that it will conduct a non-brokered private placement (“Private Placement”) consisting of units of the Company (“Units”) at a price of \$2.50 per Unit, and convertible promissory notes of the Company (“Notes”). Each Unit will comprise of one common share and one half of one common share purchase

warrant. Each warrant will be exercisable into one common share of the Company for a period of 24 months at an exercise price of \$0.18 for twenty-four (24) months following issuance. With regards to the Notes, interest will accrue on the principal balance of each Note at a simple rate of 7.5% per annum, payable on a semi-annual basis. The principal and unpaid accrued interest on each Note then outstanding will be due and payable upon demand by the holder of such Note on or after the date that is three (3) years following issuance. Up to eighteen (18) months after issuance, the holder may elect to convert the principal amount of their Notes into common shares of the Company at a conversion price equal to \$0.18 per common share, in whole or in part, at any time and from time to time, by providing not less than 2 days prior written notice. After eighteen (18) months and one (1) day after issuance and up to the maturity date, the holder may elect to convert the principal amount of their Notes into common shares at a conversion price equal to \$0.24 per common share, in whole or in part, at any time and from time to time, by providing not less than 2 days prior written notice. The Notes will be general unsecured obligations on the Company. The Company anticipates closing the Private Placement on or later than June 23, 2023.

About Spirit Blockchain Capital

Spirit Blockchain Capital is a leading digital asset investment firm focused on capital appreciation and alpha generation. With a commitment to active management and a risk-based approach to digital asset allocation, the company seeks to deliver superior returns to its clients. Spirit Blockchain Capital leverages its deep industry expertise and strategic partnerships to stay at the forefront of the ever-evolving digital asset landscape.

About Troon Technologies

Troon Technologies is a renowned technology solutions provider specializing in blockchain and digital asset solutions. With a visionary approach, Troon Technologies develops cutting-edge technology platforms and services to drive innovation and transformation across industries. The company's expertise spans blockchain development, digital asset solutions, and technology consulting.

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Forward-Looking Statements

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words “expect”, “anticipate”, “continue”, “estimate”, “objective”, “may”, “will”, “project”, “should”, “believe”, “plans”, “intends” and similar expressions are intended to identify forward-looking information or statements. The forward-looking statements and information are based on certain key expectations and assumptions made by the Company. Although the Company believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Company can give no assurance that they will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Forward-looking information in this news release includes, among other things: the proposed terms of the Transaction; the completion of the Transaction, including obtaining the customary approvals; the Company completing its financing round; the Company’s plan with respect to its options. Actual results could differ materially from those currently anticipated due to a number of factors and risks. Factors that could materially affect such forward-looking information are described under the heading “Risk Factors” in the Company’s long form prospectus dated August 8, 2022, that is available on the Company’s profile on SEDAR at www.sedar.com. The Company undertakes no obligation to update forward-looking information except as required by applicable law. Such forward-looking information represents management’s best judgment based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information.

The CSE has not reviewed, approved or disapproved the content of this press release.