



TSXV: CSTR

For Immediate Release

**CRYPTOSTAR CORP. ANNOUNCES CLOSING OF NON-BROKERED PRIVATE
PLACEMENT OF UNITS AND ADDITIONAL TRANCHE OF NON-BROKERED PRIVATE
PLACEMENT OF UNITS**

*/NOT FOR DISTRIBUTION TO THE UNITED STATES OR FOR DISSEMINATION IN THE UNITED
STATES/*

TORONTO, Ontario, December 23, 2020 – CryptoStar Corp. (TSXV: CSTR) (“**CryptoStar**” or the “**Company**”), a cryptocurrency mining and data centre operator, today announced that it has closed the private placement announced on December 17, 2020, consisting of the issuance of 20,000,000 units (“**Units**”) of the Company to raise \$1,000,000 at a price of \$0.05 per Unit by way of a non-brokered private placement (the “**Offering**”).

Each Unit consists of one common share of CryptoStar (a “**Common Share**”) and one common share purchase warrant of CryptoStar (a “**Warrant**”). Each Warrant entitles the holder to acquire one Common Share at a price of CAD \$0.075 per Common Share for a period of 18 months from the date of issue.

The Offering is subject to TSX Venture Exchange (the “**TSXV**”) approval. The securities issued in connection with the Offering are subject to a four-month hold period, in accordance with applicable securities laws.

A.C.N. 117 402 838 PTY LTD (“**ACN**”), a company in which David Jellins (President and Chief Executive Officer and a director of the Company) and Amelia Jones (Chief Commercial Officer and a director of the Company) each hold a 50% interest, was the sole participant in the Offering. As such, the Offering constituted a “related party transaction” as defined under Multilateral Instrument 61-101 Protection of Minority Securityholders (“**MI 61-101**”). Such participation is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the Units subscribed for by insiders, nor the consideration for the Units paid by such insiders would exceed 25% of the Company’s market capitalization. Further details will be included in a material change report that will be filed by the Company in connection with the completion of the Offering. The Company did not file the material change report more than 21 days before the expected closing date of the Offering due to the timing of the announcement of the Offering and closing occurring in less than 21 days.

CryptoStar intends to use the net proceeds from the Offering for business operations and expansion of its business, and for general working capital purposes.

The Company is also pleased to announce that, due to overwhelming investor demand following announcement of the Offering and the non-brokered private placement announced on November 30, 2020, the Company has arranged for up to an additional 10,000,000 Units to be issued to raise \$500,000 at a price of \$0.05 per Unit by way of a non-brokered private placement (the “**Additional Tranche**”).

The Additional Tranche is subject to TSXV approval. The securities issued in connection with the Additional Tranche will be subject to a four-month hold period, in accordance with applicable securities laws.

CryptoStar intends to use the net proceeds from the Additional Tranche for business operations and expansion of its business, and for general working capital purposes. CryptoStar may pay a finder's fee to eligible parties in connection with the Offering, subject to the approval of the TSXV and compliance with applicable securities laws.

About CryptoStar Corp.:

CryptoStar has cryptocurrency mining operations with data centres located in the U.S.A. and Canada. CryptoStar is currently dedicated to becoming one of the lowest cost cryptocurrency producers in North America and a major supplier of GPU and ASIC miners worldwide.

For further information, please contact:

CryptoStar Corp.

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Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this press release.

Forward-Looking Statements

This news release contains forward-looking statements. Forward-looking statements can be identified by the use of words such as, "expects", "is expected", "anticipates", "intends", "believes", or variations of such words and phrases or state that certain actions, events or results "may" or "will" be taken, occur or be achieved. Forward-looking statements include those relating to the completion of the Additional Tranche, the use of net proceeds from the Offering and the Additional Tranche and the payment of a finder's fee. Forward-looking statements are not a guarantee of future performance and are based upon a number of estimates and assumptions of management in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances. Actual results, performance or achievement could differ materially from that expressed in, or implied by, any forward-looking statements in this press release, and, accordingly, you should not place undue reliance on any such forward-looking statements and they are not guarantees of future results. Forward-looking statements involve significant risks, assumptions, uncertainties and other factors that may cause actual future results or anticipated events to differ materially from those expressed or implied in any forward looking statements. Except as required by law, CryptoStar undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.