

Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Cryptostar Corp. ("**Cryptostar**" or the "**Company**")
181 Bay St., Suite 4400
Toronto, Ontario M5J 2T3

Item 2. Date of Material Change

March 8, 2024.

Item 3. News Release

A news release dated March 8, 2024 was disseminated via Newswire and subsequently filed on SEDAR+.

Item 4. Summary of Material Change

The Company completed the first tranche of its non-brokered private placement (the "**Offering**") of up to 40,000,000 units of the Company (the "**Units**") at a price of \$0.05 per Unit for aggregate gross proceeds of up to \$2,000,000 pursuant to the listed issuer financing exemption under Part 5A of National Instrument 45-106 *Prospectus Exemptions*.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

The Company has closed the first tranche of its previously announced Offering of up to 40,000,000 Units at a price of \$0.05 per Unit for gross proceeds of up to \$2,000,000.

Each Unit consists of one common share in the capital of the Company (a "**Share**") and one Share purchase warrant (a "**Warrant**"). Each Warrant entitles the holder thereof to purchase one Share of the Company (a "**Warrant Share**") for a period of 36 months from the date of the issue of the Warrants at an exercise price of \$0.07 per Warrant Share.

Pursuant to the closing of the first tranche of the Offering, the Company issued 14,410,000 Shares and 14,410,000 Warrants for aggregate gross proceeds of \$720,500. The Offering is being completed pursuant to the listed issuer financing exemption under Part 5A of National Instrument 45-106 - *Prospectus Exemptions*, accordingly, the securities issued in the Offering are not subject to a hold period in accordance with applicable Canadian securities laws. There is an offering document (the "**Offering Document**") related to the Offering that can be accessed under the Company's profile at www.sedarplus.ca and on the Company's website at: www.cryptostar.com. Prospective investors should read this Offering Document before making an investment decision.

In connection with the Offering, the Company paid eligible arm's length parties (the "**Finders**") a cash Finder's fee in the aggregate amount of \$50,435 and issued an aggregate

432,300 Shares and 432,300 finder's warrants (the "**Finder's Warrants**") to the Finders. Each Finder Warrant entitles the holders thereof to acquire one Share (a "**Finder's Warrant Share**") at an exercise price of \$0.07 per Finder's Warrant for a period of 36 months from the date of the issue of the Warrants. The Shares, Finder's Warrants and Finder's Warrant Shares to be issued upon exercise of the Finder's Warrants, if applicable, will be subject to a hold period of four months and one day from the date of closing of the first tranche of Offering in accordance with applicable Canadian securities laws.

The Company intends to use the proceeds raised from the Offering to purchase crypto mining equipment and for general working capital purposes.

The securities issued pursuant to the Offering have not, nor will they be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons in the absence of U.S. registration or an applicable exemption from the U.S. registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in the United States or in any other jurisdiction in which such offer, solicitation or sale would be unlawful.

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

None.

Item 8. Executive Officers

The following senior officer of the Company is knowledgeable about the material change and this Material Change Report and may be contacted:

David Jellins, President and Chief Executive Officer
Telephone: 61 419-936-941
Email: david.jellins@cryptostar.com.

Item 9. Date of Report

March 18, 2024

Forward-Looking Information

This news release may contain certain forward-looking statements and forward-looking information (collectively, "forward-looking statements") related to future events or CryptoStar's future business, operations, and financial performance and condition. Forward-looking statements normally contain words like "will", "intend", "anticipate", "could", "should", "may", "might", "expect", "estimate", "forecast", "plan", "potential", "project", "assume", "contemplate", "believe", "shall", "scheduled", and similar terms.

Such forward-looking statements include, without limitation, statements regarding the use of proceeds of the Offering. Forward-looking statements are not guarantees of future performance, actions, or developments and are based on expectations, assumptions, and other factors that management currently believes are relevant, reasonable, and appropriate in the circumstances. Although management believes that the forward-looking statements herein are reasonable, actual results could be substantially different due to the risks and uncertainties associated with and inherent to CryptoStar's business. Additional material risks and uncertainties applicable to the forward-looking statements herein include, without limitation, the impact of general economic conditions, and unforeseen events and developments. This list is not exhaustive of the factors that may affect CryptoStar's forward-looking statements. Many of these factors are beyond the control of CryptoStar. All forward-looking statements included in this news release are expressly qualified in their entirety by these cautionary statements. The forward-looking statements contained in this press release are made as at the date hereof, and CryptoStar undertakes no obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events, or otherwise, except as may be required by applicable securities laws. Risks and uncertainties about the Company's business are more fully discussed under the heading "Business Risks and Uncertainties" in its most recent Management's Discussion and Analysis. They are otherwise disclosed in its filings with securities regulatory authorities available on SEDAR+ at www.sedarplus.ca.