

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

Centaurus Energy Inc. (the “Company” or “Centaurus”)
Maipu 1300 Piso 23
Buenos Aires, Argentina
C10006ACT

Item 2 Date of Material Change

March 26, 2024

Item 3 News Release

Attached as schedule “A” to this material change report is the news release with respect to the material change summarized in this material change report, which was issued by the Company on March 27, 2024, through the facilities of Newsfile Corp. and filed on the System for Electronic Document Analysis and Retrieval+ (“SEDAR+”). A copy of each news release is available on SEDAR+ at www.sedarplus.ca.

Item 4 Summary of Material Change

On March 27, 2024, Centaurus announced the Company’s new capital allocation strategy, focused on the Ether cryptocurrency (ETH), the native asset of the Ethereum blockchain.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

On March 27, 2024, Centaurus announced the Company’s new capital allocation strategy, focused on the Ether cryptocurrency (ETH), the native asset of the Ethereum blockchain, which will seek to maximize long-term value for the shareholders of the Company in Canada and in the United States.

Centaurus began purchasing Ether on March 26, 2024.

In connection with its new strategy, David D. Tawil, CEO of Centaurus, has entered into a loan agreement with the Company, providing up to USD\$1,500,000 of capital, at the greater of: (i) 7% per annum or (ii) 65% of the profits on the corresponding Ether purchased by the Company.

Inclusive of its investment in Ether, Centaurus will consider opportunities to earn yield on the Ether that it owns, by depositing the Ether into staking pools or liquidity pools.

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

No information has been omitted on the basis that it is confidential information.

Item 8 Executive Officer

For further information, please contact David Tawil, Chief Executive Officer of Centaurus, at (646) 479-9387 or davidtawil@ctaurus.com.

Item 9 Date of Report

March 28, 2024

SCHEDULE "A"

See attached.

Centaurus Energy Adopts Ether as Primary Treasury Reserve Asset

David D. Tawil, CEO, extends up to USD 1,500,000 to Centaurus

Calgary, Alberta--(Newsfile Corp. - March 27, 2024) - **Centaurus Energy Inc.** (TSXV: CTA) (OTC Pink: CTARF) ("**Centaurus**" or the "**Company**") and its board of directors are pleased to announce the Company's new capital allocation strategy, focused on the Ether cryptocurrency (ETH), the native asset of the Ethereum blockchain. Related to this strategy, David D. Tawil, CEO of Centaurus has entered into an agreement to extend up to USD 1,500,000 to Centaurus.

Ether as Primary Treasury Reserve Asset

A commodity-focused enterprise since inception, Centaurus has a 25-year history of mining, valuing, and trading physical commodities. Now, the Company will broaden its scope to digital commodities, specifically, Ether.

David D. Tawil, CEO of Centaurus, said, "Centaurus Energy is announcing a capital allocation strategy that reflects a new direction in its commitment to capital stewardship. Centaurus will benefit from its passive royalty interest in the Coiron Amargo Sur Este petroleum block, located in the Province of Neuquén, Argentina, over the next 15 years, which will largely result in excess cash. We have reduced our expense base to a minimum. And we are confident that we can manage our day-to-day business with a modest amount of operating cash. Accordingly, we believe it is appropriate to invest in assets with potentially higher returns than holding cash."

In addition to having served as Centaurus' CEO since 2020, Mr. Tawil has been the President and Co-Founder of ProChain Capital, a multi-strategy cryptoassets hedge fund, since 2017.

Centaurus began purchasing Ether on March 26.

Capital Investment

In connection with its new strategy, David D. Tawil, CEO of Centaurus, has entered into a loan agreement with the Company, providing up to USD 1,500,000 of capital, at the greater of: (i) 7% per annum or (ii) 65% of the profits on the corresponding Ether purchased by the Company (the "**Tawil Loan**").

"Our investment in Ether is part of our new capital allocation strategy, which seeks to maximize long-term value for our shareholders in Canada and in the United States," said David D. Tawil, CEO of Centaurus Energy. "This investment reflects our belief that Ether, as the world's most valuable cryptocurrency of a public blockchain powering "smart contracts" and DApps (Decentralized Applications), serving as the epicenter for DeFi (Decentralized Finance), NFTs (Non-fungible Tokens), and securities tokenization efforts by some of the largest asset management firms globally, is an attractive investment asset with more long-term appreciation potential than holding cash. Since its launch in 2015, Ethereum has emerged as a significant addition to the global financial system, with characteristics that are potentially useful to both individuals and institutions, and could revolutionize property ownership recording and transfers, including, real-property, personal property, contractual rights and financial products, banking and value-transfer, and creative works. Centaurus has recognized Ether as a legitimate investment asset that can be superior to cash and accordingly has made Ether the principal holding in its treasury reserve strategy."

Inclusive of its investment in Ether, Centaurus will consider opportunities to earn yield on the Ether that it

owns, including the depositing of Ether into staking pools or liquidity pools.

In considering various commodities for potential investment, Centaurus observed distinctive properties of Ether that led it to believe investing in the cryptocurrency would provide the prospect of earning a higher return than other investments. Mr. Tawil articulated the opinion, “We find the global acceptance, energy-efficiency, self-deflationary monetary policy, and consistent upgrade of network software of Ether to be persuasive evidence of its superiority as a commodity for those seeking meaningful long-term returns.”

Related Party Transaction

As David D. Tawil is CEO of the Company, he is considered a “related party” for the purposes of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions (“MI 61-101”). Accordingly, the Tawil Loan is a “related party transaction”. The Tawil Loan was obtained by Centaurus on reasonable commercial terms that are not less advantageous to Centaurus than if the Tawil Loan were obtained from a person dealing at arm’s length with Centaurus and the Tawil Loan has no equity or voting component. The Tawil Loan is not subject to minority approval or formal valuation.

Continuous Disclosure Obligation

The Company’s new capital allocation strategy is a material change for purposes of National Instrument 51-102 – *Continuous Disclosure Obligations* (“NI 51-102”).

About Centaurus Energy

The Company is an independent Canadian company that has been focused on Argentine upstream oil and gas with operations until January 2023. As mentioned in its management and discussion analysis for the third quarter of 2023, the Company is currently focused on managing the future proceeds from the sale of the Company’s interests in certain exploitation projects based in Argentina referred to as “PAE ORR” in its continuous disclosure documents, totaling US\$16 million, which may include investment in new endeavors and/or capital returns. The Company’s shares trade on the TSX Venture Exchange under the symbol CTA and on the OTC Pink Market under the symbol CTARF.

The content of this document is for informational purposes only and is not being provided in the context of an offering of any securities described herein, nor is it a recommendation or solicitation to buy, hold or sell any security. The information is not investment advice, nor is it tailored to the needs or circumstances of any investor. Information contained in this document is not, and under no circumstances is it to be construed as, an offering memorandum, prospectus, advertisement, or public offering of securities. No securities commission or similar regulatory authority has reviewed this document and any representation to the contrary is an offence. Information in this press release is current only as of the date provided and the Company is under no obligation to update this information, other than in accordance with applicable securities law.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward Looking Statements

This press release information within the meaning of applicable securities laws (“forward-looking statements”). Such forward-looking statements include, but are not limited to, statements regarding:

the Company's future revenues, the prospects for DeFi, the Ethereum protocol and platform, the future trading supply of the digital asset Ether, the potential for the Company to earn an Ether-denominated return on the portion of its Ether holdings that it devotes to staking and its plans in respect thereof, the market for digital assets in general and the potential for mainstream adoption of the Ethereum platform. The Company cautions the reader not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. Often, but not always, forward-looking can generally be identified by words such as "may", "will", "expects", "anticipates", "intends", "plans", "believes", "estimates", "guidance", or similar expressions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements.

Forward-looking statements are based on information available to management at the time that they are made, management's current plans, estimates, assumptions, judgments, and expectations. These estimates, assumptions, judgments and expectations include a view on general Ether adoption, global economic conditions and their impact on individual and corporate activity and profits, that there will be no material changes in the legislative, regulatory or operating framework for the Company's existing and anticipated business that cannot be reasonably managed, investors' appetite for risky assets, and other matters discussed in the Company's materials filed with the Canadian securities regulatory authorities from time to time. Forward-looking statements are also subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance, or achievements of the Company to be materially different from those expressed or implied by such forward-looking information. Such risks and uncertainties include, but are not limited to: general business, economic, competitive, geopolitical, technological and social uncertainties; uncertainties in regard to the development and acceptance of blockchain technology and the Ethereum platform (including Ethereum network upgrades), uncertainties pertaining to regulatory changes in various jurisdictions that may impact the adoption of digital assets and corporate business models, uncertainties regarding the Company's going-concern risk in the event that there is a decline in the price of Ether. Additional information identifying risks and uncertainties relating to the Company's business are described under the heading "Risk Factors" in the Company's most recently filed Annual Information Form which is available online at www.sedarplus.ca.

Events or circumstances may cause actual results to differ materially from those predicted as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of Centaurus. The reader is cautioned not to place undue reliance on any forward-looking information. Although such information is considered reasonable by management at the time of preparation, it may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement. The forward-looking statements contained in this press release are made as of the date of this press release, and Centaurus do not undertake any 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 required by law.

CENTAURUS

To view the source version of this press release, please visit
<https://www.newsfilecorp.com/release/202919>