

Neptune Announces Audited Annual Financials with \$17.1m Comprehensive Net Income and 54% Asset Growth

Vancouver, British Columbia--(Newsfile Corp. - December 20, 2024) - Neptune Digital Assets Corp. (TSXV: NDA) (OTCQB: NPPTF) (FSE: 1NW) ("**Neptune**" or the "**Company**"), one of the first publicly traded blockchain companies in Canada, is pleased to announce that it has released its August 31, 2024 annual audited consolidated financial statements and management discussion and analysis.

Below are key financial and operational highlights for the fiscal year ended August 31, 2024, along with subsequent developments up to the date of this release.

- Neptune ended the fiscal year on August 31, 2024, with \$50.7 million in assets and no debt, an increase of 54% over the previous fiscal year.
- Neptune achieved a total comprehensive net income of \$17.1 million for the fiscal year ended August 31, 2024, a significant growth from a net comprehensive loss of \$3.4 million in the prior year.
- Gross mining revenues experienced a slight decline from \$2.3 million to \$1.8 million this year, primarily due to the halving event reducing BTC production.
- Staking revenues increased, driven by the growth in staked altcoin balances. As part of its staking growth strategy, Neptune acquired 26,964 Solana (SOL), a leading blockchain platform for high-performance decentralized applications. As of the date of this release, Neptune holds 32,100 SOL, with the majority of these holdings staked and generating consistent staking revenue.
- As of the date of this release, Neptune's largest digital asset holdings include 354 BTC; 32,100 SOL; 200,000 ATOM; 663,000 FTM; 1.27 million GRT; 51,000 DOT; and 141 ETH. The Company also holds positions in DASH, JUNO, Ocean, and a number of other smaller market-cap tokens.
- Neptune holds 26,720 SpaceX shares through two third-parties valued at approximately \$7.1 million at the date of this release, representing an increase of over 100% from August 31, 2023.
- In addition to its other assets, Neptune holds a cash balance of \$4 million held with a tier 1 Canadian bank, providing sufficient funding to sustain operations for over two years of normal general and administrative costs.
- Neptune is on track to secure up to \$25 million USD in debt financing, creating opportunities for additional investments in crypto assets, derivative trading, and proof-of-stake operations without any dilution to shareholders.

"This year has been transformative for Neptune as we position ourselves at the forefront of the crypto bull market. By strategically rebalancing and leveraging our assets, we are seizing the opportunities presented by rising crypto prices. Our SpaceX investment has grown into a substantial asset, reflecting our commitment to forward-thinking investments with long-term potential. To fuel growth without diluting shareholder value, we are actively pursuing non-dilutive debt financing, enabling us to capitalize on this cycle's momentum. We deeply appreciate the loyalty of our shareholders through the crypto winter and are thrilled about the opportunities ahead as we gear up for what promises to be an exciting and profitable 2025," stated Cale Moodie, Neptune's CEO.

Operating and Financial Overview (\$CAD)

<i>For the year ended</i>	August 31, 2024	August 31, 2023
Mining revenue	1,759,107	2,289,376
Staking revenue	649,015	582,379
DeFi revenue	-	30,577
Direct mining expenses (not incl depreciation)	(1,425,866)	(1,928,490)
Other income*	604,914	678,079
Total earnings	1,587,170	1,651,921
Depreciation**	284,724	518,922
Stock based compensation**	234,894	443,069
General expenses	2,358,266	2,615,296
Recovery net of impairment	308,160	-
Realized gain on settlements and sales	604,371	(3,264,802)
Revaluation gain on digital currencies***	14,042,927	1,478,568
Unrealized gain related to equity investments	3,449,607	316,772
Comprehensive income (loss) for the year	17,114,351	(3,394,828)

Financial Position

(\$CAD)

<i>As at</i>	Saturday, August 31, 2024	August 31, 2023
Cash and receivables	6,398,130	12,118,891
Total digital assets	31,288,165	12,946,322
Total other assets	13,004,152	7,870,310
Total liabilities	805,904	654,475
Total shareholders' equity	49,884,543	32,281,048
Working capital****	11,714,173	14,538,573

* All non-Bitcoin mining, non-Staking revenue, and non-DeFi revenue generating activities

** Non-cash items, including depreciation of mining rigs

*** Revaluation is calculated as the change in value (gain or loss) on digital currencies. When digital currencies are sold, the net difference between the proceeds received and the cost of the digital currencies determined on a First-in, First-out basis, is recorded as a gain (loss) on the sale of digital currencies

**** Current assets less current liabilities

About Neptune Digital Assets Corp.

Neptune Digital Assets Corp. is one of the first publicly traded blockchain companies in Canada and is a cryptocurrency and blockchain infrastructure leader with operations across the digital asset ecosystem including Bitcoin mining, proof-of-stake mining, blockchain nodes, decentralized finance (DeFi), and other associated blockchain technologies.

ON BEHALF OF THE BOARD

Cale Moodie, President and CEO

Neptune Digital Assets Corp.

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release.

Forward-Looking Statements

This release contains certain "forward looking statements" and certain "forward-looking information" as defined under applicable Canadian securities laws. Forward-looking statements and information can generally be identified by the use of forward-looking terminology such as "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "continue", "plans", "proposes" or similar terminology. Forward-looking statements and information are based on forecasts of future results, estimates of amounts not yet determinable and assumptions that, while believed by management to be reasonable, are inherently subject to significant business, economic and competitive uncertainties, and contingencies. Forward-looking statements and information are subject to various known and unknown risks and uncertainties, many of which are beyond the ability of the Company to control or predict, that may cause the Company's actual results, performance or achievements to be materially different from those expressed or implied thereby, and are developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to: the auditors completing the remaining auditing items with respect to the Annual Filings; the inherent risks involved in the cryptocurrency and general securities markets; the Company may not be able to profitably liquidate its current digital currency inventory, or at all; a decline in digital currency prices may have a significant negative impact on the Company's operations; the volatility of digital currency prices; uncertainties relating to the availability and costs of financing needed in the future; the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, currency fluctuations; regulatory restrictions, liability, competition, loss of key employees and other related risks and uncertainties.

The Company does not undertake any 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.



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