

Cathedral Bitcoin Announces Closing of Debt Settlement and Debenture Extension

TORONTO--(BUSINESS WIRE)--December 15, 2023--(Block Height: 821,350) – Cathedral Bitcoin Inc. (TSX-V: CBIT; OTCQB: CBTTF) (“Cathedral” or the “Company”), a diversified bitcoin mining company, is pleased to announce that, further to its previous press release on November 21, 2023, the Company has settled a portion of the outstanding principal amount of Debentures (as defined below) equal to C\$10,743,329 (the “**Settlement Amount**”) into 96,439,227 common shares (the “**Shares**”) of the Company (the “**Debt Settlement**”). The Shares were issued at a deemed price of C\$0.1114 per Share. The debt was payable to certain debenture holders (the “**Debenture Holders**”) in respect of 3.5% senior secured convertible debentures of the Company due November 11, 2024 (the “**Maturity Date**”) originally issued to the Debenture Holders on November 11, 2021 (the “**Debentures**”).

In connection with the Debt Settlement, the Company has also repaid C\$2,000,000 to retire C\$3,333,333 of the outstanding principal amount of the Debentures, leaving an aggregate principal amount outstanding of the Debentures equal to C\$5,733,728 as of the date hereof (the “**Remaining Principal**”).

Additionally, the maturity date for the Remaining Principal has been extended by an additional 12 months to November 11, 2025 (the “**Extended Maturity**”). No other changes to the Debentures were made; the Company will continue to pay quarterly interest at 3.5% per annum on the Remaining Principal balance until the Extended Maturity, whereupon the Remaining Principal is due in full.

All securities issued pursuant to the Debt Settlement are subject to a four month and one day hold period from the closing date of the Debt Settlement.

About Cathedral Bitcoin

Cathedral Bitcoin Inc. (TSX-V: CBIT; OTCQB: CBTTF) is a Bitcoin company that believes sound money and abundant energy are the keys to human flourishing. The Company has diversified bitcoin mining operations which produce 355 PH/s across three states and five locations in the United States. The Company is focused on managing and expanding its portfolio of hash rate through a diversified approach to site selection and operations, utilizing multiple energy sources across various jurisdictions.

For more information about Cathedral, visit cathedral.com or follow Company news on Twitter at @CathedralBitcoin or on Telegram at @CathedralBitcoin.

Cautionary Statement

Trading in the securities of the Company should be considered highly speculative. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. Neither the TSX Venture Exchange nor its Regulation Services

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 news release contains certain “forward-looking information” within the meaning of applicable Canadian securities laws that are based on expectations, estimates and projections as at the date of this news release. The information in this release about future plans and objectives of the Company, are forward-looking information. Other forward-looking information includes but is not limited to information concerning: the Debt Settlement, the final approval of the TSXV, the intentions and future actions of senior management, the intentions, plans and future actions of the Company, as well as the Company’s ability to successfully mine digital currency; revenue increasing as currently anticipated; the ability to profitably liquidate current and future digital currency inventory; volatility of network difficulty and, digital currency prices and the resulting significant negative impact on the Company’s operations; the construction and operation of expanded blockchain infrastructure as currently planned; and the regulatory environment of cryptocurrency in applicable jurisdictions.

Any statements that involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as “expects,” or “does not expect,” “is expected,” “anticipates” or “does not anticipate,” “plans,” “budget,” “scheduled,” “forecasts,” “estimates,” “believes” or “intends” or variations of such words and phrases or stating that certain actions, events or results “may” or “could,” “would,” “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking information and are intended to identify forward-looking information.

This forward-looking information is based on reasonable assumptions and estimates of management of the Company at the time it was made, and involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. The Company has also assumed that no significant events occur outside of the Company’s normal course of business. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to revise or update any forward-looking information other than as required by law.

Contacts

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