

CATHEDRA BITCOIN INC. (the “Company” or “Cathedra”)

1. SUMMARY OF OFFERING

What are we offering?

Securities Offered:	<p>Units (the “Units”) of the Company, each Unit being comprised of one subordinate voting share of the Company (a “Share”) and one Share purchase warrant (a “Warrant”).</p> <p>Each Warrant will entitle the holder thereof to acquire one half of one common share (a “Warrant Share”) of the Company for a period of five (5) years from the Closing Date (as defined herein). The Warrants shall have tiered exercise prices, such that 25% of the Warrants shall have an exercise price of C\$0.12, 25% shall have an exercise price of C\$0.14, 25% shall have an exercise price of C\$0.16 and 25% shall have an exercise price of C\$0.20.</p>
Offering Price per Offered Security:	\$0.10 per Unit (the “ Issue Price ”).
Offering Amount:	<p>\$2,500,000, or such other amount as may be determined by the Company up to \$5,000,000, the maximum set out in Part 5A of National Instrument 45-106 – <i>Prospectus Exemptions</i> (the “Offering”).</p> <p>All references in this Offering Document to “dollars”, “C\$” or “\$” are to Canadian dollars, unless otherwise stated.</p>
Closing Date:	Closing will occur on or around October 9, 2024 (the “ Closing Date ”), or on such date as may be determined by the Company.
Form of Offering:	Non-brokered private placement offering in each of the Provinces of Canada, except Quebec, pursuant to the Listed Issuer Financing Exemption under Part 5A of National Instrument 45-106 – <i>Prospectus Exemptions</i> , and to eligible purchasers resident in jurisdictions other than Canada, provided that no prospectus filing or comparable obligation arises and the Company does not thereafter become subject to continuous disclosure obligations in such jurisdictions.
Resale Restrictions:	The securities underlying the Units issued under Listed Issuer Financing Exemption to Canadian subscribers will not be subject to a hold period in Canada.
The exchange and quotation system, if any, on which the Offered	The subordinate voting shares of the Company are listed on the TSX Venture Exchange (the “ TSXV ”) under the trading symbol “ CBIT ” and the OTC marketplace (the “ OTC ”) under the symbol “ CBTTF ”.

Securities are listed, traded or quoted	
The closing price of the Offered Securities on the most recent trading day before the date hereof:	On September 18, 2024, the closing price of the Company's common shares on the TSXV and the OTC was C\$0.10, and US\$0.079, respectively.

**All references in this offering document to "dollars" or "\$" are to Canadian dollars, unless otherwise stated.*

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this document. Any representation to the contrary is an offence. This Offering may not be suitable for you and you should only invest in it if you are willing to risk the loss of your entire investment. In making this investment decision, you should seek the advice of a registered dealer.

Cathedra is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 *Prospectus Exemptions*. In connection with this Offering, the Company represents the following is true:

- **The Company has active operations and its principal asset is not cash, cash equivalents or its exchange listing.**
- **The Company has filed all periodic and timely disclosure documents that it is required to have filed.**
- **The total dollar amount of this Offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption in the 12 months immediately before the date of this offering document, will not exceed \$5,000,000.**
- **The Company will not close this Offering unless the Company reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.**
- **The Company will not allocate the available funds from this Offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the Company seeks security holder approval.**

Cautionary Statement Regarding Forward-Looking Information

This offering document contains "forward-looking information" and "forward-looking statements" (referred to together herein as "forward-looking information"). 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" or similar terminology. Forward-looking statements and information are not historical facts, are made as of the date of this offering document, and include, but are not limited to, statements regarding discussions of results from operations (including, without limitation, statements about the Company's opportunities, strategies, competition, expected activities and expenditures as the Company pursues its business plan, the adequacy of the Company's available cash resources and other statements about future events or results), performance (both operational and financial) and business prospects, future business plans and opportunities and statements as to

management's expectations with respect to, among other things, the activities contemplated in this offering document.

Forward-looking statements included or incorporated by reference in this offering document include, without limitation, statements related to the Offering; the Company's goals regarding development and expansion of its data centers; the Company's strategy with respect to the acquisition and retention of bitcoin; the Company's future business plans; expectations regarding the ability to raise further capital; and expectations regarding the use of proceeds raised under the Offering and elsewhere.

These forward-looking statements involve numerous risks and uncertainties and other factors which may cause the actual results, performance or achievements of Cathedra to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Important factors that may cause actual results to vary include without limitation: the Company's ability to anticipate the future needs of its customers; the ability of the Company to mine cryptocurrency successfully and to derive revenue from hosting services; anticipated trends and challenges in the markets in which the Company will operate; the Company's anticipated cash needs and the Company's estimates regarding capital requirements need for additional financing; receipt of the required regulatory approvals for the Offering; the status and impact of new electrical power rates and the status of deliberations by the public utility regulators in the jurisdictions in which the Company operates; business, economic and capital market conditions; the ability to manage the Company's operating expenses; the Company's ability to remain competitive as other better financed competitors develop and release competitive products; regulatory uncertainties; market conditions and the demand and pricing for the Company's products; the demand and pricing of BTC; security threats, including a loss/theft of Cathedra's bitcoin; the Company's ability to attract, retain and motivate qualified personnel; competition in its industry; the Company's ability to maintain technological leadership; the impact of technology changes on the Company's products and industry; the Company's failure to develop new and innovative products; the Company's ability to successfully maintain and enforce our intellectual property rights and defend third-party claims of infringement of their intellectual property rights; the impact of intellectual property litigation that could materially and adversely affect our business; the Company's ability to manage working capital; the Company's dependence on key personnel; deliberations and potential power rate increases by the public utility regulators in the jurisdictions in which the Company operates which could limit the ability of the Company to carry on business on a profitable basis or at all; consumer sentiment towards the Company's products and blockchain technology generally; litigation; global economic climate; equipment failures; increase in operating costs; decrease in the price of BTC; security threats including a loss/theft of the Company's BTC; government regulations; loss of key employees and consultants; present and future business strategies and the environment in which the Company will operate in the future, including the demand for the Company's products; anticipated costs and ability to achieve goals; listing of the securities underlying the Units on the Exchange; legislative and regulatory environments of the jurisdictions where the Company will carry on business or have operations; impact of competition and the competitive response to the Company's business strategy; timing and amount of the Company's capital and other expenditures; conditions in the financial markets and the economy generally; the ability of the Company to obtain additional financing, if and as needed, on satisfactory terms or at all; and other factors discussed under "Business Risks and Uncertainties" in the Company's annual management's discussion and analysis, as well as the factors discussed under "Risk Factors" in the Company's information circular dated June 18, 2024, both available on the Company's SEDAR+ [profile](#)

In making the forward-looking statements in this offering document, Cathedra has applied several material assumptions, including without limitation, the assumptions that: the ability to raise any necessary additional capital on reasonable terms; future prices of bitcoin and other cryptocurrencies; expectations regarding the demand for, and supply of, cryptocurrencies generally; that general business and economic conditions will not change in a material adverse manner; the Company's ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; the accuracy of budgeted development costs and expenditures; future currency exchange rates and interest rates; operating conditions being favourable such that the Company is able to operate in a safe, efficient and effective manner; the Company's ability to attract and retain skilled personnel; political and regulatory stability; the receipt of governmental, regulatory and third-party approvals, licenses and permits on favourable terms; obtaining required renewals for existing approvals, requirements under applicable laws; sustained labour stability; stability in financial and capital goods markets; and availability of equipment.

Certain of the risks and assumptions are described in more detail in Cathedra's' audited financial statements and management discussion and analysis for the years ended December 31, 2024, 2023 and 2022, available at Cathedra's' website at www.cathedra.com or under Cathedra's' profile on SEDAR+ at sedarplus.ca.

The actual results or performance by Cathedra could differ materially from those expressed in, or implied by, any forward-looking statements relating to those matters. Accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what impact they will have on the results of operations or financial condition of the Company. Except as required by law, Cathedra is under no obligation, and expressly disclaim any obligation, to update, alter or otherwise revise any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

2. SUMMARY DESCRIPTION OF BUSINESS

What is our business?

Cathedra develops and operates digital infrastructure assets across North America with the goal of maximizing its per-share bitcoin holdings. The Company hosts bitcoin mining clients across its portfolio of three data centers (30 megawatts total) in Tennessee and Kentucky. Additionally, Cathedra is a 25% partner in a joint venture that is developing a 60-megawatt data center in North Dakota which will also host bitcoin miners upon its expected completion. Cathedra also operates a fleet of proprietary bitcoin mining machines at its own and third-party data centers, producing approximately 400 PH/s of hash rate.

Recent Developments

The following is a brief summary of key recent developments involving or affecting the Company.

On March 6, 2024, the Company entered a binding share exchange agreement providing for a business combination with Kungsleden Inc., a privately held developer and operator of bitcoin mining data centers. Following the receipt of requisite approvals from Cathedra shareholders and the TSXV, the business combination was completed on July 23, 2024 and the subordinate voting shares of the Company resumed trading on the TSXV on August 6, 2024.

On August 19, 2024, the Company concluded a hosting arrangement with a third-party operator in Tennessee pursuant to the terms of the hosting agreement and consequently relocated approximately 1,129 Bitmain S19J Pro machines from that site to a data center owned and operated in Tennessee. The relocation of these machines was completed on August 28, 2024, and has reduced the effective cash operating cost for these machines by approximately 31%, from US\$72.50 per megawatt hour to approximately US\$50.00 per megawatt hour.

Material facts

There are no material facts about the securities being distributed that have not been disclosed in this offering document or in any other document filed by the Company in the 12 months preceding the date of this offering document.

What are the business objectives that we expect to accomplish using the available funds?

Our business objectives over the next 12 months using the expected proceeds from this Offering and \$802,000 cash on hand are as follows:

1. The Company will evaluate and pursue strategic acquisitions of Bitcoin and Bitcoin generating assets based on prevailing market trends; and
2. Remaining proceeds and existing cash on hand are expected to be used for general working capital.

3. USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the Offering?

The net proceeds of the Offering and the funds which will be available to the Company after the Offering are as follows:

		Assuming base Offering amount only	Assuming maximum Offering amount
A	Amount to be raised by this Offering	\$2,500,000	\$5,000,000
B	Selling commissions and fees ⁽¹⁾	\$150,000	\$300,000
C	Estimated Offering costs (e.g. legal, accounting, audit)	\$35,000	\$35,000
D	Net proceeds of Offering: $D = A - (B + C)$	\$2,315,000	\$4,665,000
E	Working capital as at most recent month end	\$2,052,000	\$2,052,000
F	Additional sources of funding	\$Nil	\$Nil
G	Total available funds: $G = D + E + F$	\$4,367,000	\$6,717,000

Notes:

- (1) Assumes that all funds raised pursuant to the Offering are sourced through registered dealers and other finders with the Company paying a finders' fee equal to 6% cash and 6% finder warrants on such funds. See "Fees and Commissions" below.

How will we use the available funds?

We will use the available funds as follows:

Description of intended use of available funds listed in order of priority	Assuming base Offering amount only	Assuming maximum Offering amount
Bitcoin and Bitcoin-generating Acquisitions	\$2,000,000	\$4,000,000
General and Administrative Expenses	\$500,000	\$500,000
Excess Working Capital	\$1,867,000	\$2,217,000
Total: Equal to "G" Total Available Funds in Chart Above	\$4,367,000	\$6,717,000

The Company intends to spend the net proceeds as stated. The Company will reallocate funds only for sound business reasons.

How have we used the other funds we have raised in the past 12 months?

The Company has not completed any other financings in the past 12 months.

4. FEES AND COMMISSIONS

Who are the dealers or finders that we have engaged in connection with this Offering, if any, and what are their fees?

The Company has not yet engaged any dealers or finders in connection with the Offering. The Company expects that a majority of the funds raised pursuant to the Offering will be sourced through third party registered dealers and other finders. The Company expects to pay a finder's fee equal to a 6.0% cash commission on gross proceeds raised from purchasers introduced to the Company by eligible finders and finder warrants ("**Finder Warrants**") in an amount of 6.0% of the total number of Units sold to purchasers introduced to the Company by eligible finders. The Finder Warrants shall have the same terms as the Warrants.

5. PURCHASERS' RIGHTS

Rights of Action in the Event of a Misrepresentation

If there is a misrepresentation in this offering document, you have a right:

- (a) to rescind your purchase of these securities with the Company; or
- (b) to damages against the Company and may, in certain jurisdictions, have a statutory right to damages from other persons.

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.

You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal advisor.

6. ADDITIONAL INFORMATION

Where can you find more information about us?

A security holder can access the Company's continuous disclosure record at www.sedarplus.ca or the Company's website at www.cathedra.com.

7. DATE AND CERTIFICATE

This offering document, together with any document filed under Canadian securities legislation on or after September 19, 2023, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

Dated September 19, 2024.

/s/ AJ Scalia
Chief Executive Officer

/s/ Inar Kamaletdinov
Chief Financial Officer