



## News Release

### Bluesky Digital Assets Corp., Releases its Q2, 2022 Financial Results

#### FOR IMMEDIATE RELEASE

**Toronto, Ontario, August 30, 2022** – Bluesky Digital Assets Corp., (CSE: BTC), (OTCQB: BTCWF), (“Bluesky” or the “Corporation”) provided a synopsis of its Unaudited Q2, 2022 Interim Financial Statements for the three and six months ended June 30, 2022 which were filed on August 29, 2022 after market close.

Key highlights of Q2, 2022 include:

- Total Gross Revenue from the Corporation’s Digital Assets Mining operations decreased to \$500,685 CAD in Q2, 2022 from \$580,583 CAD in Q1, 2022 representing a decrease of 13.7% over Q1, 2022’s total.
- Total Gross Revenue from the Corporation’s Digital Assets Mining operations decreased to \$500,685 CAD in Q2, 2022 from \$851,813 CAD in Q2, 2021 representing a decrease of 41% over Q2, 2021’s total.
- Digital Asset Mining operating costs, electrical, hosting and bandwidth costs, and a one-time charge involving the set-up and delivery of the Corporation’s Antspace and charges for moving of equipment from Canada to Texas amounted to \$928,898 CAD. Without the Antspace and moving charges, operation costs amounted to approx. \$400,000 CAD.
- As of June 30, 2022, Total Assets on the Corporation’s balance sheet amounted to \$8,470,876 CAD vs. \$1,596,234 in current liabilities.

To view the Corporation’s Q2, 2022 Interim Financial Statements and the accompanying Management Discussion and Analysis please visits the Corporation’s SEDAR profile page by visiting [www.sedar.com](http://www.sedar.com).

Q2, 2022 continued to be a very challenging quarter for both the Cryptocurrency and Technology sectors and although the Corporation weathered the downturn, and successfully further advanced its active mining operations, the Corporation wasn’t completely immune to the headwinds presented in Q2 as the Corporation experienced a decrease in its gross mining revenue over Q1, 2022’s and Q2, 2021’s gross mining revenue totals.

Total gross mining revenue slightly declined to \$500,685 CAD in Q2, 2022 vs. the \$580,583 CAD that was mined in Q1, 2022. \$851,813 CAD worth of Cryptocurrencies was mined in Q2 of 2021. The reduction of the Corporation’s gross mining revenue vs. Q1, 2022’s and Q2, 2021’s recorded totals was mainly attributed to the decline in prices of both Bitcoin and Ethereum, as Bitcoin was previously priced at \$56,932 CAD per every one BTC on March 31, 2022 and was then priced significantly lower at \$25,468 CAD on June 30, 2022. Ethereum was priced at \$4,102 CAD per every one ETH on March 31, 2022 and then was priced significantly lower at \$1,374 CAD on June 30, 2022.

The decline in gross mining revenue was also partially attributed to the Corporation’s decision to move some of its key mining production assets from its Canadian based mining facility to its new mining facility in the State of Texas which caused a decline in production. The rational for moving some of the Corporation’s key mining production assets from Canada to Texas is the fact that Texas offers lower utility costs over the Corporation’s Canadian based operations, and the Texas based operations can expand its total electrical capacity to 175 MW vs. Canada which is currently capped at 2 MW. Some of the assets moved to the State of Texas included 200 state-of-the-art Panda GPU Mining rigs. The Corporation acquired these assets in Q3, of 2021 and received the assets in Q4 of 2021 but was hampered by power availability at its Canadian mining facility and the Corporation couldn’t put these assets into operation in Canada hence the Corporation’s expansion into the State of Texas.

Anticipating the drop in valuations of both Bitcoin and Ether, and to minimize losses from the rapid valuation declines, in the month of April, the Corporation elected to sell its Cryptocurrency reserves which had a recorded valuation of \$2,678,305 CAD As At March 31, 2022. With the proceeds raised from the conversion the Corporation’s Cryptocurrency reserves into fiat, the Corporation entered into a Joint Venture agreement where it acquired 50% ownership of a state-of-the-art Bitmain Antspace. The Antspace will house 195 S19 Pro+ Hyd (“S19 Hydro”) ASIC Miners which are liquid cooled. The Corporation paid \$1,484,760 USD for its portion of the equipment. When activated, the S19 Hydro’s housed in the Antspace will produce a Hashrate of 198 TH/s per unit therefore it is anticipated that the Antbox system will produce 38,610 TH/s / 38.6 PH/s without any optimization(s) which will amount to, based on current market conditions and values, approximately 60 to 64 BTC being mined by the system, per year, of which the Corporation will retain 50% of the mining rewards and the Corporation’s Joint Venture Partner on the Antspace will retain the other 50%. The Corporation also further advanced its R&D efforts with a focus on its Blockchain Engagement Platform BlueskyINTEL (BSI) <https://www.blueskyintel.com> using a portion of the proceeds raised via the conversion the Corporation’s Cryptocurrency reserves into fiat.

## **About Bluesky Digital Assets Corp.**

Bluesky Digital Assets Corp, is building a high value digital currency enterprise. Bluesky mines digital currencies, such as Bitcoin and Ether, and is developing value-added technology services for the digital currency market, such as proprietary technology solutions. Offering a complete ecosystem of value-creation, Bluesky is targeting reinvesting appropriate portions of its digital currency mining profits back into its operations. A percentage of the profit will be invested in the development of a proprietary Artificial Intelligence ("AI") based technology. Overall, Bluesky takes an approach that enables the Corporation to scale, and respond to changing conditions, within the still-emerging Blockchain industry. The Corporation is poised to capture value in successive phases as this industry continues to scale. For more information please visit Bluesky at: <https://www.blueskydigitalassets.com>

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### **Forward-Looking Statements**

Information set forth in this news release may involve forward-looking statements under applicable securities laws. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this document are made as of the date of this document and the Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation. Although management believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. This news release does not constitute an offer to sell or solicitation of an offer to buy any of the securities described herein and accordingly undue reliance should not be put on such. Neither CSE nor its Regulation Services Provider as that term is defined in the policies of the CSE accepts responsibility for the adequacy or accuracy of this release. We seek safe harbor.