

Cypherpunk Holdings Inc. Announces Closing of Non-Brokered Private Placement

TORONTO, ONTARIO, Canada, August 28, 2020 – Cypherpunk Holdings Inc. (“**Cypherpunk**” or the “**Company**”) (CSE: HODL) is pleased to announce that it has completed a non-brokered private placement offering (the “**Offering**”) through the issuance of 10,100,000 units (“**Units**”) at a price of C\$0.05 per Unit for gross proceeds of C\$505,000. Each Unit is comprised of one common share (each a, “**Common Share**”) in the capital of the Company and one half of one whole Common Share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant entitles the holder to purchase one additional Common Share at an exercise price of C\$0.10 until August 27, 2022. All securities issued in connection with the Offering will be subject to a hold period of four months plus a day from the date of issuance and the resale rules of applicable security legislation. This Offering is subject to final approval of the Canadian Securities Exchange.

The Offering is considered a related party transaction within the meaning of Multilateral Instrument 61-101 (“**MI 61-101**”) as certain directors and officers of the Company subscribed for 6,700,000 Units pursuant to the Offering. Such related party transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of securities being issued to the related parties nor the consideration being paid by the related parties exceeded 25% of the Company's market capitalization. The participants in the Offering and the extent of such participation were not finalized until shortly prior to the completion of the Offering. Accordingly, it was not possible to publicly disclose details of the nature and extent of related party participation in the Offering pursuant to a material change report filed at least 21 days prior to the completion of the Offering.

In connection with the Offering, certain finders’ of the Company received a cash commission in the amount of \$1,225.

The net proceeds of the Offering will be used to invest in additional opportunities in the cryptocurrency, blockchain and privacy sector. The additional capital will enable the Issuer to execute on its unique position as a vehicle set-up to invest in companies, technologies and protocols, which enhance or protect privacy. Its strategy is to make targeted investments in business and assets with strong privacy, often within the blockchain ecosystem, including select cryptocurrencies.

Cautionary Note Regarding Forward-Looking Information

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This news release contains “forward-looking information” within the meaning of applicable securities laws. Generally, any statements that are not historical facts may contain forward-looking information, and forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or indicates that certain actions, events or results “may”, “could”, “would”, “might” or “will be” taken, “occur” or “be achieved”. Forward-looking information includes, but is not limited to the Company’s intention to complete the private placement offering and its goal of making investments in the blockchain and other sectors and enhancing value. There is no assurance that the Company’s plans or objectives will be implemented as set out herein, or at all. Forward-looking information is based on certain factors and assumptions the Company believes to be reasonable at the time such statements are made and is 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. There can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. Forward-looking statements are made based on management’s beliefs, estimates and opinions on the date that statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by law. Investors are cautioned against attributing undue certainty to forward-looking statements.

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