

Cypherpunk Holdings Inc. Announces Private Placement

TORONTO, ONTARIO, Canada, December 23, 2020 – Cypherpunk Holdings Inc. (“**Cypherpunk**” or the “**Company**”) (CSE: HODL) is pleased to announce that it intends to complete a non-brokered private placement offering of up to 13,333,333 units (“**Units**”) of the Company at a price of C\$0.15 per Unit (the “**Offering**”) raising gross proceeds of up to C\$2,000,000. Each Unit consists of one common share (a “**Common Share**”) of the Company and one half of one common share purchase warrant (a “**Warrant**”), with each whole Warrant entitling the holder to purchase one Common Share at an exercise price of C\$0.25 for a period of 24 months from the date of issuance. The offering is expected to close on January 15, 2021.

The Company intends to use the net proceeds from the Offering to make potential follow-on investments in certain of its current portfolio companies, invest in new private companies in the blockchain and privacy sector, as well as increase its holdings in select cryptocurrencies.

Part of the private placement offering is considered a related party transaction within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) as an insider of the Company, Tony Guoga, intends to acquire an aggregate of 2,000,000 Units. As at the date of this news release and prior to the completion of the private placement offering, Mr. Guoga beneficially owned and controlled 14,894,500 Common Shares, warrants to acquire 3,000,000 Common Shares and stock options to acquire 1,000,000 Common Shares, representing approximately 14.9% of the issued and outstanding Common Shares on a non-diluted basis. Upon completion of the private placement offering, Mr. Guoga is expected to beneficially own and control, directly or indirectly, 16,894,500 Common Shares, warrants to acquire 3,000,000 Common Shares and stock options to acquire 1,000,000 Common Shares, representing approximately 14.9% of the issued and outstanding Common Shares on a non-diluted basis and approximately 18.4% of the issued and outstanding Common Shares on a partially diluted basis. The Company will be filing a material change report in respect of the participation by Mr. Guoga in the private placement offering. A copy of the material change report can be found on the Company’s issuer profile on SEDAR at www.sedar.com.

About Cypherpunk Holdings Inc.

Cypherpunk is a company set-up to invest in companies, technologies and protocols, which enhance or protect privacy. Its strategy is to make targeted investments in businesses and assets with strong privacy, often within the blockchain ecosystem, including select cryptocurrencies. Current equity investments include Samurai Wallet, Wasabi Wallet, Chia, and Hydro 66.

Cautionary Note Regarding Forward-Looking Information

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 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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