



SKYCHAIN SECURES FUNDING FOR CONSTRUCTION OF ITS NEW CRYPTO MINING FACILITY IN MANITOBA

Vancouver, BC, Canada, June 22, 2020 – Skychain Technologies Inc. (TSXV-SCT) announces that it has arranged a \$1,357,000 asset-based loan with an established Canadian lender to finance construction of SkyChain’s crypto hosting facility in Birtle, Manitoba. The loan, expected to meet approximately 70% of the costs required to complete SkyChain’s crypto hosting facility, is provided by a lender with significant experience in equipment leasing and crypto-currency operation funding.

“This funding represents a crucial milestone for our growth strategy,” said SkyChain’s President and CEO Bill Zhang. “It’s non-dilutive for shareholders, and it allows us to move quickly to bring the Birtle facility into operation.”

All funds are expected to be available by August. With the loan agreement in place, SkyChain has started its equipment procurement evaluation. The asset loan, will consist of either a Capital Lease or a Sale and Lease Back agreement, covers a 5-year term and begins January 1, 2021.

The Company is also pleased to announce it is proceeding with a partial closing of \$250,000 of the \$2,000,000 unit private placement announced April 6, 2020 and is continuing to offer the balance of the offering of units at a price @\$,20 per unit with each unit consisting of a common SkyChain share and a half warrant. Two warrants will entitle the unit holder to acquire an additional SkyChain share at an exercise price of \$0.30 for an exercise term of six months from date of issuance.

“Birtle will give us four times the capacity of our current operation in Houston, British Columbia,” said Zhang. Power costs will be less than half what we pay now. With the added revenue, lower costs and other efficiencies, we expect SkyChain to operate with greater profitability. All the permits are in place, so it’s now a matter of procurement and construction.”

As announced in SkyChain’s June 16, 2020 news release, SkyChain’s wholly-owned subsidiary MiningSky Technologies has signed a lease to construct and operate the crypto hosting site for Bitcoin mining. The lease begins October 1, 2020 and covers a 1.6-acre plot developed specifically for the purposes of cryptocurrency mining.

The expected growth for SkyChain comes at a time of significant growth in the cryptocurrency sector. In a recent report, ResearchandMarkets.com stated: “The future of the cryptocurrency market looks promising with opportunities in the peer-to-peer payment, remittance, e-commerce and retail, and media & entertainment industries. The global crypto-currency market is expected to grow with a CAGR of 32% from 2019 to 2024.”

The major growth drivers for this market are transparency and immutability of the distributed ledger technology, growing remittance in developing countries, fluctuating monetary regulations, and significant increase in venture capital investments.

“We believe Bitcoin will continue its cryptocurrency dominance,” added Zhang. “The advantages of Bitcoin, including increasingly wide acceptance, greater liquidity relative to other cryptocurrencies and generally lower transaction fees, will continue to push its acceptance. Combined with the



anonymity of cryptocurrencies in general, we expect huge growth in the next five years and believe we are in the right place at the right time.”

As an illustration of the very low fees for Bitcoin transactions, Bitcoin.com reported a June 19, 2020 transfer of \$2.2 billion worth of Bitcoin for a transfer fee of just \$7. “Big money transfers through banks may attract fees of up to 1% or more of the amount being sent, per transaction,” said Bitcoin.com.

“Extraordinary economies like this show clearly how cryptocurrency is disrupting currency and financial markets,” said Zhang.

ON BEHALF OF THE BOARD OF DIRECTORS

Bill Zhang
President and CEO

About Skychain Technologies

Skychain Technologies is a Vancouver based company providing Blockchain Infrastructure services and power solutions. To learn more, visit www.skychaintechnologies.com.

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