



BITCOIN WELL

TSX.V:**BTCW** OTCQB:**BCNWF**

Unaudited Condensed Consolidated Interim Financial Statements

For the Three and Six months ended June 30, 2025 and 2024

As at	Note	June 30, 2025	December 31, 2024
Assets			
Current assets			
Cash		\$ 1,788,444	\$ 2,875,766
Accounts receivable		645,530	576,463
Digital assets	3	21,326,926	22,374,404
Inventory	6	1,513,265	1,378,640
Deposits and prepaid expenses		425,927	225,903
		25,700,092	27,431,176
Non-current assets			
Property and equipment		207,348	379,671
Right of use assets		68,947	38,672
Intangible assets		57,030	69,553
Goodwill		105,427	105,427
		379,752	593,263
Total assets		\$ 26,138,844	\$ 28,024,499
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		\$ 743,102	\$ 562,134
Deferred revenue		136,694	734,893
Lease liability - current		41,522	32,403
Acquisition consideration payable		158,810	167,260
Convertible debt - current	7	1,379,355	243,698
Line of credit	8	10,170,153	9,643,793
Loans payable - cryptocurrency	5	9,475,395	-
		22,105,031	11,384,181
Non-current liabilities			
Lease liability - long term		28,706	8,884
Convertible debt	7	6,282,806	7,397,069
Loans payable - cryptocurrency	5	11,662,561	22,187,896
Loans payable - long term		40,000	40,000
		18,011,073	30,025,749
Total liabilities		40,119,104	41,018,030
Shareholders' deficit			
Share capital	12	15,977,593	15,365,507
Contributed surplus	12	3,978,731	3,912,707
Convertible debt - equity		316,881	316,881
Warrants	12	873,240	872,520
Accumulated deficit		(53,365,924)	(52,495,210)
Accumulated other comprehensive income		18,239,219	19,034,064
Total shareholders' deficit		(13,980,260)	(12,993,531)
Total liabilities and shareholders' deficit		\$ 26,138,844	\$ 28,024,499

The accompanying notes are an integral part of these consolidated financial statements.

Condensed Consolidated Interim Statements of Income and Comprehensive Loss
(Expressed in Canadian dollars, except for number of and earnings per share)

		Three months ended		Six months ended	
	Note	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Revenue					
Sales revenue	13	\$ 32,100,176	\$ 23,262,793	\$ 63,902,188	\$ 39,443,913
Cost of coins		(30,737,081)	(22,220,684)	(61,454,643)	(37,598,993)
Gross profit		1,363,095	1,042,109	2,447,545	1,844,920
Expenses					
General and administration	14	614,840	815,752	1,245,492	1,552,162
Salaries and wages		241,017	266,169	488,619	460,529
Depreciation		109,653	158,012	216,289	420,465
Financing fees	5, 7	805,614	677,033	1,510,766	1,321,180
Marketing and advertising		417,263	314,002	766,829	463,817
Professional fees		81,474	221,439	185,839	325,633
Software		122,407	64,863	229,365	112,975
		2,392,268	2,517,270	4,643,199	4,656,761
Loss before other items		(1,029,173)	(1,475,161)	(2,195,654)	(2,811,841)
Other items					
Fair value change - cryptocurrency loans	5	(3,909,995)	1,959,171	(1,656,892)	(5,916,941)
Share based compensation		(31,591)	(195,830)	(135,909)	(263,413)
Foreign exchange gain (loss)		483,655	(64,347)	500,549	(185,859)
Gain on debt settlement		-	-	-	20,000
Gain on disposal of property and equipment		-	3,697	-	3,697
Fair value change - cryptocurrency inventory		269,648	(107,783)	113,062	296,832
Fair value change - convertible debt		53,244	-	25,687	-
Realized gain on digital assets		-	1,005,207	2,478,443	1,857,786
Net (loss) income		(4,164,212)	1,124,954	(870,714)	(6,999,739)
Other comprehensive income					
Revaluation gain (loss) on digital assets	3	3,935,091	(2,842,810)	(794,845)	3,740,145
Total comprehensive loss		(229,121)	(1,717,856)	(1,665,559)	(3,259,594)
Net (loss) income per common share					
Basic		(0.02)	\$ 0.01	(0.00)	\$ (0.03)
Diluted		(0.02)	\$ 0.01	(0.00)	\$ (0.03)
Weighted average common shares outstanding:					
Basic		221,753,749	214,530,625	220,788,279	208,146,750
Diluted		221,753,749	221,544,953	220,788,279	208,146,750

The accompanying notes are an integral part of these consolidated financial statements.

Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian dollars)

Six months ended June 30	2025	2024
Cash provided by (used in):		
Operating activities		
Net loss	\$ (870,714)	\$ (6,999,739)
Adjustments for:		
Depreciation	216,289	420,465
Fair value change - cryptocurrency loans	1,656,892	5,916,941
Fair value change - cryptocurrency inventory	(113,062)	(296,832)
Fair value change - convertible debenture	(25,687)	-
Accretion expense - convertible debenture	47,662	-
Realized gain on digital assets	(2,478,443)	(1,857,786)
Gain on disposal of property and equipment	-	(3,697)
Foreign exchange (gain) loss	(500,549)	185,859
Share based compensation	135,909	263,413
Gain on debt settlement	-	(20,000)
	(1,931,703)	(2,391,376)
Changes in non-cash working capital items:		
Accounts receivable	(69,067)	(26,827)
Deposits and prepaid expenses	(200,024)	239,021
Inventory	(21,563)	(38,184)
Accounts payable and accrued liabilities	453,494	107,298
Deferred revenue	(598,199)	45,187
Cash used in operating activities	(2,367,062)	(2,064,881)
Investing activities		
Purchase of property and equipment	(10,256)	5,528
Proceeds on disposal of digital assets	2,943,459	2,388,484
Purchase of digital assets	(212,382)	(495,784)
Proceeds on disposal of investments	-	12,365
Cash provided by investing activities	2,720,821	1,910,593
Financing activities		
Repayment of cryptocurrency loans	(2,706,833)	(1,928,088)
Payments of acquisition consideration payable	(8,450)	(10,647)
Repayment of loans	-	(40,000)
Proceeds from line of credit	1,026,909	140,167
Repayment of lease liability	(22,521)	(18,143)
Shares issued pursuant to exercise of options and warrants	51,881	19,000
Shares issued pursuant to at-the-money financing	217,933	-
Shares issued pursuant to private placement	-	1,983,369
Cash (used in) provided by financing activities	(1,441,081)	145,658
Change in cash	(1,087,322)	(8,630)
Cash, beginning of period	2,875,766	1,668,922
Cash, end of period	\$ 1,788,444	\$ 1,660,292

The accompanying notes are an integral part of these consolidated financial statements.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars, except for number of shares)

	Note	Share Capital		Contributed Surplus	Convertible Debt - Equity	Warrants	Accumulated Deficit	Accumulated Other Comprehensive Income	Total
		Number of Common Shares	Amount						
Balance at December 31, 2023		200,160,478	\$ 13,246,686	\$ 3,332,772	\$ -	\$ 620,948	\$ (34,718,093)	\$ 8,367,101	\$ (9,150,586)
Shares issued - services received	12	2,540,887	246,339	-	-	-	-	-	246,339
Shares and warrants issued - private placement	12	13,781,368	1,618,035	156,556	-	208,779	-	-	1,983,370
Shares issued - warrants exercised	12	860,000	76,364	-	-	(33,364)	-	-	43,000
Shares issued - options exercised	12	1,071,629	129,300	(81,399)	-	-	-	-	47,901
Share based compensation	12	-	-	467,952	-	-	-	-	467,952
Net loss for the period		-	-	-	-	-	(17,777,117)	-	(17,777,117)
Revaluation gain on digital assets		-	-	-	-	-	-	10,666,963	10,666,963
Issuance of convertible debt	7	286,956	48,783	36,826	316,881	76,157	-	-	478,647
Balance at December 31, 2024		218,701,318	\$ 15,365,507	\$ 3,912,707	\$ 316,881	\$ 872,520	\$ (52,495,210)	\$ 19,034,064	\$ (12,993,531)
Shares issued - options exercised	12	787,270	116,167	(67,085)	-	-	-	-	49,082
Shares issued - agent options exercised	12	16,000	4,880	(2,800)	-	720	-	-	2,800
Shares issued - debt settlement	12	1,886,882	273,106	-	-	-	-	-	273,106
Shares issued - ATM	12	1,664,000	217,933	-	-	-	-	-	217,933
Share based compensation	12	-	-	135,909	-	-	-	-	135,909
Net loss for the period		-	-	-	-	-	(870,714)	-	(870,714)
Revaluation loss on digital assets		-	-	-	-	-	-	(794,845)	(794,845)
Balance at June 30, 2025		223,055,470	\$ 15,977,593	\$ 3,978,731	\$ 316,881	\$ 873,240	\$ (53,365,924)	\$ 18,239,219	\$ (13,980,260)

The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE OF OPERATIONS

Operating businesses

Bitcoin Well Inc. ("Bitcoin Well" or the "Company") is on a mission to enable independence. The Company does this by making bitcoin useful to everyday people to give them the convenience of modern banking and the benefits of bitcoin.

The Company operates three business units, consisting of (i) Bitcoin ATMs, (ii) the Online Bitcoin Portal, and (iii) Bitcoin Well Infinite. The Bitcoin ATM business unit operates 165 Bitcoin ATM machines placed and operating throughout Canada. The Online Bitcoin Portal platform offers customers a fast and safe way to buy, sell and use bitcoin online in Canada and the USA. This business unit is designed to offer bank-like functionality coupled with the benefits of bitcoin. The Bitcoin Well Infinite business unit facilitates large bitcoin transactions (\$50,000 and above) for high net worth individuals and businesses.

Corporate administration

The address of the Company's registered office is 1700 Enbridge Centre, 10175 – 101 Street NW, Edmonton, Alberta. The Company's common shares are traded on the TSX Venture Exchange (the "TSXV") under the ticker symbol "**BTCW**" and on the OTCQB under the ticker symbol "**BCNWF**".

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on August 21, 2025.

2. BASIS OF PRESENTATION

a) Statement of compliance and basis of presentation

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

These condensed interim consolidated financial statements follow the same accounting policies and methods of application as the Company's audited consolidated financial statements for the year ended December 31, 2024 and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2024. These consolidated financial statements have been prepared using the accrual basis of accounting, and fair value accounting where appropriate, except for cash flow information. The policies applied in these condensed interim consolidated financial statements are based on IFRS issued as of June 30, 2025.

The preparation of these condensed consolidated interim financial statements in compliance with IAS 34 requires management to make certain accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. The areas where significant judgement and estimates have been made in preparing the financial statements are disclosed in note 2 of the Company's 2024 consolidated annual financial statements.

The functional currency for the Company and its subsidiaries is the Canadian dollar. The presentation currency for the Company is the Canadian dollar.

Notes to the Condensed Consolidated Interim Financial Statements
For the three and six months ended June 30, 2025 and 2024
(Unaudited - Expressed in Canadian dollars, except where otherwise stated)

These condensed consolidated interim financial statements have been prepared on a going concern basis, which assumes the realization of assets and satisfaction of liabilities in the normal course of business for the foreseeable future. For the three and six months ended June 30, 2025, the Company incurred a comprehensive loss of \$229,121 and \$1,665,559 (three and six months ended June 30, 2024 - loss of \$1,717,856 and \$3,259,594), respectively, and reported a shareholders' deficit of \$13,980,260 at June 30, 2025 (December 31, 2024 - deficit of \$12,993,531).

Operations have been financed using a combination of cryptocurrency loans (Note 5), convertible debt (Note 7) and our line of credit (Note 8). In addition, the Company has raised capital through equity issuances.

Management applied judgements in preparing forecasts to support the going concern assumption, including the expected demand for the Company's current and future products, as well as expected operating expenses. These estimations may raise doubt about whether the Company will continue to operate as a going concern, and therefore, whether it will realize its assets and settle its liabilities in the normal course of business and at the amounts stated in the financial statements. Should the Company be unable to meet its obligations as they become due, the preparation of these consolidated financial statements on a going concern basis may not be appropriate.

b) Basis of consolidation

These consolidated financial statements incorporate the financial statements of the Company and its wholly owned subsidiaries, the Company's current active subsidiaries include Bitcoin Well Canada Ltd., Ghostlab Inc. and Independent Well USA Corp. All intercompany transactions and balances have been eliminated on consolidation.

Notes to the Condensed Consolidated Interim Financial Statements
For the three and six months ended June 30, 2025 and 2024
(Unaudited - Expressed in Canadian dollars, except where otherwise stated)

c) Reclassifications

Certain comparative amounts in the statement of cash flows for the period ended June 30, 2024 have been reclassified to better reflect the nature of the transactions. Cash proceeds or disbursements from the sale or purchase of digital assets, which are accounted for as intangible assets under IAS 38, have been reclassified from cash flows from operating activities to cash flows from investing activities.

The reclassification caused a \$1,892,700 decrease in cash flows from operating activities and a \$1,892,700 increase in cash flows from investing activities for the comparative six months ended June 30, 2024.

3. DIGITAL ASSETS

The Company classifies bitcoin holdings in excess of the inventory required for operations as digital assets. As at June 30, 2025, the price of bitcoin was \$145,775 which reflected an increase from its price of \$134,469 on December 31, 2024. The Company recognized an unrealized revaluation gain of \$3,935,091 during the three months ended June 30, 2025 (June 30, 2024 - loss of \$2,842,810) and an unrealized revaluation loss of \$794,845 for the six months ended June 30, 2025 (June 30, 2024 - gain of \$3,740,145). The revaluation loss year-to-date in 2025 was due to a portion of the gain being realized, as discussed below.

	Bitcoin	CAD \$ Value
Balance at December 31, 2023	183 \$	10,224,666
Additions	22	2,354,888
Disposals	(39)	(3,402,805)
Realized gain on sale of digital assets		2,530,692
Revaluation	-	10,666,963
Balance at December 31, 2024	166 \$	22,374,404
Additions	2	212,382
Disposals	(22)	(2,943,459)
Realized gain on sale of digital assets	-	2,478,444
Revaluation	-	(794,845)
Balance at June 30, 2025	146 \$	21,326,926

Notes to the Condensed Consolidated Interim Financial Statements
For the three and six months ended June 30, 2025 and 2024
(Unaudited - Expressed in Canadian dollars, except where otherwise stated)

The Company recognizes realized gains and losses arising from the disposal of digital assets. Accordingly, for the three and six months ended June 30, 2025, a realized gain of \$nil and \$2,478,443 (2024- gain of \$1,005,207 and \$1,857,786), respectively, was recognized.

4. RELATED PARTY TRANSACTIONS

Key Management Compensation

Key management includes members of the Board of Directors and its executive officers. The aggregate value of compensation relating to key management personnel and entities over which they have control or significant influence were as follows.

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Salary, fees, and other				
short-term benefits	\$ 113,065	\$ 143,877	\$ 279,625	\$ 302,139
Share based payments (Note 12)	15,000	24,146	30,000	41,994
Total	\$ 128,065	\$ 168,023	\$ 309,625	\$ 344,133

Other related party transactions

During the three and six months ended June 30, 2025, the Company incurred \$208,200 and \$423,264 (2024 - \$284,036 and \$549,790), respectively, of interest on crypto currency loans and convertible debentures owing to directors and officers of the company (see Notes 5 and 7 for additional information related to these loans).

During the three and six months ended June 30, 2025, a director and officer of the company purchased \$53,105 and \$95,105, respectively, of cryptocurrency through the Company's online platform.

Notes to the Condensed Consolidated Interim Financial Statements
For the three and six months ended June 30, 2025 and 2024
(Unaudited - Expressed in Canadian dollars, except where otherwise stated)

5. LOANS PAYABLE – CRYPTOCURRENCY

The Company has secured loans of bitcoin from various lenders through Use of Coin Agreements. These agreements were established to fulfill customer demand for cryptocurrency and to serve as security for the Company's Line of Credit (Note 8).

	Bitcoin	CAD \$ Value
Balance at December 31, 2023	195 \$	10,920,226
Repayments	(30)	(2,706,782)
Revaluation	-	13,974,453
Balance at December 31, 2024	165 \$	22,187,897
Repayments	(20)	(2,706,833)
Revaluation	-	1,656,892
Balance at June 30, 2025	145 \$	21,137,956
Less: Current portion	\$	9,475,395
Non-current portion	\$	11,662,561

As at June 30, 2025, the Company's cryptocurrency loans consisted of 145 bitcoins with a fair value of \$21,137,956 (December 31, 2024 – 165 bitcoins valued at \$22,187,897). Of this amount, 40 bitcoins, valued at \$5,831,549 (December 2024 – \$5,379,259) was owing to the Chief Executive Officer of the Company and 10 bitcoins, valued at \$1,457,753 (December 2024 – \$1,344,691) was owing to a director of the Company. The changes in fair value were a result of the fluctuating prices of cryptocurrency.

During the six months ended June 30, 2025, the Company repaid cryptocurrency loans of 20 bitcoin, valued at \$2,706,833 (2024 – 22 bitcoin valued at \$1,928,089).

The loans are unsecured and bear interest at fixed monthly fees ranging from 6.0% to 12.5% per annum, based on the value of the loans at the time of issuance or at a variable rate equal to bank prime plus 5% per annum based on the current value of the loan.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2025 and 2024

(Unaudited - Expressed in Canadian dollars, except where otherwise stated)

Of the 145 bitcoins owing, 65 bitcoins, valued at \$9,475,395 are redeemable by the holders in March 2026. The remaining 80 bitcoins, valued at \$11,662,561, are redeemable by the holder with a minimum 12 months advance notice and, therefore, have been classified as long-term liabilities.

The total interest incurred under these agreements for the three and six months ended June 30, 2025 was \$252,313 and \$436,814 (three and six months ended June 30, 2024 - \$179,990 and \$404,376), respectively, of which \$43,200 and \$86,400 (three and six months ended June 30, 2024 - \$53,640 and \$107,640), respectively, was incurred with an officer and director of the Company and \$32,712 and \$69,727 (three and six months ended June 30, 2024 - \$39,622 and \$64,573), respectively, was incurred with a director of the Company. This expense has been recorded within Finance Fees.

At each reporting period, the Company revalues the outstanding loans based on current market price of the cryptocurrencies, using CoinMarketCap. For the three and six months ended June 30, 2025, the Company recognized an unrealized fair value loss of \$3,909,995 and \$1,656,892 (three and six months ended June 30, 2024 - gain of \$1,959,171 and loss of \$5,916,941), respectively, as a result of changes in the price of the cryptocurrencies.

6. INVENTORY

As at	June 30, 2025		December 31, 2024	
	Value	Units	Value	Units
Bitcoin	\$ 1,457,753	10	\$ 1,344,691	10
Ethereum	23,626	7	22,174	5
Other	31,986		11,775	
Total	\$ 1,513,365		\$ 1,378,640	

For the three and six months ended June 30, 2025, a fair value gain of \$269,648 and \$113,062 (2024 - loss of \$107,783 and gain of \$296,832), respectively, was recognized due to changes in the market value of the Company's inventory balances.

Notes to the Condensed Consolidated Interim Financial Statements
For the three and six months ended June 30, 2025 and 2024
(Unaudited - Expressed in Canadian dollars, except where otherwise stated)

7. CONVERTIBLE DEBT

As at	June 30, 2025	December 31, 2024
Debenture A	\$ 4,100,000	\$ 4,100,000
Debenture A - Royalty liability	1,168,949	1,194,636
Debentures B	1,120,735	1,121,316
Debentures C	1,272,477	1,224,815
Total	7,662,161	7,640,767
Less: current portion	(1,379,355)	(243,698)
	\$ 6,282,806	\$ 7,397,069

Debenture A

As at June 30, 2025, the Company had an outstanding secured convertible debenture ("Debenture A") in the principal amount of \$4,100,000 owing to Beyond the Rhode Corp ("BTR"), a company controlled by a director of Bitcoin Well. The Convertible Debenture incurs interest at Prime + 6.2% per annum, matures on May 1, 2028, and is convertible into common shares of the Company at a price of \$0.25 per share at the election of the holder at any time.

The Company has the right to force conversion of the principal amount if the volume weighted average trading price of the common shares for ten trading days equals or exceeds \$0.50 per common share. The Company also has the option to repay any amounts of the Debenture A with no penalty, at any time.

The Debenture A also provides for the payment of a monthly royalty to the holder equal to between 12% and 20% of the gross profit, defined as revenue less the cost of coins, generated from the Online Bitcoin Portal, until the latter of three months after the most recent conversion date or six months after the maturity date. No royalty payments shall be made if the aggregate amount of all interest payments, future interest payments and royalty payments would exceed 24% per annum. In the first quarter of 2025, the lender agreed to waive all royalty payments otherwise due in exchange for an extension of the royalty for an additional period of 3 months. The royalty payment period now expires on October 31, 2028.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2025 and 2024

(Unaudited - Expressed in Canadian dollars, except where otherwise stated)

During the three and six months ended June 30, 2025, the Company paid interest of \$114,287 and \$231,137 (2024 - \$167,500 and \$335,000), respectively, and paid royalties of \$39,163 (three and six months ended June 30, 2024 - \$24,754 and \$34,653, respectively) related to Debenture A.

Debenture A - Royalty liability

The Company has determined that the royalty payments, which are required by Debenture A, constitute an embedded derivative liability that needs to be measured at fair value every reporting period. The calculated fair value was \$1,168,949 as of June 30, 2025. During the three and six months ended June 30, 2025, a fair value gain of \$53,244 and loss of \$25,687, respectively, was recognized in profit and loss related to changes in the calculated fair value. This fair value was determined at each period end by discounting the revised expected future gross profit from the Bitcoin Online Portal at an annual discount rate of 15%.

Debentures B

The Company has outstanding secured convertible debentures in the principal amount of \$1,120,735 owing to various arm's length parties (the "Debentures B"). The convertible debentures incur interest at the Bank of Canada policy interest rate + 8% per annum and mature between February 16, 2026 and March 28, 2026, subject to two automatic one year extensions. The Debentures B are convertible into common shares of the Company at a price of \$0.15 per share at the election of the holder at any time.

The Company has the right to force conversion of the principal amount of the Debentures B if the volume weighted average trading price of the common shares for ten trading days equals or exceeds \$0.30 per common share. The Company also has the option to repay any amounts of these debentures with no penalty, with 30 days notice.

During the three and six months ended June 30, 2025, the Company paid \$30,037 and \$59,204 (2024 - 29,955 and \$59,816), respectively, in interest related to the Debentures B.

Notes to the Condensed Consolidated Interim Financial Statements
For the three and six months ended June 30, 2025 and 2024
(Unaudited - Expressed in Canadian dollars, except where otherwise stated)

Debentures C

The Company has outstanding unsecured convertible debentures in the principal amount of \$2,000,000 (the "Debentures C"). Of this amount, BTR holds \$900,000 in principal, representing 45% of the total outstanding. The remainder of the Debentures C are owing to various arm's length parties.

The Debentures C bear interest of 8% per annum, payable semi-annually in arrears, on the first business day in July and January of each year (the "Interest Payment Date") and mature on December 30, 2029 (the "Maturity Date"). The Company shall pay, on each Interest Payment Date, all interest in the form of common shares of the Company (the "PIK Interest Payment") or in cash, at the sole discretion of the Company. In the event the Company elects to make a PIK Interest Payment, it shall deliver such number of common shares, within 10 business days of the Interest Payment Date, as is determined by dividing the accrued and unpaid interest due and payable on the Interest Payment Date by the 10 day volume weighted average trading price ("VWAP") of the Common Shares on the TSXV, immediately preceding the Interest Payment Date.

Subsequent to June 30, 2025, the Company issued 501,249 common shares at a deemed price of \$0.16 per share in satisfaction of the July 2025 PIK Interest Payment.

Each \$1,000 principal amount of the Debentures C is convertible into 4,347 common shares of the Company at the option of the holder thereof, at a conversion price of \$0.23 per share.

If the VWAP of the common shares on the TSXV is greater than \$0.32 for a period of 10 consecutive trading days, the Company may, within 10 business days of the occurrence of such event, force the conversion of the Debentures C by giving notice (the "Debenture Conversion Notice") to the holders of the Debentures C, and issuing a concurrent press release, and, in such case, the conversion date of the Debentures C shall be the date specified by the Company in the Debenture Conversion Notice, provided such date shall not be less than 30 trading days following delivery of the Debenture Conversion Notice.

Notes to the Condensed Consolidated Interim Financial Statements
For the three and six months ended June 30, 2025 and 2024
(Unaudited - Expressed in Canadian dollars, except where otherwise stated)

The Debentures C are classified as a liability in the consolidated statement of financial position with an equity component representing the conversion feature as well as the warrants issued in conjunction with the issuance. The liability component was initially recognized at fair value, calculated as the present value of future cash flows discounted at a market rate of interest of 15.0% for similar non-convertible instruments. The residual amount was allocated to the equity components and recorded within equity. The effective interest rate method is being used to amortize the liability component over the term of the Debentures.

During the three and six months ended June 30, 2025, the Company recognized \$63,831 and \$127,662, respectively, (2023 - \$nil) in interest related to the Debentures C, including \$47,662 in accretion for the six month period.

8. LINE OF CREDIT

The Company has a line of credit with Ledn, a lending firm that provides bitcoin-backed loans. The line of credit accrues interest at rates ranging from 12.4% to 13.4% per annum and matures in various tranches from October 2025 to June 2026. These tranches can be extended for additional 12-month terms, subject to mutual agreement.

The line of credit requires the Company to hold a mix of cryptocurrency assets and cash (collectively the "Collateral") with the lender such that the debt outstanding will not exceed 70% of the Collateral (the "Loan to Value"). If the Loan to Value exceeds 70%, the lender may require the Company to deposit additional collateral with the lender to reduce the Loan to Value to 50%. If the Loan to Value exceeds 80%, the Company will be in default and the lender will be able to immediately demand repayment of the line of credit and exercise all of its rights and remedies available to collect on the outstanding balance, including liquidating the collateral held.

On June 30, 2025, the lender held 147 Bitcoin as security over the line of credit, with a fair value of \$21.5 million, representing a Loan to Value of 47%.

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(Unaudited - Expressed in Canadian dollars, except where otherwise stated)

During the three and six months ended June 30, 2025, the Company recognized \$302,741 and \$615,656 (2024 - \$218,218 and \$421,314), respectively, in interest related to the line of credit.

9. SEGMENTED INFORMATION

The Company reports three operating business segments: (i) Bitcoin ATMs, (ii) Online Bitcoin Portal and (iii) Bitcoin Well Infinite, as well as a head office segment that includes overhead and administrative expenditures applicable to the whole business. These segments have been identified by management based on components of the business containing similar economic characteristics.

The Bitcoin ATM segment comprises sales and expenses related to the Company's Bitcoin ATMs placed and operating throughout Canada. The Online Bitcoin Portal segment includes sales and expenses related to the Company's online bitcoin platform. The Bitcoin Well Infinite segment includes sales and expenses related to large bitcoin transactions (\$50,000 and above) for high net worth individuals and businesses. Management reviews the financial information for each of these segments separately when making business decisions.

Management identified Bitcoin Well Infinite as a separate business segment starting in the first quarter of 2025, due to its significant growth and development in recent months. Previously, it was part of the Online Bitcoin Portal segment. The comparative periods for the three and six months ended June 30, 2024, were adjusted to reflect this change in segmentation.

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Three months ended June 30, 2025	ATMs	Online	Infinite	Head office	Total
Sales	\$ 5,977,343	\$ 14,628,085	\$ 11,494,748	\$ -	\$ 32,100,176
Cost of coins	(5,021,613)	(14,396,472)	(11,318,996)	-	(30,737,081)
Gross profit	955,730	231,613	175,752	-	1,363,095
Gross profit margin %	16.0%	1.6%	1.5%		4.2%
Expenses					
General and administration	328,619	58,684	18,893	208,644	614,840
Salaries and wages	60,254	120,509	24,102	36,152	241,017
Depreciation and accretion	96,494	-	-	13,159	109,653
Financing fees	-	-	-	805,614	805,614
Marketing and advertising	-	180,370	51,214	185,679	417,263
Professional fees	-	-	-	81,474	81,474
Software	30,311	45,466	31,475	15,155	122,407
Other items	-	-	-	3,135,039	3,135,039
Segment income (loss)	440,052	(173,416)	50,068	(4,480,916)	(4,164,212)
Total assets	\$ 2,843,036	\$ 509,174	\$ 236,193	\$ 22,550,441	\$ 26,138,844
Total liabilities	-	15,333	11,142	40,092,629	40,119,104

Three months ended June 30, 2024	ATMs	Online	Infinite	Head office	Total
Sales	\$ 6,632,046	\$ 9,402,832	\$ 7,227,915	\$ -	\$ 23,262,793
Cost of coins	(5,821,755)	(9,279,473)	(7,119,456)	-	(22,220,684)
Gross profit	810,291	123,359	108,459	-	1,042,109
Gross profit margin %	12.2%	1.3%	1.5%		4.5%
Expenses					
General and administration	457,292	97,770	23,467	237,223	815,752
Salaries and wages	66,542	133,084	26,617	39,926	266,169
Depreciation and accretion	85,996	-	-	72,016	158,012
Financing fees	-	-	-	677,033	677,033
Marketing and advertising	-	171,897	31,376	110,730	314,002
Professional fees	-	-	-	221,439	221,439
Software	19,459	29,188	6,487	9,729	64,863
Other items	-	-	-	(2,600,115)	(2,600,115)
Segment income (loss)	181,002	(308,580)	20,512	1,228,802	1,124,954
Total assets	\$ 2,744,917	\$ 302,380	\$ 85,684	\$ 15,173,523	\$ 18,306,504
Total liabilities	-	-	-	28,390,902	28,390,902

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Six months ended June 30, 2025	ATMs	Online	Infinite	Head office	Total
Sales	\$ 10,875,729	\$ 29,843,548	\$ 23,182,911	\$ -	\$ 63,902,188
Cost of coins	(9,282,686)	(29,376,490)	(22,795,467)	-	(61,454,643)
Gross profit	1,593,043	467,058	387,444	-	2,447,545
Gross profit margin %	14.6%	1.6%	1.7%		3.8%
Expenses					
General and administration	671,882	104,481	34,802	434,327	1,245,492
Salaries and wages	122,155	244,310	48,862	73,292	488,619
Depreciation and accretion	190,334	-	-	25,955	216,289
Financing fees	-	-	-	1,510,766	1,510,766
Marketing and advertising	-	303,880	87,409	375,540	766,829
Professional fees	-	-	-	185,839	185,839
Software	56,110	84,165	61,035	28,055	229,365
Other items	-	-	-	(1,324,940)	(1,324,940)
Segment income (loss)	552,562	(269,778)	155,336	(1,308,834)	(870,714)
Total assets	\$ 2,843,036	\$ 509,174	\$ 236,193	\$ 22,550,441	\$ 26,138,844
Total liabilities	-	15,333	11,142	40,092,629	40,119,104

Six months ended June 30, 2024	ATMs	Online	Infinite	Head office	Total
Sales	\$ 13,144,331	\$ 16,603,889	\$ 9,695,693	\$ -	\$ 39,443,913
Cost of coins	(11,620,124)	(16,432,359)	(9,546,510)	-	(37,598,993)
Gross profit	1,524,207	171,530	149,183	-	1,844,920
Gross profit margin %	11.6%	1.0%	1.5%		4.7%
Expenses					
General and administration	897,196	158,886	43,984	452,096	1,552,162
Salaries and wages	115,132	230,264	46,053	69,080	460,529
Depreciation and accretion	269,465	-	-	151,000	420,465
Financing fees	-	-	-	1,321,180	1,321,180
Marketing and advertising	-	206,346	40,223	217,248	463,817
Professional fees	-	3,388	3,388	318,857	325,633
Software	33,893	50,839	11,298	16,945	112,975
Other items	-	-	-	4,187,898	4,187,898
Segment income (loss)	208,521	(478,193)	4,237	(6,737,522)	(6,999,739)
Total assets	\$ 2,744,917	\$ 302,380	\$ 85,684	\$ 15,173,523	\$ 18,306,504
Total liabilities	-	-	-	28,390,902	28,390,902

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2025 and 2024

(Unaudited - Expressed in Canadian dollars, except where otherwise stated)

Included in the Online segment for the three and six months ended June 30, 2025 was fee revenue of \$31,299 and \$46,987 (2024 - \$nil), respectively, generated from customers located in the United States. Included in the Infinite segment for the three and six months ended June 30, 2025 was fee revenue of \$80,607 and \$174,951 (2024 - \$nil), respectively, generated from customers located in the United States.

All of the Company's property and equipment, intangible assets and goodwill are located in Canada.

10. MANAGEMENT OF CAPITAL

The Company defines the capital that it manages as its shareholders' equity, convertible debt, loans payable, loans payable - cryptocurrency, and line of credit. The Company's objectives when managing capital are:

- Maintaining adequate liquidity reserves and access to capital.
- Ensuring sufficient liquidity to support its corporate and administrative functions as well as being able to execute on strategic initiatives.
- Minimizing the impact of the current market and economic conditions through active capital management.

The Company manages its capital structure in a manner that provides sufficient funding for operational and capital expenditure activities. Funds are secured, when necessary, through debt funding or equity capital raised by means of private placements. There can be no assurances that the Company will be able to obtain debt or equity capital in the case of working capital deficits.

The Company is subject to externally imposed capital requirements related to its line of credit, see Note 8.

11. RISK MANAGEMENT

11.1 Financial Risk Management

The Company may be exposed to various financial risks, which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management strategy is to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

a) Credit Risk

Credit risk is the risk that a counterparty will be unable to pay any amounts owed to the Company. Assets that subject the Company to credit risk consist primarily of cash, digital assets, and accounts receivable.

The Company limits its exposure to credit loss related to its cash by placing its cash with high quality financial institutions. The Company is also exposed to the risk of loss from theft of its cash held in ATM machines or in transit from ATM machines to financial institutions. This risk is mitigated by having no concentration of cash in any one location, the regular collection of cash from ATM machines and by using reputable service organizations to transport cash from its ATM machines to financial institutions.

Credit risks related to the Company's digital assets include that a portion of these assets are held by third parties, including lenders and liquidity partners. The Company is also exposed to the risk of loss associated with digital assets held in its controlled wallets. To mitigate these risks, the Company has implemented rigorous levels of internal controls to ensure the safety and security of its digital assets, including but not limited to multi-signature wallets, the use of cold storage wallets, and signing authority limitations.

Notes to the Condensed Consolidated Interim Financial Statements

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The Company may, from time to time, hold a net asset position with its liquidity partners. The Company limits its exposure to potential credit loss by ensuring it is working with liquidity partners who have a high standard of care, and that a reasonable degree of oversight and review over their internal controls has been maintained, including the requirement of a current Systems and Organization Controls 2 ("SOC 2") report in order for the Company to work with the liquidity partner.

A significant portion of the Company's digital assets are also held by its lender as collateral for the line of credit (note 8). The Company does not hold, or have rights to the potential economic benefits of the cryptocurrency assets that comprise the collateral for the duration of the line of credit. The lender is also not required to deposit the collateral with a custodial service for safekeeping, and the lender can pledge, sell, lend, or transfer the collateral to third parties.

As disclosed in the annual consolidated financial statements for the year ended December 31, 2024, in October 2023, Rapid Cash ATM Ltd. ("Rapid Cash") suddenly uninstalled and removed the Company's software from Rapid Cash's ATMs that were operating in the Company's partner program. As a result, the Company terminated its hosting agreement with Rapid Cash who previously operated approximately 100 ATM machines under the Company's partner program. The Company is vigorously pursuing its rights under the contract and has commenced an action against Rapid Cash before the Alberta Court of King's Bench.

As of June 30, 2025, accounts receivable included approximately \$540,000 in the Company's cash that was improperly withheld by Rapid Cash from ATM machines. A partial summary judgment for this amount, including costs, was awarded to the Company in February 2025. These funds are currently held by the court and are expected to be received in August 2025.

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b) Liquidity Risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they come due. As at June 30, 2025 the Company had a positive working capital balance of \$3,595,061 (December 31, 2024 - \$16,046,995).

As at June 30, 2025, the Company had cash of \$1,788,444 (December 31, 2024 - \$2,875,766) and short term liabilities in the table below:

	June 30, 2025	December 31, 2024
Accounts payable	\$ 208,535	\$ 268,544
Accrued liabilities	534,567	293,590
Deferred revenue	136,694	734,893
Lease liability - current	41,522	32,403
Acquisition consideration payable	158,810	167,260
Convertible debt - current	1,379,355	243,698
Line of credit	10,170,153	9,643,793
Loans payable - cryptocurrency	9,475,395	-
Total	\$ 22,105,031	\$ 11,384,181

Accounts payable, accrued liabilities, deferred revenue, and lease liabilities will be paid or extinguished within the next 12 months, as they become due.

The line of credit and current portions of loans payable - crypto currency and convertible debt (excluding \$258,620 related to the current portion of the royalty liability, which is anticipated to be paid) is expected to continue to be extended as required by the Company and agreed to by the lenders. The convertible debentures that are scheduled to mature in Q1 2026 also carry automatic one year extensions. However, there is no guarantee the tranches advanced under the line of credit or the convertible debentures will be extended by the lenders.

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The Company's line of credit is also subject to minimum collateral covenants, which if insufficient, could result in default, and the requirement to immediately repay any balances outstanding. Should such an event occur, the lender may also dispose of the digital assets that it currently holds as collateral for the line of credit. See *Note 8* for additional information.

ATM Program

On March 28, 2025, the Company established an at-the-market equity program (the "ATM Program") that allows the Company to issue and sell, at its discretion, up to \$5,000,000 of common shares to the public from time to time. Distributions of the shares under the ATM Program will be made pursuant to the terms of an equity distribution agreement between Bitcoin Well and Haywood Securities Inc. (the "Agent")

All shares sold under the ATM Program will be sold through the TSX or other recognized Canadian marketplace at prevailing market prices at the time of sale. The ATM Program will be effective until the earlier of March 28, 2027 and the completion of the issuance and sale of all of the Shares issuable pursuant to the ATM Program, subject to earlier termination by Company or the Agent in accordance with the terms of the distribution agreement.

The ATM Program is intended to provide the Company with additional financing flexibility should it be required in the future. The volume and timing of distributions under the ATM Program, if any, will be determined in the Company's sole discretion. As Shares distributed under the ATM program will be sold at the prevailing market price at the time of sale, prices may vary among purchasers during the term of the ATM Program.

The Company intends to use the net proceeds from the ATM Program, if any, together with the Company's current cash resources, to fund general corporate purposes, including ongoing operations and/or working capital requirements; to buy bitcoin as part of its bitcoin treasury strategy; to repay indebtedness outstanding from time to time; to complete future acquisitions; to fund research and development, intellectual property development; or for other corporate purposes.

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During the three and six months ended June 30, 2025, the Company issued 1,664,000 common shares for net proceeds of \$217,933 related to the ATM Program.

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company may also seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

c) Foreign Currency Risk

The Company is exposed to foreign currency risk in relation to its line of credit, which is denominated in USD. Based on the balance of the line of credit denominated in USD at June 30, 2025, a 5% increase or decrease in the exchange rate would result in a gain or loss of \$508,508. The Company is not currently exposed to any other significant foreign exchange risk.

d) Digital Asset and Market Risk

Digital asset and market risk incorporates a range of risks. Movements in risk factors, such as market price risk and currency risk, affect the fair values of financial assets and liabilities. The Company is exposed to market risk on cryptocurrency held as digital assets, inventory, and cryptocurrency loans. Cryptocurrency prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation, and global political and economic conditions.

A decline in the market prices for cryptocurrencies could negatively impact the Company's future operations. The Company has not hedged the conversion of its inventory into sales. Cryptocurrencies have a limited history, and the fair value historically has been volatile. Historical performance of cryptocurrencies is not indicative of their future price performance. The Company's inventory consists primarily of Bitcoin and Ethereum.

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With a 10% change to the price of bitcoin, the Company's digital assets and inventory at June 30, 2025 would increase or decrease by \$2,132,693 and \$145,775, respectively and the Company's loans payable - crypto currency would increase or decrease by \$2,113,742.

e) Interest rate risk

The Company is exposed to interest rate cash flow risk associated with its Debenture A and Debentures B as these instruments bear interest at a variable market rate. With a 100 basis point change in market interest rates, the Company's interest expense for the three months ended June 30, 2025 related to these debts would increase or decrease by \$13,052.

The Company is not exposed to significant interest rate risk on its line of credit, Debentures C, and loans payable - crypto currency as the majority of these liabilities incur interest at a fixed rate.

11.2 Fair Values

The carrying values of cash, accounts receivable, accounts payable and accrued liabilities, acquisition consideration payable, and line of credit approximate their fair values due to their short-term nature. The carrying value of the Company's convertible debt (excluding the royalty derivative liability) does not differ significantly from its carrying value using observable inputs as the debt bears interest at a variable rate or at fixed rates that approximate market rates for debt of similar characteristics.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

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Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's financial instruments and digital assets have been classified as follows:

As at December 31, 2024	Level 1	Level 2	Level 3	Total
Fair value through profit and loss				
Cryptocurrency loans \$	- \$	- \$	22,187,896 \$	22,187,896
Royalty liability	-	-	1,194,636	1,194,636
Fair value through other comprehensive income				
Digital assets	-	22,374,404	-	22,374,404

As at June 30, 2025	Level 1	Level 2	Level 3	Total
Fair value through profit and loss				
Cryptocurrency loans \$	- \$	- \$	21,137,956 \$	21,137,956
Royalty liability	-	-	1,168,949	1,168,949
Fair value through other comprehensive income				
Digital assets	-	21,326,926	-	21,326,926

12. EQUITY

12.1 Authorized Share Capital

The Company is authorized to issue the following:

- Unlimited number of voting common shares, without nominal or par value.
- Unlimited number of non-voting preferred shares, without nominal or par value.

12.2 Shares issued

During the six months ended June 30, 2025, the Company issued the following common shares:

- 1,664,000 common shares issued on the TSXV at an average price of \$0.144 per share pursuant to the ATM Program, providing gross proceeds of \$239,838. Commissions and other related costs of \$8,965 were paid to the Agent in connection with these distributions, resulting in net proceeds to the Company of \$230,873. In addition, initial set up costs for the ATM Program of \$12,940 were allocated against the net proceeds resulting in a net addition of \$217,933 to share capital;
- 536,408 common shares in the capital of the Company at a deemed price of \$0.19 per share and 206,381 common shares at a deemed price of \$0.152 per share to settle total outstanding debt obligations of \$133,289. The debt obligations related to accrued interest owing pursuant to certain cryptocurrency loans and a convertible debt agreement;
- 801,190 common shares in the capital of the Company at a deemed price of \$0.13 per share and 342,903 common shares at a deemed price of \$0.104 per share to settle total outstanding debt obligations of \$139,817. The debt obligations related to accrued interest owing pursuant to certain cryptocurrency loans and a convertible debt agreement;
- 787,270 common shares were issued upon the exercise of stock options; and
- 16,000 common shares were issued upon the exercise of broker options.

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12.3 Incentive Plan

Long-term Incentive Plan ("LTIP")

The Company periodically grants stock options to purchase common shares of the Company to certain officers, directors, and employees. Options typically vest within two to three years of the grant date and expire after a term of 5 years.

Stock options issued are summarized below:

	Number of options	Weighted average exercise price
Options outstanding, December 31, 2023	8,086,245	0.09
Granted	10,150,000	0.14
Forfeited	(1,712,221)	0.14
Exercised	(1,071,629)	0.05
Options outstanding, December 31, 2024	15,452,395 \$	0.12
Forfeited	(1,042,781)	0.14
Exercised	(787,270)	0.05
Options outstanding, June 30, 2025	13,622,344 \$	0.12
Options exercisable, December 31, 2024	7,386,816 \$	0.10
Options exercisable, June 30, 2025	6,972,344 \$	0.10

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The Company had the following stock options outstanding and exercisable, at June 30, 2025:

Outstanding				Exercisable	
Exercise Price	Number of options outstanding	Weighted average exercise price	Weighted average remaining life (months)	Weighted average exercise price	Number of options exercisable
\$ 0.20	150,000	\$ 0.20	7	\$ 0.20	150,000
0.30	200,000	0.30	7	0.30	200,000
0.34	294,117	0.34	1	0.34	294,117
0.31	91,553	0.31	15	0.31	91,553
0.18	896,278	0.18	18	0.18	896,278
0.07	2,929,881	0.07	25	0.07	2,929,881
0.05	2,110,515	0.05	23	0.05	2,110,515
0.14	6,650,000	0.14	6	0.14	-
0.12	300,000	0.12	9	0.12	300,000
	13,622,344	\$ 0.12	14	\$ 0.10	6,972,344

During the three and six months ended June 30, 2025, the Company recorded a total of \$31,591 and \$135,909 (2024 - \$195,829 and \$263,413), respectively, as share based payments related to stock options.

12.4 Warrants

Warrants issued are summarized below:

	Number of options	Weighted average exercise price
Warrants outstanding, December 31, 2023	30,291,985	\$ 0.15
Granted - equity private placement	6,890,684	0.275
Granted - convertible debenture private placement	8,980,956	0.30
Exercise of warrants	(860,000)	0.05
Warrants outstanding, December 31, 2024	45,303,625	\$ 0.20
Issued pursuant to exercise of broker options	16,000	0.275
Warrants outstanding, June 30, 2025	45,319,625	\$ 0.20

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The following table summarizes the warrants that were outstanding as at June 30, 2025:

Exercise price	Number of warrants	Expiry Date
\$ 0.05	6,140,000	September 7, 2028
\$ 0.18	23,291,985	September 1, 2026
\$ 0.275	6,906,684	March 22, 2027
\$ 0.30	8,980,956	December 30, 2029
Warrants outstanding, June 30, 2025	45,319,625	

12.5 Agent Options

In connection with the March 2024 private placement, the Company granted Agent Options to acquire 894,603 Units. The Agent Options are exercisable at a price of \$0.175 per option and expire on March 22, 2027. Each Unit consisted of one common share and one Warrant of the Company, exercisable at a price of \$0.275 per share, and expiring on March 22, 2027. During the six months ended June 30, 2025, 16,000 of the Agent Options were exercised.

In connection with the December 2024 convertible debenture private placement, the Company granted Compensation Options to acquire 334,782 Compensation Option Units. The Compensation Options are exercisable at a price of \$0.23 per option and expire on December 30, 2029. Each Compensation Option Unit consists of one common share and one Warrant, exercisable at a price of \$0.30 per Warrant and expiring on December 30, 2029. During the six months ended June 30, 2025, no Compensation Options were exercised.

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13. REVENUE

The Company generates revenue through the sale of its inventory (cryptocurrency). These sales are transacted to customers, as well as to arms-length cryptocurrency exchanges. The below table summarizes both sources of revenue reported.

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
Customers	\$ 23,386,121	\$ 17,248,757	\$ 47,292,370	\$ 29,192,958
Cryptocurrency exchanges	8,602,099	6,014,037	16,387,830	10,250,955
Transaction fee revenue	111,956	-	221,988	-
Total sales revenue	\$ 32,100,176	\$ 23,262,794	\$ 63,902,188	\$ 39,433,913

The Company recognizes revenue when customers purchase cryptocurrency and it is transferred to the customer's account. The Company's performance obligation is the confirmed transfer of the purchased cryptocurrency to the customer's wallet. The Company purchases bitcoin and other cryptocurrencies from cryptocurrency exchanges and applies a margin before selling it to customers.

The amounts sold to and purchased from the Company's customers are recorded as revenue on a gross basis, and the inventory sold is the cost of coin, as the Company is the principal in the cryptocurrency sale transaction.

The Company has been determined to be the principal because it controls the cryptocurrency before delivery to the customer, the Company is primarily responsible for the delivery of the cryptocurrency to the customer, the Company is exposed to risks arising from fluctuations in the market prices of cryptocurrencies before delivery to the customer, and the Company has discretion in setting prices charged to the customer. Sales to cryptocurrency exchanges represents coins sold to exchanges as a function of managing the Company's coin inventory balance.

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(Unaudited - Expressed in Canadian dollars, except where otherwise stated)

The Company recently expanded its Online Portal and Bitcoin Well Infinite service lines to serve customers located in the United States. Transactions conducted with US based customers are currently facilitated through third party service providers that purchase and sell the cryptocurrency directly with the customers. The Company is compensated by the third party service providers through a monthly per transaction fee based on a sliding scale dependent on quarterly volumes. During the three and six months ended June 30, 2025, the transaction fees earned from the third party service providers were \$111,956 and \$221,988 (2024 - nil). Gross transaction volumes related to these transactions for the three and six months ended June 30, 2025 was USD\$8,654,745 and USD\$15,996,576 (2024 - nil).

14. GENERAL AND ADMINISTRATION

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
Service costs	\$ 379,749	\$ 534,461	\$ 804,505	\$ 1,081,442
Office expenses	47,485	46,183	87,158	102,140
Travel and meals	21,117	26,397	44,357	38,638
Automobile	792	593	3,493	1,200
Rent and lease payments	10,355	12,737	20,313	19,551
Consulting fees	155,342	195,381	285,666	309,191
Total	\$ 614,840	\$ 815,752	\$ 1,245,492	\$ 1,552,162

Service costs include cash logistics, ATM operating costs, and costs related to hosting ATMs.