



BITCOIN WELL

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

Management's Discussion and Analysis

For the three and nine months ended
September 30, 2025

(Expressed in Canadian Dollars)

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") for Bitcoin Well Inc. ("Bitcoin Well", the "Company", "we", "us", or "our") was prepared as of November 5, 2025 to assist readers in understanding our financial performance for the three and nine months ended September 30, 2025. This MD&A should be read in conjunction with the unaudited condensed consolidated interim financial statements and notes thereto for the three and nine months ended September 30, 2025 (the "Interim Financial Statements") and the audited annual consolidated financial statements for the year ended December 31, 2024 (the "Annual Financial Statements"). The Interim Financial Statements were prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' (IAS 34) using accounting policies consistent with International Financial Reporting standards ("IFRS"). All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

This MD&A contains forward-looking statements. Please see "Note Regarding Forward-Looking Statements" for a discussion of the risks, uncertainties and assumptions used to develop our forward-looking statements. Accounting principles applied under IFRS require us to make certain estimates and assumptions that affect the reported amount of assets, liabilities, revenue, expenses, and related disclosures. We believe our estimates and assumptions are reasonable based on the information available at the time that these estimates and assumptions are made. Actual results may differ from these estimates.

This MD&A refers to non-GAAP financial measures such as "Adjusted EBITDA" and "Adjusted Cash Flow" that we present to assist users in assessing our performance. Adjusted EBITDA and Adjusted Cash Flow do not have any standard meaning under IFRS and may not be comparable to similar measures presented by other issuers. These measures are further described under "Non-GAAP Financial Measures".

Accounting principles applied under IFRS require us to make certain estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses, and related disclosures. We believe our estimates and assumptions are reasonable based on the information available at the time that these estimates and assumptions are made. Actual results may differ from these estimates.

For the three and nine months ended September 30, 2025

The address of the Company's registered office is 1700, 10175 - 101 Street NW, Edmonton, Alberta T5J 0H3. The Company's common shares are traded on the TSXV under the ticker symbol "**BTCW**", and on the OTCQB under the ticker symbol "**BCNWF**".

Additional information about Bitcoin Well, including our most recently filed audited consolidated financial statements and Annual Information Form, is available on the SEDAR+ website at www.sedarplus.ca.

The Board of Directors of the Company approved this MD&A on November 5, 2025.

KEY HIGHLIGHTS OF THE 3RD QUARTER ENDED SEPTEMBER 30, 2025

- Revenue of \$34.0 million for the 3-months ended September 30, 2025 (Q3 2024: \$21.0 million, +62%) and \$97.9 million for the 9-months ended September 30, 2025 (2024: \$60.5 million, +62%).
 - Online Bitcoin Portal revenue of \$17.5 million in Q3 2025 (+85%).
 - Bitcoin Well Infinite revenue of \$9.4 million in Q3 2025 (+67%).
 - Over 57,000 unique users in the Bitcoin Portal as of September 30, 2025 (+78% from December 31, 2024 and +128% from September 30, 2024).
 - Maintained yearly active user rate of over 21%.
- Gross profit of \$1.3 million for the 3-months ended September 30, 2025 (Q3 2024: \$0.9 million, +46%) and \$3.8 million for the 9-months ended September 30, 2025 (2024: \$2.8 million, +37%).
 - Gross profit increased due to higher revenue.
 - Gross margin declined slightly to 3.9% in Q3 2025 from 4.3% in Q3 2024 due to shifting sales mix towards the lower margin, but highly scalable Online Bitcoin Portal and Bitcoin Well Infinite.
- Adjusted EBITDA of negative \$0.3 million for the 3-months ended September 30, 2025 (Q3 2024: negative \$0.6 million) and negative \$0.7 million for the 9-months ended September 30, 2025 (2024: negative \$1.7 million).

For the three and nine months ended September 30, 2025

- Significant improvement in Adjusted EBITDA due to achieving higher revenue and gross profit.
- Net loss of \$4.1 million for the 3-months ended September 30, 2025 (Q3 2024: \$0.9 million) and net loss of \$5.0 million for the 9-months ended September 30, 2025 (2024: net loss of \$7.9 million). The large net loss in Q3 2025 was primarily due to non-cash fair value adjustments related to cryptocurrency loans.
- As at September 30, 2025, we held a net investment of 42.36 bitcoin in our Bitcoin Treasury. Subsequent to September 30, 2025, we acquired an additional 26.63 BTC to bring our total Bitcoin Treasury to 69.00 BTC as of November 5, 2025, purchased at an average purchase price of \$112,477 USD / \$157,897 CAD.
- On September 29, 2025, we completed an equity private placement and issued 122,471,380 Units at a price of \$0.102 per Unit for aggregate gross proceeds of \$12.5 million. Each Unit consisted of: (i) one common share; and (ii) one warrant, exercisable to acquire one additional common share at an exercise price of C\$0.1875 for a period of two years from the closing date. We intend to use the net proceeds from the private placement for further additions to our Bitcoin Treasury, working capital, and for general corporate purposes.

BUSINESS OVERVIEW

We are on a mission to enable independence. We do this by making bitcoin in self custody easy to use. Think of it as **"future-proofing money"**. In the future, people should be able to replace their bank with Bitcoin Well. We make bitcoin useful by coupling the convenience of modern banking with the benefits of bitcoin.

Bitcoin Well has three (3) unique business units including:

- Bitcoin ATM business (ATMs)
 - Started in 2014
 - Approximately 165 Bitcoin ATMs across Canada
 - Highest margin business unit

- Non-custodial bitcoin platform (Online Bitcoin Portal)
 - Launched in Q4 2022
 - Live in Canada and USA
 - Automatic self-custody (no bitcoin held on platform, safer for the customer)
 - High growth business unit
- Bitcoin Well Infinite
 - Split out from the Online Bitcoin Portal segment in Q1 2025 to become stand-alone
 - Facilitates large transactions (\$50,000 and above) for high net worth individuals and businesses
 - Operates in Canada, the USA and internationally
 - High touch personalized service experience
 - Self custody approach
 - Low cost business unit

Bitcoin Treasury

In December 2024, we also adopted a bitcoin treasury strategy, initially acquiring 7.53 BTC (our "Bitcoin Treasury"). During the first nine months of 2025, we completed several additional purchases, increasing our total Bitcoin Treasury to 42.36 BTC at September 30, 2025, purchased at an average purchase price of \$110,087 USD / \$152,504 CAD.

Subsequent to September 30, 2025, we acquired an additional 26.63 BTC to bring our total Bitcoin Treasury to 69.00 BTC as of November 5, 2025, purchased at an average purchase price of \$112,477 USD / \$157,897 CAD.

BUSINESS OUTLOOK AND STRATEGY

In the first nine months of 2025, we continued to prioritize the growth and expansion of our online business segments. Due to the significant increase in online sales, we also divided our online sales into two separate business units starting in Q1 2025: the Online Bitcoin Portal and the newly established Bitcoin Well Infinite business unit.

For the three and nine months ended September 30, 2025

The Bitcoin Well Infinite business unit facilitates large bitcoin transactions (\$50,000 and above) for high-net-worth individuals and businesses. Operating in Canada, the USA, and internationally, this high touch segment offers a secure and personalized experience, designed to serve as a private banking-style solution for clients seeking long-term wealth preservation with a self custody first approach.

Growth Execution

Highlights of our recent growth on the Online Bitcoin Portal include:

- Total Users as of September 30, 2025: Over 57,000 unique users signed up
 - Q3 2025: Addition of 8,100 new user sign ups
 - Q2 2025; Addition of 7,800 new user sign ups
 - Q1 2025: Addition of 7,000 new user sign ups
 - Q4 2024: Addition of 7,000 new user sign ups
 - Q3 2024: Addition of 4,800 new user sign ups
- We also achieved a 15% improvement of monthly active users in Q3 2025 compared to Q2 2025, and a 99% improvement of monthly active users from Q3 2024.

Highlights of our recent platform enhancements on the Online Bitcoin Portal include:

- Effective January 2025, our customers in the USA now have the ability to deposit paychecks or third party payments into their Bitcoin Well account. They can predetermine the percentage they would like converted into bitcoin and sent directly to their personal bitcoin wallets (AKA self custody).
- In April 2025, we announced the addition of the Lightning Network in the USA as a method of immediate delivery after a bitcoin purchase. This means US customers in all 50 states can now buy bitcoin and have it sent to their personal bitcoin wallets on the Lightning Network, saving money on blockchain transaction costs and preventing wallet bloat.

For the three and nine months ended September 30, 2025

- In July 2025, we announced that customers in Canada can now benefit by using recurring buy to buy bitcoin on a schedule. The scheduled buys can occur daily, weekly, bi-weekly or monthly. As always, all bitcoin purchases are sent directly to the customer's personal bitcoin wallet over the Lightning Network or on-chain. Further, the speed of transactions has improved to near instant (sub 1 second) when buying bitcoin over the Lightning Network.
- Additional updates to the Online Bitcoin Portal in Q3 2025 included the following features:
 - RTP integration into the USA payments system; allowing customers in the USA to sell bitcoin and receive dollars in their bank within a few minutes;
 - NWC connection to pay bills and send payments in Canada; allowing customers to benefit from using bitcoin in self-custody to make payments with the added convenience of "one-click-pay"; and
 - Nostr DM to buy in Canada and USA; allowing customers to buy bitcoin via direct message to the Bitcoin Well npub on nostr.

Our growth on the Online Bitcoin Portal and Bitcoin Well Infinite is expected to continue throughout the remainder of 2025 and in fiscal 2026.

Bitcoin Treasury Growth Strategy

We are well positioned to continue to add to our Bitcoin Treasury over the coming 12 months. We have an active ATM program of up to \$5,000,000 and a base shelf prospectus of up to \$25,000,000. We are also exploring other ways to further expand our bitcoin reserves as a way to increase the number of bitcoin (or sats) per share outstanding, including through additional equity private placements.

Our ultimate goal is to have Bitcoin Well hold enough BTC in the future to make us one of the largest productive bitcoin treasury companies in the world.

We expect to provide further updates on our Bitcoin Treasury initiatives in the coming quarters, subject to market conditions and regulatory approvals.

For the three and nine months ended September 30, 2025

SELECTED FINANCIAL INFORMATION

	Three months ended		Nine months ended	
	Sept 30, 2025	Sept 30, 2024	Sept 30, 2025	Sept 30, 2024
Revenue	\$ 34,035,308	\$ 21,010,424	\$ 97,937,496	\$ 60,454,337
Cost of coins	32,716,633	20,105,126	94,171,276	57,704,119
Gross profit	1,318,675	905,298	3,766,220	2,750,218
Gross profit margin	4%	4%	4%	5%
Operating expenses	2,510,478	1,516,665	5,426,622	4,431,781
Financing fees	849,528	633,995	2,360,294	1,955,175
Depreciation	109,060	134,310	325,349	554,775
Loss before other items	(2,150,391)	(1,379,672)	(4,346,045)	(4,191,513)
Other items (income)	1,992,839	(430,446)	667,899	3,757,452
Net loss	\$ (4,143,230)	\$ (949,226)	\$ (5,013,944)	\$ (7,948,965)
Adjusted EBITDA⁽¹⁾	\$ (255,109)	\$ (611,367)	\$ (723,708)	\$ (1,681,563)
Adjusted Cash Flow⁽¹⁾	(538,693)	(866,613)	(1,483,146)	(2,443,400)

Note 1: See "Non-IFRS Financial Measures".

As at	Sept 30, 2025	Dec 31, 2024
Cash	\$ 9,070,372	\$ 2,875,766
Working capital	15,339,428	16,046,995
Total assets	39,684,102	28,024,499
Shareholders' deficit	(3,337,973)	(12,993,531)
Long-term financial liabilities	\$ 19,009,685	\$ 29,633,849

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025

In Q3 2025, total revenue climbed to \$34.0 million, marking a 62% increase from \$21.0 million in Q3 2024. All segments experienced strong revenue growth during this period. The Online segment demonstrated the most significant growth, increasing by 85% to \$17.5 million, up from \$9.4 million in Q3 2024. Bitcoin Well Infinite also showed strong growth, with its revenue rising 59% to \$9.4 million, compared to \$5.6 million in the previous year. Additionally, ATM sales saw a 21% increase, reaching \$7.2 million from \$6.0 million in Q3 2024.

For the three and nine months ended September 30, 2025

Gross profit increased by 46% to \$1.3 million in Q3 2025 from \$0.9 million in Q3 last year due to the higher revenue. However, our gross margin declined slightly to 3.9% from 4.3% last year. This decline was attributed to a shift in sales mix, with lower margin online and Bitcoin Well Infinite transactions now representing a larger share compared to high margin Bitcoin ATM sales. Fees earned from online transactions are lower than those from ATM sales.

As we continue to shift our business towards the more scalable high growth Online Bitcoin Portal and Bitcoin Well Infinite revenue streams with lower fees and higher usability, we anticipate a future gross profit margin between 1.0% and 5.0%. Given the changing landscape, increased competition, and our focus on making bitcoin accessible through a modern-banking experience, we believe that attracting more customers at a smaller margin will provide greater growth potential and the opportunity to introduce paid premium product enhancements in the future. Our gross margin within the Online Bitcoin Portal segment was 1.5% in Q3 2025 (Q3 2024 - 1.4%) and within the Bitcoin Well Infinite segment was 2.8% (Q3 2024 - 1.1%).

Operational expenses for Q3 2025, excluding depreciation and financing fees, rose to \$2.5 million from \$1.5 million in the previous year. This \$1.0 million increase was largely attributable to \$0.9 million in non-recurring consulting and professional fees associated with implementing our new bitcoin treasury strategy. When these one-time costs are excluded, our operating expenses for Q3 2025 remained consistent with the prior year.

Adjusted EBITDA for Q3 2025 was negative \$0.3 million, compared to negative \$0.6 million in Q3 2024. The significant improvement was primarily due to the higher gross profit reported. The calculation of Adjusted EBITDA for Q3 2025 excluded the non-recurring one-time costs noted above.

For the three and nine months ended September 30, 2025

Financing fees rose to \$0.8 million in Q3 2025, up from \$0.6 million in the previous year. This increase was primarily attributed to higher outstanding balances on our line of credit and the issuance of \$2.0 million in convertible debentures in December 2024 which was used to add bitcoin to our Bitcoin Treasury. Our financing fees mainly comprise interest costs related to our convertible debt, cryptocurrency loans, and line of credit.

In Q3 2025, the Company reported a net loss of \$4.1 million, an increase from a \$0.9 million net loss in Q3 2024. This figure includes the impact of bitcoin price fluctuations, and therefore does not accurately reflect the Company's underlying financial health. A more accurate representation is the loss before other items, which excludes fair value changes related to bitcoin-denominated assets and liabilities. This metric shows a loss of \$2.2 million in Q3 2025, compared to \$1.4 million in Q3 2024. The higher loss in Q3 2025 was primarily due to non-recurring consulting and professional fees, as noted above.

A significant factor in the net loss for Q3 2025 was a \$1.9 million loss tied to the revaluation of cryptocurrency loans (compared to a \$43 thousand gain in Q3 2024). These non-cash gains and losses stem from IFRS requirements that mandate the revaluation of cryptocurrency loans at fair value at each reporting period's end, with changes recognized in profit and loss. While this mark-to-market accounting reflects the unrealized gain or loss at a specific time, it doesn't represent a realized gain or loss, doesn't impact cash, and isn't a direct reflection of business performance.

Conversely, our accounting policy under IFRS also requires the revaluation of digital assets at fair value at the end of each reporting period, with value increases recognized in other comprehensive income (unlike the revaluations of cryptocurrency loans). As a result, changes in the unrealized value of both cryptocurrency loans and digital assets can lead to significant fluctuations in net income (loss), which may not accurately represent the underlying operational performance of the business.

For the three and nine months ended September 30, 2025

We use Adjusted EBITDA to exclude the variability caused by these revaluations and provide what we believe is a more accurate measure of business performance.

During the three months ended September 30, 2025, we recognized a \$2.0 million unrealized gain on digital assets in other comprehensive income, which was offset by a \$1.9 million loss on the revaluation of cryptocurrency loans.

RESULTS OF OPERATIONS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

Revenue for the nine months ended September 30, 2024 increased to \$97.9 million, compared to \$60.5 million in 2024 (+62%). The increase was driven by higher transaction volumes on both the Online Bitcoin Portal and Bitcoin Well Infinite.

Specifically, the Online segment experienced 82% revenue growth, reaching \$47.3 million for the nine months ended September 30, 2025, compared to \$26.1 million in 2024. Bitcoin Well Infinite also demonstrated strong growth, with a 113% increase in revenue, reaching \$32.6 million, compared to \$15.3 million in the previous year. Overall growth year-to-date in 2025 was partially offset by a decline in ATM sales, which decreased to \$18.1 million in 2025 from \$19.1 million in 2024 (-5%).

Gross profit increased to \$3.8 million year-to-date in 2025 from \$2.8 million last year (+37%) due to the higher revenue. Gross margin declined, however, to 3.8% from 4.5% last year. Changes in sales mix, including higher revenue from the Online Bitcoin Portal and Bitcoin Well Infinite transactions, combined with lower revenue from higher margin ATM sales, caused the decline.

Operational expenses for 2025 (excluding depreciation and financing fees), rose to \$5.4 million from \$4.4 million in the previous year. This \$1.0 million increase was largely attributable to \$0.9 million in non-recurring consulting and professional fees associated with implementing our new bitcoin treasury strategy. When these one-time costs are excluded, our operating expenses for Q3 2025 remained consistent with the prior year. This was due to a balance of reduced general and administrative costs, particularly in cash logistics and ATM operations, being offset by increased marketing and advertising investments for the Online Bitcoin Portal and Bitcoin Well Infinite.

For the three and nine months ended September 30, 2025

Adjusted EBITDA saw a \$1.0 million improvement in the first nine months of 2025, reaching negative \$0.7 million compared to negative \$1.7 million in the previous year. The significant improvement was primarily due to the higher gross profit reported.

Financing fees increased to \$2.4 million in the first nine months of 2025 from \$2.0 million in 2024 due to higher outstanding balances on our line of credit and the issuance of \$2.0 million in convertible debentures in December 2024.

During the nine months ended September 30, 2025, we recorded a \$3.5 million loss related to the revaluation of cryptocurrency loans (2024 - loss of \$5.9 million) and a \$2.5 million realized gain on the sale of digital assets (2024 - gain of \$2.2 million). As noted earlier in this MD&A, these non-cash gains and losses are a result of IFRS requiring that we revalue our cryptocurrency loans at fair value at the end of each reporting period with the change recognized in profit and loss.

Due to these revaluation adjustments, we generated a net loss of \$5.0 million for the nine months ended September 30, 2025, compared to a net loss of \$7.9 million last year. Excluding other items, our loss before other items was \$4.3 million for the nine months ended September 30, 2025 compared to a loss of \$4.2 million in 2024.

For the three and nine months ended September 30, 2025

SUMMARY OF QUARTERLY RESULTS

	2023 - Q4		2024 - Q1		2024 - Q2		2024 - Q3	
Revenue	\$	13,590,048	\$	16,181,120	\$	23,262,793	\$	21,010,424
Gross profit		1,427,803		802,811		1,042,109		905,298
Gross profit %		11%		5%		4%		4%
Net loss		(5,204,589)		(8,124,693)		1,124,954		(949,226)
Adjusted EBITDA		176,107		(430,080)		(640,116)		(611,367)
EPS - basic	\$	(0.03)	\$	(0.04)	\$	0.01	\$	(0.00)
EPS - diluted		(0.03)		(0.04)		0.01		(0.00)
Common shares outstanding								
Basic		199,174,971		201,538,615		214,530,625		215,239,994
Diluted		199,174,971		201,538,615		221,544,953		215,239,994

	2024 - Q4		2025 - Q1		2025 - Q2		2025 - Q3	
Revenue	\$	30,059,063	\$	31,802,012	\$	32,100,176	\$	34,035,308
Gross profit		1,220,390		1,084,450		1,363,095		1,318,675
Gross profit %		4%		3%		4%		4%
Net income (loss)		(9,828,152)		3,293,498		(4,164,212)		(4,143,230)
Adjusted EBITDA		25,673		(354,693)		(113,906)		(255,109)
EPS - basic	\$	(0.05)	\$	0.01	\$	(0.02)	\$	(0.02)
EPS - diluted		(0.05)		0.01		(0.02)		(0.02)
Common shares outstanding								
Basic		217,917,953		219,812,080		221,753,749		228,260,618
Diluted		217,917,953		263,186,871		221,753,749		228,260,618

In Q3 2025, our revenue rose to \$34.0 million from \$32.1 million in the previous quarter, driven primarily by increased ATM sales and growth in our Online Bitcoin Portal. Despite this, gross profit remained relatively stable compared to the prior quarter. This was due to a reduced gross margin on ATM sales, which was negatively impacted by a non-recurring cash shrinkage of \$0.1 million in Q3 2025, resulting from ATM thefts. This non-recurring loss also contributed to a slight weakening in Adjusted EBITDA for the quarter.

In Q2 2025, revenue saw a slight increase from the previous quarter, reaching \$32.1 million. This was primarily driven by a \$1.0 million rise in ATM sales, while transaction volumes for the Online Bitcoin Portal and Bitcoin Well Infinite experienced a slight decrease. Consequently, gross profit improved by 26% to \$1.4 million, leading to an improved Adjusted EBITDA of negative \$0.1 million, compared to negative \$0.4 million in the prior quarter.

For the three and nine months ended September 30, 2025

However, the Company reported a net loss of \$4.2 million in Q2 2025, a significant shift from the net income of \$3.3 million in Q1 2025. This variance was largely attributable to fair value changes in cryptocurrency loans and realized gains from the disposal of digital assets. Specifically, Q2 2025 saw a fair value revaluation loss of \$3.9 million on cryptocurrency loans, in contrast to a revaluation gain of \$5.6 million recorded in Q1 2025.

The increase in revenue from \$30.1 million in Q4 2024 to \$31.8 million in Q1 2025 was primarily driven by growth in both the Online Bitcoin Portal and Bitcoin Well Infinite. This growth was partially offset by lower ATM transaction volumes. Gross profit decreased from \$1.2 million in Q4 2024 to \$1.1 million in Q1 2025 due to lower ATM sales. Net income improved from a loss of \$9.8 million in Q4 2024 to a positive \$3.3 million in Q1 2025, primarily due to favourable fair value changes related to cryptocurrency loans and realized gains on the disposal of digital assets.

Q4 2024 revenue grew 43% to \$30.1 million from \$21.0 million in Q3 2023, due to continued growth in the Online and Bitcoin Well Infinite business segments. Gross profit also increased by 35%, from \$0.9 million to \$1.2 million. Due to the strong revenue performance and managed general, administrative, and other operating costs, we achieved a positive adjusted EBITDA of \$26 thousand in Q4 2024. The significant net loss of \$9.8 million in Q4 2024 was mainly attributed to non-cash revaluation adjustments. These adjustments primarily related to cryptocurrency loans (\$8.1 million) and convertible debt (\$1.2 million).

Our revenue in Q3 2024 decreased to \$21.0 million from \$23.3 million in the prior quarter primarily due to lower ATM transaction volumes. Our gross profit declined to \$0.9 million from \$1.0 million in Q2 2023 due to the lower ATM sales noted. Offsetting a portion of the gross profit decline was continuing growth in gross profit from our Online and Bitcoin Well Infinite business segments.

Revenue in Q2 2024 increased to \$23.3 million from \$16.2 million in the prior quarter, driven by significant growth on the Online Bitcoin Portal. Gross profit grew to \$1.0 million from \$0.8 million in Q1 2024 (+30%) due to the revenue increase.

Revenue in Q1 2024 increased to \$16.2 million from \$13.6 million in the prior quarter, driven by growth from the Online Bitcoin Portal, partially offset by lower ATM transaction volumes. Our gross profit declined to \$0.8 million from \$1.4 million in Q4 2023 due to lower ATM sales.

We showcase Adjusted EBITDA in each quarter as net income (loss) includes mark to market gains or losses the revaluation of cryptocurrency loans and are not always a good reflection of our business.

LIQUIDITY & CAPITAL RESOURCES

We define the capital that we manage as our shareholders' equity, loans payable – cryptocurrency, convertible debt and line of credit. Our objectives when managing capital are:

- Maintaining healthy liquidity reserves and access to capital.
- Ensuring sufficient liquidity to support our 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.

We manage our 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 or the ATM Program. However, there can be no assurances that we will be able to obtain debt or equity capital in the future.

Working Capital

Our working capital decreased slightly to \$15.3 million at September 30, 2025, down from \$16.0 million at December 31, 2024. This decrease was primarily due to a reclassification of \$10.3 million in cryptocurrency loans and \$1.1 million in convertible debt from long-term to current liabilities, as their maturity dates are scheduled for Q1 2026. However, these financial instruments include automatic one-year renewal clauses and are expected to be extended unless lenders provide advanced notice. Additionally, negative cash flow from operating activities of \$3.0 million also contributed to the decrease.

These reductions were partially offset by an increase in cash of \$6.1 million from the September 2025 equity private placement and a \$5.7 million increase in digital assets, largely due to new investments in our Bitcoin Treasury.

Our ability to continue as a going concern and realize our assets and discharge our liabilities in the normal course of business is dependent upon maintaining a positive level of cash and working capital as well as keeping our convertible debt, line of credit and cryptocurrency loans in good standing. During the nine months ended September 30, 2025, we executed the below capital raising initiatives to improve our liquidity position.

Equity Private Placement

On September 29, 2025, and pursuant to an equity private placement, we issued 122,471,380 units (the "Units") at a price of \$0.102 per Unit for aggregate gross proceeds of \$12.5 million. The gross proceeds included 37.31 bitcoin, valued at \$5.9 million and cash of \$6.6 million. Issuance costs of \$0.2 million were also incurred, resulting in net proceeds of \$12.3 million.

Each Unit consisted of: (i) one common share; and (ii) one common share purchase warrant. Each warrant will be exercisable to acquire one additional common share at an exercise price of \$0.1875 for a period of two years from the closing date.

We intend to use the net proceeds from the equity private placement to make further additions to our Bitcoin Treasury, working capital, and for general corporate purposes.

ATM Program

On March 28, 2025, we commenced an at-the-market equity distribution program (the "ATM Program") pursuant to a prospectus supplement dated March 28, 2025 to our short form base shelf prospectus dated March 6, 2025, filed with securities regulatory authorities. The ATM Program is being conducted pursuant to the terms of an equity distribution agreement with Haywood Securities Inc. (the "Agent"), under which we may from time to time sell common shares for aggregate gross proceeds of up to \$5,000,000 at prevailing market prices at the time of sale.

All shares sold under the ATM Program will be sold through the TSXV or other recognized Canadian marketplace at prevailing market prices at the time of sale. The ATM Program is 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 us 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 our 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.

During the three months ended September 30, 2025, we issued and sold 262,000 common shares under the ATM Program at an average price of \$0.19 per share, for gross proceeds of \$49,411. Commissions and other related costs of \$1,966 were paid to the Agent in connection with these distributions, resulting in net proceeds of \$47,445.

During the nine months ended September 30, 2025, we issued and sold 1,926,000 common shares under the ATM Program at an average price of \$0.15 per share, for gross proceeds of \$289,249. Commissions and other related costs of \$11,036 were paid to the Agent in connection with these distributions, resulting in net proceeds of \$278,213.

We intend to use the net proceeds from the ATM Program, together with our current cash resources, to fund general corporate purposes, including ongoing operations and/or working capital requirements; to buy bitcoin as part of our 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.

OFF-BALANCE SHEET ARRANGEMENTS

We have not entered into any off-balance sheet arrangements.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

RISK MANAGEMENT

We are exposed to various financial risks, which could affect our ability to achieve our strategic objectives. The main objectives of our risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which we are 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 are subject to credit risk consist primarily of cash, digital assets, and accounts receivable.

We limit our exposure to credit loss related to cash by placing our cash with high quality financial institutions. We are also exposed to the risk of loss from theft of 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 our ATM machines to financial institutions.

For the three and nine months ended September 30, 2025

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

We may, from time to time, hold a net asset position with our liquidity partners. We limit this exposure to potential credit loss by ensuring we are 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 us to work with the liquidity partner.

A significant portion of our digital assets are also held by a lender as collateral for the line of credit. We do 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 our partner program. As a result, we terminated our hosting agreement with Rapid Cash who previously operated approximately 100 ATM machines under our partner program and vigorously pursued our rights under the contract and commenced an action against Rapid Cash before the Alberta Court of King's Bench.

In Q1 2025, we received a judgment from the Court of King's Bench of Alberta against Rapid Cash in the amount of \$0.5 million, including costs, related to our cash that was improperly withheld by Rapid Cash from ATM machines. We received these funds in August 2025. Following this, all remaining disputes, including all related litigation claims and counterclaims, were mutually settled and discontinued by the parties involved.

b) Liquidity Risk

Liquidity risk is the risk that we are not able to meet our financial obligations as they come due. As at September 30, 2025 we had a positive working capital balance of \$15.3 million (December 31, 2024 – \$16.1 million) and cash balances of \$9.1 million (December 31, 2024 – \$2.9 million). Our short-term liabilities at September 30, 2025 were \$24.0 million (December 31, 2024 – \$11.4 million).

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

The line of credit and current portion of convertible debt (excluding \$0.3 million 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.

Our 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.

The line of credit requires us 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.

For the three and nine months ended September 30, 2025

As at September 30, 2025, the lender held 147 Bitcoin as security over the line of credit, with a fair value of \$23.5 million, representing a Loan to Value of 46%.

Our approach to managing liquidity risk is to ensure that we will have sufficient liquidity to meet liabilities when due. During the nine months ended September 30, 2025, we established the ATM Program that allows the Company to issue and sell, at our discretion, up to \$5.0 million of common shares to the public from time to time. When executed, the ATM program will provide us with additional capital resources and liquidity. We also completed an equity private placement for net proceeds of \$12.4 million in September 2025.

We may 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 our shareholders and may result in dilution to the value of such interests.

c) Foreign Currency Risk

We are exposed to foreign currency risk in relation to our line of credit, which is denominated in USD. Based on the balance of the line of credit denominated in USD at September 30, 2025, a 5% increase or decrease in the exchange rate would result in a gain or loss of \$0.5 million. We are 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. We are 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.

The prices of most cryptocurrencies are expected to remain volatile, due to continued speculation, conflicting media coverage, potential regulatory actions, and lawsuits against industry participants.

A decline in the market prices for cryptocurrencies could negatively impact our future operations. We have not hedged the conversion of our 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. Our inventory consists primarily of Bitcoin and Ethereum.

With a 10% change to the price of bitcoin, our digital assets and inventory at September 30, 2025 would increase or decrease by \$2.8 million and \$0.2 million, respectively, and our loans payable - crypto currency would increase or decrease by \$2.3 million.

e) Interest rate risk

We are exposed to interest rate cash flow risk associated with our 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, our interest expense for the three months ended September 30, 2025 related to these debts would increase or decrease by \$13 thousand.

We are not exposed to significant interest rate risk on our line of credit, Debenture C, and loans payable - crypto currency as the majority of these liabilities incur interest at a fixed rate.

RELATED PARTY TRANSACTIONS

Our related party balances and transactions include:

- Loans payable in cryptocurrency consisting of 40 bitcoins, valued at \$6.4 million outstanding at September 30, 2025 with the Chief Executive Officer of the Company. Interest incurred on this cryptocurrency loan for the three and nine months ended September 30, 2025 was \$43 thousand and \$126 thousand (2024 - \$49 thousand and \$157 thousand), respectively;

For the three and nine months ended September 30, 2025

- Loans payable in cryptocurrency consisting of 10 bitcoins valued at \$1.6 million outstanding at September 30, 2025 with Beyond the Rhode Corp (BTR), a company controlled by Terry Rhode, a director of Bitcoin Well. Interest incurred on this cryptocurrency loan for the three and nine months ended September 30, 2025 was \$39 thousand and \$108 thousand (2024 - \$5 thousand and \$70 thousand), respectively;
- During the three and nine months ended September 30, 2025, we incurred \$0.1 million and \$0.3 million, respectively, in interest on a \$4.1 million convertible debenture owed to BTR. This was a decrease from the \$0.2 million and \$0.5 million, respectively, in interest incurred in the comparative three and nine months ended September 30, 2024. Royalties payable related to the debenture were \$48 thousand and \$87 thousand, respectively, for the three and nine months ended September 30, 2025, compared to \$24 thousand and \$67 thousand, respectively, in 2024.

During the three months ended March 31, 2025, BTR agreed to waive all royalty payments otherwise due in exchange for an extension of the royalty for an additional period of 3 months.

- In the three and nine months ended September 30, 2025, we incurred \$18 thousand and \$54 thousand, respectively, of interest expense related to the Debentures C held by BTR. This excludes accretion expense and compares to \$nil in the comparative 2024 periods. As of September 30, 2025, BTR held a principal amount of \$900,000 of the Debentures C.
- Salaries, fees, and other short term benefits paid to executive officers and directors for the three and nine months ended September 30, 2025 was \$0.1 million and \$0.4 million (2024 - \$0.1 million and \$0.4 million), respectively; and
- Share based payments expense related to executive officers and directors for the three and nine months ended September 30, 2025 was \$15 thousand and \$45 thousand (2024 - \$12 thousand and \$54 thousand), respectively.

For the three and nine months ended September 30, 2025

- During the three and nine months ended September 30, 2025, a director and officer of the company purchased \$13,165 and \$108,270, and sold \$36,534 and \$46,447, respectively, of cryptocurrency through the Company's online platform.
- During the three and nine months ended September 30, 2025, a company of which a director and officer of the company owns 33%, provided marketing and advertising services to the Company in the amount of \$6,913 (2024 - \$nil) and sold \$65,299 and \$106,247, respectively, of cryptocurrency through the Company's online platform.

DISCLOSURE OF OUTSTANDING SHARE DATA

As of the date of this MD&A, we have issued and outstanding 350,423,493 common shares. In addition, we had the following securities potentially convertible into common shares:

- 13,141,307 stock options, exercisable to acquire common shares at prices ranging from \$0.05 to \$0.31 per option;
- 122,471,380 warrants exercisable to acquire common shares at a price of \$0.1875 per share, expiring on September 29, 2027;
- 23,291,985 warrants exercisable to acquire common shares at a price of \$0.18 per share, expiring on September 1, 2026;
- 6,140,000 warrants, exercisable to acquire common shares at a price of \$0.05 per share, expiring on September 7, 2028;
- 6,906,684 warrants, exercisable to acquire common shares at a price of \$0.275 per share, expiring on March 22, 2027;
- 8,980,956 warrants, exercisable to acquire common shares at a price of \$0.30 per share, expiring on December 30, 2029;
- 878,603 agent options, exercisable to acquire 878,603 common shares at a price of \$0.175 per share and 878,603 warrants, exercisable at a price of \$0.275 per share, expiring on March 22, 2027;
- 334,782 agent options, exercisable to acquire 334,782 common shares at a price of \$0.23 per share and 334,782 warrants, exercisable at a price of \$0.30 per share, expiring on December 30, 2029;
- Convertible debt in the principal amount of \$4.1 million convertible into 16,400,000 common shares at a price of \$0.25 per share;

For the three and nine months ended September 30, 2025

- x) Convertible debt in the principal amount of \$1.1 million convertible into 7,471,567 common shares at a price of \$0.15 per share; and
- xi) Convertible debt in the principal amount of \$2.0 million convertible into 8,695,652 common shares at a price of \$0.23 per share.

RISKS AND UNCERTAINTIES

Our business is subject to risks and uncertainties. Prior to making any investment decisions regarding Bitcoin Well, investors should carefully consider, among other things, the risks described herein and in the "Risk Factors" section of our MD&A and Annual Information Form for the year ended December 31, 2024, which are incorporated by reference herein.

These risks and uncertainties are not exhaustive. Additional risks presently known or currently deemed immaterial may also impair our business operations. If any of the events described in our risk factors actually occur, our overall business, operating results and financial condition could be materially adversely affected.

NON-IFRS FINANCIAL MEASURES

This MD&A contains certain financial measures that do not have any standardized meaning prescribed by IFRS. These financial measures may, therefore, not be comparable to similar measures presented by other issuers. Investors are cautioned that these measures should not be construed as an alternative to net income or to cash provided by or used in operating, investing, and financing activities determined in accordance with IFRS, as indicators of our performance. We provide these measures to assist investors in determining our ability to generate income and cash provided by operating activities. We list and define these measures below:

Adjusted EBITDA

Adjusted EBITDA is defined as net income (loss), excluding: finance fees, income tax expense or recovery, depreciation, share-based compensation, gain or loss on changes in fair value of digital assets and cryptocurrency inventory, gains or losses on the fair value adjustment of cryptocurrency loans and convertible debt, gain or loss on debt settlements, fair value change of investments, impairment of goodwill, gains and losses on the sale of property and equipment, foreign exchange gains and losses, and costs associated with one-time transactions (such as restructuring costs, non-recurring start-up costs, or business acquisition related costs).

For the three and nine months ended September 30, 2025

Adjusted Cash Flow

Adjusted Cash Flow is defined as Adjusted EBITDA less financing fees, excluding non-cash interest related items. Non-cash interest items include interest on cryptocurrency loans and convertible debt that were settled in common shares or are intended to be settled in common shares, non-cash interest on the line of credit where the accrued interest is added to the principal balance of the loan, and accretion expense on convertible debt. A reconciliation of net loss to Adjusted EBITDA and Adjusted Cash Flow for each of the periods presented in this MD&A follows:

	Three months ended		Nine months ended	
	Sept 30, 2025	Sept 30, 2024	Sept 30, 2025	Sept 30, 2024
Net loss	\$ (4,143,230)	\$ (949,226)	\$ (5,013,944)	\$ (7,948,965)
Financing fees	849,528	633,995	2,360,294	1,955,175
Depreciation	109,060	134,310	325,349	554,775
Fair value change - crypto loans ⁽¹⁾	1,889,333	(43,366)	3,546,225	5,873,575
Share based compensation	107,500	62,515	243,409	325,928
Foreign exchange loss (gain)	138,258	(79,012)	(362,291)	106,847
Gain on debt settlement	-	-	-	(20,000)
Loss (gain) on disposal of property, plant and equipment	2,457	2,607	2,457	(1,090)
Fair value change - crypto inventory ⁽¹⁾	(130,296)	159	(243,358)	(296,673)
Fair value change - convertible debt	(14,413)	-	(40,100)	-
Realized gain on digital assets ⁽¹⁾	-	(373,349)	(2,478,443)	(2,231,135)
Non-recurring start-up costs ⁽²⁾	936,694	-	936,694	-
Adjusted EBITDA	\$ (255,109)	\$ (611,367)	\$ (723,708)	\$ (1,681,563)
Less: financing fees	(849,528)	(633,995)	(2,360,294)	(1,955,175)
Add: non-cash interest items ⁽³⁾	565,944	378,749	1,600,856	1,193,338
Adjusted Cash Flow	\$ (538,693)	\$ (866,613)	\$ (1,483,146)	\$ (2,443,400)

- (1) Non-cash, fair value change on the revaluation of cryptocurrency loans is largely offset by revaluation changes in inventory and gains (losses) on digital assets, which are recorded in both income (if realized) and other comprehensive income (if unrealized).
- (2) Non-recurring start-up costs relate to professional and consulting fees incurred in establishing the Company's bitcoin treasury reserve.
- (3) Non-cash interest items include interest on cryptocurrency loans and convertible debt that were settled in common shares or are intended to be settled in common shares, non-cash interest on the line of credit where the accrued interest is added to the principal balance of the loan, and accretion expense on convertible debt.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

The information provided in this MD&A, including information incorporated by reference, may contain "forward-looking statements" about the Company. In addition, the Company may make or approve certain statements in future filings with Canadian securities regulatory authorities, in press releases, or in oral or written presentations by representatives of the Company that are not statements of historical fact and may also constitute forward-looking statements. All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words.

Forward-looking statements contained herein include, but are not limited to statements in respect of: revenue growth from the Bitcoin Online Portal and Bitcoin Well Infinite; estimated gross margin ranges in the future; future renewal or extension of existing cryptocurrency loans or tranches advanced under the line of credit, and Bitcoin Well's business plans, strategy and outlook.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information, including, but not limited to the following: economic and financial conditions, volatility in the capital or credit markets; the level of demand and financial performance of the cryptocurrency and digital asset industry, the occurrence of force majeure events; the extent to which the Company is successful in gaining new long-term users or retaining existing users; developments and changes in laws and regulations, disruptions to the Company's technology network; inability to obtain financing; competitive factors; and such other factors as discussed in the "Risks and Uncertainties" section of this MD&A.

Consequently, all forward-looking statements made in this MD&A and other documents of the Company, as applicable, are qualified by such cautionary statements and there can be no assurance that the anticipated results or developments will actually be realized or, even if realized, that they will have the expected consequences to or effects on the Company. The cautionary statements contained or referred to in this section should be considered in connection with any subsequent written or oral forward-looking statements that the Company and/or persons acting on its behalf may issue. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required under securities legislation.