

BITCOIN WELL

TSX.V:BTCW OTCQB:BCNWF

Unaudited Condensed Consolidated Interim Financial Statements

For the Three and Nine months ended September 30, 2026 and 2025

Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian dollars)

As at	Note	September 30, 2026	December 31, 2025
Assets			
Current assets			
Cash		**$ 1,239,861**	$ 3,139,299
Accounts receivable		**130,991**	148,010
Digital assets	3	**23,012,457**	24,568,769
Inventory	6	**1,215,775**	1,258,780
Deposits and prepaid expenses		**343,729**	514,851
		25,942,813	29,629,709
Non-current assets			
Property and equipment		**74,738**	82,616
Right of use assets		**24,301**	44,508
Intangible assets		**25,724**	44,901
Goodwill		**105,427**	105,427
Total assets		**$ 26,173,003**	$ 29,907,161
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**$ 806,840**	$ 1,268,691
Deferred revenue		**149,344**	103,869
Lease liability - current		**17,129**	25,223
Acquisition consideration payable		**135,389**	150,442
Convertible debt - current	7	**1,266,694**	1,493,754
Line of credit	8	**12,023,382**	10,753,735
Loans payable - cryptocurrency	5	**6,542,237**	7,807,006
Loans payable		**40,000**	40,000
		20,981,015	21,642,720
Non-current liabilities			
Lease liability - long term		**7,461**	20,408
Convertible debt	7	**5,712,757**	6,180,242
Loans payable – cryptocurrency	5	**9,516,420**	9,609,066
Total liabilities		**36,217,653**	37,452,436
Shareholders' deficit			
Share capital	13	**30,130,388**	28,906,034
Contributed surplus	13	**4,255,413**	3,540,328
Convertible debt - equity		**316,881**	316,881
Warrants	13	**523,860**	873,240
Accumulated deficit		**(56,548,496)**	(53,288,367)
Accumulated other comprehensive income		**11,277,304**	12,106,609
Total shareholders' deficit		**(10,044,650)**	(7,545,275)
Total liabilities and shareholders' deficit		**$ 26,173,003**	$ 29,907,161

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

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

	Note	Three months ended		Nine months ended	
		September 30, 2026	September 30, 2025	**September 30, 2026**	September 30, 2025
Revenue					
Sales revenue	14	**$ 14,556,028**	$ 34,035,308	**$ 67,923,103**	$ 97,937,496
Cost of coins		**(13,723,689)**	(32,716,633)	**(65,044,616)**	(94,171,276)
Gross profit		**832,339**	1,318,675	**2,878,487**	3,766,220
Expenses					
General and administration	15	**500,939**	686,766	**1,658,150**	1,932,258
Salaries and wages		**329,057**	253,967	**1,083,650**	742,586
Depreciation		**17,209**	109,060	**67,991**	325,349
Financing fees	5, 7	**803,377**	849,528	**2,360,589**	2,360,294
Marketing and advertising		**292,092**	356,444	**1,067,974**	1,123,273
Professional fees		**35,861**	1,066,531	**196,824**	1,252,370
Software		**158,791**	146,770	**473,955**	376,135
		2,137,326	3,469,066	**6,909,133**	8,112,265
Loss before other items		**(1,304,987)**	(2,150,391)	**(4,030,646)**	(4,346,045)
Other items					
Fair value change - cryptocurrency loans	5	**(5,076,573)**	(1,889,333)	**276,830**	(3,546,225)
Share based compensation		**(117,524)**	(107,500)	**(370,905)**	(243,409)
Gain (loss) on disposal of property and equipment		**-**	(2,457)	**7,553**	(2,457)
Foreign exchange gain (loss)		**9,005**	(138,258)	**(406,859)**	362,291
Fair value change - cryptocurrency inventory		**357,611**	130,296	**(11,580)**	243,358
Fair value change - convertible debt		**127,859**	14,413	**784,746**	40,100
Realized gain on digital assets		**490,732**	-	**490,732**	2,478,443
Net loss		**(5,513,877)**	(4,143,230)	**(3,260,129)**	(5,013,944)
Other comprehensive income (loss)					
Revaluation income (loss) on digital assets	3	**6,669,413**	1,956,011	**(829,305)**	1,161,166
Total comprehensive income (loss)		**1,155,536**	(2,187,219)	**(4,089,434)**	(3,852,778)
Net loss per common share					
Basic		**(0.01)**	(0.02)	**(0.01)**	(0.02)
Diluted		**(0.01)**	(0.02)	**(0.01)**	(0.02)
Weighted average common shares outstanding:					
Basic		**368,173,999**	228,260,618	**360,698,061**	223,306,430
Diluted		**368,173,999**	228,260,618	**360,698,061**	223,306,430

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

Nine months ended September 30		2026		2025
Cash provided by (used in):				
Operating activities				
Net loss	**$**	**(3,260,129)**	$	(5,013,944)
Adjustments for:				
Depreciation		**67,991**		325,349
Fair value change - cryptocurrency loans		**(276,830)**		3,546,225
Fair value change - cryptocurrency inventory		**11,580**		(243,358)
Fair value change - convertible debenture		**(784,746)**		(40,100)
Accretion expense - convertible debenture		**90,202**		73,977
Realized gain on digital assets		**(490,732)**		(2,478,443)
(Gain) loss on disposal of property and equipment		**(7,553)**		2,457
Foreign exchange loss (gain)		**407,832**		(299,902)
Share based compensation		**370,905**		243,409
		(3,871,480)		(3,884,330)
Changes in non-cash working capital items:				
Accounts receivable		**17,019**		423,448
Deposits and prepaid expenses		**171,122**		(128,694)
Inventory		**31,425**		(70,000)
Accounts payable and accrued liabilities		**663,489**		1,145,103
Deferred revenue		**45,475**		(502,220)
Cash used in operating activities		**(2,942,950)**		(3,016,693)
Investing activities				
Purchase of property and equipment, net		**(13,176)**		(15,306)
Proceeds on disposal of digital assets		**564,019**		3,240,550
Purchase of digital assets		**(426,864)**		(5,311,063)
Cash provided by investing activities		**123,979**		(2,085,819)
Financing activities				
Repayment of cryptocurrency loans		**-**		(2,706,835)
Payments of acquisition consideration payable		**(15,053)**		(12,569)
Proceeds from line of credit		**861,813**		1,470,492
Repayment of lease liability		**(21,041)**		(34,632)
Shares issued pursuant to exercise of options and warrants		**1,749**		51,881
Shares issued pursuant to at-the-money financing		**92,065**		262,686
Shares issued pursuant to equity private placement		**-**		12,266,095
Cash provided by financing activities		**919,533**		11,297,118
Change in cash		**(1,899,438)**		6,194,606
Cash, beginning of period		**3,139,299**		2,875,766
Cash, end of period	**$**	**1,239,861**	$	9,070,372

Supplemental cash flow information (Note 10)

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: Number of Common Shares	Share Capital: Amount	Contributed Surplus	Convertible Debt - Equity	Warrants	Accumulated Deficit	Accumulated Other Comprehensive Income	Total
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		914,544	130,933	(81,852)	-	-	-	-	**49,081**
Shares issued - agent options exercised		16,000	4,880	(2,800)	-	720	-	-	**2,800**
Shares issued - debt settlements		5,022,196	692,914	-	-	-	-	-	**692,914**
Shares issued - ATM		1,926,000	262,686	-	-	-	-	-	**262,686**
Shares issued - convertible debenture		501,249	80,200	-	-	-	-	-	**80,200**
Shares issued - services received		870,806	123,750	-	-	-	-	-	**123,750**
Shares issued - private placement		122,471,380	12,245,164	-	-	-	-	-	**12,245,164**
Share based compensation		-	-	(287,727)	-	-	-	-	**(287,727)**
Net loss for the period		-	-	-	-	-	(793,157)	-	**(793,157)**
Revaluation loss on digital assets		-	-	-	-	-	-	(6,927,455)	**(6,927,455)**
Balance at December 31, 2025		**350,423,493**	**$ 28,906,034**	**$ 3,540,328**	**$ 316,881**	**$ 873,240**	**$ (53,288,367)**	**$ 12,106,609**	**$ (7,545,275)**
Shares issued - options exercised	13	34,972	6,949	(5,200)	-	-	-	-	**1,749**
Shares issued - debt settlements	13	10,175,595	588,370	-	-	-	-	-	**588,370**
Shares issued - ATM	13	850,000	92,065	-	-	-	-	-	**92,065**
Shares issued - convertible debenture	13	2,796,444	160,000	-	-	-	-	-	**160,000**
Shares issued - services received	13	5,960,931	376,970	-	-	-	-	-	**376,970**
Share based compensation	13	-	-	370,905	-	-	-	-	**370,905**
Warrants expired	13	-	-	349,380	-	(349,380)	-	-	**-**
Net loss for the period		-	-	-	-	-	(3,260,129)	-	**(3,260,129)**
Revaluation loss on digital assets		-	-	-	-	-	-	(829,305)	**(829,305)**
Balance at September 30, 2026		**370,241,435**	**$ 30,130,388**	**$ 4,255,413**	**$ 316,881**	**$ 523,860**	**$ (56,548,496)**	**$ 11,277,304**	**$ (10,044,650)**

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 170 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 November 19, 2026.

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, 2025 and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2025. 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 September 30, 2026.

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 2025 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.

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 nine months ended September 30, 2026, the Company incurred a comprehensive loss of $4,089,434 (nine months ended September 30, 2025 - loss of $3,852,778) and reported a shareholders' deficit of $10,044,650 at September 30, 2026 (December 31, 2025 - deficit of $7,545,275).

Operations have been financed using a combination of cryptocurrency loans (Note 5), convertible debt (Note 7), line of credit (Note 8) and common share issuances.

To support the going concern assumption, management exercised judgements in preparing forecasts, which encompassed the expected demand for the Company's current and future services, projected operating expenses, future extensions of loans payable, and ongoing compliance with loan covenants related to the line of credit. 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. and Independent Well USA Corp. All intercompany transactions and balances have been eliminated on consolidation.

3. DIGITAL ASSETS

The Company classifies bitcoin holdings in excess of the inventory required for operations as digital assets. As at September 30, 2026, the price of bitcoin was $118,950 which reflected a decrease from its price of $120,108 on December 31, 2025.

The Company recognized an unrealized revaluation gain of $6,669,413 during the three months ended September 30, 2026 (September 30, 2025 - gain of $1,956,011) and an unrealized revaluation loss of $829,305 for the nine months ended September 30, 2026 (September 30, 2025 - gain of $1,161,166).

	Bitcoin	CAD $ Value
Balance at December 31, 2024	166 $	22,374,404
Additions	65	10,298,916
Disposals	(27)	(3,655,539)
Realized gain on sale of digital assets		2,478,443
Revaluation		(6,927,455)
Balance at December 31, 2025	204 $	24,568,769
Additions	5	426,865
Disposals	(15)	(1,644,604)
Realized gain on sale of digital assets		490,732
Revaluation		(829,305)
Balance at September 30, 2026	194 $	23,012,457

During the three and nine months ended September 30, 2026, a net total of 10 bitcoin were disposed of by the Company to settle a corresponding portion of its cryptocurrency loans (Note 5). This disposal resulted in a realized gain of $490,732 being recognized during the period.

4. RELATED PARTY TRANSACTIONS

Key Management Compensation

Key management includes members of the Board of Directors and its executive officers. In 2026, the Company began to also include its Vice President Operations in key management compensation. 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 September 30		Nine months ended September 30	
	2026	2025	**2026**	2025
Salary, fees, and other short-term benefits	$ **209,748**	$ 149,391	$ **624,132**	$ 429,016
Share based payments (Note 12)	**74,365**	15,000	**223,094**	45,000
Total	**$ 284,113**	**$** 164,391	**$ 847,226**	**$** 474,016

Other related party transactions

During the three and nine months ended September 30, 2026, the Company incurred $192,274 and $584,463 (2025 - $213,411 and $636,676), respectively, of interest and $27,966 and $95,451 (2025 - $47,742 and $86,906), respectively, of royalty payments related to crypto currency loans and convertible debentures owing to directors and officers of the company (see Notes 5 and 7 for additional information regarding the outstanding balances pursuant to these loans).

During the three and nine months ended September 30, 2026, a director and officer of the Company purchased $309 and $451,193 (2025 - $13,165 and $108,270), respectively, and sold $4,210 and $27,546 (2025 - $36,534 and $46,447), respectively, of cryptocurrency through the Company's online platform.

During the three and nine months ended September 30, 2026, a company of which a director and officer of the Company owns 33%, sold $12,472 and $64,481 (2025 - $65,299 and $106,247), respectively, of cryptocurrency through the Company's online platform.

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, 2024	165	$	22,187,897
Repayments	(20)		(2,706,835)
Revaluation	-		(2,064,990)
Balance at December 31, 2025	145	$	17,416,072
Repayments	(10)		(1,080,585)
Revaluation	-		(276,830)
Balance at September 30, 2026	135	$	16,058,657
Less: Current portion		$	6,542,237
Non-current portion		$	9,516,420

As at September 30, 2026, the Company's cryptocurrency loans consisted of 135 bitcoins with a fair value of $16,058,657 (December 31, 2025 – 145 bitcoins valued at $17,416,072). Of this amount, 40 bitcoins, valued at $4,758,429 (December 2025 - $4,804,754) was owing to a director and officer of the Company and 10 bitcoins, valued at $1,189,498 (December 2025 - $1,201,078) was owing to a director of the Company. The changes in fair value were a result of changes in the market price of bitcoin.

During the three and nine months ended September 30, 2026, the Company repaid cryptocurrency loans of 10 bitcoin, valued at 1,080,585 (2025 - 20 bitcoin repaid valued at $2,706,835).

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.

Of the 135 bitcoins owing, 55 bitcoins, valued at $6,542,237 are redeemable by the holders upon demand. The remaining 80 bitcoins, valued at $9,516,419 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 nine months ended September 30, 2026 was $299,225 and $764,559 (2025 - $258,244 and $695,058), respectively, of which $43,200 and $129,600 (2025 - $43,200 and $126,000), respectively, was incurred with an officer and director of the Company and $21,867 and $73,241 (2025 - $38,643 and $108,370), 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 nine months ended September 30, 2026, the Company recognized an unrealized fair value loss of $5,076,573 and gain of $276,830 (2025 - unrealized fair value loss of $1,889,333 and $3,546,225), respectively, as a result of changes in the market price of bitcoin.

6. INVENTORY

As at		**September 30, 2026**			**December 31, 2025**	
		Value	**Units**		**Value**	**Units**
Bitcoin	$	**1,189,498**	**10**	$	1,201,078	10
Ethereum		**25,181**	**6**		45,780	11
Other		**1,096**			11,922	
Total	**$**	**1,215,775**		$	1,258,780	

For the three and nine months ended September 30, 2026, a fair value gain of $357,611 and loss of $11,580 (2025 – gain of $130,296 and $243,358), respectively, was recognized due to changes in the market value of the Company's inventory balances.

7. CONVERTIBLE DEBT

As at		September 30, 2026		December 31, 2025
Debenture A	**$**	**4,100,000**	$	4,100,000
Debenture A - Royalty liability		**343,408**		1,128,154
Debentures B		**1,120,735**		1,120,735
Debentures C		**1,415,308**		1,325,107
Total		**6,979,451**		7,673,996
Less: current portion		**(1,266,694)**		(1,493,754)
	$	**5,712,757**	$	6,180,242

Debenture A

As at September 30, 2026, 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 October 31, 2028. 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.

During the three and nine months ended September 30, 2026, the Company incurred interest of $109,163 and $327,488 (2025 - $113,433 and $344,571), respectively, and incurred royalties of $27,966 and $95,451 (2025 - $47,742 and $86,906), respectively, related to Debenture A.

Debenture A - Royalty liability

The Company 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 $343,408 as of September 30, 2026 (December 31, 2025 - $1,128,154). During the three and nine months ended September 30, 2026, a fair value gain of $127,859 and $784,746 (2025 - gain of $14,413 and $40,100), 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 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, 2027 and March 28, 2027, subject to one automatic one year extension. 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 nine months ended September 30, 2026, the Company incurred $28,955 and $85,921 (2025 - $30,137 and $89,341), respectively, in interest related to the Debentures B.

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.

In January 2026, the Company issued 739,449 common shares at a deemed price of $0.109 per share in satisfaction of the January 2026 PIK Interest Payment. In July 2026, the Company issued 2,056,995 common shares at a deemed price of $0.0386 per share in satisfaction of the July 2026 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.

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 effective interest rate method is being used to amortize the liability component over the term of the Debentures.

During the three and nine months ended September 30, 2026, the Company recognized $72,686 and $210,202 (2025 - $66,515 and $194,177), respectively, in interest related to the Debentures C, including $32,086 and $90,202 (2025 - $26,315 and $73,977) in accretion for the three and nine month period, respectively.

8. LINE OF CREDIT

The Company has a line of credit with Ledn, a lending firm that provides bitcoin-backed loans. In June 2026, all of the tranches advanced under the line of credit were renewed for an additional 12 months and now incur interest at a rate of 9.0% per annum (previously 12.4%) and mature in various tranches in June 2027. These tranches can be further 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 80% of the Collateral (the "Loan to Value"). If the Loan to Value exceeds 80%, 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 90%, 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.

As at September 30, 2026, the lender held 188 Bitcoin with a fair value of $22.3 million as security over the line of credit, representing a Loan to Value of 54%.

During the three and nine months ended September 30, 2026, the Company recognized $261,804 and $861,813 (2025 - $327,030 and $942,686), 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.

Three months ended September 30, 2026	**ATMs**	**Online**	**Infinite**	**Head office**	**Total**
Sales	$ 3,764,492	$ 7,678,714	$ 3,112,822	$ -	$ 14,556,028
Cost of coins	(3,231,456)	(7,495,313)	(2,996,920)	-	(13,723,689)
Gross profit	533,036	183,401	115,902	-	832,339
Gross profit margin %	14.2%	2.4%	3.7%		5.7%
Expenses					
General and administration	295,284	17,521	7,302	180,832	500,939
Salaries and wages	49,812	148,302	65,358	65,585	329,057
Depreciation and accretion	15,144	-	-	2,065	17,209
Financing fees	-	-	-	803,377	803,377
Marketing and advertising	-	111,418	30,269	150,405	292,092
Professional fees	-	-	-	35,861	35,861
Software	34,999	52,499	53,795	17,498	158,791
Other items	-	-	-	4,208,890	4,208,890
Segment income (loss)	137,797	(146,339)	(40,822)	(5,464,513)	(5,513,877)
Total assets	$ 2,069,594	$ 215,891	$ 221,307	$ 23,666,211	$ 26,173,003
Total liabilities	-	5,102	42,858	36,169,693	36,217,653

Three months ended September 30, 2025	**ATMs**	**Online**	**Infinite**	**Head office**	**Total**
Sales	$ 7,181,510	$ 17,459,631	$ 9,394,167	$ -	$ 34,035,308
Cost of coins	(6,391,002)	(17,189,923)	(9,135,708)	-	(32,716,633)
Gross profit	790,508	269,708	258,459	-	1,318,675
Gross profit margin %	11.0%	1.5%	2.8%		3.9%
Expenses					
General and administration	385,178	48,340	16,766	236,482	686,766
Salaries and wages	63,492	126,983	25,397	38,095	253,967
Depreciation and accretion	95,973	-	-	13,087	109,060
Financing fees	-	-	-	849,528	849,528
Marketing and advertising	-	148,222	39,083	169,139	356,444
Professional fees	-	-	-	1,066,531	1,066,531
Software	34,900	52,349	42,072	17,449	146,770
Other items	-	-	-	1,992,839	1,992,839
Segment income (loss)	210,965	(106,186)	135,141	(4,383,150)	(4,143,230)
Total assets	$ 2,894,419	$ 679,398	$ 311,120	$ 35,799,165	$ 39,684,102
Total liabilities	-	16,226	28,139	42,977,710	42,022,075

Nine months ended September 30, 2026	**ATMs**	**Online**	**Infinite**	**Head office**	**Total**
Sales	$ 13,123,120	$ 27,929,329	$ 26,870,654	$ -	$ 67,923,103
Cost of coins	(11,290,850)	(27,311,381)	(26,442,385)	-	(65,044,616)
Gross profit	1,832,270	617,948	428,269	-	2,878,487
Gross profit margin %	14.0%	2.2%	1.6%		4.2%
Expenses					
General and administration	948,720	72,750	31,029	605,651	1,658,150
Salaries and wages	164,201	488,469	215,076	215,904	1,083,650
Depreciation and accretion	59,832	-	-	8,159	67,991
Financing fees	-	-	-	2,360,589	2,360,589
Marketing and advertising	-	473,085	113,606	481,283	1,067,974
Professional fees	-	-	-	196,824	196,824
Software	104,333	156,499	160,958	52,165	473,955
Other items	-	-	-	(770,517)	(770,517)
Segment income (loss)	555,184	(572,855)	(92,400)	(3,150,058)	(3,260,129)
Total assets	$ 2,069,594	$ 215,891	$ 221,307	$ 23,666,211	$ 26,173,003
Total liabilities	-	5,102	42,858	36,169,693	36,217,653

Nine months ended September 30, 2025	**ATMs**	**Online**	**Infinite**	**Head office**	**Total**
Sales	$ 18,057,239	$ 47,303,179	$ 32,577,078	$ -	$ 97,937,496
Cost of coins	(15,673,688)	(46,566,413)	(31,931,175)	-	(94,171,276)
Gross profit	2,383,551	736,766	645,903	-	3,766,220
Gross profit margin %	13.2%	1.6%	2.0%		3.8%
Expenses					
General and administration	1,057,060	152,821	51,568	670,809	1,932,258
Salaries and wages	185,647	371,293	74,259	111,387	742,586
Depreciation and accretion	286,307	-	-	39,042	325,349
Financing fees	-	-	-	2,360,294	2,360,294
Marketing and advertising	-	452,102	126,492	544,679	1,123,273
Professional fees	-	-	-	1,252,370	1,252,370
Software	91,010	136,514	103,107	45,504	376,135
Other items	-	-	-	667,899	667,899
Segment income (loss)	763,527	(375,964)	290,477	(5,691,984)	(5,013,944)
Total assets	$ 2,894,419	$ 679,398	$ 311,120	$ 35,799,165	$ 39,684,102
Total liabilities	-	16,226	28,139	42,977,710	43,022,075

Included in the Online segment for the three and nine months ended September 30, 2026 was fee revenue of $17,564 and $46,733 (2025 - $15,688 and $62,675), respectively, generated from customers located in the United States. Included in the Infinite segment for the three and nine months ended September 30, 2026 was fee revenue of $88,341 and $249,592 (2025 - $148,344 and $323,295), 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. SUPPLEMENTAL CASH FLOW INFORMATION

During the three and nine months ended September 30, 2026, the Company repaid cryptocurrency loans of 10 bitcoin valued at $1,080,585. As the repayment was settled through a transfer of cryptocurrency rather than cash or cash equivalents, the transaction was excluded from the statement of cash flows.

11. 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.

12. RISK MANAGEMENT

12.1 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.

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.

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 September 30, 2026 the Company had a positive working capital balance of $4,961,798 (December 31, 2025 – $7,986,989).

As at September 30, 2026, the Company had cash of $1,239,861 (December 31, 2025 – $3,139,299) and short term liabilities in the table below:

		September 30, 2026		**December 31, 2025**
Accounts payable	**$**	**119,275**	$	350,201
Accrued liabilities		**687,565**		918,490
Deferred revenue		**149,344**		103,869
Lease liability - current		**17,129**		25,223
Convertible debt - current		**1,266,694**		1,493,754
Acquisition consideration payable		**135,389**		150,442
Line of credit		**12,023,382**		10,753,735
Loans payable		**40,000**		40,000
Loans payable - cryptocurrency		**6,542,237**		7,807,006
Total	**$**	**20,981,015**	$	21,642,720

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 $145,959 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.

As disclosed earlier, all of the tranches advanced under the line of credit were extended for an additional 12 months in June 2026 and now mature in June 2027. These tranches can be extended for additional 12 month periods subject to mutual agreement with the lender. In addition, the convertible debentures that are scheduled to mature in Q1 2027 are also subject to an automatic one year extension. However, there is no guarantee the tranches advanced under the line of credit or the convertible debentures will be extended by the lenders in the future.

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 marketplaces 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 the 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.

During the nine months ended September 30, 2026, the Company issued 850,000 common shares, for net proceeds of $92,065 related to the ATM Program. The Company did not issue any common shares pursuant to the ATM program during the quarter ended September 30, 2026.

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 September 30, 2026, a 5% increase or decrease in the exchange rate would result in a gain or loss of $601,169. 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.

With a 10% change to the price of bitcoin, the Company's digital assets at September 30, 2026 would increase or decrease by $2,307,626 inventory would increase or decrease by $118,950 and the Company's loans payable - crypto currency would increase or decrease by $1,605,822.

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 September 30, 2026 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.

12.2 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.

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 September 30, 2026	Level 1	Level 2	Level 3	Total
Fair value through profit and loss				
Loans payable - cryptocurrency	$ -	$ -	$ 16,058,657	$ 16,058,657
Convertible debt - royalty liability	-	-	343,408	343,408
Fair value through other comprehensive income				
Digital assets	-	23,012,457	-	23,012,457

As at December 31, 2025	Level 1	Level 2	Level 3	Total
Fair value through profit and loss				
Loans payable - cryptocurrency	$ -	$ -	$ 17,416,072	$ 17,416,072
Convertible Debt - Royalty liability	-	-	1,128,154	1,128,154
Fair value through other comprehensive income				
Digital assets	-	24,568,769	-	24,568,769

13. EQUITY

13.1 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.

13.2 Shares issued

During the nine months ended September 30, 2026, the Company issued the following common shares:

- 850,000 common shares issued on the TSXV at an average price of $0.12 per share pursuant to the ATM Program, providing gross proceeds of $102,328. Commissions and other related costs of $4,770 were paid to the Agent in connection with these distributions, resulting in net proceeds to the Company of $97,558. In addition, initial set up costs for the ATM Program of $5,493 were allocated against the net proceeds resulting in a net addition of $92,065 to share capital;

- In January 2026, 739,449 common shares were issued at a deemed price of $0.109 per share to settle accrued interest owing of $80,600 on the Company's Debentures C.

- In January 2026, 920,788 common shares were issued at a deemed price of $0.105 per share and 1,354,916 common shares were issued at a deemed price of $0.084 per share to settle total outstanding debt obligations of $210,496. The debt obligations related to accrued interest owing pursuant to certain cryptocurrency loans and a convertible debt agreement;

- In February and March 2026, 2,307,456 common shares were issued to two different arm's length parties at a weighted average price of $0.10 per share for marketing and sponsorship services provided to the Company in the amount of $230,831;

- In April 2026, 1,106,815 common shares were issued at a deemed price of $0.08 per share and 1,778,320 common shares were issued at a deemed price of $0.064 per share to settle total outstanding debt obligations of $202,358. The debt obligations related to accrued interest owing pursuant to certain cryptocurrency loans and a convertible debt agreement;

- In July 2026, 5,014,756 common shares were issued at a deemed price of $0.035 per share to settle total outstanding debt obligations of $175,516. The debt obligations related to accrued interest owing pursuant to certain cryptocurrency loans and a convertible debt agreement;

- In July 2026, 2,056,995 common shares were issued at a deemed price of $0.0386 per share to settle accrued interest owing of $79,400 on the Company's Debentures C;

- In July 2026, 1,552,275 common shares were issued at a deemed price of $0.04 per share to settle total outstanding debt obligations of $62,091 related to marketing and sponsorship services provided to the Company from an arm's length party;

- In September 2026, 2,101,200 common shares were issued at a deemed price of $0.04 per share to settle total outstanding debt obligations of $84,048 related to marketing and sponsorship services provided to the Company from an arm's length party; and

- 34,972 common shares were issued upon the exercise of stock options for proceeds of $1,749.

13.3 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 three years of the grant date and expire after a term of up to 5 years. Stock options issued are summarized below:

	Number of options		Weighted average exercise price
Options outstanding, December 31, 2024	15,452,395		0.12
Granted	500,000		0.15
Forfeited	(2,352,427)		0.14
Expired	(5,694,117)		0.15
Exercised	(914,544)		0.05
Options outstanding, December 31, 2025	**6,991,307**	**$**	**0.10**
Granted	8,292,500		0.105
Forfeited	(200,000)		0.105
Expired	(741,553)		0.21
Exercised	(34,972)		0.05
Options outstanding, September 30, 2026	**14,307,282**	**$**	**0.10**
Options exercisable, December 31, 2025	6,991,307	$	0.10
Options exercisable, September 30, 2026	**6,214,782**	**$**	**0.09**

On January 1, 2026, the Company granted 8,292,500 stock options to certain directors, officers, consultants, and employees of the Company pursuant to the Company's stock option plan. Each option is exercisable to acquire one common share at a price of $0.105 per share until January 1, 2031. One third of the options will vest on each of the first three anniversaries of the grant date.

On August 19, 2025, the Company granted 500,000 stock options to a consultant of the Company pursuant to the Company's stock option Plan. Each stock option is exercisable to acquire one common share at a price of $0.15 per share until August 19, 2028.

The Company had the following stock options outstanding and exercisable, at September 30, 2026:

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**
$ 0.18	896,278	0.18	3	0.18	896,278
0.07	2,929,881	0.07	10	0.07	2,929,881
0.05	1,888,623	0.05	11	0.05	1,888,623
0.15	500,000	0.15	23	0.15	500,000
0.105	8,092,500	0.105	51	-	-
	14,307,282	**$ 0.10**	**33**	**$ 0.09**	**6,214,782**

During the three and nine months ended September 30, 2026, the Company recorded a total of $117,524 and $370,906 (2025 - $107,500 and $243,409), respectively, as share based payments related to stock options.

The compensation expense was based on the fair value of each stock option on the date of the grant using the Black-Scholes option pricing model. The weighted average valuation assumptions used in valuing the stock options granted during the nine months ended September 30, 2026 was as follows:

Nine months ended September 30, 2026	
Expected life (years)	5.0
Expected volatility	166%
Dividend rate	-
Risk-free interest rate	2.96%
Weighted average fair value per option granted	**$ 0.10**

13.4 Warrants

Warrants issued are summarized below:

	Number of options		Weighted average exercise price
Warrants outstanding, December 31, 2024	45,303,625	$	0.20
Granted - equity private placement	122,471,380		0.1875
Issued pursuant to exercise of broker options	16,000		0.275
Warrants outstanding, December 31, 2025	**167,791,005**	**$**	**0.19**
Warrants expired	(23,291,985)		0.18
Warrants outstanding, September 30, 2026	**144,499,020**	**$**	**0.19**

The following table summarizes the warrants that were outstanding as at September 30, 2026:

Exercise price	Number of warrants	Expiry Date
$ 0.05	6,140,000	September 7, 2028
$ 0.1875	122,471,380	September 29, 2027
$ 0.275	6,906,684	March 22, 2027
$ 0.30	8,980,956	December 30, 2029
Warrants outstanding, September 30, 2026	**144,499,020**	

13.5 Agent Options

The Company has granted agent and compensation options to various brokers in conjunction with equity and convertible debenture private placements previously completed. At at September 30, 2026, the Company had the following agent and compensation options outstanding:

- 878,603 Agent Options, exercisable at a price of $0.175 per option and expiring on March 22, 2027. Each Agent Option entitles the holder to acquire one unit of the Company with each unit consisting of one common share and one warrant of the Company, exercisable at a price of $0.275 per warrant, and expiring on March 22, 2027. During the nine months ended September 30, 2026, no Agent Options were exercised.

- 334,782 Compensation Options, exercisable at a price of $0.23 per option and expiring on December 30, 2029. Each Compensation Option entitles the holder to acquire one unit of the Company with each unit consisting of one common share and one warrant of the Company, exercisable at a price of $0.30 per warrant and expiring on December 30, 2029. During the nine months ended September 30, 2026, no Compensation Options were exercised.

14. 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 September 30		Nine months ended September 30	
	2026	2025	**2026**	2025
Customers	$ **8,894,178**	$ 22,942,755	$ **39,010,493**	$ 70,235,175
Cryptocurrency exchanges	**5,555,657**	10,914,848	**28,614,831**	27,302,678
Transaction fee revenue	**106,194**	177,705	**297,780**	399,693
Total sales revenue	$ **14,556,029**	$ 34,035,308	$ **67,923,104**	$ 97,937,496

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.

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 nine months ended September 30, 2026, the transaction fees earned from the third party service providers were USD $75,646 and USD $213,556 (2025 - USD $118,899 and USD $279,269), respectively. Gross transaction volumes related to these transactions for the three and nine months ended September 30, 2026 was USD $7,535,436 and USD $22,476,254 (2025 - USD $15,771,308 and USD $31,767,883), respectively.

During the nine months ended September 30, 2026, the Company generated revenue of $11,377,999 with one customer. This revenue was included in cryptocurrency exchange revenue above and within the Bitcoin Well Infinite business segment.

15. GENERAL AND ADMINISTRATION

	Three months ended September 30		Nine months ended September 30	
	2026	2025	**2026**	2025
Service costs	$ **348,724**	$ 436,886	$ **1,137,942**	$ 1,241,391
Office expenses	**39,158**	42,322	**126,512**	129,480
Travel and meals	**8,626**	30,680	**59,184**	75,037
Automobile	**2,272**	4,212	**6,984**	7,705
Rent and lease payments	**18,663**	9,580	**48,780**	29,893
Consulting fees	**83,496**	163,086	**278,748**	448,752
Total	**$ 500,939**	**$** 686,766	**$ 1,658,150**	**$** 1,932,258

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

16. SUBSEQUENT EVENTS

Shares for Debt Settlements

In November 2026, 5,733,187 common shares were issued at a deemed price of $0.045 per share to settle total outstanding debt obligations of $257,993. The debt obligations related to accrued interest owing pursuant to certain cryptocurrency loans and a convertible debt agreement.