

BITCOIN WELL REPORTS THIRD QUARTER 2022 RESULTS

Edmonton, Alberta – November 4, 2022 – Bitcoin Well Inc. (the “Company” or “Bitcoin Well”) (TSX.V: BTCW) (OTCQB:BCNWF), has released the financial and operating results for the third quarter ended September 30, 2022. The Interim Financial Statements as well as Management’s Discussion and Analysis (“MD&A”) are available on our investors website (bitcoinwell.com/investors) and have been filed on SEDAR.

In the third quarter ending September 30, 2022, we recorded our best Gross Profit in a single quarter since Q1 2021. Gross Profit was \$1.2 million, an increase of \$0.4 million compared to Q3, 2021 (+58%) and an increase of \$0.1 million compared to Q2, 2022 (+11%). This is a direct result of the internal emphasis and focus on improved margin at our Bitcoin ATMs and our Bitcoin Branches.

We previously announced that we would be aggressively cutting costs and expenses while still focusing on growth. As a result, we have seen a \$1.1 million decrease (31% improvement) to operational expenses when compared to Q2 2022. This contributed to a \$0.9 million increase (+55%) to Adjusted EBITDA compared to Q2 2022 and also represents a \$1.3 million improvement (+64%) over the same period in the prior year. We will continue to streamline operations in order to lower operating costs further, while still maintaining a growth focused strategy.

“Our ability to increase margin while decreasing costs in one of the most tumultuous bear markets our industry has ever seen is a tremendous feat,” said Adam O’Brien, Founder & CEO of Bitcoin Well, “it says a lot about the resilience and passion our team has to our mission of future-proofing money. We are committed to continue striving towards becoming a sustainable, profitable organization.”

Financial Overview

	For the three months ended,		For the nine months ended,	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Revenue (\$000s)	\$ 14,354	\$ 15,943	\$ 48,469	\$ 85,201
Gross profit (\$000s)	\$ 1,178	\$ 745	\$ 3,208	\$ 4,204
Adjusted EBITDA ¹ (\$000s)	\$ (714)	\$ (2,003)	\$ (4,350)	\$ (2,020)
Net loss (\$000s)	\$ (983)	\$ (3,897)	\$ (4,140)	\$ (8,231)
Total ATMs	257	185	257	185

¹ See Non-IFRS Measures.

Third Quarter 2022 Results

- Gross profit in the third quarter of 2022 was \$1.1 million (+58%) when compared to the same period last year. Gross profit margin increased by 76% in the same period.
- Revenues in the first nine months ending 2021 included transactions from one individual totaling \$22 million, which were not expected to recur. Normalizing for this, adjusted revenue in the third quarter and first nine months of 2022 was \$14.3 million (+4%) and \$48.4 million (-23%) respectively.
- Adjusted EBITDA in the third quarter improved by \$1.3 million (+64%) compared to the same period last year. At the end of Q2 2022, the Company streamlined operations, and implemented cost cutting decisions. We expect this to continue, resulting in an improved Adjusted EBITDA.

Recent Business Developments

- Our online portal (available at www.bitcoinwell.com/signup) continues to be the main focus of our product ecosystem. In Q3 we have improved our e-Transfer payment rail to be the fastest and safest way to buy bitcoin in Canada. This is indicated by transactions completed as fast as 105 seconds (from e-Transfer to blockchain) in a fully non-custodial environment. We believe we can further improve on this metric, making these transactions near instant in the future.
 - The e-Transfer payment rail was developed alongside our existing payment rail, Visa Debit, which is not offered anywhere else in Canada.
 - As a reminder, the Bitcoin Well non-custodial ecosystem currently includes:

- Buy bitcoin, instantly online and in person.
 - Pay household bills with bitcoin and other cryptocurrencies
 - Pay credit cards with bitcoin and other cryptocurrencies
 - Buy gift cards to most major retailers with bitcoin and other cryptocurrencies, instantly
 - Sell bitcoin and other cryptocurrencies, and receive \$CAD online and in person
- Added 9 Bitcoin ATMs (+4%) to our operating fleet in the third quarter of 2022. We now have 257 ATMs operating across Canada. This includes 84 ATMs under our Partner Program, which allows us to scale our ATM count quicker and add incremental revenue potential with minimal capital expenditure.
 - So far in Q4 we have signed one new ATM Partner and have seen expansion by three of our existing partners.
 - In Q4 we plan on increasing our ATM network by ~7%, over and above the expected Partner ATM growth.

Non-IFRS Measures

The Company uses certain terms in this news release and within the MD&A, such as 'Adjusted EBITDA', which do not have a standardized or prescribed meaning under International Financial Reporting Standards (IFRS), and accordingly, these measurements may not be comparable with the calculation of similar measurements used by other companies. See the table below for a reconciliation of each non-IFRS measure to its nearest IFRS measure or refer to the "Non-GAAP Measures" and "Selected Financial Information" sections in the MD&A for applicable definitions, calculations, rationale for use and reconciliations to the most directly comparable measure under IFRS. Non-IFRS measures are provided as supplementary information by which readers may wish to consider the Company's performance but should not be relied upon for comparative or investment purposes.

Reconciliation of Adjusted EBITDA to Net Income (Loss)

\$000s	For the three months ended,		For the nine months ended,	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Net income (loss)	\$ (983)	\$ (3,897)	\$ (4,140)	\$ (8,231)
Listing expense	-	-	-	1,477
Business acquisition and QT transaction costs	8	303	8	867
Depreciation and accretion	403	262	1,798	804
Fair value change–cryptocurrency	223	1,846	(4,692)	3,783
Restructuring	(120)	-	3,188	-
Income tax recovery	(302)	(791)	(595)	(1,269)
Share based compensation	93	290	204	572
Gain on debt settlement	(36)	(9)	(123)	(15)
Other	-	(7)	2	(8)
Adjusted EBITDA	\$ (714)	\$ (2,003)	\$ (4,350)	\$ (2,020)

This news release should be read in concert with the full disclosure documents. The Bitcoin Well Unaudited Condensed Consolidated Interim Financial Statements and Management's Discussion and Analysis for the three months ended September 30, 2022 will be available on the Bitcoin Well website (www.bitcoinwell.com), via SEDAR (www.sedar.com) or can be requested from the Company.

About Bitcoin Well

Bitcoin Well is in the business of future-proofing money. We do this by making bitcoin useful to everyday people to give them the convenience of modern banking and the benefits of bitcoin. Our existing Bitcoin ATM business unit drives cash-flow to help fund this mission.

Sign up for our [newsletter](#) and follow us on [LinkedIn](#), [Twitter](#), [YouTube](#), [Facebook](#), and [Instagram](#) to keep up to date with our business.

Bitcoin Well Contact Information

To book a virtual meeting with our Founder & CEO Adam O'Brien please use the following link: <https://calendly.com/adamobitcoin/meet-adam>

For additional investor & media information, please contact:

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Forward-Looking Information:

Certain statements contained in this news release may constitute forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "plan", "estimate", "expect", "may", "will", "intend", "should", or the negative thereof and similar expressions. 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.

Bitcoin Well actual results could differ materially from those anticipated in this forward-looking information as a result of regulatory decisions, competitive factors in the industries in which Bitcoin Well operates, prevailing economic conditions, and other factors, many of which are beyond the control of Bitcoin Well.

Bitcoin Well believes that the expectations reflected in the forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking information should not be unduly relied upon.

Any forward-looking information contained in this news release represents Bitcoin Well expectations as of the date hereof, and is subject to change after such date. Bitcoin Well disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable securities legislation.

For more information, see the Cautionary Note Regarding Forward-Looking Information found in the Bitcoin Well quarterly Management Discussion and Analysis.