

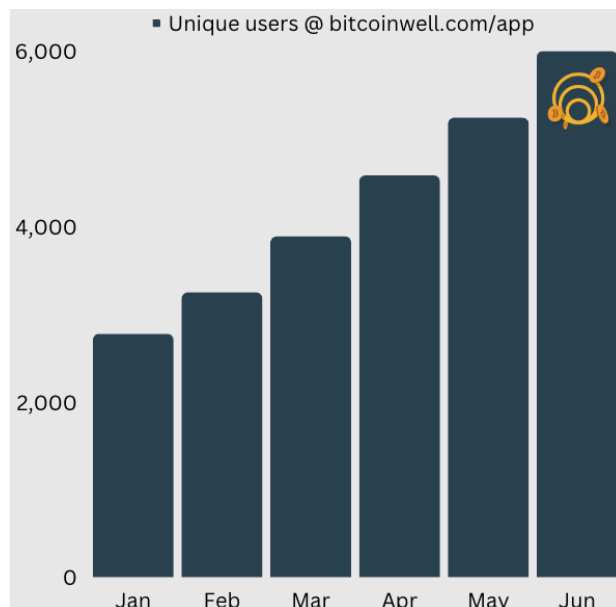
**BITCOIN WELL REPORTS 2023 Q2 FINANCIAL RESULTS**

**Edmonton, Alberta – August 15, 2023 – Bitcoin Well Inc.** (“**Bitcoin Well**” or the “**Company**”) (TSXV:BTCW; OTCQB:BCNWF), the non-custodial fintech business which future-proofs money by making bitcoin useful to everyday people, today announced financial and operating results for the second quarter ended June 30, 2023.

**Key highlights**

- Gross profit of \$1.2 million for the 3-months ended June 30, 2023 (+13% compared to \$1.1 million in the same period in 2022) and \$2.3 million for the 6-months ended June 30, 2023 (+15% compared to \$2 million in the same period in 2022).
- Adjusted EBITDA of negative \$0.3 million for the 3-months ended June 30, 2023 (76% improved compared to negative 1.3\$ million in 2022) and negative \$0.6 million for the 6-months ended June 30, 2023 (79% improved compared to negative \$2.8 million in 2022).
  - Improvements to Adjusted EBITDA are a result of significant cost containment in areas across the business, including a significant reduction in the number of full time employees, achieved through efficiencies and automation in many operational processes.
- Approximately 6,000 unique users in the Online Portal (3,800 – Q1, 2023) an improvement of 52% compared to Q1 2023.
  - Associated Online Portal monthly revenues exceeded \$2 million for the 3-months ended June 30, 2023 (\$935,000 – Q1, 2023) an improvement of 113% compared to Q1 2023.
- 21 new Bitcoin ATMs under operation
  - 12 from a new partner
  - 9 from our existing partners

"Q2 was a defining quarter for the organization," said Adam O'Brien, Founder & CEO of the company. "The growth we are seeing in our Online Portal confirms we are meeting the desire for Canadians to buy bitcoin in a non-custodial platform. This, coupled with our ability to continually grow and find efficiency with our Bitcoin ATMs has me very bullish on the future of our organization."



## Financial overview

|                              | For the three months ended, |               | For the six months ended, |               |
|------------------------------|-----------------------------|---------------|---------------------------|---------------|
|                              | June 30, 2023               | June 30, 2022 | Jun. 30, 2023             | Jun. 30, 2022 |
| Revenue                      | 15,112,693                  | 20,586,354    | 27,529,453                | 34,115,158    |
| Gross Profit                 | 1,202,286                   | 1,065,759     | 2,288,040                 | 2,030,549     |
| Adjusted EBITDA <sup>1</sup> | (332,948)                   | (1,342,592)   | (550,328)                 | (2,836,187)   |
| Total comprehensive loss     | (1,453,259)                 | (1,094,724)   | (4,919,187)               | (3,156,057)   |

<sup>1</sup> See Non-IFRS Measures.

Revenue for the 3-months and 6-months ended June 30, 2023 was \$15.1 million and \$27.5 million, respectively (\$20.6 million and \$34.1 million for the 3-months and 6-months ended June 30, 2022, respectively). Despite a decrease in revenue, gross profits have increased by 13% in the 3 and 6-month periods ending June 30, 2023, when compared to the same periods in 2022.

The improved margins are a direct result of more high-margin ATM sales, when compared to the same period last year. The Company recorded a record number of

ATM transactions in May 2023, totaling 4,800, which exceeds the previous record of over 4,400 in April 2023.

"Late in Q2 2023, we executed additional cost-cutting measures, while yielding improved Gross Profits" said Luke Thibodeau, CFO "With steady improvements in operating income over the past 12 months, coupled with the rapid growth of our Online Portal, we've continued to showcase our commitment to the financial success of this business."

## Stock Option Repricing

Bitcoin Well also announces, subject to TSX Venture Exchange approval, it is repricing 2,198,245 stock options ("Options") held by non-executive employees and consultants. The repricing does not affect the Options' current vesting schedules and does not extend the term of the Options. The 2,198,245 existing Options will be repriced from between \$0.107 and \$0.18 per common share to \$0.05 per common share.

## Executive Updates

Bitcoin Well announces the departure of its Chief Financial Officer, Luke Thibodeau, and extends sincere appreciation for his contributions in shaping the success of the Company over the years. Luke played a significant role in the organization and we are excited to watch him thrive on his new venture abroad.

In his place, the Company welcomes back Allen Stephen as Chief Financial Officer. Allen is a seasoned financial leader in the fintech sector who was previously involved in the management of the Company, and currently sits on the Board of Directors.

## Warrant Issuance

Lastly, Bitcoin Well announces, subject to TSX Venture Exchange approval, the issuance of 7,000,000 common share purchase warrants ("Warrants"), being exercisable into one common share of Bitcoin Well at a price of \$0.05 per share for a period of five (5) years from the issuance date. Of the total issuance, 5,400,000

Warrants are being issued to David Bradley, and 1,600,000 Warrants are being issued to Tyler Tollefson (collectively, the “Holders”), in settlement of any remaining obligations of Bitcoin Well to the Holders.

## 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 loss

|   | Three months ended    |                       | Six months ended      |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
|   | June 30, 2023         | June 30, 2022         | June 30, 2023         | June 30, 2022         |
| <b>Net loss</b>                               | <b>\$ (1,453,259)</b> | <b>\$ (1,094,724)</b> | <b>\$ (4,919,187)</b> | <b>\$ (3,156,057)</b> |
| Interest                                      | 525,058               | 244,184               | 933,338               | 420,153               |
| Fair value change – cryptocurrency            | 418,824               | (4,776,739)           | 3,859,794             | (4,915,142)           |
| Depreciation and accretion                    | 384,529               | 713,700               | 769,662               | 1,394,998             |
| Income tax recovery                           | (354,974)             | 283,581               | (1,022,101)           | (293,560)             |
| Share based compensation                      | 90,053                | 38,287                | 170,733               | 110,843               |
| Realized gain on digital assets, net of tax   | 30,544                | -                     | (405,502)             | -                     |
| Restructuring                                 | -                     | 3,308,022             | -                     | 3,308,022             |
| Gain on debt settlement                       | -                     | (58,487)              | 3,924                 | (86,764)              |
| Financing fees                                | -                     | -                     | -                     | 262,120               |
| Bad debt allowance                            | -                     | -                     | -                     | 93,665                |
| Business acquisition and QT transaction costs | -                     | -                     | -                     | 24,367                |
| Other   | 26,277                | (416)                 | 59,011                | 1,168                 |
| <b>Adjusted EBITDA</b>                        | <b>\$ (332,948)</b>   | <b>\$ (1,342,592)</b> | <b>\$ (550,328)</b>   | <b>\$ (2,836,187)</b> |

(1) Non-cash, fair value change on the revaluation of cryptocurrency loans which are more than offset by a revaluation loss on digital assets recorded in

Other Comprehensive Income.

This news release should be read in concert with the full disclosure documents. The Bitcoin Well consolidated financial statements and management's discussion and

analysis for the three and six months ended June 30, 2023 will be available on the Bitcoin Well website ([www.bitcoinwell.com](http://www.bitcoinwell.com)), via SEDAR ([www.sedar.com](http://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 and Personal Services business unit drives cash-flow to help fund this mission.

Join our [investor community](#) and follow us on [Nostr](#), [LinkedIn](#), [Twitter](#) and [YouTube](#) 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://bitcoinwell.com/meet-adam>

For additional investor & media information, please contact:

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***Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.***

***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.*