

Bitcoin Treasury Corporation
(formerly 2680083 Alberta Ltd.)
Management Discussion and Analysis
For the three months ended March 31, 2026

The date of this MD&A is May 28, 2026.

The following management discussion and analysis (“MD&A”) of the results of the operations and financial position of Bitcoin Treasury Corporation (the “Company” or “BTCT”) for the three months ended March 31, 2026 should be read in conjunction with the Company’s condensed interim financial statements for the three months ended March 31, 2026 and the audited annual financial statements as at and for the year ended December 31, 2025. All figures contained in this MD&A are presented in Canadian dollars unless otherwise noted.

Forward-Looking Statements

Certain statements contained in this MD&A may constitute forward-looking statements. These statements relate to future events or the Company’s future performance. All statements, other than statements of historical fact, may be forward-looking statements.

Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “propose”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. These statements involve 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 statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement. The Company’s actual results could differ materially from those anticipated in these forward-looking statements as a result of various risk factors, including those described under “Business Risks” below.

Non-GAAP Measures

This MD&A includes a non-GAAP financial measure. A non-GAAP financial measure is not considered to be a standardized financial measure under International Financial Reporting Standards (“IFRS”), the reporting standards used to prepare the condensed interim financial statements. As such, the non-GAAP financial measure may not be comparable to similar financial measures disclosed by other issuers.

Bitcoin per Share (“BPS”) is considered a non-GAAP financial measure. BPS is calculated as total units of Bitcoin held by the Company divided by adjusted diluted shares outstanding. Adjusted diluted shares outstanding includes all common shares, and convertible debentures, but excludes any performance warrants.

The Company

Bitcoin Treasury Corporation (formerly 2680083 Alberta Ltd.) (“the Company”) was incorporated on July 27, 2021 under the Business Corporations Act (British Columbia) under the name “1317214 B.C. Ltd.” On January 21, 2025, 268 continued from British Columbia to Alberta under the Business Corporations Act (Alberta) under the name “2680083 Alberta Ltd.” Bitcoin Treasury Corporation (“BTCT”) was incorporated on December 20, 2024, under the Business Corporations Act (Alberta).

On June 23, 2025, the Corporation was formed upon an amalgamation between 2680083 Alberta Ltd. and BTCT by way of a reverse takeover pursuant to the terms of an amended and restated amalgamation agreement dated June 16, 2025 (the “Transaction”). In connection with the Transaction, the Company’s name became “Bitcoin Treasury Corporation”.

The principal business of the Company is to provide Bitcoin services to institutional clients, with a current focus on Bitcoin lending, and to opportunistically pursue liquidity and collateral solutions. The Company’s head office is located at 161 Bay St., Suite 1210, Toronto, Ontario, M5J 2S1.

Upon completion of the Transaction, the shareholders of BTCT obtained control of the consolidated entity. As a result, BTCT was identified as the accounting acquirer, and accordingly, the entity is considered to be a continuation of BTCT with the net assets of the Company at the date of the RTO deemed to have been acquired by BTCT.

Immediately prior to the completion of the Transaction, the Company completed a consolidation of the common shares of the Company based on a ratio of one (1) post-consolidation common share for each 51.66712593 pre-consolidation common shares, resulting in an aggregate of 74,999 common shares.

On June 24, 2025, in connection with the Transaction, the newly amalgamated entity received approval from the TSX Venture Exchange and trading commenced under the symbol BTCT. On September 19, 2025, the Company successfully listed on the OTC Markets, ticker symbol BTCFF, to broaden its investor base and improve trading accessibility for U.S. investors.

Overview of Business

The Company provides Bitcoin services to institutional clients, with a current focus on Bitcoin lending, and to opportunistically pursue liquidity and collateral solutions. Recognizing Bitcoin’s finite supply and long-term potential, the Company also follows a treasury strategy that seeks to enhance the value of its Bitcoin inventory while supporting the development of its core business lines. The Company expects that its institutional client base will include large corporations, institutional asset managers, regulated crypto asset trading platforms and investment funds that invest in Bitcoin.

Bitcoin Lending Services

The Company offers Bitcoin-denominated loans to institutional clients while ensuring that BTCT maintains financial security and minimizes credit risk exposure. The Company’s lending services will only include Bitcoin-denominated loans, whereby institutional clients will be able to borrow

Bitcoin and will repay the principal and interest on such loans in Bitcoin or fiat. Bitcoin lending is a strategic component of the Company's business model and will allow the Company to generate yield on its Bitcoin holdings while supporting the broader digital asset ecosystem.

During the quarter, the Company focused on the development of its lending strategy, repurchasing common shares through the normal course issuer bid, and operationalizing the Bitcoin Price Risk Management Program.

Bitcoin Liquidity Services

The Company successfully obtained its Money Services Business registration with FINTRAC. With this registration, the Company intends to assess the opportunity to offer Bitcoin liquidity services to its institutional clients. Bitcoin liquidity services will only be offered to Canadian clients who acquire their Bitcoin on an "immediate delivery" basis. It is expected that this service will help clients to better manage their treasury and portfolio functions.

Bitcoin Price Risk Management Program

During Q4 2025, the Company announced its Bitcoin price risk management program, under which it intends to selectively employ options and other derivative instruments using a portion of its Bitcoin inventory to enhance income-generating capability. As at March 31, 2026, the Company had not yet commenced activity under the program. The program is designed to harvest value from periods of heightened Bitcoin volatility by writing options in a disciplined manner, with premiums received in Bitcoin or converted into additional Bitcoin, thereby supporting Bitcoin per share growth.

The program will be governed by internal risk limits, conservative position sizing, and strict counterparty standards, with a clear objective of preserving balance sheet strength while remaining exposed to Bitcoin's long-term price appreciation. As Bitcoin increasingly fulfills its role as a store of value, medium of exchange, and unit of account, the Company anticipates significant opportunities at the intersection of traditional and decentralized finance. With deep industry relationships and plans to hold a significant inventory of Bitcoin, the Company is well positioned to lead and drive new product and service opportunities and value creation in this evolving financial landscape.

Layer 2 Liquidity and Collateral

The Company is also committed to capitalizing on the accelerating adoption of Bitcoin by delivering innovative virtual currency services to institutions, as well as advancing infrastructure and operational capabilities for Bitcoin Layer 2 networks. The Corporation has conducted initial research into how it could deploy its Bitcoin inventory to Layer 2 Bitcoin networks by providing liquidity or collateral and has determined that a near-term commercial opportunity does not yet exist. The Corporation will continue to monitor this space as the market for Bitcoin lending and collateral products develops. Opportunities to develop this additional business line in the future will be evaluated as market conditions change.

Corporate Finance Strategy for Strategic Bitcoin Accumulation

In addition to its core business lines, the Company's corporate treasury strategy is designed to maximize long-term Bitcoin accumulation and to enhance shareholder value by focusing on the growth of Bitcoin per share and total Bitcoin holdings. The Company aims to raise capital through equity, convertible debt, and potentially other instruments such as preferred shares, and then deploying these proceeds to acquire and hold Bitcoin as a strategic reserve asset that will then allow it to grow its core business lines. In addition, pursuant to its Normal Course Issuer Bid ("NCIB"), the Company may opportunistically repurchase its common shares when market conditions allow for accretive buybacks that increase Bitcoin per share. The Company's core revenue-generating products and services will also contribute to the growth of its Bitcoin inventory. The success of this strategy will be measured by key metrics such as Bitcoin per share, Bitcoin per share growth, and total Bitcoin holdings.

The NCIB commenced on January 5, 2026 and is intended to be accretive to BPS by retiring shares at prices below intrinsic Bitcoin value per share. During the three months ended March 31, 2026, the Company repurchased and cancelled 227,600 common shares under the NCIB for total cash consideration of \$1,049,551, representing approximately 23% of the maximum permitted under the program.

As Bitcoin increasingly fulfills its role as a store of value, medium of exchange, and unit of account, the Company anticipates significant opportunities at the intersection of traditional and decentralized finance. With deep industry relationships and plans to hold a significant inventory of Bitcoin, the Company is well positioned to lead and drive new product and service opportunities and value creation in this evolving financial landscape.

Quarterly Highlights

The following events occurred during the three months ended March 31, 2026:

- On January 5, 2026, the Company commenced its NCIB. During Q1 2026, the Company repurchased and cancelled 227,600 common shares under the NCIB for total consideration of \$1,049,551 (47,200 shares in January at average \$5.79; 133,900 shares in February at average \$4.33; 46,500 shares in March at average \$4.18).
- On February 9, 2026, the Company's inaugural 7 BTC fixed-term loan to a US-based trading firm matured. On the same date, the Company entered into a new 50 BTC fixed-term loan with the same counterparty under the Master Loan Agreement dated October 20, 2025.
- During Q1 2026, the Company sold approximately 12.11 BTC for cash proceeds of approximately \$1,169,100, primarily used to fund the NCIB share repurchase program. The Company's total Bitcoin position decreased from 771.37 BTC at December 31, 2025 to 759.31 BTC at March 31, 2026.

Summary of Quarterly Results

	For the three months ended March 31, 2026	For the three months ended December 31, 2025
Total Assets	\$72,665,231	\$94,278,497
Total Revenues (Lending income)	\$27,690	\$3,592
Total Operating Expenses	(\$472,422)	(\$865,314)
Net loss	(\$19,280,840)	(\$26,468,271)
Net loss and comprehensive loss	(\$19,280,840)	(\$26,468,271)
Basic loss per share	\$(1.93)	\$(2.63)
Diluted loss per share	\$(1.93)	\$(2.63)
Bitcoin holdings ¹	฿ 759.31	฿ 771.37
Adjusted diluted shares outstanding ²	11,930,813	12,158,413
BPS (Bitcoin per Share) ²	฿ 0.0000636	฿ 0.0000634
BPS growth (period over period)	+0.31%	n/a
	For the three months ended September 30, 2025	For the three months ended June 30, 2025
Total Assets	\$126,288,462	\$117,278,517
Total Revenues (Lending income)	\$Nil	\$Nil
Total Operating Expenses	(\$1,352,397)	(\$25,401,935)
Net loss	\$3,830,688	(\$27,796,337)
Net loss and comprehensive loss	\$10,253,456	(\$27,796,337)
Basic income (loss) per share	\$0.38	\$(35.67)
Diluted loss per share	(\$0.04)	\$(35.67)
Bitcoin holdings	฿ 771.37	฿ 771.37
Adjusted diluted shares outstanding ²	12,158,413	12,158,413
BPS (Bitcoin per Share) ²	฿ 0.0000634	฿ 0.0000634
BPS growth (period over period)	n/a	n/a

¹ BTC Holdings include the principal amount of Bitcoin loaned but exclude accrued and unpaid interest.

² BPS is a non-GAAP measure as defined under "Non-GAAP Measures" above. Adjusted diluted shares outstanding equal common shares outstanding plus the conversion equivalent of the convertible debentures (2,083,333 common shares at the \$12.00 conversion price), and exclude the 2,431,667 performance warrants outstanding (none of which had vested as at March 31, 2026).

Overall Performance

Net loss and comprehensive loss for the three months ended March 31, 2026 was \$19,280,840 (December 31, 2025 quarter: \$26,468,271). The principal driver of the Q1 2026 net loss was a net change in fair value decrease of \$18,764,365 on the revaluation of digital currency and digital currency held as collateral, reflecting the decline in the price of Bitcoin during the quarter (CME CF Bitcoin Reference Rate at the close of March 31, 2026 was CAD \$92,175.76 per BTC, a decrease of approximately 26% from the December 31, 2025 close of CAD \$125,333.70 per BTC).

The net change in fair value decrease on digital currency was partially offset by a net change in fair value increase of \$1,247,171 on the revaluation of the convertible debentures, a net change in fair value decrease of \$1,281,184 on the revaluation of the digital currency loan receivable, and lending income of \$27,690 from the Bitcoin loan. Operating expenses totalled \$472,422 for the quarter, principally comprising operating fees (\$208,146), insurance (\$80,715), professional fees (\$71,136), marketing expense (\$32,808), and salary and wages (\$31,554).

The Company executed its NCIB during Q1, repurchasing and cancelling 227,600 common shares for \$1,049,551. The NCIB was funded through the disposition of approximately 12.11 BTC during the quarter. Bitcoin per Share grew 0.31% during Q1 2026 to 0.0000636 BTC per adjusted diluted common share.

Results of Operations

Net loss for the three months ended March 31, 2026

Net loss and comprehensive loss for the three months ended March 31, 2026 was \$19,280,840. The Company recognized a net change in fair value decreases of \$18,764,365 on the revaluation of its Bitcoin holdings (digital currency and digital currency held as collateral). Under IFRS, where there is no remaining accumulated revaluation surplus from prior periods, decreases in the fair value of revalued intangible assets are recognized in profit or loss. As at December 31, 2025, the cumulative revaluation surplus had been fully eliminated by the Q4 2025 Bitcoin revaluation loss; accordingly the Q1 2026 revaluation loss was recorded in profit or loss in its entirety.

The Company recognized a net change in fair value decrease of \$1,281,184 on the digital currency loan receivable, which is measured at fair value through profit or loss (FVTPL). The fair value movement reflects (i) the maturity of the inaugural 7 BTC fixed-term loan on February 9, 2026, (ii) the origination of the new 50 BTC fixed-term loan on the same date, and (iii) the revaluation of the loan receivable at the March 31, 2026 reporting date using the CME CF Bitcoin Reference Rate.

The Company recognized a net change in fair value increase of \$1,247,171 on the revaluation of the convertible debentures, which are designated at fair value through profit or loss. The fair value of the convertible debentures was \$17,240,750 at March 31, 2026 (December 31, 2025: \$18,487,921), determined using a partial differential equation model with key inputs including a risk-free rate of 3.00%, credit spread of 21.00% (total market yield of 24.00%), volatility of 65.00%, underlying share price of \$3.70, and conversion price of \$12.00. The Company also recognized \$61,644 of interest expense on the convertible debentures during Q1 2026 (1% per annum

coupon on the \$25,000,000 principal); \$67,123 of accrued interest was included in accounts payable and accrued liabilities at quarter-end.

Operating expenses for the three months ended March 31, 2026 totalled \$472,422. The Company recognized \$208,146 in operating fees, comprising \$129,425 in administrative service fees and \$78,721 in custodian fees. Insurance expense of \$80,715 reflected the amortization of the Company's directors' and officers' insurance policies. Professional fees of \$71,136 included \$27,501 in accounting fees, \$37,994 in audit fees, \$2,564 in legal fees, \$3,077 in corporate services. Marketing expense of \$32,808 comprised \$32,401 of investor relations expenses and \$407 of other marketing expenses.

Lending income of \$27,690 was recognized in respect of Bitcoin-denominated interest accrued. Foreign exchange gain of \$19,102 was primarily attributable to the revaluation of U.S.-dollar-denominated cash balances held in the Company's BMO USD chequing account and Anchorage USD wallet. The Company also recognized \$4,812 in interest income from cash held with major Canadian financial institutions.

There is no change in the relationship between costs and revenue. There are no commitments, events, risks, or uncertainties that will materially affect the Company's future performance other than as discussed under "Business Risks" below. There are no unusual or infrequent events or transactions. There were no significant effects of general inflation or other specific price changes during the period.

Additional Disclosure for Venture Issuers without Significant Revenue

The Company's lending revenue for the three months ended March 31, 2026 was \$27,690, comprising Bitcoin-denominated interest accrued on the loan. There were no other material revenues from operations during the period. Operating expenses for the period are described in the table below:

Expense category	Three months ended March 31, 2026
Operating fees (administrative services and custody)	\$208,146
Insurance	80,715
Professional fees	71,136
Marketing and investor relations	32,808
Salary and wages	31,554
Consulting fees	23,931
Filing fees	17,140
Office and administration	5,577
Travel	1,415
Total operating expenses	\$472,422

Liquidity and Capital Resources

The Company had net assets of \$55,108,509 as of March 31, 2026 (December 31, 2025: \$75,438,900). The Company's current cash balance of \$1,400,549 (December 31, 2025: \$1,740,677), Bitcoin inventory and lending income is sufficient to cover operating expenses over the following 12 months. In the event additional capital is required, the Company will rely on the sale of its unrestricted Bitcoin holdings, the Bitcoin lending program, or capital raised under the Company's base shelf prospectus filed November 14, 2025 (which permits the issuance of up to CAD \$300 million in eligible securities over a 25-month period). There are no sources of financing arranged but not yet used by the Company.

Included in total assets at March 31, 2026 is \$48,840,276 of digital currency pledged as collateral against the convertible debentures, which is restricted from use to meet other obligations. At issuance, the Company posted Bitcoin collateral with a value equal to 3.0 times the dollar value of the convertible debentures. The collateral is revalued at the end of each calendar quarter using a 10-day average lookback price. The Company is not required to post additional Bitcoin if the collateral value declines; a portion of the collateral may be released to the Company if the Bitcoin price increases significantly. The Company does not have any major commitments for capital expenditures at this time. There are no known trends in the Company's expenditures.

Outstanding Share Data

As of the date of the MD&A, 9,847,480 common shares, 2,431,667 performance warrants (none vested) and convertible debentures convertible into 2,083,333 common shares (at the \$12.00 conversion price on \$25,000,000 of principal) were issued and outstanding.

Off-Balance Sheet Arrangements

The Company has not had any off-balance sheet arrangements.

Commitments

As at March 31, 2026, the Company had no outstanding commitments.

Related Party Transactions

Key management includes personnel having the authority and responsibility for planning, directing and controlling the Company and includes the directors and current executive officers. The value of transactions and outstanding balances relating to key management³ and entities over which key management has control or significant influence were as follows:

	For the three months ended March 31, 2026
Salaries	\$10,500
Consulting services	131,225
Total	\$141,725

As at March 31, 2026, \$39,532 (December 31, 2025: \$51,822) was owed to key management personnel and entities over which key management has control or significant influence. The amounts are related to expense reimbursements and operating fees and are included in accounts payable and accrued liabilities.

Effective June 4, 2025, the Company entered into an agreement with Evolve Funds Group Inc.⁴ (“Evolve”), whereby Evolve has committed to provide specific operational functions, as directed by BTCT, in exchange for an annual fee of up to 1% of the value of the Company’s treasury holdings, converted to Canadian dollars, and accrued daily. On November 8, 2025, the Company renegotiated the terms of the agreement, whereby the fee is calculated as the lower of 1% of the Company’s treasury holdings, or 1% of the Company’s market capital. As at March 31, 2026, \$37,940 (December 31, 2025: \$50,149) was owed to Evolve under the terms of the agreement.

Financial Risk Management

The Company’s risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adhere to market conditions. The Company has exposure to credit risk, liquidity risk and market risk as a result of its use of financial instruments. This note presents information about the Company’s exposure to each of the risks and the Company’s objectives, policies, and processes for measuring and managing these risks.

The Board of Directors has the overall responsibility for the establishment and oversight of the Company’s risk management framework. The Board has implemented and monitors compliance with risk management policies.

³ Key Management includes: Elliot Johnson, Chief Executive Officer and Director, Kaitlin Thompson, Chief Operating Officer, Keith Crone, Chief Marketing Officer, Heather Sim, Chief Financial Officer, Rajesh Lala, Director, and Micheal Simonetta, Director

⁴ Elliot Johnson, Chief Executive Officer and Director, Kaitlin Thompson, Chief Operating Officer, Keith Crone, Chief Marketing Officer, Rajesh Lala, Director, and Micheal Simonetta, Director are also involved in certain managerial or director positions within Evolve.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. As at March 31, 2026, the Company had sufficient funds and liquid assets to cover financial obligations. Included in total assets is \$48,840,276 in digital currency pledged as collateral against its convertible debentures and is therefore restricted in its use and cannot be used to meet other financial obligations that arise.

Currency risk

The Company's expenses are primarily denominated in Canadian dollars. Certain operating expenses (custodian fees, OTC Markets fees, certain legal fees) are denominated in U.S. dollars. The Company's corporate offices are based in Canada and current exposure to exchange rate fluctuations is monitored by management but is not currently considered material.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The fair value of the convertible debentures is influenced by market interest rates. As at March 31, 2026, management has assessed interest rate risk to be limited.

Price risk

Price risk is the risk of dispositions of investments at less than favourable prices due to unfavourable market conditions. The Company is exposed to significant price risk due to its holding of Bitcoin as its digital currency, digital currency loaned, and digital currency pledged as collateral. The value of Bitcoin has historically been very volatile and unpredictable. As at March 31, 2026, the Company had a total of \$71,139,753 in digital currency, digital currency loaned and digital currency pledged as collateral on its statement of financial position. A precipitous drop in the price of Bitcoin that the Company holds will adversely impact the Company's operations. A 20% decrease in the value of Bitcoin would impact the Company's comprehensive net loss by approximately \$14,227,951.

Credit risk

Credit risk arises from the Company's cash held with major Canadian and U.S. financial institutions, interest receivable, and digital currency loaned to a single counterparty. The Company's exposure is limited to the carrying amounts of these instruments. The Bitcoin lending program is currently concentrated with a single counterparty, and any deterioration in the counterparty's financial condition or creditworthiness, or any failure by the counterparty to return Bitcoin at maturity, could have a material adverse effect on the Company.

Other risks

Based on management's knowledge and experience pertaining to the Company and its operational environment, management does not believe that the Company is exposed to significant foreign exchange, interest rate, price, or other risk beyond what is described above.

Capital Management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue debt, acquire or dispose of assets, or adjust the amount of cash. The Company's NCIB program (commenced January 5, 2026) is one element of this capital management framework.

Changes in Accounting Policies

The Company has consistently applied the accounting policies described in the Company's audited annual financial statements as at and for the year ended December 31, 2025 in the preparation of these condensed interim financial statements. There are no new standards, amendments and interpretations that have been adopted in Q1 2026 that have a material effect on the financial statements of the Company.

Financial Instruments

As at March 31, 2026, the Company's financial instruments consist of cash, interest receivable, accounts payable and accrued liabilities, digital currency, digital currency held as collateral, digital currency loaned, and convertible debentures. The Company's cash, interest receivable and accounts payable and accrued liabilities are measured at amortized cost. As at March 31, 2026, the fair value of the Company's cash, interest receivable and accounts payable and accrued liabilities approximates carrying value. The Company's convertible debentures, digital currency, digital currency held as collateral and digital currency loaned are measured at fair value.

Financial instruments that are measured subsequent to initial recognition at fair value are categorized using the fair value hierarchy. This hierarchy groups financial instruments in Levels 1 to 3 based on the degree to which the fair value, for that instrument, is observable:

Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

March 31, 2026	Level 1	Level 2	Level 3	Total
Financial assets held at fair value				
Digital currency	\$17,614,974	—	\$ —	\$17,614,974
Digital currency pledged as collateral	48,840,276	—	—	48,840,276
Digital currency loaned	—	—	4,684,503	4,684,503
Total financial assets at FV	\$66,455,250	—	\$4,684,503	\$71,139,753
Financial liabilities held at fair value				
Convertible debentures	—	—	\$17,240,750	\$17,240,750
Total financial liabilities at FV	—	—	\$17,240,750	\$17,240,750

Significant Projects

Subsequent to the launch of the institutional Bitcoin lending program in November 2025, the Company has continued to focus on building out its core business lines:

- The continued expansion of the institutional Bitcoin services business remains a key priority, with emphasis on developing the Bitcoin lending platform and growing the loan book. Subsequent to the quarter end, the Company continues to increase the outstanding loan with the same institutional trading firm. The Company will also continue to evaluate opportunities to expand into institutional-grade Bitcoin liquidity services and to deploy Bitcoin into Layer-2 networks.
- The Company will continue to be opportunistic with respect to capital formation and seek to take advantage of prevailing market conditions. Subsequent to the quarter, the Company continues to repurchase and cancel Common Shares under its Normal Course Issuer Bid ("NCIB"). The Company will continue to assess capital formation opportunities with the goal of increasing BPS, including the use of the NCIB where shares trade at a discount, the issuance of shares where they trade at a premium, and may also consider the issuance of debt instruments.
- The Company is working to build out the infrastructure necessary to operationalize its Bitcoin price risk management program. The program is intended to generate incremental Bitcoin from the Company's existing holdings without requiring additional capital, through the selective use of options and other derivative instruments during periods of elevated volatility. By writing options against a portion of its Bitcoin holdings, the Company expects to earn premiums denominated in or convertible into Bitcoin, with the objective of increasing BPS in a disciplined manner.

Subsequent Events

Through May 27, 2026, the Company has repurchased 137,000 common shares at an average price of \$4.24 per share, for total proceeds of \$580,323 and of which 82,600 common shares were returned to treasury. BPS has increased 0.92% year-to-date to 0.0000640.

On May 10, 2026, the Company's digital currency loan receivable matured, and the Company received the principal balance of 50.00 BTC and 0.16 BTC in interest. The Company initiated an additional loan to the same US-based trading firm for an additional 100 BTC.

Business Risks

Bitcoin Price Volatility

Bitcoin's trading history is marked by extreme volatility, with sudden and significant price fluctuations. Such volatility can lead to substantial financial losses for the Company in Canadian dollar terms. During Q1 2026, the price of Bitcoin (CME CF Bitcoin Reference Rate, in Canadian dollars) decreased by approximately 26%, resulting in a net change in fair value decrease on revaluation of digital currency of \$20,045,549 for the period. Volatility in the price of Bitcoin could also hinder demand for the Company's services. Volatility in the value of Bitcoin held in inventory could also impair the ability of the Company to invest capital in the development of its business activities and retention of future key employees or contractors.

Concentration Risk in Bitcoin Lending

The Company's Bitcoin lending program is currently concentrated with a single. Any deterioration in this counterparty's financial condition or creditworthiness, or any failure by the counterparty to return Bitcoin at maturity, would have a material adverse effect on the Company. The Company seeks to mitigate this risk through ongoing credit assessment of the counterparty (with monitoring services provided by FRNT Financial Inc. under a consultant agreement effective September 1, 2025) and the use of structured fixed-term loan terms.

Custodial Risks

Bitcoin custody requires a high degree of technical and operational expertise. The Company relies upon external third-party custodians (currently Coinbase Custody Trust Company, LLC and Anchorage Digital Bank NA) for these services, each of whom is expected to be operating using industry best practices, and to have sufficient expertise, skills and experience to ensure effective and secure custody of the Bitcoin held. Despite these efforts it remains possible that failures in the custody activities, personnel or technology result in the irreversible loss of Bitcoin owned by the Company.

Regulatory Environment

The Company operates in a heavily regulated and rapidly evolving environment. Any material changes to laws, regulations or regulatory interpretations applicable to Bitcoin or to digital asset service providers in Canada or other jurisdictions could materially affect the Company's business model, operating results and financial condition. The Company is registered as a Money Services Business with FINTRAC and is subject to ongoing compliance obligations under Canadian anti-money laundering and counter-terrorist financing legislation.

Technological Vulnerabilities

The Bitcoin network relies on complex software and hardware systems. There is no assurance that the relevant cryptocurrency or digital asset infrastructure will continue to be able to support the demands placed on it by continued growth or that the performance or reliability of the technology will not be adversely affected. There is also no assurance that the infrastructure or complementary products or services necessary to make cryptocurrency or digital assets a viable product for their intended use will be developed in a timely manner, or that such development will not require incurring substantial costs to adapt to changing technologies. Vulnerabilities, bugs, or attacks could compromise the network's integrity, leading to potential losses.

Bitcoin Transactions Are Irreversible

Bitcoin transactions are irreversible, and any Bitcoin lost, stolen or incorrectly transferred between parties (including by BTCT or its employees and third party service providers) may be irretrievable. Once a transaction has been validated by nodes on the network and recorded on the blockchain, there is no reasonable method by which to retrieve those assets without the direct cooperation of the entity receiving the Bitcoin. The Company cannot guarantee the security of any third-party platforms or custodians it may use. In the event of theft, there will be no recourse available to restore ownership of stolen assets.

Security Threats and Need to Adopt Technology

Holders of cryptocurrencies and digital assets must adapt to technological change to secure and safeguard accounts. As technological change occurs, the security threats to the Company's Bitcoin and other cryptocurrency and digital asset holdings will likely adapt, and previously unknown threats may emerge. Furthermore, the Company may become a greater target of security threats as the Company's size and reputation increases. If the Company is unable to identify and mitigate or stop new security threats, the Company's Bitcoin and other assets may be subject to theft, loss, destruction or other attack.

Short History Risk

Bitcoin is just over a decade old, which makes it one of the youngest multi-billion dollar assets in the world. Due to this short history, it is not clear how all elements of Bitcoin will unfold over time, specifically with regard to governance between miners, developers and users, as well as the long-term security model as the rate of inflation of Bitcoin decreases. Insufficient software development or any other unforeseen challenges that the community is not able to navigate could have an adverse impact on the business activities of the Company.

Limited History of the Bitcoin Market

Bitcoin is a new technological innovation with a limited history. There is no assurance that usage of Bitcoin and its blockchain will continue to grow. A contraction in use of Bitcoin or its blockchain may result in increased volatility or a reduction in the price of Bitcoin, which could adversely impact the business prospects of the Company.

Potential Decrease in the Global Demand for Bitcoin

Factors contributing to decreased demand for Bitcoin may include heightened concerns regarding theft and security vulnerabilities, the association of Bitcoin with illicit activities and use by bad

actors, adverse regulatory developments, and the emergence of competing digital currencies. If Bitcoin's adoption as a medium of exchange declines, the overall demand for Bitcoin could diminish. Investors should be aware that there is no assurance that Bitcoin will maintain its long-term value in terms of purchasing power in the future.

Concentration of Bitcoin Holdings in the Treasury

The concentration of the Company's Bitcoin holdings limits the risk mitigation that could be achieved if the Company were to hold a more diversified portfolio of treasury assets. Any future significant declines in the price of Bitcoin would have a more pronounced impact on the Company's financial condition than if the Company held a more diverse portfolio of assets. In addition, approximately 65% of the Company's total assets at March 31, 2026 are pledged as collateral against the convertible debentures and are not available to meet other obligations.

De-banking and Financial Services Risk

The Company relies on access to traditional banking services to conduct its operations, including processing transactions, holding funds, and managing day-to-day financial activities. There is a risk that financial institutions, payment processors, or other service providers may decline to provide, or may terminate, services to the Company due to the nature of its business, regulatory pressures, or changes in internal policies. The loss of access to essential banking services could disrupt the Company's operations, delay the execution of its business plan, impair its ability to process transactions, or force reliance on less secure or more expensive alternatives.

Bitcoin Does Not Pay Interest or Dividends

Bitcoin does not pay interest or other returns and the Company can only generate cash from its Bitcoin holdings if it sells its Bitcoin or implements strategies to create income streams or otherwise generate cash by using its Bitcoin holdings (such as the Bitcoin lending program). Even if the Company pursues such strategies, there can be no assurance that the Company will be able to generate cash from its Bitcoin holdings, and any such strategies may subject the Company to additional risks (including the counterparty concentration risk described above).

Changes in Accounting Treatment of Bitcoin

The legal, regulatory, and accounting treatment of digital assets are constantly developing and changing, all of which may have a material impact on the Company's financial results in future periods, increase the volatility of the Company's financial results, and affect the carrying value of Bitcoin on the Company's balance sheet.

Reliance on Key Personnel

The Company's development depends on the efforts of key management and other key personnel. Loss of any of these people, particularly to competitors, could have a material adverse effect on the Company's business.

Limited Operating History

The Company has a limited operating history. The Company is therefore subject to many of the risks common to early-stage enterprises, including undercapitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. The

failure by the Company to manage these risks could have a material adverse effect on the Company's business, operational results, financial condition and reputation.

Additional Information

For further detail, see the Company's condensed interim financial statements for the three months ended March 31, 2026. Additional information about the Company is available on SEDAR+ at <https://www.sedarplus.ca>.