Bitcoin Treasury Corporation

(formerly 2680083 Alberta Ltd.)

Condensed Interim Financial Statements
For the three and nine months ended September 30, 2026 and 2025

(Unaudited - Expressed in Canadian Dollars)

Bitcoin Treasury Corporation
(formerly 2680083 Alberta Ltd.)
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
As at September 30, 2026
(Unaudited - Expressed in Canadian Dollars)

	Notes	September 30, 2026 (Unaudited) $	December 31, 2025 (Audited) $
ASSETS			
Cash		764,561	1,740,677
Interest receivable		1,904	3,921
Prepaid expenses		262,020	206,537
Digital currency	6	13,822,377	29,093,309
Digital currency pledged as collateral	6	62,096,379	62,392,795
Digital currency, loaned	7	11,911,918	841,258
Total assets		**88,859,159**	**94,278,497**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Accounts payable and accrued liabilities	10	250,146	351,676
Convertible debentures	8	17,796,200	18,487,921
Total liabilities		18,046,346	18,839,597
Shareholders' equity			
Share capital	9	92,845,136	95,576,036
Reserves	9	24,078,424	24,078,424
Accumulated deficit		(46,110,747)	(44,215,560)
Total shareholders' equity		70,812,813	75,438,900
Total liabilities and shareholders' equity		**88,859,159**	**94,278,497**

Approved on Behalf of the Board of Directors on November 26, 2026:

/s/ Raj Lala
Director

/s/ Michael Simonetta
Director

The accompanying notes are integral part of these condensed interim financial statements

Bitcoin Treasury Corporation
(formerly 2680083 Alberta Ltd.)
CONDENSED INTERIM STATEMENT OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
For the Three and Nine Months Ended September 30, 2026
(Unaudited - Expressed in Canadian Dollars)

	Notes	Three months ended September 30, 2026	Three months ended September 30, 2025	Nine months ended September 30, 2026	Nine months ended September 30, 2025
		$	$	$	$
Revenue					
Lending income		79,746	-	167,306	-
Expenses					
Operating fees		158,998	379,840	544,287	379,840
Marketing expense		407	83,555	34,277	176,153
Consulting fees	10	9,785	35,788	57,336	36,822
Filing fees		23,498	112,768	99,982	218,950
Insurance		79,877	86,096	241,251	86,096
Office and administration		6,592	6,192	19,447	16,884
Professional fees		64,881	611,691	314,312	1,725,004
Salary and wages	10	31,553	34,633	94,661	34,633
Travel		944	1,834	3,774	1,834
Share-based payments	9	-	-	-	24,078,424
Total operating expenses		**376,535**	**1,352,397**	**1,409,327**	**26,754,640**
Net operating loss		**(296,789)**	**(1,352,397)**	**(1,242,021)**	**(26,754,640)**
Other income (expenses)					
Interest income		6,929	8,220	14,432	8,220
Interest expense	8	(63,013)	(63,013)	(186,986)	(67,808)
Change in fair value of convertible debentures	8	(750,868)	3,507,209	691,721	3,507,209
Net realized and unrealized gain (loss) on digital currency and digital currency pledged as collateral	6	22,800,108	198,074	(4,145,058)	-
Change in fair value on digital currency loans	7	3,562,426	-	2,957,556	-
Foreign exchange gain (loss)		(3,634)	(10,725)	15,169	(11,194)
Finance expense	8	-	-	-	(1,410,299)
Listing expense	5	-	-	-	(780,765)
Net income (loss) before income taxes		25,255,159	2,287,368	(1,895,187)	(25,509,277)
Income tax recovery		-	1,543,320	-	1,543,320
Net income (loss) for the period		**25,255,159**	**3,830,688**	**(1,895,187)**	**(23,965,957)**
Other comprehensive income					
Revaluation gain on digital currency	6	-	8,667,045	-	8,468,971
Deferred income tax expense	14	-	(2,244,277)	-	(2,244,277)
Comprehensive income (loss) for the period		**25,255,159**	**10,253,456**	**(1,895,187)**	**(17,741,263)**
Basic income (loss) per share		2.66	0.38	(0.19)	(6.56)
Diluted income (loss) per share		2.25	(0.04)	(0.20)	(6.56)
Weighted average shares – basic		9,491,384	10,075,080	9,746,594	3,655,021
Weighted average shares – diluted		11,574,717	12,158,413	11,829,927	3,655,021

The accompanying notes are integral part of these condensed interim financial statements

Bitcoin Treasury Corporation
(formerly 2680083 Alberta Ltd.)
CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
For the Nine Months Ended September 30, 2026 and 2025
(Unaudited - Expressed in Canadian Dollars)

		Share Capital						
	Notes	Number of Common Shares	Number of Foundation Shares	Share Capital	Reserves	Other Comprehensive Income	Accumulated Deficit	Total Shareholders' Equity
				$	$	$	$	$
Balance, December 31, 2024		-	-	-	-	-	-	-
Shares issued upon reverse takeover	5	74,999	-	749,990	-	-	-	749,990
Common shares issued		1	-	-	-	-	-	-
Foundation shares issued		-	80	-	-	-	-	-
Foundation shares exchanged	9	80	(80)	-	-	-	-	-
Concurrent financing – common shares	9	10,000,000	-	100,000,000	-	-	-	100,000,000
Concurrent financing – common share issuance costs	9	-	-	(5,173,954)	-	-	-	(5,173,954)
Share-based payments	9	-	-	-	24,078,424	-	-	24,078,424
Unrealized gain on digital currency	6	-	-	-	-	8,468,971	-	8,468,971
Deferred income tax expense	14	-	-	-	-	(2,244,277)	-	(2,244,277)
Net loss		-	-	-	-	-	(23,965,957)	(23,965,957)
Balance, September 30, 2025		**10,075,080**	**-**	**95,576,036**	**24,078,424**	**6,224,694**	**(23,965,957)**	**101,913,197**
Balance, December 31, 2025		10,075,080	-	95,576,036	24,078,424	-	(44,215,560)	75,438,900
Shares cancelled under Normal Course Issuer Bid	9	(675,600)	-	(2,730,900)	-	-	-	(2,730,900)
Net loss and comprehensive loss		-	-	-	-	-	(1,895,187)	(1,895,187)
Balance, September 30, 2026		**9,399,480**	**-**	**92,845,136**	**24,078,424**	**-**	**(46,110,747)**	**70,812,813**

The accompanying notes are integral part of these condensed interim financial statements

Bitcoin Treasury Corporation
(formerly 2680083 Alberta Ltd.)
CONDENSED INTERIM STATEMENT OF CASH FLOWS
For the Nine Months Ended September 30, 2026 and 2025
(Unaudited - Expressed in Canadian Dollars)

	Nine months ended September 30, 2026	Nine months ended September 30, 2025
	$	$
Operating activities		
Net loss for the period	(1,895,187)	(23,965,957)
Non-cash items:		
Net realized and unrealized (gain) loss on digital currency and digital currency pledged as collateral	4,145,058	-
Change in fair value on digital currency loaned	(2,957,556)	-
Lending income	(167,306)	-
Change in fair value on convertible debentures	(691,721)	(3,507,209)
Listing expense	-	780,765
Non-cash consulting fee	11,830	-
Share-based payments	-	24,078,424
Deferred income tax recovery	-	(1,543,320)
Changes in non-cash working capital:		
Prepaid expenses	(55,483)	(255,752)
Accounts payable and accrued liabilities	(101,530)	607,422
Interest receivable	2,017	-
Cash used in operating activities	(1,709,878)	(3,805,627)
Investing activities		
Purchase of digital currency	-	(113,127,353)
Sales of digital currency	3,464,662	-
Cash provided by (used in) investing activities	3,464,662	(113,127,353)
Financing activities		
Proceeds from issuance of shares	-	100,000,000
Share issuance costs	-	(5,173,954)
Proceeds from issuance of convertible debentures	-	25,000,000
Shares repurchased under Normal Course Issuer Bid	(2,730,900)	-
Cash provided by (used in) financing activities	(2,730,900)	119,826,046
Change in cash during the period	(976,116)	2,893,066
Cash, beginning of period	1,740,677	-
Cash, end of period	**764,561**	**2,893,066**

The accompanying notes are integral part of these condensed interim financial statements

1. NATURE OF OPERATIONS

Bitcoin Treasury Corporation (formerly 2680083 Alberta Ltd.) (the "Company") was incorporated under the *Business Corporations Act* (British Columbia) on July 27, 2021. The business continued from British Columbia to Alberta on January 21, 2025. 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.

On June 23, 2025, the Company completed an amalgamation with Bitcoin Treasury Corporation ("BTCT") pursuant to the provisions of the *Business Corporations Act* (Alberta), (the "Transaction"). 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 reverse takeover 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 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.

2. BASIS OF PRESENTATION

a) Statement of compliance

These condensed interim financial statements have been prepared in accordance with IFRS® Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and adhere to the guidance of International Accounting Standard 34 – Interim Financial Reporting. The Company has consistently applied the accounting, estimation and judgement policies described in the Company's audited financial statements for the year ended December 31, 2025. These condensed interim financial statements do not include all disclosures normally provided in the annual financial statements and should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2025.

These financial statements were approved by the Board of Directors for issue on November 26, 2026.

b) Basis of preparation

The financial statements have been prepared on a going concern basis using the historical cost convention. In addition, these financial statements are prepared using the accrual basis of accounting, aside from cash flow information.

c) Presentation and functional currency

The Company's functional currency is the Canadian dollar, which is the currency of the primary economic environment in which it operates. The Company's performance is evaluated, and its liquidity is managed in Canadian dollars. Therefore, the Canadian dollar is considered as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The Company's presentation currency is also the Canadian dollar.

d) New standards, amendments and interpretations adopted

Several standards and amendments and interpretations to published standards that became effective for the Company's financial period ending on September 30, 2026, were not relevant or not significant to the Company's operations and accordingly did not impact Bitcoin Treasury Corporation.

2. BASIS OF PRESENTATION (CONTINUED)

e) New standards, amendments and interpretations not yet adopted

A number of new standards, amendments to standards, and interpretations are not yet effective as of September 30, 2026 and have not been applied in preparing these financial statements.

Presentation and Disclosure in Financial Statements (IFRS 18)

In April 2024, the IASB issued IFRS 18, which replaces International Accounting Standard 1, Presentation of Financial Statements. It introduces several new requirements that are expected to impact the presentation and disclosure of the financial statements. These include:

- The requirement to classify all income and expense into specified categories and provide specified totals and subtotals in the statement of profit or loss.
- Enhanced guidance on the aggregation, location and labeling of items across the financial statements and the notes to the financial statements.
- Required disclosures about management-defined performance measures.

IFRS 18 is effective for annual periods beginning on or after January 1, 2027 with early adoption permitted.

The Company is currently assessing the effect of the above standards and amendments. No other new standards, amendments, and interpretations are expected to have a material effect on the financial statements of the Company.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies followed by the Company are set out in Note 3 to the audited financial statements for the year ended December 31, 2025 and have been consistently followed in the preparation of these condensed interim financial statements. Further policies have been included to reflect additional transactions and adjustments which are, in the opinion of management, necessary for a fair presentation of results for the interim period presented in accordance with IFRS.

4. JUDGMENTS AND ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates.

Estimates

Convertible debentures

The Company has designated its convertible debentures as financial liabilities at FVTPL. As the debentures are not traded in an active market, their fair value cannot be determined by reference to quoted prices. Accordingly, the Company determines fair value using a partial differential equation ("PDE") model, which incorporates market participant assumptions and is calibrated to the contractual terms of the debentures. Changes in volatility reflect bitcoin price volatility as well as comparable peer capital structures. Market yield is calibrated to CCC-rated corporate bond yields. The determination of fair value requires management to exercise significant judgment in selecting and calibrating the inputs to the PDE model. Changes in these inputs can give rise to materially different fair value measurements.

4. JUDGMENTS AND ESTIMATES (CONTINUED)

Digital currency, loaned

The Company has designated its digital currency, loaned as FVTPL. As the loans are not traded in an active market, the fair value cannot be determined by reference to quoted prices. Accordingly, the Company estimates fair value using a discounted cash flow model, which incorporates market participant assumptions and reflects the contractual terms of the loan. The model requires the use of significant assumptions, including the timing and amount of expected future cash flows and an appropriate discount rate. The discount rate is determined based on market yields for instruments with similar credit risk, terms, and economic characteristics. Expected cash flows are adjusted for the effects of Bitcoin price movements, passage of time, yield and changes in counterparty credit risk. The determination of fair value requires management to exercise significant judgment in selecting and calibrating these inputs. Changes in these assumptions could result in materially different fair value measurements.

Income Taxes

The determination of current and deferred taxes requires interpretations of tax legislation, estimates of expected timing of reversal of deferred tax assets and liabilities, and estimates of future earnings.

Judgments

The key areas of judgment that have a significant risk of causing a material adjustment to the amounts recognized in the financial statements are:

Going concern

Management has applied judgments in the assessment of the Company's ability to continue as a going concern when preparing these financial statements. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. Management has determined that the Company is a going concern given the cash balance of $764,561. In the event, where cash reserves are not sufficient to cover operations, the Company will liquidate a portion of its digital currency holdings to meet its financial obligations.

5. REVERSE TAKEOVER

On May 17, 2025, the Company and BTCT entered into an amalgamation agreement, whereby the Company would acquire all issued and outstanding shares of BTCT, and shareholders of BTCT would receive one share in the Company for each share held in BTCT. The transaction closed on June 23, 2025.

Upon completion of the Transaction, former shareholders of BTCT own 99% and the existing shareholders of the Company own 1% of the issued and outstanding common shares of the Company. As a result, former shareholders of BTCT acquired control of the Company, thereby constituting a reverse takeover of the Company. The reverse takeover is considered a purchase of the Company's net assets by the shareholders of BTCT.

The Transaction is accounted for in accordance with guidance provided in IFRS 2, *Share-Based Payment,* and IFRS 3, *Business Combinations* ("IFRS 3"). As the Company did not qualify as a business according to the definition in IFRS 3, this Transaction is treated as an issuance of shares by BTCT for the net assets of Company.

5. REVERSE TAKEOVER (CONTINUED)

The purchase price is allocated as follows:

	$
Fair value of common shares retained by former shareholders of the Company (74,999 shares at $10.00 per share)	749,990
Total consideration paid	**749,990**
Net liabilities assumed of the Company:	
Accounts payable and accrued liabilities	30,775
Excess consideration - listing expense	**780,765**

The fair value of $10.00 per share was based on the most recent financing completed prior to the Transaction.

6. DIGITAL CURRENCY AND DIGITAL CURRENCY PLEDGED AS COLLATERAL

As at September 30, 2026, the Company holds Bitcoin as its digital currency and its digital currency pledged as collateral. The Company's digital currency and digital currency pledged as collateral are held by third-party custodians. The Company's digital currencies pledged as collateral are segregated from the Company's digital currencies. Bitcoin is recorded at its fair value on the date it is received and is subsequently measured at fair value under the IAS 38 revaluation model at each reporting date. Fair value is determined by taking the CME CF BRR as listed on "cfbenchmarks.com" at 4:00 p.m. London time and using the USD-CAD WMR FX Benchmark at 4:00 p.m. London time.

The continuity and breakdown of digital currency and digital currency pledged as collateral are as follows:

	BTC Units	$
Balance, December 31, 2025	**764.37**	**91,486,104**
Sale of digital currency	(35.51)	(3,464,662)
Settlement of digital currency loan and interest (Note 7)	158.59	16,442,040
Digital currency and digital currency, loaned (Note 7)	(250.00)	(24,387,838)
Fees	(0.12)	(11,830)
Digital currency and digital currency pledged as collateral revaluation	-	(4,145,058)
Balance, September 30, 2026	**637.33**	**75,918,756**
Digital currency	116.04	13,822,377
Digital currency – collateral	521.29	62,096,379
Total	637.33	75,918,756

The net realized and unrealized loss on digital currency and digital currency pledged as collateral of $4,145,058 for the nine months ended September 30, 2026 includes a realized loss of $115,194 on the disposal of 35.51 BTC for proceeds of $3,464,662, being proceeds less the carrying amount of the Bitcoin sold, and an unrealized loss of $4,029,864 (nine months ended September 30, 2025: $nil; a revaluation gain of $8,468,971 was recognized in other comprehensive income). For the three months ended September 30, 2026, the net realized and unrealized gain on digital currency and digital currency pledged as collateral was $22,800,108, comprising a realized gain of $112,127 on the disposal of 7.23 BTC for proceeds of $715,632 and an unrealized gain of $22,687,981 (three months ended September 30, 2025: unrealized gain of $198,074; a revaluation gain of $8,667,045 was recognized in other comprehensive income).

7. DIGITAL CURRENCY LOANS RECEIVABLE

As at September 30, 2026, the Company had an outstanding loan of 100.00 BTC with a US- based trading firm. The loan is unsecured for a term of less than one year. The loan cannot be terminated at the option of the Company or the borrower. Accrued interest on the loan is denominated in Bitcoin.

	BTC Units	$
Balance, December 31, 2025	**7.03**	**841,258**
Settlement of digital currency loans	(158.59)	(16,442,040)
Digital currency loan	250.00	24,387,838
Changes in fair value:		
Lending income	1.56	167,306
Revaluation on digital currency loan	-	2,957,556
Balance, September 30, 2026	**100.00**	**11,911,918**

Lending income of $167,306 for the nine months ended September 30, 2026 (nine months ended September 30, 2025: $nil) and $79,746 for the three months ended September 30, 2026 (three months ended September 30, 2025: $nil) was recognized in revenue during the period based on the contractual interest earned based on the daily average Bitcoin price. As at September 30, 2026, there was no BTC in interest outstanding (December 31, 2025: 0.03 BTC). The accrued interest balance was subsequently remeasured to fair value at September 30, 2026, resulting in a carrying amount of $Nil (December 31, 2025: $3,443), with the difference recognized in change in fair value on digital currency loans. As the loan principal and interest are both denominated in Bitcoin, the remeasurement reflects movement in the Bitcoin price in Canadian dollars rather than any reduction in the underlying Bitcoin receivable. As at September 30, 2026, the loan is current and not past due.

Management reassessed the credit risk of the borrower at the end of the reporting period to determine if there were any changes in credit spreads that impacted fair value due to either market credit spreads or changes in credit quality of the borrower. As at September 30, 2026, it was determined that there was no significant change.

8. CONVERTIBLE DEBENTURES

On June 23, 2025, the Company closed a brokered private placement of secured convertible debentures for gross proceeds of $25,000,000. The debentures are collateralized by the Company's Bitcoin holdings. The debentures mature in five years after issuance and bear interest at the rate of 1% per annum payable semi-annually. Pursuant to the terms of the debentures, the holder may, at the earlier of the maturity date and the date fixed for redemption by the Company, convert the principal amounts of the debentures and any accrued but unpaid interest into common shares of the Company, at a price of $12.00 per common share. In connection with the offering, the Company paid finders' fees of $1,252,500 and incurred $157,799 in other transaction costs.

The convertible debentures are secured against the Company's Bitcoin holdings. The Company is required to hold $75,000,000 in Bitcoin as collateral at the time of issuance, representing 3.0 times the dollar value of the debentures. The value of the collateral was calculated the day before the debentures were issued, and, in addition, is recalculated at the end of every calendar quarter. There is no requirement to top up the value of Bitcoin collateral based on the moving price of Bitcoin. The calculation is based on a 10-day average lookback (the "Average Bitcoin Price") determined by the daily rate denominated in US dollars by the CME CF Bitcoin Reference, published on the CME website (https://www.cfbenchmarks.com/data/indices/BRR) at 4:00 p.m. London time. In a quarter where the Average Bitcoin Price is greater than 133.3% of the Average Bitcoin Closing Price, collateral equal to 40% of the increase in the value of the collateral above the Average Bitcoin Closing Price will be irrevocably released. For each calendar quarter subsequent to the initial Bitcoin Price Collateral Release, additional collateral will only be irrevocably released to the extent that the Average Bitcoin Price calculated as of the end of such quarter exceeds the highest Average Bitcoin Price at which any previous Bitcoin Price Collateral Release occurred, in the amount of 40% of the increase in the value of the collateral above the highest previous Average Bitcoin Price.

8. CONVERTIBLE DEBENTURES (CONTINUED)

In connection with the financing, the Company incurred $1,410,299 in financing costs related to the issuance of the debt. The transaction costs have been expensed in full in the statements of loss and comprehensive loss.

As the convertible debenture contains more than one embedded derivative which all, under select circumstances, may be repaid in cash, the Company has designated the convertible debentures at FVTPL.

As at September 30, 2026, the fair value of the convertible debentures is $17,796,200 and a gain of $691,721 has been recorded on the revaluation of the debenture for the nine months ended September 30, 2026 (nine months ended September 30, 2025: gain of $3,507,209) and a loss of $750,868 for the three months ended September 30, 2026 (three months ended September 30, 2025: gain of $3,507,209). The fair value of the convertible debentures was calculated using a partial differential equation model, which incorporates market participant assumptions and observable market data, calibrated to the terms of the debenture contract. Key input assumptions include the risk-free rate of 3.55%, credit spread of 23.44%, volatility of 60.00%, underlying share price of $4.04 and conversion price of $12.00. The portion of the change in fair value attributable to changes in the Company's own credit risk was not significant for the period ended September 30, 2026; accordingly, no amount was recognized in other comprehensive income.

During the nine months ended September 30, 2026, the Company incurred interest of $186,986 (nine months ended September 30, 2025: $67,808), of which $67,808 is outstanding as at September 30, 2026 (December 31, 2025: $5,479) and included in accounts payable and accrued liabilities.

9. SHARE CAPITAL

a) Share capital

Authorized: unlimited Class A common shares without par value.

Share capital activity for the nine months ended September 30, 2026

On December 15, 2025, the Company implemented a normal course issuer bid (the "NCIB"). Under the NCIB, the Company is authorized to purchase, for cancellation up to 989,228 common shares, being approximately ten percent (10%) of the common shares that were outstanding on December 15, 2025. The NCIB shall terminate on the earlier date of January 5, 2027, and the date on which the maximum number of common shares that can be acquired pursuant to the NCIB have been purchased.

During the nine months ended September 30, 2026, the Company repurchased 675,600 common shares at an average price of $4.04 per share, for total cash consideration of $2,730,900 and all repurchased common shares were cancelled.

Share capital activity for the nine months ended September 30, 2025

On May 16, 2025, BTCT issued 1 common share to the Chief Executive Officer for $0.01 per share and 80 Foundation Shares for $0.001 per share to certain directors and key management of BTCT.

On June 12, 2025, BTCT amended its articles, exchanging 80 Foundation Shares for 80 common shares. On June 23, 2025, in connection with the Transaction, the Company issued 74,999 common shares (Note 5).

On June 23, 2025, the Company closed a concurrent brokered private placement of 9,573,350 common shares for gross proceeds of $95,733,500. In connection with the financing, the Company incurred agent's fees of $4,936,778, and legal and other fees of $57,797.

On June 26, 2025, the Company closed its brokered offering of 426,650 common shares for gross proceeds of $4,266,500. In connection with the financing, the Company incurred agent's fees of $179,377.

9. SHARE CAPITAL (CONTINUED)

b) Performance warrants

On June 19, 2025, the Company issued 2,431,667 performance warrants to officers and directors of the Company. Performance warrants are exercisable at a price of $0.001 per share until June 19, 2035. No additional grants of performance warrants can be made under this plan. The performance warrants vest at any time if the following conditions have been met:

a) The fair value of digital currency and digital currency pledged as collateral meets or exceeds the target levels set out below:

Tranche	% of Total Performance Warrants Issued	Bitcoin Holding Value (CAD)
1	25%	$135,000,000
2	25%	$158,000,000
3	25%	$180,000,000
4	25%	$203,000,000

b) The market price of Bitcoin exceeds the price on the grant date which was $143,305; and

c) The number of warrants that can vest in any year is capped by the percentage growth in Bitcoin per share ("BPS") over the prior 12-month period, subject to a time-decay multiplier of 1.0 in years 1–3, 0.5 in years 4–6 and zero thereafter. The time-decay multiplier is eligible to be reset every 3 years, if more than 50% of the Company's outstanding common shares are subject to a Normal Course Issuer Bid (“NCIB”) or other share repurchase within the three-year period.

Once either condition (a) or (b) is first met, it is considered satisfied indefinitely. Performance warrants cannot vest solely through increases in the price of Bitcoin, growth in BPS must also occur. To increase BPS, the Company can either increase the number of Bitcoin held or reduce the number of common shares outstanding, which may be achieved through methods such as issuing shares at a premium to acquire additional Bitcoin, repurchasing shares at a discount through an NCIB, or generating Bitcoin revenue, amongst other methods. BPS growth of 1.21% was achieved during the nine months ended September 30, 2026.

All outstanding performance warrants remained unvested. The expense of $24,078,424 was fully recognized in the year ended December 31, 2025 and is classified in reserves in the condensed interim statement of changes in shareholders’ equity.

c) Income (loss) per share

Basic income (loss) per share is calculated by dividing the net income (loss) by the weighted average number of shares. The basic income (loss) per share is as follows:

	For the three months ended September 30, 2026 $	For the three months ended September 30, 2025 $	For the nine months ended September 30, 2026 $	For the nine months ended September 30, 2025 $
Net income (loss) for the period	25,255,159	3,830,688	(1,895,187)	(23,965,957)
Weighted average number of shares outstanding	9,491,384	10,075,080	9,746,594	3,655,021
Basic income (loss) per share	**2.66**	**0.38**	**(0.19)**	**(6.56)**

9. SHARE CAPITAL (CONTINUED)

For the three and nine months ended September 30, 2026, the convertible debentures (2,083,333 shares on conversion at $12.00) are dilutive and are included in the computation of diluted weighted average number of shares outstanding. For the three months ended September 30, 2026, interest expense of $63,013 and the fair value loss of $750,868 are added back to net income. For the nine months ended September 30, 2026, interest expense of $186,986 is added back to, and the fair value gain of $691,721 is deducted from, net loss. Performance warrants are excluded as their vesting conditions were not met at September 30, 2026.

Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all potentially dilutive shares. Potentially dilutive shares relate to the exercise of outstanding performance warrants and conversion of debentures.

	For the three months ended September 30, 2026 $	For the three months ended September 30, 2025 $	For the nine months ended September 30, 2026 $	For the nine months ended September 30, 2025 $
Net income (loss) for the period	25,255,159	3,830,688	(1,895,187)	(23,965,957)
Add back: interest and change in fair value on convertible debentures	813,881	(4,356,908)	(504,735)	-
Weighted average number of shares outstanding	9,491,384	10,075,080	9,746,594	3,655,021
Effect of dilutive securities:				
Performance warrants	-	-	-	-
Convertible debentures	2,083,333	2,083,333	2,083,333	-
Weighted average diluted shares outstanding	11,574,717	12,158,413	11,829,927	3,655,021
Diluted income (loss) per share	**2.25**	**(0.04)**	**(0.20)**	**(6.56)**

10. RELATED PARTIES

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 management and entities over which key management has control or significant influence were as follows:

	For the three months ended September 30, 2026 $	For the three months ended September 30, 2025 $	For the nine months ended September 30, 2026 $	For the nine months ended September 30, 2025 $
Salaries	10,500	17,500	31,500	17,500
Consulting services	95,033	271,348	335,044	271,348
Share-based compensation	-	-	-	24,078,424
	105,533	**288,848**	**366,544**	**24,367,272**

10. RELATED PARTIES (CONTINUED)

As at September 30, 2026, $1,767 (December 31, 2025: $51,822) is owed to key management and entities over which key management has control or significant influence. The amounts are related to salary, consulting services and reimbursement of general and administrative expenses and are included in accounts payable and accrued liabilities.

Effective June 4, 2025, the Company entered into an agreement with Evolve Funds Group Inc. (“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.

During the nine months ended September 30, 2026, the Company incurred $329,644 (nine months ended September 30, 2025: $269,168) in administration fees to Evolve. As at September 30, 2026, $33,648 (December 31, 2025: $50,149) is owed to Evolve under the terms of the agreement.

11. MANAGEMENT OF CAPITAL

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 that 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.

12. FAIR VALUE MEASUREMENTS

As at September 30, 2026, the Company’s financial instruments consist of cash, accounts payable and accrued liabilities, digital currency, loaned, and convertible debentures. The Company’s cash and accounts payable and accrued liabilities are measured under amortized cost. As at September 30, 2026, the fair value of the Company’s cash and accounts payable and accrued liabilities approximates carrying value. The Company’s convertible debentures, digital currency, digital currency pledged as collateral and digital currency, loaned are measured at fair value.

Financial and non-financial assets and liabilities 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).

12. FAIR VALUE MEASUREMENTS (CONTINUED)

The table below summarizes the Company's fair value measurement hierarchy for its assets and liabilities held at fair value.

September 30, 2026	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Assets held at fair value				
Digital currency	13,822,377	-	-	13,822,377
Digital currency pledged as collateral	62,096,379	-	-	62,096,379
Digital currency, loaned	-	-	11,911,918	11,911,918
Total assets held at fair value	**75,918,756**	**-**	**11,911,918**	**87,830,674**
Liabilities				
Liabilities held at fair value				
Convertible debentures	-	-	17,796,200	17,796,200
Total liabilities held at fair value	**-**	**-**	**17,796,200**	**17,796,200**

The following table presents the changes in fair value measurements of financial instruments classified as Level 3 during the nine months ended September 30, 2026. These financial instruments are measured at fair value utilizing non-observable market inputs. The change in fair value is recognized in the statements of loss and comprehensive loss.

	For the nine months ended September 30, 2026 $
Assets – Digital currency, loaned	
Opening balance	841,258
Issuance	24,387,838
Settlement of loan and interest	(16,442,040)
Lending income	167,306
Change in fair value recognized in profit or loss	2,957,556
Closing balance	11,911,918
Liabilities – Convertible debentures	
Opening balance	(18,487,921)
Change in fair value recognized in profit or loss	691,721
Closing balance	(17,796,200)

Net change in fair value on instruments still held at period end was a gain of $691,721 for the convertible debentures and a gain of $2,957,556 for the digital currency loan receivable.

12. FAIR VALUE MEASUREMENTS (CONTINUED)

Changes in the unobservable inputs may have an impact on the fair value of level three balance as follows:

	+2% from Baseline	-2% from Baseline
Digital currency, loaned		
Discount rate	$(25,101)	$26,872
Convertible debenture inputs	**+5% from Baseline**	**-5% from Baseline**
Volatility	$270,862	$(196,563)
Market yield	$(1,036,163)	$1,207,905

For digital currency, loaned inputs, the discount rate is calibrated to counterparty credit rating of BBB based on management's internal model. For convertible debenture inputs, changes in volatility reflect Bitcoin price volatility as well as comparable peer capital structures. Market yield is calibrated to CCC-rated corporate bond yields.

13. 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. Further quantitative disclosures are included as applicable.

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.

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 September 30, 2026, the Company has sufficient funds and liquid assets to cover financial obligations. Included in total assets is $62,096,379 in digital currency pledged as collateral against its convertible debentures as discussed in Note 8 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. The Company's corporate offices are based in Canada and current exposure to exchange rate fluctuations is minimal.

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 September 30, 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 its digital currency pledged as collateral. The value of Bitcoin has historically been very volatile and unpredictable. As at September 30, 2026, the Company has a total of $87,830,674 in digital currency, digital currency, loaned and digital currency pledged as collateral on its statements of financial position. A precipitous drop in the price of Bitcoin that the Company holds or has loaned will adversely impact the Company's operations. A 20% decrease in the value of Bitcoin would impact the Company's net income (loss) and comprehensive income (loss) by $17,566,135.

13. RISK MANAGEMENT (CONTINUED)

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's primary exposure to credit risk arises from cash held with financial institutions and from digital assets loaned to an institutional trading firm under a Bitcoin lending arrangement. The Company's exposure to credit risk in respect of the lending arrangement is limited to the risk that the borrower fails to return the Bitcoin and associated interest upon maturity of the loan. To mitigate this risk, the Company transacts only with an established institutional counterparty that management has assessed as creditworthy through an underwriting program. The Company continually monitors the borrower's credit profile, including financial statements, on an ongoing basis.

The Company is exposed to concentration risk as the digital asset lending arrangement is currently with a single counterparty. Accordingly, any deterioration in the financial condition or creditworthiness of this counterparty could have a significant impact on the Company's financial position and results of operations. Management monitors this concentration on an ongoing basis and evaluates opportunities to diversify counterparties where appropriate.

The maximum exposure to credit risk is limited to the carrying amounts of cash, interest receivable and digital assets loaned recognized in the statements of financial position.

14. INCOME TAXES

The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial income tax rates:

	For the nine months ended September 30, 2026
	$
Loss before income taxes	(1,895,187)
Statutory income tax rate	26.5%
Expected income tax recovery	(502,225)
Change in estimate	-
Change in unrecognized deferred income tax assets	502,225
Income tax expense	**-**

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amounts of assets and liabilities.

	For the nine months ended September 30, 2026
	$
Digital currency and digital currency pledged as collateral	3,140,572
Digital currency loan receivable	2,223,283
Share issuance costs	1,046,896
Convertible debentures	(1,909,007)
Non-capital losses	2,067,143
Net deferred income tax assets	6,568,887
Net deferred income tax assets not recognized	(6,568,887)
Net deferred income tax assets recognized	-

As at September 30, 2026, the Company has non-capital loss carry forwards of $7,800,541, factored into the calculation above, which can be applied to reduce future Canadian taxable income and will expire between 2045 and 2046.

15. SUBSEQUENT EVENTS

Subsequent to September 30, 2026 and up to November 25, 2026, the Company repurchased 110,100 common shares under the NCIB at an average price of $3.86 per share, for total cash consideration of $424,688, bringing total repurchases under the NCIB to 785,700 common shares. Of these, 99,500 common shares were cancelled on October 30, 2026. As at November 25, 2026, the remaining 10,600 common shares had not yet been cancelled.

On November 9, 2026, the Company's digital currency loan receivable matured, and the Company received the principal balance of 100.00 BTC and 0.33 BTC in interest. The Company initiated an additional loan to the same US based trading firm for 150 BTC.

Subsequent to the end of the period, as of November 25, 2026, the price of Bitcoin was $82,596 as compared to $119,119, representing a 30% decline in the value of the assets. The subsequent decline in the price of Bitcoin represents a decrease in the value of digital currency, digital currency held as collateral and digital currency loans of $26,349,202.