

INTELLISTAKE TECHNOLOGIES CORP.

(formerly The Good Flour Corp.)

MANAGEMENT’S DISCUSSION & ANALYSIS

For the period ended December 31, 2025 and 2024

(Expressed in Canadian Dollars)

This Management’s Discussion and Analysis (“MD&A”) of Intellistake Technologies Corp. (“ISTK” or the “Company”) should be read in conjunction with the unaudited condensed interim consolidated financial statements and accompanying notes for the period ended December 31, 2025 and 2024. The financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting under IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

The interim financial statements do not include all the information required for full annual financial statements. The accounting policies applied in the condensed consolidated interim financial statements are consistent with those applied in the Company’s audited annual consolidated financial statements unless otherwise disclosed.

Information contained herein is presented as of March 2, 2026 unless otherwise indicated. Additional information related to ISTK is available on SEDAR+ at www.sedarplus.ca and on the Company’s website at www.intellistake.ai.

Unless otherwise indicated, all amounts discussed herein are denominated in Canadian dollars (\$), which is the functional and reporting currency of the Company. The Company’s year-end is June 30.

References in the MD&A are defined as follows:

Reference	Period
FY 2026	Fiscal period for the year ended December 31, 2025
FY 2025	Fiscal period for the year ended December 31, 2024
Q1 2026	Fiscal quarter for the six months ended December 31, 2025
Q1 2025	Fiscal quarter for the six months ended December 31, 2024
Year-ended 2026 or YE 2026	For the current fiscal period ending December 31, 2026
Year-ended 2025 or YE 2025	For the fiscal period ending December 31, 2025

The Company’s board of directors approved the release of this MD&A on March 2, 2026.

FORWARD-LOOKING INFORMATION

This MD&A, including the documents incorporated by reference herein, contains “forward-looking information” or “forward-looking statements” within the meaning of applicable securities legislation (collectively, “**forward-looking statements**”). The forward-looking statements in this MD&A are provided as of the date of this MD&A and forward-looking statements incorporated by reference are made as of the date of those documents. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budgets”, “scheduled”, “estimates”, “forecasts”, “predicts”, “projects”, “intends”, “targets”, “aims”, “anticipates” or “believes” or variations (including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. These forward-looking statements include, among other things, statements relating to:

- expectations, strategies and plans;
- expected use of funds and general and administrative expenses;
- expectations generally about the Company’s business plan and its ability to raise further capital for corporate purposes;
- expected use of proceeds from financings and the timing thereof;
- the ability of the Company to develop, operate and commercialize the AI Agent software described in this MD&A;
- the ability of the Company to acquire additional stablecoins and the Company’s intended use thereof;
- the Company’s ongoing development, anticipated testing phases, and potential future capabilities and applications of IntelliScope;
- the divestiture of the Food Business;
- expectations regarding the proposed acquisition of SVH;
- the Company’s expectations relating to validator operations;
- the Company’s plans for staking and investing in tokens;
- the Company’s decision to implement a cryptocurrency treasury strategy, whereby the Company acquires various cryptocurrencies, including stablecoins, to be staked through reputable protocols or platforms to generate yields;
- the ability of the Company to identify and capitalize on investment opportunities that generate maximum returns for shareholders;
- the impact of the increased adoption of blockchain and digital assets on their appreciation in value;
- the expectation that investing in digital assets will bring diversification benefits to the Company’s investment portfolio;
- the impact of regulatory clarity, government intervention and institutional involvement on the reduction of risk and perception of the credibility, legitimacy and stability of digital assets as an investment class;
- the ability of the Company to achieve its investment objectives, including but not limited to: providing shareholders with long-term capital growth, using investments to hedge against inflation and fiat currency devaluation, and seeking liquidity in its investments;
- the ability of the Company to negotiate the terms of investments to generate value for its shareholders;
- future financial or operating performance and condition of the Company and its business, operations and properties;
- competitive conditions;
- expectations respecting executive compensation; capital and operating expenditures; and

- any and all other timing, development, operational, financial, economic, legal, regulatory and political factors that may influence future events or conditions, as such matters may be applicable.

Although the forward-looking information in this MD&A reflects management's current beliefs about the prospects of the Company based on information currently available to management and on what management believe to be reasonable assumptions, there is no certainty that the actual results achieved will be consistent with such forward-looking information. Forward-looking information is not a guarantee of future performance and by its nature is based on assumptions and involves significant known and unknown risks, uncertainties and other factors which may cause actual results, performance, achievements, industry results, prospects and opportunities of the Company in future periods to be materially different from those expressed or implied by the forward-looking information provided in this MD&A. Such forward-looking statements are based on a number of factors and assumptions of management, including, without limitation:

- the Company will have the required resources to achieve its business plans;
- the Company will be able to retain and maintain the key personnel and third party consultants required to achieve its business objectives;
- the technology and blockchain industries in which the Company intends to focus its business in will grow at the rate and in the manner expected;
- the Company obtains the capital necessary to execute its business plans;
- the Company creates strategies to mitigate risks associated with cryptocurrency price fluctuations;
- the Company remains compliant with all applicable laws and securities regulations, including anti-money laundering (AML) and know-your-customer (KYC) laws, while avoiding any penalties or sanctions imposed by courts and regulatory bodies such as securities regulatory authorities;
- the Company engages and collaborates with local experts, as necessary, to address jurisdiction-specific matters and ensures compliance with foreign regulations to avoid penalties;
- the Company's exposure to counterparties such as custodians, liquidity providers, OTC desks, and loan counterparties, which could default, become insolvent, or fail to meet their obligations; and
- the Company addresses any potential cybersecurity threats promptly and effectively.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking information prove incorrect, then any such change could cause actual results, performance or achievements to differ materially from the anticipated results expressed or implied in the forward-looking information set out in this MD&A.

With respect to the forward-looking statements information contained in this MD&A, although the Company believes that the expectations and assumptions on which the forward-looking information are based are reasonable, undue reliance should not be placed on the statements containing forward-looking information, because no assurance can be given that they will prove to be correct. Since statements containing forward-looking information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to several factors and risks which include but are not limited to risks related to general business, economic, competitive, political and social uncertainties. This list is not exhaustive. Many factors could affect the assumptions on which statements about forward looking information are made in this MD&A or the underlying assumptions.

Some of the risks and other factors, which could cause results to differ materially from those expressed in the forward-looking information contained in this MD&A include, but are not limited to:

- the Company cannot raise the capital necessary to fund its operations and pursue its intended investment objectives;
- the Company is unable to retain or source the talent required to execute its investment strategy;

- the Company is unable to create strategies to mitigate the risks associated with cryptocurrency price fluctuations;
- the Company faces operational and technological risks;
- the Company faces risks relating to technological obsolescence and difficulty in obtaining hardware;
- the Company faces risks relating to DeFi (as defined herein) and smart contracts;
- the Company's operations, investment strategies, and profitability may be adversely affected by competition from other methods of investing in cryptocurrencies;
- the prices of digital assets and volume of transactions that the Company conducts are subject to social media and publicity risks;
- the costs of regulation in the digital asset industries increase to the extent that the Company is no longer generating sufficient returns for shareholders;
- the Company fails to promptly and effectively address cybersecurity threats, thereby resulting in losses to investors and reputational harm to the Company;
- the Company does not have sufficient resources to maintain its operations on a competitive basis, which materially and adversely affects the business, financial condition and results of operations of the Company;
- the actual costs, timing and future plans concerning the operations of the Company or its investments differs from the Company's expectations;
- the Company does not anticipate paying cash dividends;
- the Company may become subject to litigation;
- discretion of the Company on use of the net proceeds of any securities offerings;
- no guarantee on how the Company will use its available funds;
- the Company is subject to additional regulatory burden resulting from its public listing on the Canadian Securities Exchange ("CSE");
- the market price for Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond our control;
- future sales of Shares by existing shareholders could reduce the market price of the Company's Shares;
- the Company will continue to sell securities for cash to fund operations, capital expansion, mergers and acquisitions that will dilute the current shareholders; and
- future dilution as a result of financings.

A more comprehensive discussion of the factors that could cause actual results to differ significantly from the forward-looking information given in this MD&A is set out under the heading "*Risk Factors*". Forward-looking information is based on certain assumptions that the Company believes are reasonable, including that that financing will be available if and when needed on reasonable terms and such other assumptions and factors as set out herein. See "*Risk Factors*".

Although the Company has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in the forward-looking information in this MD&A, there may be other factors and risks that cause actions, events or results that have not been anticipated.

There can be no assurance that the forward-looking information in this MD&A will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The factors discussed in this section should therefore be weighed carefully and readers should not place undue reliance on the forward-looking information provided in this MD&A. Forward-looking information contained in this MD&A is expressly qualified in its entirety by the foregoing cautionary statements and speak only as of the date of this MD&A. Except as required

under applicable laws, the Company assumes no obligation to update or revise such information to reflect new events or circumstances.

Description of the Business

The Company was incorporated under the provisions of the *Business Corporations Act* (Saskatchewan) on September 25, 2009 as “Kenna Resources Ltd.” On September 4, 2014, the Company completed its continuance to British Columbia under the BCBCA. On June 27, 2016, the Company changed its name to “LOOPShare Ltd.” On November 4, 2021, VGAN Brands Inc. (“**VGAN**”) completed a reverse takeover transaction with the Company and changed its name to “The Good Flour Corp.” On July 4, 2025 the Company changed its name from “The Good Flour Corp.” to “Intellistake Technologies Corp.”

The Company’s Class “A” Shares (“**Shares**”) are listed on the CSE under the symbol “ISTK”, quoted on the OTCQB market under the symbol “ISTKF”, and listed on the Frankfurt Stock Exchange under the symbol “E41”. The Company’s head office is located at 503 – 905 West Pender Street, Vancouver, B.C., Canada V6C 1L6. The Company’s registered office is located at 5791 Sidley Street, Burnaby, BC V5J 5E6.

Historical Food Business – Discontinued Operations

As disclosed above, the Company was previously exclusively in the business of manufacturing and distributing a line of healthy, gluten-free and allergen free food products selling products for individual customers and larger, “food service” customers, which include restaurants (the “**Food Business**”). Both individual and food service customers are located across North America, Australia and the United Kingdom. The Company’s recipes were initially created in 2012 and have been developed to allow individuals with gluten and other food allergies to enjoy life without giving up their favorite foods or settling for low-quality alternatives. Simply put, “Flour” but good for you. The products include: All-purpose baking flour; Pizza & pasta flour; Tempura batter mix; Fish & chips batter mix; Fried chicken mix; Pancake & waffle mix (including protein pancake & waffle mix); Vanilla bean cake mix; and a vegan cheese product.

During 2025, following a thorough evaluation of the Company’s existing operations and a review of its strategic options, the Company made a decision to complete the change of business from a Food Business to a technology company (the “**Change of Business**”) for the following reasons:

- The Food Business was launched during a time of disruption in the food sector with alternative meat, milk and cheese products generating significant consumer interest.
- Ultimately the alternative food sector has seen much slower growth than originally anticipated and while the Company’s revenues have grown, it remains unprofitable.
- Further, the Company’s existing revenues from the Food Business cannot support the ongoing costs of operating as a public company.
- The Board believes that its network of business contacts, and the depth of experience of the Board and new management team will enable the Company to identify and capitalize on opportunities in decentralized artificial intelligence and digital assets that will bring greater value to the Company’s shareholders.

On December 8, 2025 the Company announced an update on the divestiture of the Food Business. The Company has not identified a transaction for the Food Business, but it did retain an independent valuation advisor to assist with preparing an internal valuation of the Food Business. The valuation has been completed and the Board of Directors evaluated the valuation as part of the divestiture process. Following a review of valuation and available alternatives, the Company has elected to cease operations of the Food Business. The last day of manufacturing activity was December 19, 2025. All employees associated with

the Food Business have been terminated, except for two caretaker employees. The Company plans to produce and distribute the remaining inventory and then preserve the facility on care and maintenance. The Company is evaluating a sale of the equipment and certain intellectual property (including trademarks and trade secret recipes), along with a sublease of the facility. The Food Business is not material to the Company's present operations.

Current Technology Business

Following the Change of Business, the Company is an early-stage technology company focused on the integration of decentralized AI models with public-blockchain networks. The three main business lines that the Company is pursuing are: (1) development of custom AI software for enterprise clients, (2) operation of blockchain validator hardware that supports AI networks and (3) investment in AI-related digital currencies tokens for staking purposes and to operate validator hardware.

The Company has made the following advancements in each of its business lines since the Change of Business:

1. *AI Agent Development*: The Company has engaged a team of technical consultants to develop the Company's AI software and the team has completed an initial version of Intelliscope for beta testing. Please refer to the disclosure below for disclosure regarding the current status of Intelliscope's development, testing and plans for customer acquisition. The Company announced its closed its first AI software contract on February 5, 2026 in the amount of \$278,000.
2. *Validator Operations*: The Company has also successfully deployed its technical infrastructure, specifically it has set-up and has operational an initial set of validator nodes and custody systems and that the Company has tested these systems with the results indicating the infrastructure is capable of supporting digital asset participation securely and at scale. The Company's validator infrastructure connected to the Fetch.ai network, which can be viewed publicly at validator address: `fetchvaloper1mm4aa88daqg9ah9fd20ae08zlwg33dxg99856x`. The Company has staked 969,145 of its own FET tokens and it has staked 1,000,000 FET tokens belonging to 3rd parties on which the Company earns validator commissions.
3. *Token Investment and Staking*: The Company has acquired FET tokens and stablecoins (USDC) since completion of the Change of Business. The stablecoins are held in custody and are considered cash equivalents pegged to USD, allowing the Company to efficiently pay vendors, consultants, and service providers, many of whom prefer stablecoin payments over traditional bank wires due to speed, cost, and compatibility with blockchain-based services. In addition to facilitating payments, stablecoins provide a pathway for the Company to acquire other digital assets, including FET, and to participate in decentralized finance (DeFi) ecosystems. This is particularly relevant to the Company's AI Agent technology, which is being developed for deployment within blockchain-based environments (for example Intelliscope which is developed within the FET token ecosystem) where validator operations and smart contract interactions are required. The use of stablecoins also aligns with the Company's broader strategy to finance initiatives such as validator infrastructure, AI Agent development, and digital asset acquisitions. The Company may make additional purchases of FET tokens and other digital assets and tokens, from time to time, for operational or investment purposes.

The Company's plans for further development of its blockchain business lines is as follows:

1. *AI Agent Development.* The Company plans to create custom AI software systems called "AI Agents" for businesses. These are intelligent software programs that can perform specific tasks automatically. Intelliscope is the first example of AI software that the Company has developed. The Company intends to deliver these solutions either as one-time projects or ongoing subscription services with the goal of generating revenue comes from implementation fees and monthly subscription payments. Once the Company onboards clients, it will work clients to identify specific business processes that can benefit from AI automation. Projects typically include: (i) requirements analysis and solution design; (ii) AI model development and training; (iii) integration with existing business systems; and (iv) testing and deployment. For clients requiring ongoing AI capabilities, the Company intends to offer subscription-based services: (i) monthly access to AI tools and capabilities; (ii) continuous model updates and improvements; (iii) technical support and maintenance; and (iv) performance monitoring and optimization.
2. *Validator Operations.* The Company seeks to operate specialized computers called "validators" that verify transactions on blockchain networks focused on AI applications. Validators are essentially digital accountants that check and approve transactions on these networks. When the Company operates a validator, the Company can earn rewards in the form of digital currencies (tokens). Additionally, other token holders can "delegate" their tokens to the Company's validators, and the Company may take a commission on the rewards earned. Transaction processing validators collect, verify, and process transactions on the network. When someone sends tokens or executes a smart contract, validators ensure the transaction is legitimate and add it to the blockchain. Many blockchain networks use "decentralized governance" where token holders vote on network changes. Validators often participate in this governance by voting on proposals such as: (i) technical upgrades to the network; (ii) changes to reward rates; and (iii) new features or capabilities. Validators can earn money through: (i) block rewards: payment for processing transactions and creating new blocks; (ii) transaction fees: small fees paid by users for each transaction; and (iii) delegation rewards: commission earned when others stake tokens with the validator. The amount of influence a validator has (and rewards they earn) depends on how many tokens are staked with them, either by the validator operator or by others who delegate tokens to them.
3. *Token Investment and Staking.* The Company intends to purchase, and intends to utilize for operations, tokens from projects building decentralized AI infrastructure and other digital tokens that can be staked to generate revenues including Bitcoin, Solana, Ethereum and similar digital tokens with large market capitalizations. These tokens will be "staked" - temporarily locked up to support network operations - in exchange for earning additional tokens as revenue. The Company may also, from time to time, acquire additional digital assets and tokens for investment purposes to the extent that such investments are ancillary to, and support, the operations of the Company. The aim is to create a steady income stream similar to earning interest on a deposit. Some tokens have lock-up periods during which they cannot be sold, but they continue generating rewards during this time. The rewards from staking varies based on a number of factors such as lock-up period and validator/node used.

The Company does not intend to manufacture hardware or develop its own blockchain technology. Instead, the Company intends to purchase existing equipment from established suppliers and configure it to support decentralized AI networks. The business model focuses on providing practical AI solutions to traditional industries while participating in the infrastructure that powers next-generation AI systems.

The emerging decentralized AI sector combines AI's practical utility with the transparency, security, and ownership benefits of blockchain technology, marking a transformative shift in how AI services are delivered and monetized.

Notable Milestones for Fiscal 2026:

- On June 30, 2025 the Company filed the Listing Statement for the Change of Business.
- On June 30, 2025, the Company announced the closing of a non-brokered private placement offering of Shares at a price of \$0.15 per Share to raise gross proceeds of up to \$2,000,000 through the issuance of up to 13,333,334 Shares (the “**June 2025 Offering**”).
- On June 30, 2025 the Company also restructured a total of \$932,764 in existing accounts payable by converting such accounts into 6,218,426 units at a price of \$0.15 per unit (the “**2025 Debt Settlement**”). Each unit (“**June 2025 Units**”) consists of one share and one warrant (each a “**June 2025 Warrant**”), with each June 2025 Warrant exercisable for a share until June 30, 2028 at a price of Cdn\$0.20 per June 2025 Warrant. Further the Company had an outstanding loan (the “**Loan**”) with an arm's-length lender (the “**Lender**”), originally announced on March 8, 2024, July 5, 2024, October 7, 2024, January 23, 2025 and April 10, 2025. The Loan had a principal amount of up to Cdn\$1,250,000, a maturity date of July 31, 2025, bears interest at a rate of 10% per annum and is unsecured. The Loan was restructured into a convertible debenture such that the principal and interest amount of the Loan may be converted into Units at a conversion price of \$0.155 per June 2025 Unit and the maturity date shall be June 30, 2028.
- On July 9, 2025 the Company commenced trading on the CSE effective at open of market under the new ticker symbol “ISTK”.
- On July 16, 2025 the Company announced the execution of an exclusive strategic partnership agreement (the “**Venture Hub Agreement**”) with Singularity Venture Hub (“**SVH**”). Under this exclusive partnership framework, SVH will manage digital asset operations for Intellistake and serve as the Company’s supporting partner for security, custody, and treasury management.
- On July 21, 2025 the Company changed its trading symbol under the OTC from “GFCOF” to “ISTKF”.
- On July 23, 2025, the Company appointed Mario Casiraghi to its advisory board.
- On July 29, 2025, the Company appointed Shelly Murphy to its advisory board.
- On July 31, 2025, the Company announced a transaction with PowerBank Corporation (“**PowerBank**”). Together, the Company and PowerBank will undertake the following three initiatives: (1) a digital asset treasury program for PowerBank, (2) bitcoin treasury management for PowerBank, and (3) evaluation of the tokenization of PowerBank’s real-world-assets.

The partnership agreement between the Company and PowerBank dated August 30, 2025 (the “**PowerBank Partnership Agreement**”) provides that the parties will agree on a fee structure based on the service needs of PowerBank, and that PowerBank must pay to the Company:

- A 15% performance fee on net trading profits calculated monthly above the then-current high-water mark;
- A 0.25%-0.75% fee on gross national value of each token liquidation execution by or through the Company under the PowerBank Partnership Agreement;
- A 20% profit share on profit generated through on-chain capital deployment strategies; and
- USD \$5,000 per year for every validator node established.

It is expected that any trading or treasury management services to be provided to PowerBank by the Company will be provided through SVH.

- On August 4, 2025, the Company announced that its Shares commenced trading on the OTCQB market under the symbol “ISTKF”.
- On August 6, 2025, the Company announced that its institutional grade self-custody wallet and validator infrastructure became live. The Company’s self-custody infrastructure was developed in collaboration with SVH leveraging Fireblocks, a trusted institutional platform used by leading digital asset managers.
- On August 13, 2025, the Company appointed Alessandro Spano to its advisory board.
- On August 14, 2025, the Company completed the acquisition of stablecoins as an operational step in its strategy to support decentralized AI and blockchain networks. The Company announced its intention to acquire approximately \$500,000 in stablecoins to be used toward strategic digital asset allocations across blockchain infrastructure and decentralized AI ecosystem assets. The Company used the stablecoins to acquire digital tokens (e.g. FET) and such digital tokens are presently being used to support staking and validator operations.
- On August 29, 2025 the Company announced the development of IntelliScope, a newly designed enterprise artificial-intelligence that applies decentralized AI technologies to deliver transparent and verifiable corporate intelligence (“**IntelliScope**”). The IntelliScope suite is being developed as a collection of modular AI agents, each intended to address specific enterprise challenges. Development has advanced through internal closed testing, where functionality is being refined and validated, and has now moved into closed beta testing with an enterprise client, a phase focused on gathering feedback to shape premium features and expand real-world use cases. The Company is developing IntelliScope through an in-house team of consultants and is also outsourcing certain development work to third party consultants.
- On September 3, 2025, the Company announced the completion of a non-brokered private placement offering of an aggregate of 6,609,196 units (each a “**September 2025 Unit**”) at a price of \$0.87 per September 2025 Unit to raise gross proceeds of \$5.75 million (the “**September 2025 Offering**”). Each September 2025 Unit consisted of one share and one warrant (each a “**September 2025 Warrant**”). Each September 2025 Warrant entitles the holder thereof to purchase one share at an exercise price of \$1.08 until September 2, 2028, subject to accelerated expiry in certain circumstances. The Company paid a finder’s fees to certain arm’s-length third parties consisting of a cash commission of up to 7% of the gross proceeds of the September 2025 Offering, and had previously obtained shareholder approval for the Private Placement on August 29, 2025. The Company also announced that since its Change of Business, it has received a total of \$962,737.72 in proceeds from the exercise of Warrants and Options.
- On September 9, 2025 the Company announced that it has appointed Mr. Gregory Cowles, Co-Founder and Chief Strategy Officer to its Board of Directors.
- On September 16, 2025 the Company announced the appointment of Eric Fang to its Advisory Board. A seasoned investor and strategist with over a decade of experience spanning traditional finance and digital assets, Mr. Fang brings expertise to support the Company's institutional growth strategy and technology development.
- On September 22, 2025 the Company announced that it has been added to the CSE 25 Index, the flagship benchmark of the Canadian Securities Exchange. This sub-index contains over 52.75% of the total weight of the Composite Index. The inclusion is effective after market close on September 19, 2025, as part of the CSE's quarterly rebalancing.

- On September 24, 2025 the Company announced continued progress in the development of IntelliScope, its enterprise AI suite, with Powerbank participating as a closed beta partner. Powerbank, a diversified energy company, will provide long-term testing and feedback to support the refinement of IntelliScope's first enterprise-facing agent.

The IntelliScope suite is being developed as a collection of modular AI agents designed to transform how enterprises access and interpret intelligence. The first enterprise-facing agent is focused on the energy sector, where it will be applied to real-world data and regulatory requirements using a structured, step-by-step workflow. Planned capabilities include analyzing geological and environmental data to identify optimal sites for renewable projects, monitoring regulatory and market shifts, and generating concise intelligence summaries to help decision-makers cut through noise. The goal is to provide practical solutions that improve workflow efficiency while giving enterprises confidence that decisions are based on transparent intelligence — with every output traceable to its source through decentralized AI infrastructure.

The closed beta marks an important milestone in advancing IntelliScope's enterprise applications. The current stage of beta testing involves a scoping exercise where IntelliScope is working with PowerBank to fully understand its needs and functionality requests. Following the conclusion of the scoping exercise, Intellistake will develop a user interface that is built on top of the existing IntelliScope AI agent and customized for PowerBank's needs. Intellistake will provide updates as beta modules progress, in line with the Company's broader vision of building a decentralized, transparent platform for enterprise intelligence.

- On October 1, 2025 the Company announced that it has entered into a non-binding Letter of Intent (“**SVH LOI**”) dated September 29, 2025 and signed by the Company on December 31, 2025, to acquire SVH, a digital-asset firm specializing in incubation, treasury management, and web3 advisory (“**SVH Transaction**”).

The SVH Transaction aims to position the Company at the crossroads of traditional finance and decentralized AI. SVH operates in authorized jurisdictions in reliance of Swiss VASP/CASP licenses for trading and custody operations. With its institutional framework and track record in digital assets, the aim of the SVH Transaction is to have SVH bring the scale, credibility, and expertise to strengthen the Company’s mission of supporting decentralized AI — through validator infrastructure, enterprise AI agents, and a strategic token reserve.

By acquiring SVH, the Company seeks to gain an experienced team and an established institutional treasury platform, strengthening its foundation to deliver secure, compliant digital-asset access that traditional investors can trust.

The SVH LOI states Intellistake’s intention of acquiring 100% of the outstanding securities of SVH in exchange for approximately \$25 million of Intellistake shares, based on a price of \$1.78 per Intellistake Share representing a total of 14,044,943 shares. The shares will be subject to escrow and contractual trading restrictions to be set out therein as well. Upon closing, Mario Casiraghi would be appointed to the Intellistake Board of Directors and potentially enter into a management services agreement with Intellistake. The SVH Transaction is arm’s length and no long-term debt is being assumed as part of the SVH Transaction.

- On October 7, 2025 the Company announced a strategic allocation of C\$500,000 worth of the token FET (from the Artificial Superintelligence Alliance ecosystem) to its validator node on the Fetch.ai

network.

- On October 15, 2025 the Company announced the appointment of Tyler Whitaker to its Advisory Board. Whitaker has nearly 10 years of experience in blockchain infrastructure development and institutional automation systems, including early contributions to the Fantom ecosystem. His role is to provide strategic guidance as the Company scales its validator operations and AI-driven digital asset infrastructure.
- On October 20, 2025 the Company announced that a third-party FET token holder delegated 1 million FET to the Company's validator node — marking the first external delegation under the Company's infrastructure. The validator earns annual staking rewards (for direct staking) of approx. 5-8% APR, and the Company receives an 8% service commission on the rewards generated by third-party delegations. This milestone is framed as confirmation that the Company's validator infrastructure is live, operational and trusted by external participants. The validator lies on the Fetch.ai network, which is part of the ASI Alliance ecosystem. On October 22, 2025 the Company announced that the acquisition target, Singularity Venture Hub (SVH), has entered into a partnership with Project Mycelium — a decentralized AI-cloud company building a “sovereign, agent-first compute network”. Under the partnership, SVH will incubate and support Project Mycelium's Web3 infrastructure expansion: tokenization, treasury management, validator onboarding, and regulated token launches.
- On October 28, 2025 the Company confirmed the deployment of an additional 469,937.5 FET tokens to its validator node on the Fetch.ai network. Following this transaction, the Company's total balance held on the node now stands at 1,969,145 FET, of which 969,937.5 FET represents Intellistake's own holdings. This update follows Intellistake's previous announcement dated October 7, 2025, which outlined the Company's initial allocation of C\$500,000 FET to its validator node. With the latest deployment, Intellistake continues its operational participation in decentralized AI infrastructure through the ASI Alliance network; one of the core blockchain networks underpinning the Artificial Superintelligence Alliance (ASI), a collaboration between Fetch.ai, SingularityNET, and Cudos.
- On November 4, 2025 the Company announced its support for the partnership between Singularity Venture Hub and Zoth.io ("Zoth"), a leading modular infrastructure provider for RWA tokenization, stablecoin issuance, and on-chain settlement. Through this collaboration, SVH will advise and support Zoth's expansion strategy; covering tokenization design, capital formation, and treasury integration, while Zoth continues to build compliant, high-throughput financial infrastructure serving institutional and fintech clients worldwide.
- On November 6, 2025 the Company closed a non-brokered private placement of 511,810 Shares at a price of \$2.54 per Share to raise gross proceeds of \$1.3 million. The net proceeds will be used for development of AI Agents, validator hardware acquisitions, acquisitions of digital currencies, research & development and marketing, investor relations expenditures, working capital requirements and other general corporate purposes.
- On November 12, 2025 – the Company highlighted Singularity Venture Hub's involvement in the launch of the DESK token, a real estate-focused tokenization initiative. The announcement reinforces the Company's strategic focus on real-world asset tokenization and expanding Web3 infrastructure capabilities.
- On November 17, 2025 – The Company delivered the first iteration of its IntelliScope Enterprise AI Agent Hub to PowerBank Corporation for closed internal beta testing. This milestone represents a transition from development to enterprise deployment, with initial applications focused on renewable energy intelligence and analytics workflows.

- On November 25, 2025 - the Company appointed Joe Honan, CEO of Singularity Compute GmbH, to its Advisory Board. His experience in enterprise computing and AI infrastructure is expected to support the Company's growth strategy across decentralized AI and blockchain networks.
- On November 28, 2025 – PowerBank Corporation provided an update confirming continued progress on closed beta testing of the IntelliScope Enterprise AI suite. The platform is designed to deliver structured analytical intelligence for renewable energy project evaluation and regulatory analysis.
- On December 2, 2025 – the Company announced a partnership with Orbit AI to explore blockchain infrastructure integration within an AI-enabled orbital cloud network. The initiative is intended to extend decentralized computing and verification capabilities into space-based environments.
- On December 4, 2025 – the Company highlighted its exposure to enterprise GPU data center initiatives affiliated with Singularity ecosystem partners. This reflects deeper strategic alignment with high-performance AI compute infrastructure.
- On December 10, 2025 – the Company reported approximately C\$2.17 million in proceeds from warrant exercises since October 2025. The additional capital strengthens liquidity and supports continued infrastructure development and product deployment.
- On December 11, 2025 – the Company completed a US\$500,000 strategic investment in Orbit AI following the successful launch of its first orbital cloud satellite. The investment aligns the Company with emerging space-based AI infrastructure platforms.
- On December 17, 2025 – the Company appointed Dr. Ben Goertzel as a Special Advisor to support decentralized AI integration. His appointment enhances the Company's technical leadership and strategic positioning within AI-blockchain ecosystems.
- December 24, 2025 – The Company entered into a definitive agreement to acquire SVH. The acquisition is intended to expand the Company's capabilities in venture acceleration, tokenization infrastructure, custody services, and digital asset ecosystem development.
- January 13, 2026 - the Company highlighted the launch of a public tracker for the Orbit AI Genesis-1 satellite, allowing users to monitor operational uptime and orbital telemetry. The announcement emphasized transparency and real-time verification as proof points for space-based AI infrastructure reliability.
- January 20, 2026 – the Company appointed a founding member of Revolut's crypto team to its Advisory Board. The appointment is intended to strengthen the Company's fintech, digital asset, and institutional infrastructure expertise as it expands its blockchain and AI initiatives.
- January 22, 2026 – the Company announced progress on its proposed acquisition of Singularity Venture Hub as it has received approval from the Canadian Securities Exchange. The transaction remains subject to customary closing conditions and is expected to expand capabilities in tokenization, custody, and venture incubation.
- January 27, 2026 – the Company announced its intention to invest US\$150,000 in a technology company developing infrastructure for tokenized public securities. The Company also submitted an expression of interest to participate in the Canadian Securities Administrators' Project Tokenization

initiative, aligning with its strategy to bridge traditional capital markets and blockchain infrastructure.

- February 3, 2026 – the Company confirmed closing of its previously announced US\$150,000 investment in a tokenized securities technology firm. The investment supports Intellistake’s broader strategy of expanding exposure to compliant digital asset and capital markets infrastructure.
- February 5, 2026 – the Company secured a C\$278,000 AI software contract with PowerBank Corporation following successful beta testing of its IntelliScope platform. The agreement includes development and deployment of AI agent systems, representing the Company’s first enterprise AI software revenue contract.
- February 11, 2026 – the Company highlighted Singularity Venture Hub’s advisory contribution to the Gaya Wallet Web3 onboarding infrastructure. The release underscores strategic alignment with scalable digital asset access platforms and ecosystem development.
- February 18, 2026 – the Company provided a technology update confirming that the Orbit AI Genesis-1 satellite is operational and performing real-time AI processing in orbit. The Company noted that in-orbit computation reduces bandwidth requirements and may present future opportunities for blockchain-based verification integration.

Summary of Quarterly Results – Continuing Operations

The following tables set forth selected financial information of the Company for the eight most recently completed quarters. This information is derived from unaudited quarterly financial statements and audited annual financial statements prepared by management in accordance with IFRS.

	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025
Revenue	\$ 281	\$ -	\$ -	\$ -
Net loss	(4,550,069)	(2,942,980)	(1,448,848)	(200,947)
Per share – basic and diluted	(.05)	(0.04)	(0.01)	(0.01)

	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
Revenue	\$ -	\$ -	\$ -	\$ -
Net loss	(432,061)	(181,814)	(212,647)	(83,793)
Per share – basic and diluted	(0.01)	(0.01)	(0.01)	(0.01)

Continuing Operations - Quarterly Results

Revenues

The Company announced the Change of Business on June 5, 2025. Token investment and node deployment was completed in Q1, 2026, though staking revenues were not earned until October 2025. Additionally, as

noted above the Company's software is still in the development stage, and there have been no revenues generated to date. However, the Company has signed its first contract with PowerBank in the amount of \$278,000 which will be recognized in subsequent quarters. The Company was expecting to finalize its acquisition of SVH in Q2 2026, however it will likely now close in Q3 2026. The advisory fees, liquidation fees and node rewards earned by SVH will supplement the revenues earned by the Company and will be included in the Q3 2026 interim financial statements.

Net losses

Amounts attributed to continuing operations are predominantly related to public company operational costs. Monthly expenses include, executive wages, exchange fees, consulting fees accounting and legal expenditures. In addition, non-cash expenses including share-based compensation and unrealized foreign currency transactions are included. Typically, the Company would incur between \$200k – \$300k in expenses during a given quarter. Generally, the variability can be attributed to consulting, legal fees and promotional costs incurred in a given month.

In Q1 and Q2 of 2023 there were share based compensation charges of approx. \$90k that were reversed in Q3 2024. Consequently, there is a large variance in the net loss for Q3 2024.

The large net losses in Q4 2025 and Q1 2026 are made up of \$170K and \$802k non-cash share-based compensation charges for options that were granted to certain directors, officers and employees of the Company. Additionally, in Q4, 2025 there were \$673k of non-cash charges related to the accounting loss calculated on the settlement of certain accounts payable. The remainder of the \$2.9M was made up of sales and marketing expenses related to stock promotion costs.

The Company recognized the first of its digital currency staking rewards in Q2 2026 which are recorded in other items. These costs will be eliminated on consolidation subsequent to the finalization of the SVH acquisition.

Just as revenues from the SVH acquisition are expected to be incorporated into the Q3 2026 financials, so will the expenses. The SVH expenses will include R&D, personnel, and administrative costs.

The net loss for the current quarter is due to non-cash, share based compensation expense of \$1.8M and marketing expenditures of \$2.2M. The share based compensation expense was recorded on the options granted to certain advisors during the period.

General and administrative costs increased 287K over the comparable 3 month period in FY 2025 due to the legal and accounting fees incurred on the acquisition of SVH which accounted for \$168k of the variance. 50K of the variance was due to costs incurred setting up the validator nodes. These costs will be eliminated on consolidation subsequent to the finalization of the SVH acquisition.

In addition travel costs were up as certain officers of the Company attended the Token2049 conference in October.

Sales and marketing costs increased \$2.1M over the comparable 3 month period in FY 2025. This is due to increases in the number of consultants hired (460K) and increases in advertising and promotion of \$1.7M which includes investor relations and non-investor related promotion expenses.

The Company expects that its net losses will remain at elevated levels as it has increased expenditures on its operations and technology development following the Change of Business and is not yet generating

sufficient revenue to cover its expenditures.

Continuing operations - Details of selected expenses 3 months ended December 31, 2025

		Cost of sales	General and administrative	Sales and marketing
Personnel	\$	-	\$ 99,552	\$ -
Travel		-	31,902	-
Office		50,593	52,433	-
Consulting		-	-	551,819
Accounting and legal		-	174,892	-
Advertising and marketing fees		-	-	1,676,375
	\$	50,593	\$ 358,779	\$ 2,228,193

Continuing operations - Details of selected expenses December 31, 2024

		General and administrative	Sales and marketing
Personnel	\$	94,095	\$ -
Office		21,861	-
Consulting		-	82,892
Accounting and legal		6,000	-
Advertising and marketing fees		-	572
	\$	121,956	\$ 83,464

Continuing Operations – Six months ending December 31, 2025

Staking rewards

As discussed above, income recognized in the current fiscal year are related to return on invested digital assets. The amount of income recognized on the invested digital assets will fluctuate based on the market for FET tokens and the overall crypto currency markets as prescribed by the Company's recognition policy. Additionally, Q3 revenues will includes amounts received from AI development contracts.

General and administrative

Personnel costs relate to the salaries of certain directors and officers of the Company. The decrease in personnel costs is due to the allocation of certain directors and officers compensation being classified as sales and marketing in the six months ended December 31 2026. This stems from their change in duties resulting from the change in business.

Office expenses increased \$150k mainly due to amounts paid in public company exchange fees in Q1 2026 and 50k in costs incurred to set up the validator nodes.

Accounting and legal costs increased \$371k due to legal fees paid in association with the change of business and accounting fees associated with the change in business and acquisition of SVH.

Sales and marketing

The increase in sales and marketing is predominantly due to increased spending on investor relations promoting the Company's new business activities. The increase to consulting fees paid is due to the addition of the consultants working with the new business.

Continuing operations - Details of selected expenses three months ended December 31, 2025

	General and administrative	Sales and marketing
Personnel	\$ 99,552	\$ -
Travel	31,902	-
Office	103,027	-
Consulting	-	551,819
Accounting and legal	174,892	-
Advertising and marketing fees	-	1,676,375
	<u>\$ 409,373</u>	<u>\$ 2,228,193</u>

Continuing operations - Details of selected expenses three months ended December 31, 2024

	General and administrative	Sales and marketing
Personnel	\$ 177,540	\$ -
Office	33,808	-
Consulting	-	164,940
Accounting and legal	6,908	-
Advertising and marketing fees	-	886
	<u>\$ 218,256</u>	<u>\$ 165,826</u>

Summary of Quarterly Results – Discontinued Operations

Change of Business

Upon reviewing the prospects for the food business, management concluded that a change in business would be in the best interests of the Company. The divestiture plans are ongoing and there have been conversations with interested parties on the sale of the discontinued operations.

The Company historically prioritized profit margin improvement. Specifically, the cost of raw materials, labour, and packaging were continually monitored. Price increases were implemented and cost savings measures were implemented and ultimately this was not enough to achieve profitable operations. The main issue was the lack of sales volume to reach scale that would produce sufficient margins to achieve profitability.

During Q2, 2026 it was decided that the Company would cease producing all goods once production inputs had been fully utilized. The Company completed production at the start of Q3 2026, and is still in the process of liquidating its inventory. For Q2 2026 and subsequent quarters the objective is to maximize the value the Company can recognize on its existing inventory. To date, the Company has been able to sell

inventory on hand at its existing pricing agreements.

	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025
Revenue	238,193	241,069	383,769	\$ 531,576
Cost of Sales	(338,815)	(230,543)	(662,778)	(584,114)
Expenses & other	(163,802)	(239,093)	(147,296)	(184,230)
Net loss	(264,424)	(228,567)	(426,305)	(236,768)
Per share – basic and diluted	(0.01)	(0.01)	(0.01)	(0.01)

	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
Revenue	\$ 383,463	356,569	\$361,465	\$ 354,927
Cost of Sales	(506,379)	(383,650)	(339,353)	(447,514)
Expenses & other	(286,657)	(219,071)	(230,567)	(182,640)
Net loss	(409,573)	(246,152)	(208,455)	275,227
Per share – basic and diluted	(0.01)	(0.01)	(0.01)	(0.01)

Revenues

The Company focused its sales strategy on the food services sector in the fall of 2023. Since then, the Company's sales slowly increased and have held in the range of \$350-360k per quarter until Q1 2026. The Company has relationships with multiple large restaurant chains and their usage is fairly stable from quarter to quarter. The summer months can be busier and produce more sales, but due to economic conditions resulting from uncertainty in trading with the US, it has been hard to predict in recent years.

In Q3 2025, the Company rolled out its PureMelt Cheeze™ product, which contributed to the large increase in quarterly sales for the quarter. This was the initial order of a large pizza chain and these are typically larger than subsequent orders as the initial order sets up their stock. In Q4 2025, the subsequent PureMelt Cheeze™ orders were not what had been originally forecasted and fell short of expectations. In addition, in Q4 2025 one of the Company's large customers ceased use of its Fish and Chip batter, which also negatively affected sales. For these reasons, 2025 Q4 sales were back down to Q1 2025 and Q2 2025 levels.

Overall gross revenues declined 230k from the previous six month period ending December 31, 2024. The decline is primarily due to the closure of the pizza line. When compared to Q2 2025 this accounted for a decrease of 371K in revenues. This was partially offset by the addition of PureMelt Cheeze™ revenue of 80K and by increases to dry mix sales. In Q2 2026 revenues from dry mixes were up 50K from Q2 2025. The loss of the Fish and Chip batter noted in Q4 2025 was offset by increased volume of Fish and Chip batter sold to an existing customer.

Cost of Sales and Margin Analysis

The overall margins on all products are relatively small. The negative margins can be attributed to non-cash

and fixed costs being allocated to cost of sales as required by IFRS. In addition, the pizza line was very labour intensive, so quarters that have higher pizza sales tend to have higher cost of sales and lower margins.

The margin on the cheese product is considerably higher than the existing product lines, thus overall margin improvement was expected as the cheese continued to be widely adopted. The fact that sales have not increased materially, had negative effects on margins in Q4 2025. In addition, the Company ended its relationship of one of its main suppliers at the end of Q3 2025. Most of Q4 2025 was spent looking for a suitable replacement for this supplier, but in the meantime higher prices were paid on certain raw materials that were crucial to production. A replacement was found near the end of Q4 2025 and raw materials costs have stabilized subsequent to year end.

In Q4, 2025 the Company consolidated its operations. The pizza manufacturing facility was closed and the cheese manufacturing line was moved to its main production facility in Burnaby, BC. During the transition, the Company was still fulfilling its responsibilities of its pizza contract, but production was extremely inefficient due to the facility transition. The pizza production facility was closed mid-May 2025. \$85k of non-cash asset impairment was recognized on some of the pizza equipment that is currently held for sale.

Operations have been consolidated in the Burnaby manufacturing facility for the entire six months ending December 31, 2025.

Cost of sales declined \$167K from the comparative quarter in FY 2025 due to the closer of the pizza facility and the consolidation of operations. Personnel costs in cost of sales made up \$106K of the variance and raw materials variances of \$81k made up the remainder.

General and administrative

General and administrative costs decreased 70K from the comparative quarter in FY 2025. The decrease is due to personnel costs of \$43K declining due to decreased administrative staff required to run the consolidated operation. Office costs and accounting and legal costs were also both down due to consolidating operations.

Sales and marketing

Sales and marketing costs were down 12K from the comparative quarter in FY 2025 due to a decrease in advertising and marketing fees of 22k that was offset by an increase in consulting fees of 10k. The overall decrease is due to

Discontinued operations - Details of selected expenses three months ended December 31, 2025

	Cost of Sales	General and administrative	Sales and marketing
Personnel	\$ 74,657	\$ 96,440	\$ -
Travel	-	258	-
Office	26,030	36,702	-
Depreciation	11,274	-	-
Raw Materials	219,846	-	-
Consulting	-	-	10,000
Accounting and legal	-	-	-
Finance charges	7,008	-	-
Advertising and marketing fees	-	-	1,627
	\$ 338,815	\$ 133,400	\$ 11,627

Discontinued operations - Details of selected expenses three months ended December 31, 2024

	Cost of Sales	General and administrative	Sales and marketing
Personnel	\$ 180,755	\$ 140,038	\$ -
Travel	-	130	-
Office	14,197	59,392	-
Depreciation	3,862	-	-
Raw Materials	301,263	-	-
Accounting and legal	-	4,673	-
Finance charges	6,302	-	-
Advertising and marketing fees	-	-	24,467
	\$ 506,379	\$ 204,233	\$ 24,467

Discontinued Operations – six months ending December 31, 2025

Cost of sales

With the pizza line removed from operations, cost of sales were reduced by \$320k from Q2 2025. The majority of the reductions in cost of sales were due to reductions in wages costs associated with the pizza line. Personnel costs declined \$260k from Q2 2025. Margins were negative for the six months ended December 31, 2025 mainly due to personnel costs relating to the windup of production and of the facility and write downs of certain inventory assets that were not realizable.

General and administrative

General and administrative costs decreased 31k compared to the same period in FY 2025.

Personnel consists of non-production wages Personnel costs decreased 55k as a result of staff reductions, but these costs were offset an increase of office expenses of 11k. Included in this are certain repairs and maintenance costs related to making the Burnaby facility ready for consolidated operations and disassembling the South Vancouver facility in order to vacate the premises.

Accounting and legal costs increased from the prior quarter due to accruals for legal fees incurred evaluating intellectual property.

Sales and marketing

Sales and marketing expenses were up slightly from Q2 2025 due to consulting expenses relating to the national rollout of PureMelt Cheeze™.

There was a decrease in advertising and promotion of 25k due to the wind down of the business.

Details of selected expenses December 31, 2025

	Cost of Sales	General and administrative	Sales and marketing
Personnel	\$ 141,840	\$ 159,388	\$ -
Travel	-	838	-
Office	43,409	143,781	-
Depreciation	15,805	-	-
Raw Materials	355,609	-	-
Consulting	-	-	20,000
Accounting and legal	-	18,050	-
Finance charges	12,695	-	-
Advertising and marketing fees	-	-	4,960
	\$ 569,358	\$ 322,057	\$ 24,960

Details of selected expenses December 31, 2024

	Cost of Sales		General and administrative		Sales and marketing
Personnel	\$	400,910	\$	215,190	\$ -
Travel		-		492	-
Office		27,092		132,348	-
Depreciation		13,487		-	-
Raw Materials		435,914		-	-
Accounting and legal		-		5,085	-
Finance charges		12,626		-	-
Advertising and marketing fees		-		-	30,526
	\$	890,029	\$	353,115	\$ 30,526

Liquidity and capital resources

The statements of financial position as of December 31, 2025, indicate a cash position of \$5,859,132 (December 31, 2024 - \$97,937), and total current assets of \$6,318,650 (December 31, 2024 - \$453,389). The increase in current assets can be attributed to the June 2025 and the September 2025 Offerings and the Q2 warrant exercises.

The total assets of the Company totaled \$7,564,434 (December 31, 2024 - \$960,619) and consists mainly of cash, financial assets, digital currencies and accounts receivable, , in order of greatest to least dollar value.

The Company's total liabilities amounted to \$2,654,127 (December 31, 2024 - \$3,176,896) that mainly consisted of \$2,269,492 in accounts payable and accrued liabilities (December 31, 2024 - 2,269,492), and \$1,415,056 (December 31, 2024 - \$150,000) in convertible debentures.

The breakdown of accounts payable is as follows:

	December 30, 2025	December 31, 2024
Trade accounts payable	1,110,001	823,761
Accounts payable (statute of limitations)	675,220	675,220
Accrued liabilities	763,897	770,511
	\$ 2,549,118	\$ 2,269,492

Included in accounts payable is \$675,220 of payables that were acquired on the reverse takeover of LOOPShare Ltd. in the 2022 fiscal year. The Company does not expect to ever repay these amounts as they are beyond the basic limitation period for debt claims in British Columbia.

Included in accrued liabilities is an accrual of audit fees from the prior fiscal year ended June 30, 2025 and accruals related to payroll remittances and related interest and penalties.

At December 31 2025, the Company had a working capital surplus of \$3,664,523 (December 31, 2024 - working capital deficit of \$2,723,507) The increase in working capital is due to the completion of the June and September, 2025 Offerings, warrant exercises and the restructuring of certain debt obligations in Q4

2025.

Total shareholders' equity was comprised of share capital of \$21,450,270 (December 31, 2024 – \$8,944,301), reserves of \$7,137,078 (December 31, 2024 - \$3,055,444) and accumulated deficit of \$24,972,696 (December 31, 2024- \$14,673,778).

The Company's forecasted fixed operating expenditures for the next 12 months are estimated at \$ 3,124,976 detailed as follows:

Marketing & Sales	580,000
Administrative Wages and Salaries	1,245,996
Rent	18,900
Other General and Administrative Expenses	1,192,580
Discontinued operations	87,500
Total	\$ 3,124,976

As at the date of this report, the Company believes its cash and working capital position is sufficient to sustain operations at current levels for the next 12 months. This assessment is based on the Company's review of its forecasted expenditures for the next twelve-month period. To date, the Company's operations have been financed from cash flows from operations, debt financing and equity financing. The Company will continue to identify financing opportunities, including equity issuances, in order to provide additional financial flexibility and execute on the Company's growth plans. While the Company has been successful raising the necessary funds in the past, there can be no assurance it can do so in the future.

Management considers the items included in shareholders' equity (deficit) and working capital as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the operation of the Company. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through equity or debt financing.

This MD&A has been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. As at December 31, 2025, the Company has accumulated losses of \$20,158,203 since inception and expects to incur further losses in the development of its business, all of which are material uncertainties that cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon its ability to attain profitable operations to generate funds or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. The Company manages its capital structure and adjusts it based on the funds available to the Company, in order to support its operations and business development. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain development of the business.

The capital structure of the Company currently consists of Shares. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There was no change to the Company's management of capital during the period ended December 31, 2025. The Company is not subject to any externally imposed capital requirements.

Supplemental Disclosure on Use of Proceeds from Prior Financings

On November 6, 2025 the Company closed a non-brokered private placement of 511,810 Shares at a price of \$2.54 per Share to raise gross proceeds of \$1.3 million. The Company disclosed that the net proceeds will be used for development of AI Agents, validator hardware acquisitions, acquisitions of digital currencies, research & development and marketing, investor relations expenditures, working capital requirements and other general corporate purposes. The Company did not disclose a specific dollar amount that would be spent on the use of proceeds. The Company confirms the net proceeds have been, and will be used on the basis previously disclosed.

On September 3, 2025 the Company announced the closing of a non-brokered private placement offering of an aggregate of 6,609,196 September 2025 Units at a price of \$0.87 per September 2025 Unit to raise gross proceeds of \$5.75 million. The Company disclosed that the net proceeds from the Offering will be used for development of AI Agents, validator hardware acquisitions, acquisitions of digital currencies, research & development and marketing, repayment of existing accounts payable, investor relations expenditures, working capital requirements and other general corporate purposes. The Company did not disclose a specific dollar amount that would be spent on the use of proceeds. The Company confirms the net proceeds have been, and will be used on the basis previously disclosed.

On June 30, 2025, the Company announced the closing of a non-brokered private placement offering of Shares at a price of \$0.15 per Share to raise gross proceeds of up to \$2,000,000 through the issuance of up to 13,333,334 Shares. The table below provides the disclosure the Company previously made in its Filing Statement dated June 30, 2025 about how it was going to use its available funds following the closing of the financing, an explanation of variances and the impact of the variances, if any, on the Company's ability to achieve its business objectives and milestones.

Use of Proceeds	Initial Estimated Amount (C\$)	Actual Amount (C\$)	Explanation of Variances and Impact of Variances
General and Administrative Expenses	1,110,355	1,153,901	Divestiture of the food business taking longer than expected. As such, administrative carrying costs greater than budgeted. Additionally accounting and legal costs exceeded budget due to increased transactions and complexity of transactions.
FET Token Investment	100,000	86,905	Purchased 100,000 FET tokens. Price to acquire tokens was lower than anticipated.
Investment in other Digital Tokens	25,000	4,479	Purchased 2,820 USDC tokens and .103 Ethereum tokens.
AI Agent Development	30,000	-	AI agent development was funded internally through wages and consulting fees. Consulting fees are included under general and administration. No third party

			costs for AI Agent Development incurred
Validator Hardware	15,000	35,880	Upfront costs exceeded initial budget. Setup required more hours than estimated
Unallocated Working Capital	-	-	No change.
Total	1,280,355	1,280,355	

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, which could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- a) The recoverability of receivables, prepayments and deposits that are included in the consolidated statements of financial position.
- b) The fair value of stock options, warrants and compensation options which requires the estimation of stock price volatility, the expected forfeiture rate and the expected term of the underlying instruments.
- c) The fair value of restricted share units which requires the estimation of the number of awards likely to vest on grant and at each reporting date up to the vesting date.
- d) The fair value of the investment for which a quoted market price in an active market is not available.
- e) The recoverability of deferred tax assets based on the assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions.
- f) In determining the fair value of digital currencies, management needs to apply judgments to identify the relevant available markets, and to consider accessibility to and activity within those markets as required by IAS 38.75
- g) The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures and to meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

These estimates and assumptions are disclosed further in Note 4 of the financial statements.

Financial and Other Instruments

A fair value hierarchy prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying amounts of cash, accounts receivable, accounts payable and accrued liabilities, and due to related parties approximate their fair values due to their short-term nature.

The Company’s risk exposures and the impact on the Company’s financial instruments are summarized below:

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. The Company provides credit to its clients in the normal course of operations. It carries out, on a continuing basis, credit checks on its clients and maintains provisions for contingent losses. The Company’s maximum exposure to credit risk is the carrying amounts of cash and accounts receivable on the statements of financial position.

Accounts receivable consists of trade receivables of \$80,907 and \$159,965 of sales tax receivable. The Company provides credit to very limited customer base in the normal course of business and has established credit evaluation via an active direct consultation with its customers to mitigate credit risk. Accounts receivable are shown net of any provision made for impairment of receivables. Due to this factor, the Company believes that no additional credit risk, beyond amounts provided for collection loss, is inherent in accounts receivable.

Expected credit loss (“ECL”) analysis is performed at each reporting date using an objective approach to measure expected credit losses. The provision amounts are based on direct management interface with the customer. The calculations reflect the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Accounts receivable are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, business failure, the failure of a debtor to engage in a repayment plan, and a failure to make contractual payments over the negotiated contract period. The aging analysis of accounts receivable is as follows:

	December 31, 2025	December 31, 2024
Current to 3 months	\$ 72,386	\$ 81,695
Over 3 months	8,521	9,599

Trade receivables	\$ 80,907	\$ 91,294
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(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. Liquidity risk is the risk that the Company is not able to meet its financial obligations as they become due. As at December 31, 2025, the Company has a working capital surplus, however, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. The Company may seek additional financing through equity and debt offerings and advances from related parties, but there can be no assurance that such financing will be available on terms acceptable to the Company.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

(d) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's cash is not subject to interest rate risk. The loan payable and convertible debentures are not subject to interest rate risk as they are a fixed rate. The Company is not exposed to other significant interest rate risk due to the short-term maturity of its monetary assets and liabilities and amounts owing being non-interest bearing or bearing fixed rates of interest.

(e) Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company's sales are primarily in Canadian dollars and the Company's manufacturing costs are largely denominated in Canadian dollars, providing a natural hedge against the risk of foreign exchange fluctuations. The Company is also exposed to fluctuations in foreign currencies through its existing liabilities from previous operations in Japan. The Company monitors this exposure but has entered into no formal hedge agreements.

As at December 31, 2025, the Company was exposed to foreign currency risk through the following financial assets and liabilities denominated in foreign source currencies.

	December 31, 2025		June 30, 2025	
	US Dollar	Japanese Yen	US Dollar	Japanese Yen
Cash	\$ 122,205	541	\$ 4,244	541
Accounts receivable	-	-	13,651	-
Accounts payable	633,591	165,777	46,310	165,777
Total	\$ 755,796	166,318	\$ 64,205	166,318

(f) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The

Company is not exposed to significant other price risk.

The Company has identified its directors and senior officers as its key management personnel. No post-employment benefits, other long-term benefits and termination benefits were made during the year ended December 31, 2025.

(g) Digital asset risk

Cybersecurity risk

While the Company's security technology is designed to prevent, detect, and mitigate inappropriate access to its systems, it is possible that hackers, employees or service providers acting contrary to its policies, or others could circumvent these safeguards to improperly access its systems or documents, or the systems or documents of its business partners, agents, or service providers, and improperly access, obtain, misuse its digital currencies held in hot wallets.

Loss of access risk

The loss of access to the private keys associated with the Company's digital asset holdings may be irreversible and could adversely affect the future operation. Digital assets are controllable only by an individual that possesses both the unique public key and private key or keys relating to the "digital wallet" in which the digital asset is held. To the extent a private key is lost, destroyed or otherwise compromised and no backup is accessible the Company may be unable to access the digital assets. It is the policy of the Company to conduct due diligence surrounding private key

Staking risk

Digital currency prices are volatile and can drop quickly. If any of the Company's staked assets suffers a large price drop, that could outweigh any staking income earned on them. Staking can require the Company to lock up its digital currencies for a minimum amount of time. Staking also exposes the Company to slashing. Slashing is a penalty enforced at the protocol level associated with malicious attack against the network by a validator.

Price risk related to digital currencies – intangible assets

Digital asset prices are volatile and affected by various factors including global supply and demand, interest rates, exchange rates, inflation or deflation and the political and economic conditions. Supply and demand for such assets rapidly change from time to time, affected by regulations and general economic trends. A decline in the market prices of digital assets could impact the Company's future operations. The management of the Company constantly monitors the exposure in response to the market conditions. Digital assets that the Company deals within its operating and investing activities are various digital currencies which can be traded in a number of public exchanges or through over-the-counter market. The Company's exposure to price risk arises from digital currencies – intangible assets which are measured at revalued amounts

Irrevocability of transactions

Digital asset transactions are irrevocable and if stolen or incorrectly transferred, digital assets may be irretrievable. Once a transaction has been verified and recorded in a block that is added to the blockchain, an incorrect transfer or theft generally will not be reversible, and the Company may not be capable of seeking compensation. The Company seeks to mitigate the risk by establishing

policies and procedures to require a careful review of each transaction before execution.

Key Management Compensation

The Company incurred the following transactions with directors, officers and companies that are controlled by directors of the Company.

	For the six months ended	
	December 31	
	2025	2024
Salary and management fees	\$ 392,421	\$ 90,000
Legal and consulting fees	251,463	4,481
Share-based compensation expensed	252,018	2,823
	\$ 895,902	\$ 97,304

The following amounts are payable and due to/from related parties. These amounts are unsecured, are non-interest bearing and have no fixed terms of repayment.

	December 31,	
	2025	June 30, 2025
Due to (from) directors and officers	\$ (23,446)	\$ 40,215

- a) During the period ended December 31, 2025 legal fees are paid to law firms in which directors have either ownership or partnership interests and are included in accounting and legal in the financial statements.

During the year ended June 30, 2025, the Company had sales of \$1,708 (2024 - \$2,171) and amounts receivable of \$351 (2024 - \$351) to a Company owned by a former officer and director of the Company

Off Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Outstanding Share Data

	December 31, 2025	Date of Report
Common shares	131,150,950	131,179,750
Share purchase warrants	55,483,082	55,454,282
Stock options outstanding	18,800,000	18,800,000
Convertible debt	16,879,032	16,879,032
Restricted share units outstanding	1,065,000	1,065,000
	223,378,064	223,628,064

Risk Factors

The Company's business is subject to significant risks and uncertainties, which even a combination of careful evaluation, experience and knowledge may not eliminate. Please refer to the Company's Annual

Information Form for the year ended June 30, 2025 available on SEDAR+ at www.sedarplus.ca for disclosure of the risk factors that may materially affect the Company's future performance, in addition to those referred to above.

Accounting Policies

The accounting policies followed by the Company are set out in Note 3 to the audited financial statements for the year-ended June 30, 2025.

Safeguarding Digital Assets

The Company utilizes a self-custodial model for digital asset storage and management in partnership with Singularity TM AG (“**Singularity**”) and Fireblocks Ltd. (“**Fireblocks**”). Fireblocks provides the underlying security infrastructure via Multi-Party Computation¹ (MPC-CMP) based wallet technology. However, wallets are not held by Singularity or Fireblocks directly. Instead, Singularity facilitates the setup of client-specific, segregated Fireblocks vaults, where governance policies and signing rights are defined in collaboration with the Company.

The Company retains full control over its digital assets via MPC-CMP security policies. Singularity may be included in the quorum structure for added operational security, but cannot act independently to move or manage assets without explicit co-signature by the Company. This structure mitigates counterparty risk; assets cannot be accessed or frozen by either Singularity or Fireblocks. Unlike traditional custodians such as Coinbase, this arrangement aligns with the self-custodial principles of blockchain while maintaining institutional-grade security (SOC 2 Type II, ISO 27001) and compliance protocols.

The Company securely holds its digital assets with Singularity. This section outlines the custody framework adopted by Singularity for the secure management of digital assets on behalf of its clients. It provides an overview of the operational infrastructure, risk controls, and regulatory alignment that underpin Singularity's approach to safeguarding assets in a rapidly evolving digital environment. The content covers the roles and responsibilities of Singularity and its sub-custodian, the technological and procedural safeguards in place, and the compliance measures adhered to in accordance with Swiss regulations.

1. Custodian Information

Singularity provides financial intermediation services related to crypto-assets and is a Swiss company registered under CHE-457.707.300, with its registered office at Hinterbergstrasse 53, 6312 Steinhausen, Canton of Zug, Switzerland.

Singularity and its sub-custodians are not related parties of the Company. The Company is not aware of anything with regards to Singularity's operations that would adversely affect the Company's ability to obtain an unqualified audit opinion on its audited financial statements.

2. Regulatory Frameworks Applicable to the Custodian

Singularity provides financial intermediation services related to crypto-assets. Under Swiss law, companies that engage in financial intermediation must comply with the Swiss Anti-Money Laundering Act² (AMLA) and are subject to ongoing oversight to ensure they meet anti-money laundering (AML) and counter-terrorist financing (CTF) requirements. As a recognized financial intermediary, Singularity is affiliated with

¹ <https://www.fireblocks.com/what-is-mpc/>

² https://www.amla.europa.eu/index_en

So-FIT³ (Supervisory Organization for Financial Intermediaries and Trustees) under affiliation number 1411. So-FIT is officially licensed by the Swiss Financial Market Supervisory Authority (FINMA)⁴ to supervise financial intermediaries and ensure their compliance with AMLA.

3. Anti-Money Laundering (AML) Framework

Singularity maintains a robust AML/CFT compliance framework aligned with the AMLA, FINMA regulations, and international standards. Singularity operates under a structured “Three Lines of Defence” model to manage AML risks, integrating business-level due diligence, independent oversight by an AML Officer, and internal audits. Rigorous Know Your Customer (KYC/KYB) and Enhanced Due Diligence (EDD) procedures are applied based on client risk tiers, with continuous transaction monitoring and on-chain analytics for high-risk clients.

Singularity also ensures full compliance with sanctions screening (SECO, UN, OFAC, EU) and maintains strict reporting obligations to the Swiss Money Laundering Reporting Office (MROS). All AML-related data, including onboarding records, transaction logs, and suspicious activity reports, are securely retained for a minimum of ten years.

4. Know Your Business (KYB) Procedures

To ensure regulatory compliance and mitigate third-party risk, Singularity employs a fully integrated Know Your Business (KYB) verification framework in collaboration with Blockpass⁵. This solution enables rapid and automated verification of business counterparties worldwide, supporting onboarding, AML screening, and document validation within hours. Through Blockpass’ secure infrastructure, Singularity verifies Certificates of Incorporation, corporate addresses, legal structures, and the identities of directors, shareholders, and Ultimate Beneficial Owners (UBOs). The KYB system is compliant with THE European Markets in Crypto-Assets Regulation (MiCA), the Financial Action Task Force (FATF), and other international financial regulations and includes reusable, portable KYB profiles to streamline operations. All verifications are conducted via a dedicated compliance dashboard that consolidates screening, monitoring, and audit logs under one interface. The system is specifically optimized for the crypto and blockchain sectors and reduces compliance overhead by leveraging expert support and automation. This ensures that Singularity maintains a scalable, audit-ready, and cost-efficient KYB process across its client base and ecosystem partners.

5. Identity of Sub-Custodian (Fireblocks)⁶

To ensure institutional-grade security, Singularity securely manages its digital assets via Fireblocks, a leading enterprise-grade digital asset custody platform headquartered at Floor 25, Yitzhak Sadeh 8, Tel Aviv, 6777508, Israel. Fireblocks is a software-based custodial infrastructure used by over 1,800 institutional clients globally, with \$10+ trillion in digital asset transfers processed. Fireblocks’ platform combines bank-grade security, MPC, secure hardware enclaves (Intel SGX), and a zero-trust architecture to provide robust protection against unauthorized access or asset loss.

6. Operations between Singularity and the Sub-Custodian

3 <https://so-fit.ch/>

4 <https://www.finma.ch/>

5 <https://www.blockpass.org/>

6 <https://www.fireblocks.com/>

As a sub-custodian, Fireblocks does not directly hold client assets or control private keys. Instead, Singularity operates its own institutional workspace within the Fireblocks platform, establishing segregated vaults per client. Each vault is isolated on-chain and independently governed by Singularity using custom-configured governance policies, quorum rules, and access thresholds. Fireblocks enables secure and compliant asset operations without counterparty risk.

7. Infrastructure provided by the Sub-Custodian

Fireblocks serves as the sub-custodian by providing the underlying technological infrastructure supporting the secure custody, governance, and transaction execution of digital assets managed by Singularity. The platform is designed to meet the stringent operational, security, and compliance requirements of institutional-grade treasury operations. Key components of the Fireblocks infrastructure include:

a. Secure Key Management with MPC-CMP: Fireblocks employs Multi-Party Computation (MPC-CMP), a cryptographic protocol that eliminates single points of failure by distributing key shares across secure environments. Keys are never fully reconstructed or exposed, significantly reducing the risk of compromise from both internal and external threats.

b. On-Chain Vault Segregation: Each client's assets are held in isolated, on-chain vaults under the governance of Singularity. There is no commingling of assets, ensuring transparency, individualized asset control, and full separation of client holdings in both operational and legal terms.

c. Auditability and Real-Time Monitoring: All transactions, policy changes, and administrative actions are immutably logged and timestamped. Fireblocks provides real-time monitoring and audit-ready reporting, enabling Singularity to maintain continuous oversight and demonstrate compliance with regulatory requirements.

d. Advanced Policy Engine and Access Controls: The platform supports customizable transaction policies that can be tailored by Singularity to reflect each client's internal risk parameters. Controls may include role-based permissions, multi-level approval workflows, transaction thresholds, and destination whitelisting, enhancing operational security.

e. DeFi and Exchange Integration: Fireblocks provides secure connectivity to decentralized finance (DeFi) protocols and centralized exchanges. All interactions with external platforms are subject to the client's authorization and are executed under strict governance rules, ensuring seamless yet controlled access to yield strategies, staking, and liquidity operations.

f. API-Driven and 24/7 Operational Readiness: The infrastructure supports automated operations via robust Application Programming Interfaces, enabling 24/7 availability for digital asset management. Clients benefit from instant transaction execution, workflow automation, and seamless integration with internal systems or third-party services.

This infrastructure ensures that Singularity is equipped to deliver secure, compliant, and highly scalable treasury services to its clients, while retaining full operational control over asset governance.

8. Custodian's Operations and Auditability

All transaction-related and administrative activities executed on the Fireblocks platform are subject to full audit logging. Every configuration change, transaction request, policy update, and user interaction is automatically recorded with a precise timestamp, user identification, and associated metadata. These immutable records are accessible via a centralized dashboard and can be exported for regulatory inspections

or third-party audit purposes. This level of transparency enables Singularity to maintain detailed operational oversight and demonstrate full traceability of all digital asset movements and governance actions.

9. Singularity's Operational Controls

Singularity implements a comprehensive set of operational controls to safeguard client assets and ensure procedural integrity across its custody and transaction management activities. These controls are designed to meet institutional security standards and are embedded within both the Fireblocks platform and the Singularity's internal compliance framework. Key operational safeguards include:

a. **Two-Factor Authentication (2FA)⁷**: All access to sensitive systems and key operational functions is protected by two-factor authentication, ensuring that no single set of credentials is sufficient to authorize critical actions. This authentication layer applies to all personnel interacting with the Fireblocks platform, from transaction initiators to policy administrators.

b. **Approval Workflows and Transaction Authorization**: Singularity enforces both manual and automated approval processes for transaction execution. These workflows are tailored to the risk profile of the client and the value of the transaction, with multi-signature validation and quorum thresholds as required. No transaction can be executed without satisfying predefined authorization policies.

c. **Enforced Transaction Policy Rules**: Transaction policy rules govern every movement of digital assets. These include role-based permissions, destination address whitelisting, maximum value limits, velocity controls, and transaction time windows. Each policy is programmable within Fireblocks and enforced automatically at the protocol level.

d. **Internal Compliance Monitoring and Audits**: Singularity conducts regular compliance reviews of its internal processes, custody activities, and access controls. These checks are performed by the compliance team in alignment with Singularity's AML/CFT policy and internal audit framework. Any deviations are logged, remediated, and, if necessary, escalated to senior management.

e. **Incident Response and Emergency Protocols**: A defined incident escalation protocol ensures that any operational irregularity, breach attempt, or system anomaly is immediately flagged, investigated, and addressed, allowing Singularity to maintain business continuity in the event of system compromise or failure.

10. Insurance, Loss and Theft Protection

Fireblocks maintains strategic partnerships with leading global insurance providers, enabling Singularity to access tailored digital asset insurance policies designed specifically for its non-custodial, infrastructure-based custody model. Although Fireblocks does not directly hold or control client assets, its enterprise-grade infrastructure qualifies for insurance underwriting due to its robust security architecture and operational integrity. The available insurance coverage extends to critical risk areas associated with digital asset custody, including:

a. **Internal or external theft**, whether by malicious actors, insider threats, or third-party intrusions;

b. **Key compromise events**, such as partial or full exposure of cryptographic key shares used in transaction authentication;

⁷ <https://dictionary.cambridge.org/dictionary/english/2fa>

c. **Infrastructure-level disasters**, including server failures, data corruption, or physical damage to hosting environments;

d. **Custodial mismanagement**, involving operational failures or breaches of governance policies leading to asset loss or unauthorized transactions.

In addition to insurance access, Fireblocks incorporates advanced disaster recovery and business continuity solutions to ensure uninterrupted operations in the event of a system failure or security breach. These include partnerships with specialized providers such as Coincover⁸ and Station70⁹, which offer encrypted backup protocols, “break-the-glass” emergency access mechanisms, and social recovery procedures. These redundancies ensure that Singularity can recover access to client vaults, reestablish governance settings, and maintain custody services without exposing assets to undue risk.

11. Services Provided by Singularity

Singularity offers a comprehensive suite of non-discretionary digital asset services tailored to institutional clients. All services are executed strictly upon client instruction and within clearly defined operational parameters. The core services provided include:

a. **Third-Party Custody Facilitation:** Singularity enables secure custody of digital assets through Fireblocks. Custody solutions include the creation of segregated client vaults, granular access control, transaction policy enforcement, and full auditability of all operations.

b. **Trading Services:** Singularity executes trades on behalf of clients using independent, regulated digital asset trading platforms. Singularity does not operate a proprietary exchange. All trades are carried out on a non-discretionary basis and only upon specific client instruction, applicable agreements, and any trading parameters explicitly agreed upon by the client.

c. **On-Chain Operational Support:** Singularity provides connectivity and facilitation for on-chain activities, including DeFi Protocol Interactions, enabling client access to staking, lending, borrowing, liquidity provision, and other DeFi services through smart contracts.

d. **Non-Discretionary Execution and Risk Control:** All trading and on-chain services are performed under a non-discretionary mandate. Singularity does not act autonomously and will only execute transactions upon clear, documented client instructions. Risk thresholds, counterparties, and protocol choices must be pre-approved and communicated by the client.

Through this service structure, Singularity ensures secure, compliant, and transparent operations aligned with Swiss financial regulations and best practices in digital asset management.

12. Known Breaches and Historical Incidents

As of the date of this document, Singularity has not experienced any digital asset loss, compromise, or theft within their custody framework. All Fireblocks’ infrastructure used has passed multiple independent security audits including SOC 2 Type II¹⁰, ISO 2700¹¹, and CCSS Level III certification¹².

8 <https://www.coincover.com/>

9 <https://www.station70.com/>

10 <https://learn.microsoft.com/en-us/compliance/regulatory/offering-soc-2>

11 <https://learn.microsoft.com/en-us/compliance/regulatory/offering-iso-27001>

12 <https://www.fireblocks.com/blog/fireblocks-achieves-first-ever-ccss-qsp-level-3-certification/>

13. Additional Company Protocols

All transactions involving the purchase and holding of digital assets will be conducted through secure channels, utilizing encryption technologies to ensure confidentiality and integrity. The Company will implement two-factor authentication (2FA) and other access controls for all systems involved in processing transactions to prevent unauthorized access.

The Company is committed to maintaining full compliance with applicable anti-money laundering (AML) and KYC regulations, as well as any other legal requirements related to digital asset security. This compliance will include the use of secure identity verification methods and regular monitoring of digital asset transactions to prevent illicit activities.

The Company engages with reputable third-party custodians, exchanges, and service providers who specialize in securing digital assets. These partners will be carefully selected based on their track record in the industry, the security protocols they employ, and their adherence to regulatory standards. The Company will periodically review the security practices of its service providers to ensure they continue to meet the highest standards of protection.

The Company will ensure that its personnel who have access to digital assets or private keys are thoroughly trained in cybersecurity protocols and best practices. Access to sensitive systems and data will be strictly controlled, with role-based access limitations in place to minimize the risk of unauthorized access. The Company will also implement an internal policy of least privilege, ensuring that employees only have access to the information necessary for their specific roles.

In the event of a security breach or incident, the Company will establish an emergency response plan that includes immediate actions to contain the threat, secure affected assets, and notify relevant authorities. The Company will also have a disaster recovery plan in place to recover assets in the event of a significant loss or technical failure.

By implementing these rigorous security measures, the Company aims to mitigate the risks associated with holding and managing digital assets, ensuring the safety and integrity of investor capital. These protocols are designed to meet the highest industry standards, provide transparency, and offer assurance to shareholders that the Company's digital assets are being securely managed in accordance with best practices.

Subsequent Events

January 6, 2026, warrant holders exercised 28,800 warrants at an average exercise price of \$1.08. As a result of the exercise of the warrants, the Company issued 28,800 Shares and received gross proceeds of \$31,104