This Management Discussion and Analysis ("MD&A") of BIGG Digital Assets Inc. (the "Company" or "BIGG") provides analysis of the Company's financial results three months ended March 31, 2026 and should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements and the notes thereto for the three month period ended March 31, 2026 and the audited consolidated financial statements and notes thereto for the year ended December 31, 2025, which are available on SEDAR+ at www.sedarplus.ca.

The March 31, 2026 financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") applicable to the preparation of annual financial statements. The Company's material accounting policies are the same as those applied in the Company's annual financial statements as at and for the year ended December 31, 2025, unless as otherwise provided for in the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2026. All amounts are expressed in Canadian dollars, unless otherwise stated.

This MD&A is current as at May 27, 2026, the date of preparation, and includes certain statements that may be deemed "forward-looking statements". We direct investors to the sections "Forward-Looking Statements" and "Risk and Uncertainties" included within this MD&A.

Additional information relating to BIGG is available on the SEDAR+ website at www.sedarplus.ca and on the Company's website at www.biggdigitalassets.com.

FORWARD-LOOKING INFORMATION

This MD&A contains certain statements that may constitute "forward-looking information" (also referred to as "forward-looking statements") within the meaning of Canadian securities legislation. Forward-looking statements are provided for the purpose of furnishing information about management's current expectations and plans and allowing investors and others to get a better understanding of the Company's operating environment. All statements, other than statements of historical fact, are forward-looking statements.

In this MD&A, forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies that may cause the Company's actual financial results, performance, or achievements to be materially different from those expressed or implied herein. Some of the material factors or assumptions used to develop forward-looking statements include, without limitation, the uncertainties associated with: future anticipated business developments and the timing thereof, business and financing plans, and the overall impact of misjudgments made in good faith in the course of preparing forward-looking information as well as other risks and uncertainties referenced under "Risks and Uncertainties" in this MD&A.

Forward-looking statements involve risks, uncertainties, assumptions, and other factors including those referenced in the "Risks and Uncertainties" section of this MD&A, and, as a result they may never materialize, prove incorrect or materialize other than as currently contemplated which could cause the Company's results to differ materially from those expressed or implied by such forward-looking statements. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as "expects", "is expected", "anticipates", "believes", "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "potential", "possible" or variations thereof or stating that certain actions, events, conditions or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of fact and may be forward-looking statements.

Investors are cautioned not to put undue reliance on forward-looking statements, and investors should not infer that there has been no change in the Company's affairs since the date of this report that would warrant any modification of any forward-looking statements made in this document, other documents periodically filed with or furnished to the relevant securities regulators or documents presented on the Company's website. All subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by this notice. The Company disclaims any intent or obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of assumptions or factors, whether as a result of new information, future events or otherwise, subject to the Company's disclosure obligations under applicable Canadian securities regulations. Investors are urged to read the Company's filings with Canadian securities regulatory agencies, which can be viewed online at www.sedarplus.ca.

NATURE OF BUSINESS

BIGG Digital Assets Inc. is dedicated to the digital assets and blockchain technology industry. It has three operating business segments: digital currency sales brokerage via Netcoins; big data/blockchain technology development; and immersive metaverse experiences. BIGG manages the business segments and activities associated with being a public company.

Netcoins Inc. ("Netcoins") is in the business of developing brokerage and exchange software to make the purchase and sale of crypto assets easy for the mass consumer and investor with a focus on compliance, transparency and safety. Netcoins enables crypto transactions via a self-serve crypto trading platform (CTP) through the Web and its Mobile Apps. Netcoins is registered with the British Columbia Securities Commission ("BCSC") and the Canadian Securities Administrators ("CSA") as a "restricted dealer" in Canada. In late 2022, Netcoins launched its services in the United States of America, initially in five states. Since then, its USA operations have expanded to 48 states.

The Company's global blockchain search and data analytics operations focus specifically on crypto investigations and managing financial risk. With the exponential growth of digital currency, the global marketplace must navigate increased risks and regulatory compliance. Blockchain Intelligence Group's ("BIG") mission is to bring digital currency mainstream - by providing trust and real-time risk evaluation through its language agnostic proprietary platforms. The Company offers individuals, business, government and law enforcement clients a suite of forensic solutions, advanced analytics and risk-scoring capabilities to meet security needs and the growth of the digital currency marketplace.

TerraZero is a vertically integrated Metaverse development group and a Web3 technology company specializing in helping brands create immersive experiences. TerraZero's Metaverse-agnostic vision is to develop and implement products and services with scalable commercial applications to flourish engagement across gamified experiences where enterprise-level businesses, metaverse platforms, and Web3 creators can seamlessly bridge and actionably grow their virtual world and the physical world endeavors together as one.

At March 31, 2026, the Company reports a net loss of $3,531,528, cash used in operations of $1,138,029 and an accumulated deficit of $129,903,678.

The Company has incurred losses and has had negative cash flows from operations since inception that have primarily been funded through financing activities. The Company continues to rely on financing through equity raises or debt instruments to support its operations and expects to do so until the business operates with sufficient cash flows from operations. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

Management cannot provide assurance that the Company will achieve profitable operations or become cash flow positive, or raise additional funds via equity issuances or debt instruments. Its ability to continue as a going concern depends upon whether it develops profitable operations and continues to raise adequate financing. These factors indicate a material uncertainty and may cast a significant doubt on the Company's ability to continue as a going concern. The consolidated financial statements do not reflect the adjustments to the carrying amounts of assets and liabilities and the reported expenses that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

BUSINESS OVERVIEW

BIGG Digital Assets Inc. is a publicly traded company active in the digital assets space - investing in products and companies that *Secure, Invest, and Innovate in Tomorrow's Digital Ecosystem*. Crypto, Web3 and tokenization are leading innovations in the digital transformation of the internet.

<u>Netcoins</u>

Netcoins, acquired in August 2019, expanded the Company's footprint in the digital assets industry. Netcoins develops brokerage and exchange software to make the purchase and sale of digital currency easily accessible to the mass consumer and investor with a focus on compliance and safety. On September 30, 2021, Netcoins became one of the first regulated crypto trading platforms in Canada with its registration as a "restricted dealer". It is currently engaging with Canadian securities regulators and the Canadian Investment Regulatory Organization (CIRO) as part of its application process to become an investment dealer and dealer member of CIRO as the next step in Netcoins regulatory journey in Canada.

During 2022, Netcoins began to significantly expand the coins available for trading on its CTP, which exceeds 55+ different cryptocurrencies.

Since June 2023, Netcoins has offered staking in Canada, enabling customers to earn and receive staking rewards directly in their Netcoins accounts - complementing Netcoins' suite of services to provide customers with diversified engagement opportunities in the digital economy.

Netcoins USA was launched in late 2022 and was expanded through to 2025. Netcoins USA now offers trading access in 48 U.S. states through a compliance-first, mobile-centric platform (iOS and Android) that currently supports an expanding set of digital assets and integrated fiat functionalities. Partnerships with established infrastructure and compliance providers support secure fiat on-and off-ramps, seamless transaction flows and enhanced platform reliability.

In addition to its regulatory and operational achievements, Netcoins is committed to user education and market accessibility, striving to demystify digital currency trading and to deliver intuitive, secure, and transparent trading experiences that broaden participation in the digital asset economy.

Blockchain Intelligence Group

BIG's principal products include Blockchain forensics and transaction risk-scoring software that allow users to analyze digital asset transactions across multiple Blockchain protocols. These tools support AML and counter-terrorist financing compliance, transaction monitoring, investigative tracing, sanctions screening, and risk assessment by identifying transactional patterns, wallet associations, and behavioral indicators that may suggest illicit activity. BIG's solutions are generally delivered through subscription-based software platforms, enterprise licensing agreements, and API integrations.

BitRank Verified® is BIG's real-time cryptocurrency transaction risk-scoring platform. It utilizes the QLUE analytics engine to evaluate wallet addresses and transactions, assigning risk scores based on proprietary attribution data and blockchain analysis. BitRank Verified® supports automated transaction monitoring and large-volume lookups via API, enabling financial institutions and virtual asset service providers ("VASPs") to assess counterparty risk and streamline compliance workflows. Where higher-risk indicators are identified, deeper forensic analysis may be conducted using QLUE.

QLUE (Qualitative Law Enforcement Unified Edge) is BIG's investigative and blockchain analytics platform designed for law enforcement, regulators, compliance professionals, and investigative teams. QLUE enables users to trace digital asset flows, visualize transaction pathways, analyze wallet clusters, and identify relationships between blockchain entities. The platform supports multiple major blockchain networks, crypto assets and tokens, and incorporates proprietary search algorithms and attribution methodologies intended to enhance transparency and traceability within public blockchain ecosystems. QLUE is available in multiple languages and supports fiat value display conversions for analytical reporting.

BIG also offers specialized modules and data services, including:

- NFT Explorer, which provides analytics and attribution tools for NFT activity, enabling users to assess ownership history, transaction patterns, and counterparty exposure.
- Address Watch, an automated alerting and monitoring solution that enables compliance teams and investigators to track specified wallet addresses or clusters and receive notifications of relevant Blockchain activity.
- Entity Explorer, which provides risk analysis and profile information relating to VASPs and other digital asset entities, incorporating multiple risk indicators and transaction analytics to assist in third-party risk assessment.

BIG has processed and risk-scored billions of Blockchain addresses and transactions across supported networks. Coverage includes major blockchain protocols such as Bitcoin and Ethereum, among others, as well as large numbers of tokens and NFT assets operating on supported chains. BIG continues to expand Blockchain coverage and refine its analytics capabilities to address evolving typologies, emerging Blockchain protocols, DeFi applications, and changing regulatory expectations.

In addition to its software solutions, BIG offers training and certification programs, including the CCI course and advanced modules. These online programs are designed to provide foundational and advanced education in cryptocurrency tracing, Blockchain analysis, investigative methodologies, and digital asset compliance practices. Courses are offered in multiple languages and are targeted toward law enforcement, compliance professionals, and investigative personnel.

BIG's technology leverages proprietary data processing methodologies and Blockchain analytics techniques intended to enhance transparency and traceability within public Blockchain environments. BIG continues to update its analytics capabilities to address evolving typologies, emerging Blockchain protocols, and regulatory expectations.

TerraZero

TerraZero is focused on advancing the development and adoption of its Intraverse platform, a leading metaverse ecosystem that delivers immersive virtual experiences, social interaction, and monetization opportunities for users, creators, and brands. While TerraZero has successfully launched its open beta and executed a limited number of high-profile virtual events, TerraZero continues to focus on the expansion of its user base, refine platform features, and attract strategic partnerships.

TerraZero aims to grow engagement within the Intraverse by introducing enhanced interactivity, AI-driven experiences, and additional monetization tools for creators and brands. TerraZero also plans to expand its global presence by partnering with international content providers, e-commerce platforms, and entertainment companies to increase adoption of virtual spaces. By leveraging its innovative technology and expanding its ecosystem, TerraZero seeks to solidify its position as a leading platform in the metaverse sector and drive long-term value for both users and investors.

RESULTS OF OPERATIONS

The Company continues to build out its core businesses, with a focus on enhancements to its existing products and services, the development of new services and drive to increase customer attainment.

The business segments continue to make progress, with a focus on excelling at delivering quality products and services. The Company seeks to meet the needs of customers today, as well as anticipating their future needs in the ever-changing landscape of the digital assets industry.

Q1 2026 Highlights

BIGG operations:

- On February 24, 2026, BIGG announced the appointment of Fraser Matthews as Chief Executive Officer. As Chief Executive Officer, Mr. Matthews will lead BIGG's next phase of growth, with a strategic focus on scaling its regulated digital asset infrastructure and strengthening its position within the global digital asset ecosystem. He will drive execution across the Company's operating subsidiaries while advancing BIGG's long-term strategy of building a trusted, compliant, and performance-driven digital asset platform. Mr. Matthews will continue in his role as Chief Executive Officer of Netcoins, ensuring continuity of leadership and operational momentum. Under his leadership, Netcoins has delivered strong growth, with revenue increasing from $4.9 million in 2022 to $11.5 million in 2024 and annual trading volume surpassing $1 billion in 2025. Netcoins remains focused on expanding its product capabilities, enhancing its regulatory framework, and progressing toward submission of its CIRO application targeted for June 1, 2026.

Netcoins operations:

- Netcoins revenues were $1,564,818 (2025 - $3,380,577), including $10,793 (2025 - $12,726) received as fees for facilitating customer staking activities. Transactional revenues decreased by 54% from Q1 2025, as the cryptocurrency market transitioned from a sharp correction into a more sustained crypto winter as bearish momentum from late 2025 collided with global geopolitical instability. The margin rate was 0.72%, as compared to 1.01% in Q1 2025, as trading activity was driven by institutional/corporate clients at tighter spreads as opposed to higher-rate retail customers who were less active during the downturn in the cryptocurrency market.

BIG operations:

- BIG revenues were $442,768 (2025 - $588,565), down by 25% from the prior year, with a margin rate of 89% (2025 - 87%).

Summary of Quarterly Information

Selected financial information for each of the eight most recently completed quarters are as follows:

	Revenue ($)	Operating expenses ($)	Share-based payments ($)	Net income (loss) ($)	Other comprehensive income (loss) ($)	Basic and diluted income (loss) per share ($)
Q1 2026	2,007,586	3,952,086	73,808	(3,531,528)	(100,649)	(0.01)
Q4 2025	2,823,839	4,231,356	209,342	1,041,413	(667,054)	(0.00)
Q3 2025	3,288,300	4,791,221	189,952	1,416,288	(205,825)	(0.00)
Q2 2025	2,660,908	4,673,458	18,791	(117,299)	518,443	(0.00)
Q1 2025	4,087,910	5,637,647	22,651	(3,618,887)	(942,908)	(0.01)
Q4 2024	4,203,098	2,280,863	29,250	(11,403,282)	1,773,859	(0.04)
Q3 2024	2,127,478	7,709,085	35,226	(12,097,059)	(55,911)	(0.03)
Q2 2024	2,395,658	5,271,928	132,559	(5,014,690)	(226,322)	(0.01)

Three Months Ended March 31, 2026

Summary

Q1 2026 was a difficult quarter for Canadian crypto - characterized by steep asset price declines (BTC -22%, ETH -35%), sharply lower trading volumes versus both Q4 2025 and Q1 2025, and a notably more demanding regulatory environment that added compliance pressure on top of an already bearish macro backdrop.

The cryptocurrency market transitioned into a sustained downturn during the quarter, with bearish momentum from late 2025 colliding with global geopolitical instability and a hawkish shift in U.S. monetary policy expectations, resulting in materially lower digital asset prices, reduced retail trading volumes, and compressed fee rates. Bitcoin, the market leading digital asset, lost 22.6% in Q1, falling below US$64,000 for the first time since September 2024.

For the three-month period ended March 31, 2026, the Company reported a significant decline in total revenues compared to the prior year period, driven primarily by a sharp contraction in Netcoins' trading activity in a deteriorating cryptocurrency market environment.

BIG revenues also declined year-over-year, reflecting softer demand across its subscription and services offerings, partially offset by continued strong gross margins within the segment.

TerraZero reported no revenues during the quarter, as restructuring and downsizing of the segment continued, with a view to realigning the business around a more focused and capital-efficient operating model. The Company is evaluating its options with respect to the Intraverse platform and TerraZero's operations, including potential partnerships, alternative monetization models, or other strategic alternatives. While the metaverse sector has not developed at the pace originally anticipated at the time of BIGG's TerraZero acquisition, the Company believes certain elements of TerraZero's technology and IP - including its virtual environment infrastructure and creator toolset - retain strategic value.

The Company reported a net loss of $3.5 million in Q1 2026, comparable to a net loss of $3.6 million in the prior year period. While the revenue decline was significant, the impact on net loss was substantially mitigated by meaningful reductions in operating expenses across wages and benefits, research and development, advertising, and office costs, reflecting the Company's continued focus on cost discipline and streamlined operations. General and administrative expenses decreased by approximately 30% year-over-year, demonstrating management's ability to reduce the operating cost structure in response to prevailing market conditions.

Results for the quarter were also impacted by non-cash mark-to-market adjustments on digital asset holdings, with unrealized losses recorded on both digital currency inventory and digital currency investments, reflecting the decline in cryptocurrency prices during the period. These non-cash losses were only partially offset by the Company's foreign exchange gain and interest income.

Overall, the quarter reflects the near-term headwinds facing regulated Canadian crypto platforms in a challenging macro and market environment, while highlighting the Company's ongoing cost management progress and its continued regulatory advancement, including Netcoins' targeted CIRO application submission expected by June 1, 2026.

Details

The Company recorded total revenues of $2,007,586 (2025 - $4,087,910), marking a decrease of $2,080,324 or 51% from the same period of the prior year. The decline was driven primarily by a sharp contraction in Netcoins' digital currency trading revenues, reflecting the materially weaker cryptocurrency market environment that characterized Q1 2026. Broader digital asset prices fell significantly during the quarter – Bitcoin declined 22.6% and Ethereum fell approximately 35% – suppressing retail trading activity, reducing transaction volumes on the Netcoins platform, and compressing average fee rates relative to both the prior year comparative period and Q4 2025.

Revenues from Netcoins' digital currency sales during the period were $1,554,025 (2025 – $3,367,851), representing a decrease of 54% from the same period of the prior year and a decrease of approximately 32% from Q4 2025 revenues of $2,268,243. The decline reflects the sustained deterioration in cryptocurrency market conditions throughout Q1 2026, as global digital asset prices fell sharply following a hawkish shift in U.S. monetary policy expectations and rising geopolitical uncertainty.

Reduced investor sentiment drove a significant contraction in retail trading volumes on the Netcoins platform, with the average fee rate compressing to 0.72% (Q1 2025 – 1.01%; Q4 2025 – 0.90%). The decline reflects a pronounced shift in mix toward higher-volume institutional and corporate activity transacted at tighter spreads, alongside lower retail market activity and a more competitive pricing environment. Institutional and corporate trade value represented approximately 72% of gross trade volume (Q1 2025 – 45%) at a fee rate of 0.89% (Q1 2025 – 0.62%), while retail customer trade value was 28% (Q1 2025 – 55%) at a fee rate of 0.30% (Q1 2025 – 1.32%). The average fee rate varies with client mix, crypto-asset price volatility and the timing of large institutional orders.

Cryptocurrency staking revenue was $10,793 (2025 – $12,726), remaining broadly consistent with the prior year period as customer participation in staking services remained stable despite the weaker market backdrop.

BIG revenues were comprised of $372,340 (2025 – $481,035) in subscription and product sales and $70,428 (2025 – $107,530) in services revenue, for total BIG revenues of $442,768 (2025 – $588,565), representing a decrease of 25% from the prior year comparative period. The year-over-year decline reflects softer demand across BIG's customer base, including lower subscription renewals and reduced services engagements compared to a stronger prior year period. Cost of sales was $46,507 (2025 - $78,587). Gross margin was 89% (2025 - 87%), reflecting the largely fixed-cost nature of BIG's software delivery model and continued discipline in managing direct costs.

TerraZero reported total revenues of $nil (2025 - $118,768). Cost of sales was $nil (2025 - $81,049). The absence of revenues reflects the ongoing restructuring of the segment and the wind-down of active commercial operations as the Company evaluates strategic alternatives for the Intraverse platform and TerraZero's broader asset base.

The Company reported a net loss of $3,531,528 for the three-month period ended March 31, 2026, as compared to a net loss of $3,618,887 for the same period of the prior fiscal year, an improvement of $87,359 or 2%. Despite total revenues declining by 51% year-over-year, the net loss was largely preserved at the prior year level, driven by significant reductions in operating expenses across all major cost categories, and the absence of a CRA GST provision accrual that weighed on Q1 2025 results. Non-cash unrealized losses on digital currency inventory of $1,674,527 (2025 – $2,516,021) were a material driver of the period loss, partially offset by a foreign exchange gain and interest income.

General and administrative expenses for the three months ended March 31, 2026 totaled $3,952,086 (2025 - $5,637,647), a decrease of $1,685,561 or 30% from the prior year period, reflecting the Company's continued focus on cost rationalization across all operating segments. Bad debt expense of $3,017 (2025 – $17,629) was recorded during the period. Share-based compensation expense of $73,808 (2025 - $22,651) related to the grant of stock options that vested during the quarter and/or amounts accrued for services provided; the increase over the prior year reflects the vesting profile of options granted in 2025. During the period, the Company applied a forfeiture rate of 11%, which is based upon the Company's analysis of the number and value of granted stock options that did not vest from 2018 to 2025 due to employment service requirements not being met.

Wages and benefits for the three-month period ended March 31, 2026 totaled $1,683,546 (2025 – $2,194,323), a decrease of $510,777 or 23% from the prior year comparative quarter. The reduction reflects streamlined staffing levels across the Company's operating segments, including headcount reductions in the TerraZero segment as part of the ongoing restructuring, as well as ongoing efficiency improvements within Netcoins and BIG. Wages and benefits remain the largest single operating cost category, representing approximately 43% of total general and administrative expenses in Q1 2026 (2025 – 39%).

Office and administration expenses decreased by $318,911 or 29% to $800,528 (2025 – $1,119,439), reflecting broad-based reductions across most cost subcategories. Bank charges decreased to $137,779 (2025 – $260,476), consistent with lower transaction volumes processed through the Netcoins platform. Computer and internet expenses declined to $393,488 (2025 – $511,424), reflecting reduced infrastructure spend and vendor renegotiations. Office expenses were $153,889 (2025 – $210,866) and insurance was $109,315 (2025 – $128,600), with reductions in both categories reflecting cost optimization initiatives. Office rent was $5,142 (2025 – $7,317) and telecommunications were $915 (2025 – $756). Amortization of equipment was $17,412 (2025 – $52,161), declining materially as the Company's equipment base has become largely depreciated, with $33,307 (2025 – $33,307) recorded against intangible assets, consistent with the prior year.

Expenditure on advertising and promotion totaled $131,448 (2025 – $213,468), a decrease of $82,020 or 38% from the same period of the prior year, reflecting a more targeted and capital-efficient marketing approach as Netcoins prioritized cost management over user acquisition spend in a subdued market environment. Costs paid included meals and entertainment of $3,729 (2025 – $5,894) and other promotional expenses of $127,719 (2025 – $207,574). Promotional expenses were comprised mainly of Netcoins' digital advertising, search engine optimization (SEO), and online channel campaigns.

Business operations expense totaled $131,138 (2025 – $109,020), an increase of $22,118 or 20% over the prior year period, primarily related to Netcoins' platform operating costs including fraud-related losses and other operational items incurred in the normal course of the brokerage business.

Travel-related costs were $15,171 (2025 – $9,118), reflecting increased participation in industry events and conferences compared to the prior year period. Shareholder communications costs decreased to $9,632 (2025 – $27,913), reflecting reduced investor relations activity relative to the prior year.

Professional fees increased to $581,299 (2025 – $420,855), an increase of $160,444 or 38% over the prior year, primarily reflecting higher audit accruals and elevated legal fees associated with the Company's ongoing regulatory engagement, corporate activities, and the CRA appeals process. Consulting fees of $158,697 (2025 – $94,575) were also higher year-over-year, reflecting the use of external strategic and operational advisors to support management initiatives during the quarter.

Research and development costs totaled $205,425 (2025 – $1,267,804), a decrease of $1,062,379 or 84% from the prior year comparative period. The sharp reduction reflects the significant scaling back of TerraZero's development activities as the segment undergoes restructuring, with TerraZero's portion of R&D declining to $88,161 (2025 – $1,010,599). BIG's product development costs were $117,264 (2025 – $257,205), also lower year-over-year. The overall reduction in R&D expenditure reflects a deliberate reprioritization of capital toward sustaining core platform functionality rather than new feature development, in line with the Company's near-term cost management objectives.

Regulatory and listing fees increased to $79,691 (2025 – $29,351), reflecting higher costs associated with the Company's exchange listing and regulatory filings during the quarter. In addition, the Company paid directors' fees of $27,967 (2025 – $26,033) to its non-management directors, broadly consistent with the prior year period.

Interest income for the quarter was $62,687 (2025 – $123,280), reflecting lower average cash balances and reduced GIC yields relative to the prior year period. The Company recorded a foreign exchange gain of $50,308 (2025 – $43,849), driven by favourable movement in the USD/CAD exchange rate on the Company's U.S. dollar denominated cash and receivable balances during the quarter.

The Company recorded no revaluation gain or loss on its equity investments measured at fair value through profit and loss ("FVTPL") during the period (2025 – loss of $29,458), as the valuation of the Company's ZenLedger investment was unchanged from the prior quarter. An unrealized gain of $10,355 (2025 – $nil) was recorded on the remeasurement of the Company's SAFE financial derivative asset in APX Inc., driven entirely by a favourable foreign exchange movement on the USD-denominated instrument.

The Company recorded a revaluation loss on its digital currencies of $142,071 (2025 – $1,434,310), reflecting the decline in cryptocurrency prices during Q1 2026. The significantly smaller revaluation loss compared to Q1 2025 is attributable to the reduction in the Company's digital currency investment holdings during 2025, with the balance declining from 42.70 Bitcoin at December 31, 2024 to 6.98 Bitcoin at December 31, 2025, and further to 0.07 Bitcoin at March 31, 2026 following disposals during the period. Of the total revaluation loss, an unrealized loss of $144,024 (2025 – $936,277) was recorded to other comprehensive income and an unrealized loss of $110 (2025 – $1,003) was recorded to the condensed consolidated interim statement of comprehensive loss. A realized loss of $2,063 (2025 – gain of $497,030) was recorded on the disposal of digital currencies during the period.

Netcoins reduced its digital currency inventory holdings during the quarter, realizing a loss of $4,878 on the disposal of inventory (2025 – gain of $203,351), reflecting the lower price environment in which inventory was liquidated relative to its carrying cost. An unrealized loss of $1,674,527 (2025 – $2,516,021) was recorded on the mark-to-market revaluation of digital currency inventory held at quarter-end, driven by the broad decline in cryptocurrency prices across Bitcoin, Ethereum, XRP, Solana, and other assets held on the platform. This non-cash loss represents the largest single item contributing to the period's net loss.

The Company recorded a recovery on impairment of intangible assets of $19,053 (2025 – impairment charge of $47,589), relating to a reallocation adjustment on TerraZero's metaverse land holdings.

2025 CRA Reassessment

During the year ended December 31, 2024, the Company received a notice of reassessment from the Canada Revenue Agency ("CRA") in relation to Netcoins Inc.'s 2018 tax year, in which the CRA assessed GST/HST of $6,071,388 plus interest and penalties of $2,286,731, on the basis that crypto asset sales prior to May 18, 2019 constituted supplies of intangible personal property with tax determined by customer location. The Company recognized a provision of $8,455,745 as at December 31, 2024.

During the year ended December 31, 2025, the CRA issued a revised reassessment reducing the GST/HST assessed by $3,864,681 and interest and penalties by $1,778,331, for a total reduction of $5,643,012. Netcoins paid the revised balance of $2,206,707 plus interest and penalties of $1,035,163, totaling $3,241,870, and the provision was reduced to $nil as at December 31, 2025. The Company recognized a recovery of $5,643,012 in the year ended December 31, 2025 in respect of the partial reversal of the provision.

No amounts were accrued or paid in relation to this matter during the three months ended March 31, 2026 (Q1 2025 — $156,072 accrued for interest and penalties). The provision balance remains $nil at March 31, 2026.

Netcoins continues to dispute the reassessment and is pursuing its appeal rights under applicable Canadian tax legislation.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2026, the Company had working capital of $9,537,682 (December 31, 2025 – $12,264,130), a decrease of $2,726,448 from year-end, reflecting the impact of lower digital currency inventory valuations and a higher accounts payable balance at quarter-end. Included in working capital is $5,870,024 (December 31, 2025 – $8,221,882) representing the Netcoins float held for operational purposes, representing the net excess of digital currency inventory over customer digital currency deposit obligations. Excluding this amount, free working capital was approximately $3,667,658 (December 31, 2025 – $4,042,248), a decrease of approximately $374,590 from year-end, reflecting the Company's operating cash usage during the quarter.

Cash and cash equivalents at March 31, 2026 totaled $5,831,109 (December 31, 2025 – $6,196,553), a decrease of $365,444 from year-end. At March 31, 2026, cash comprised $715,701 on deposit and $5,115,408 held in two short-term Guaranteed

Investment Certificates ("GICs") – a CAD $4,000,000 GIC and a USD $800,000 GIC translated at the closing rate of 1.3706 – bearing interest at 2.41% and 3.60% per annum respectively, maturing on April 9, 2026. At December 31, 2025, the Company held a single CAD $4,000,000 GIC. The GICs are classified as cash equivalents as they are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

Restricted cash totaled $10,098,983 (December 31, 2025 – $10,943,925), a decrease of $844,942 from year-end, reflecting a reduction in Netcoins customer cash deposits held in trust. At March 31, 2026, restricted cash comprised $10,016,483 (December 31, 2025 – $10,861,425) in customer cash deposits held in trust representing aggregate customer fiat balances on the Netcoins platform, and $82,500 (December 31, 2025 – $82,500) held in a GIC as security for corporate credit cards in favour of the Toronto-Dominion Bank.

As at March 31, 2026, the Company held $10,347 (December 31, 2025 – $837,081) in digital currency investments available as a secondary source of liquidity. The significant reduction from year-end reflects the disposal of substantially all of the Company's Bitcoin investment holdings during Q1 2026, with 6.97 Bitcoin exchanged for cash during the period. As at the date of this MD&A, the Company holds approximately 37 Bitcoin valued at an estimated $3.8 million based on a Bitcoin price of USD$74,700 and a USD/CAD exchange rate of 1.37; held via the Netcoins platform float in the ordinary course of operations.

The Company has no debt or borrowings outstanding as at March 31, 2026 or as at the date of this MD&A.

Cash Flows

The following summarizes the Company's cash flows for the period ended March 31, 2026:

Operating activities used cash of $1,138,029 (2025 – provided cash of $1,406,664), a year-over-year decline of $2,544,693. The shift from a cash inflow to a cash outflow from operations primarily reflects the 51% decline in trading revenues, partially offset by reduced operating expenditures. The largest operating cash flow movements included changes in customer deposits of $(42,976,823) (2025 – $(31,899,955)) and digital currency inventory of $42,793,364 (2025 – $29,908,111), which largely net against each other and represent the normal flow of customer-matched crypto trading activity on the Netcoins platform.

Investing activities provided net cash inflows of $$723,556 (2025 – $1,395,586). Key components included:

- Proceeds from the sale of digital currencies of $731,603 (2025 – $1,836,031), primarily reflecting the disposal of 6.97 Bitcoin from the Company's investment portfolio;
- No proceeds from the sale of digital currency inventory (2025 – $320,836);
- No digital currency purchases (2025 – $41,515 used); no SAFE investment acquired (2025 – $705,000 used to acquire the APX SAFE investment); and
- Equipment purchases of $9,047 (2025 – $14,766), partially offset by proceeds from the sale of equipment of $1,000 (2025 – $nil).

Financing activities resulted in net cash outflows of $4,220 (2025 – $4,044), consisting entirely of scheduled lease liability payments. No share financings were undertaken during the period (2025 – $nil). The Company has no debt outstanding and did not draw on any credit facilities during the quarter.

Overall, cash and cash equivalents decreased by $418,693 during the three months ended March 31, 2026, before a favourable foreign exchange effect on cash of $53,249, resulting in a net decrease of $365,444 for the period. This compares to an increase of $2,798,206 in the same period of the prior year, with the year-over-year swing driven primarily by the shift from operating cash inflows to outflows.

Sources of Funding and Going Concern

The Company relies on proceeds from investment dispositions, interest income, and capital markets activities — including private placements and public equity financings — to fund its ongoing operations and investing activities. Since inception, the Company has incurred losses and generated negative cash flows from operations, and has primarily funded these through financing activities. The Company expects to continue relying on equity or debt financings to support its operations until it achieves self-sustaining cash flows from operations.

While the Company has been successful in securing financing in the past, there is no assurance that it will be able to obtain adequate financing in the future or that any such financing will be on terms advantageous to the Company. Management cannot provide assurance that the Company will achieve profitable operations, positive operating cash flows, or successfully raise additional capital.

The Company's ability to continue as a going concern depends on its ability to develop profitable operations and secure adequate financing. These conditions indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The consolidated financial statements have been prepared on a going concern basis and do not reflect the adjustments to the carrying amounts of assets and liabilities, or to reported expenses, that would be required if the Company were unable to realize its assets and settle its liabilities in the normal course of operations. Such adjustments could be material.

RELATED PARTY TRANSACTIONS

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Director members.

During the period ended March 31, 2026 and 2025, the Company entered into the following transactions with related parties:

	For the Three Months Ended March 31,	
	2026	**2025**
Director's fees	$ 27,967	$ 27,967
Consulting	-	6,000
Wages and benefits	443,111	372,658
Share-based compensation	43,861	5,585
Total	$ 514,939	$ 412,210

At March 31, 2026, the Company recorded amounts owing to related parties of $63,829 (2025 - $99,445) in accounts payable. The amounts due to related parties are unsecured, non-interest bearing and have no specific terms of repayment.

Related parties held deposits on the Netcoins App aggregating $546,594 (2025 - $886,217).

The transactions listed above were incurred in the normal course of operations.

CAPITAL MANAGEMENT

The Company includes all components of equity in the definition of capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its blockchain technology and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust capital structure, the Company may consider issuing new shares, and/or issue debt, acquire or dispose of assets, or adjust the amount of cash and investments on hand. The Company is not currently subject to any externally imposed capital requirements.

The Company has been dependent upon external financings to fund activities. Until such time as it begins to generate revenue, in order to carry out planned expenditures and pay for administrative costs the Company will spend its existing working capital and may seek to raise additional funds as needed.

In order to maximize ongoing development, the Company does not pay out dividends. The Company's investment policy is to keep its cash on deposit in an interest bearing Canadian chartered bank account. Some cash is kept on deposit in fiat currency held by liquidity providers in order to facilitate the Company's business. There have been no significant changes to the Company's approach to capital management during the period ended March 31, 2026 or March 31, 2025.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

FINANCIAL INSTRUMENTS AND RISKS

As at March 31, 2026, the Company's financial and digital assets include cash and cash equivalents, restricted cash, accounts and other receivables, digital currency inventory, digital currencies, investments, and other assets. The Company's liabilities include accounts payable and accrued liabilities, customer liabilities and lease liabilities.

The Company's financial instruments and digital assets expose it primarily to credit, liquidity, market risk, and digital currency risks. A description of these risks is set out below, and refer to the audited consolidated financial statements for the period ended March 31, 2026 for information on how they are managed and for a description of how fair values are determined.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company has no significant concentration of credit risk arising from operations. The Company has cash balances but no interest-bearing debt. The Company's maximum exposure to credit risk at the reporting date is the carrying value of cash and cash equivalents, restricted cash and accounts receivable. Credit risk associated with digital currencies proceeds collected by vendors on behalf of the Company is limited as transactions are usually settled within 1 to 15 days. The Company's credit risk has not changed significantly from the prior year.

The Company also utilizes third-party liquidity providers in the execution of customer trades. Trade execution and settlement is typically completed within milliseconds of the customer's execution of a trade order; however, there is credit risk that a liquidity provider will not fulfill its obligation or be delayed in fulfilling its obligation. Management believes the credit risk with respect to its use of liquidity partners to be remote. In the remote case of a liquidity partner not fulfilling its obligation, the Company expects to use its cash and/or digital currencies to complete the trade.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company manages liquidity risk by ensuring that it has sufficient cash and other financial resources available to meet its short-term obligations. Accounts payable and accrued liabilities, other than accrued compensation, generally have maturities of 30 days or less or are due on demand. The Company forecasts cash flows for a period of twelve months to identify financial requirements. These requirements are met by accessing financing through public equity offerings and private placements.

There is no public market for the Company's financial asset investment. Liquidity is contingent upon a successful equity financing, IPO, or sale of APX. The Company considers this risk in its investment horizon and maintains a liquidity buffer.

Market risk

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

i. Interest rate risk

Interest rate risk arises from changes in market rates of interest that could adversely affect the Company. The Company currently has no interest-bearing financial instruments other than cash, so its exposure to interest rate risk is insignificant.

ii. Foreign currency risk

Foreign currency risk arises from fluctuations in foreign currencies versus the Canadian dollar that could adversely affect reported balances and transactions denominated in those currencies. The Company currently has investment assets, some liabilities and revenue or expenses denominated in a foreign currency, so is exposed to foreign currency risk. The Company does not currently hedge its exposure to foreign currency cash flows as management has determined that currency risk is not significant. The Company's main risk is associated with fluctuations in US dollars.

iii. Commodity and equity price risk

Commodity and equity price risk arises from market fluctuations in commodity and equity prices that could adversely affect the Company's operations. The Company's current exposure to equity price risk includes declines in the values and volumes of (i) its own equity shares which could impede its ability to raise additional funds when required and (ii) its investment in various marketable securities.

All investments present a risk of loss of capital. The maximum risk resulting from financial instruments is equivalent to their carrying value.

Additionally, the Company is exposed to changes in equity valuation of APX, which impact the fair value of the SAFE financial asset. The fair value of the SAFE investment is sensitive to changes in the significant unobservable inputs. A hypothetical 10% relative probability shift toward higher valuation scenarios would increase fair value by approximately $1,500 (USD$1,100), while a corresponding shift toward lower valuation scenarios would decrease fair value by approximately $1,500 (USD$1,100). If the IPO valuation assumption was reduced from USD $20M to USD $14M, fair value would decrease by approximately CAD $15,500 (USD $11,111) under the base-case probability weights, reflecting the structural change in which input - valuation cap versus discount rate - governs the SAFE conversion price.

Digital currencies risk

Digital asset prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and the global political and economic conditions. Further, digital currencies have no underlying backing or contracts to enforce recovery of invested amounts.

At March 31, 2026, the Company held with reputable custodians and liquidity providers digital currency inventory valued at $121,070,449 (December 31, 2025 - $165,554,187) and digital currency investments of $10,347 (December 31, 2025 - $837,081). At March 31, 2026, had the market price of the Company's digital currency assets changed by 10% with all other variables remaining constant, the corresponding digital asset value change would be approximately $12,100,000 (December 31, 2025 - $16,600,000).

The profitability of the Company is directly related to the current and future market price of digital assets. In addition, the Company may not be able to liquidate its digital currency inventory at its desired price if required. Investing in digital currencies is speculative, prices are volatile, and market movements are difficult to predict. Supply and demand for such currencies change rapidly and are affected by a variety of factors, including regulation and general economic trends. A decline in the market prices for digital assets could negatively impact the Company's future operations. The Company has not hedged the conversion of any of its sales of digital assets. Digital assets have a limited history and the fair value historically has been very volatile. Historical performance of digital assets is not indicative of their future price performance.

There is a risk that some or all of the Company's holdings of cryptocurrencies could be lost, stolen, destroyed or inaccessible, potentially by the loss or theft of the private keys held by the primary custodian with the public addresses that hold the Company's cryptocurrencies including customers crypto assets and/or destruction of storage hardware. Multiple thefts of cryptocurrencies and other digital assets from other holders have occurred in the past. Because of the decentralized process for transferring cryptocurrencies, thefts can be difficult to trace, which may make cryptocurrencies a particularly attractive target for theft.

The Company utilizes BitGo Trust Company, Inc. ("BitGo") as its primary custodian for the majority of its digital currency inventory holdings (cold wallets solution). The Company also utilizes BitGo and Fireblocks Ltd's ("Fireblocks") self-custody technology (hot wallets solution) for the remaining digital currency inventory to support its daily transactions. As at March 31, 2026, approximately 90% (December 31, 2025 - ~90%) of total digital currency inventory was held in custody with BitGo.

BitGo maintains a comprehensive insurance policy for digital assets covering $250 million in losses for crypto assets held in custody, in the event of copying and theft of private keys, insider theft of dishonest acts by BitGo employees or executives or loss of keys.

The Company maintains a separate insurance policy with Digital Asset Services Ltd, trading as CoinCover, a United Kingdom domiciled digital assets insurance provider, covering up to $3.35 million in aggregated losses for crypto asset transactions through Fireblocks hot wallet solution in the event of lost access, cyber threats, operational failure, human error or technology failure.

Custody and Safeguarding of Digital Currencies

Netcoins has made safeguarding and custody of customer assets a priority and has dedicated significant time and resources to evaluating third-party custody providers to ensure the solution offered through Netcoins provides the most integrity and security to its customers. Netcoins does not maintain custody of (or otherwise hold) crypto assets owned by customers.

Netcoins utilizes BitGo Trust Company, Inc. ("BitGo") as its primary custodian for the majority, roughly 90%, of its digital currency inventory.

On March 24, 2022, Netcoins received an update to its restricted dealer license with the BCSC and CSA that permits the company to hold up to 20% of its total client crypto assets online in hot wallets secured by Fireblocks Ltd. ("Fireblocks").

Netcoins utilizes BitGo's and Fireblocks' self-custody technology, in the form of hot wallets, for approximately 10% of its digital currency inventory to support daily transactions.

A summary of each service provider is set out below.

BitGo Trust Company, Inc.

BitGo Trust Company, Inc. acts as the third-party custodian for customer crypto assets (including providing cold wallet custodian services). BitGo is responsible for holding and safeguarding these crypto assets. BitGo does not act as a payment processor in connection with their custodian service arrangements with Netcoins.

BitGo is a trust company organized under the laws of the State of South Dakota and regulated as a trust company by the Division of Banking in South Dakota. BitGo has not appointed any sub-custodian to hold any of the crypto assets. All of the Company's long-term Bitcoin investment holdings are also held in cold storage with BitGo.

BitGo provides insured wallet management and custody solutions for a variety of digital assets, maintaining a comprehensive insurance policy for digital assets covering $250 million in losses for crypto assets held in cold storage, including the assets owned by Netcoins' customers. BitGo is not responsible for any losses resulting from inaccurate instructions and the Company is responsible for maintaining adequate security and control of any and all keys, IDs, passwords, hints, personal identification numbers, non-custodial wallet keys, API keys, yubikeys, 2-factor authentication devices or backups, or any other codes that the Company uses to access BitGo. Furthermore, BitGo is not responsible for any damage or interruptions caused by any computer viruses, spyware, scareware, Trojan horses, worms or other malware that may affect the Company's computer or other equipment, or any phishing, spoofing or other attack, unless such damage or interruption directly resulted from BitGo's gross negligence, fraud, or willful misconduct. There are no limitations on liability if BitGo breaches its confidentiality obligations or if any damage or interruptions directly result from BitGo's gross negligence, fraud, or willful misconduct. All other damages are limited to the fees paid to BitGo within the twelve-month period preceding the incident giving rise to such liability.

Netcoins has conducted due diligence on BitGo and has not identified any material concerns. The Company is not aware of anything with regards to BitGo's operations that would adversely affect the Company's ability to obtain an unqualified audit opinion on its audited financial statements. The Company is not aware of any security breaches or other similar incidents involving BitGo as a result of which crypto assets have been lost or stolen. There are no restrictions on the Company's ability to move crypto assets from the custodianship of BitGo, and these transfers can occur immediately, subject to the control processes, such as two video conferences to authorize cold storage transfers.

Netcoins has assessed the risks and benefits of using BitGo and has determined that in comparison to a Canadian custodian it is more beneficial to use BitGo, a U.S. custodian, to hold client assets than using a Canadian custodian, as there is not a suitable Canadian custodian option at this time.

In addition to the initial due diligence on BitGo, Netcoins continues to conduct ongoing due diligence on BitGo. As part of an annual review, Netcoins will require BitGo to:

- provide copies of any completed SOC reports and reviewing same for any increase risk to Netcoins;
- confirm from BitGo that it maintains adequate insurance coverage;
- verify the amount of BitGo's equity and other financial metrics to address counterparty risk; and

- verify that BitGo maintains any requisite licenses including licenses issued by the Division of Banking in South Dakota or any other regulator.

The Company currently uses both hot and cold wallet systems within BitGo.

- The cold wallet is completely segregated, is not connected to the internet and is used for long term storage of crypto assets. The cold wallet requires two of four authorized signatories, as representatives of the Company, to verify any transfers from the cold wallet via video conference.

- The hot wallet is connected through the internet, is connected to the Netcoins web application via API and all customer deposits and withdrawals are processed through the hot wallet. As thresholds are met, transfers are reviewed and signed manually by one of four authorized signatories.

Fireblocks Ltd.

Fireblocks is a developer of a blockchain security platform designed to protect digital assets. The platform securely transfers assets across exchanges, wallets, custodians, and counterparties and keeps them readily available using Fireblocks' patent-pending chip isolation security, and model predictive control (MPC) technology, enabling traders to safeguard digital assets.

Fireblocks is incorporated under the laws of Tel Aviv, Israel.

Netcoins licenses software from Fireblocks which includes a crypto asset wallet that stores private and public keys and interacts with various blockchains to send and receive crypto assets and monitor balances. To provide additional security for keys to crypto assets held with Fireblocks, Netcoins licenses software from Digital Assets Services Limited (trading as "Coincover"), including key pair creation, key pair storage, device access recovery and account access recovery. Coincover is based in the United Kingdom and is regulated by the U.K. Financial Conduct Authority.

Netcoins is permitted to hold up to 20% of its total client crypto assets online in hot wallets secured by Fireblocks. Hot wallets are connected to the internet, so the private keys required to sign transactions are always online. Transactions can be created and recorded on the blockchain in an automated way, without the need for human involvement. The advantage of this approach is that users can quickly and easily trade their assets. The disadvantage is that because the wallet is always connected to the internet and the keys are in a single location, this approach can be more vulnerable to theft if the security of the system is compromised.

Netcoins has obtained third-party insurance with Digital Asset Services Ltd, trading as CoinCover, a United Kingdom domiciled digital assets insurance provider, covering up to $3.35 million in aggregated losses for crypto asset transactions through Fireblocks hot wallet solution in the event of lost access, cyber threats, operational failure, human error or technology failure. As well, Fireblocks has insurance coverage in the amount of USD$30 million in aggregate, in the event of theft of crypto assets from hot wallets secured by Fireblocks - including the assets owned by Netcoins' customers.

To further mitigate risk to its clients, Netcoins sets aside cash that is held in accounts at Canadian financial institutions, separate from its operational accounts and a client trust account, in an amount equal to or greater than the value of client crypto obligations held with Fireblocks less the amount of Fireblocks insurance coverage. Depending on the circumstances, either funds from Coincover or Netcoins' supplemental bank accounts would be available in the event of the loss of crypto assets held in Netcoins' hot wallet.

RISKS AND UNCERTAINTIES

The Company is an early-stage technology company with limited operating history and, in addition to facing all of the competitive risks it will also face all the risks inherent in developing a business including: access to capital, ability to attract and retain qualified employees, ability to attract and maintain customers and the ability to put in place appropriate operating and control procedures routines.

Industry specific risks include, but are not limited to:

- *Entry into Digital Asset Development and Exchange Business:* The digital currency business is highly competitive, and is populated with many companies, large and small, with the capital and expertise to evaluate, purchase and exploit new innovative opportunities. Even with capital and experience, industry risks are significant. Regulatory compliance is an increasingly complex and costly obstacle to many new projects, and often times, and even if compliance is obtained, they may be sufficiently restrictive or stifle innovation of start-up opportunities with distributed ledger technology. The Company may not be able to finance its potential growth as demand on human resources increases. There is no assurance that its entry into this business activity will be successful.

- *Failure to Innovate:* The Company's success depends upon its ability to design, develop, test, market, license and support new software products and enhancements of current products on a timely basis in response to both competitive threats and marketplace demands. In addition, software products and enhancements must remain compatible with the other software products and systems used by its customers. Often, the Company must integrate software licensed or acquired from third parties with its proprietary software to create or improve its products. If the Company is unable to successfully integrate third party software to develop new software products and enhancements to existing products, or to complete products currently under development, its operating results will materially suffer. In addition, if the integrated or new products or enhancements do not achieve acceptance by the marketplace, the Company's operating results will materially suffer. Also, if new industry standards emerge that the Company does not anticipate or adapt to, its software products could be rendered obsolete and, as a result, its business and operating results, as well as its ability to compete in the marketplace, would be materially harmed.
- *Requirement to Attract and Retain Customers and Users to Our Apps and Products:* Our continued success with operations will depend on our ability to continue to sign up new customers and users to our apps and products and growing our active customer and user bases. No assurance can be given that we will be able to procure a sufficient number of customers and/or users to reach profitability.
- *Growth and Consolidation in the Industry*: Acquisitions or other consolidating transactions could have adverse effects on the Company. The Company could lose strategic relationships if its partners are acquired by or enter into agreements with a competitor, causing the Company to lose access to distribution, content and other resources. The relationships between the Company and its strategic partners may deteriorate and cause an adverse effect on the business. The Company could lose customers if competitors or user of competing technology consolidate with the Company's current or potential customers. Furthermore, the Company's current competitors could become larger players in the market or new competitors could form from consolidations. Any of the foregoing events could put the Company at a competitive disadvantage, which could cause the Company to lose customers, revenue, and market share. Consolidation in the industry could also force the Company to divert greater resources to meet new or additional competitive threats, which could harm the Company's operating results.
- *Competition*: The Company is engaged in an industry that is highly competitive. Because its industry is evolving and characterized by technological change, it is difficult for the Company to predict whether, when and by whom new competing technologies may be introduced or when new competitors may enter the market. The Company faces increased competition from companies with strong positions in certain markets the Company intends to serve and in new markets and regions it may enter. Many of the Company's competitors have significantly greater financial and other resources than the Company currently possesses and may spend significant amounts of resources to gain market share. The Company cannot assure investors that it will be able to compete effectively against current and future competitors. In addition, increased competition or other competitive pressures may result in price reductions, reduced margins or loss of market share, any of which could have a material adverse effect on the Company's business, financial condition or results of operations. Competitors may be able to respond to new or emerging technologies and changes in customer requirements more effectively than the Company can, or devote greater resources to the development, promotion and sale of products than the Company can. Current and potential competitors may establish cooperative relationships among themselves or with third parties, including through mergers or acquisitions, to increase the ability of their products to address the needs of the Company's prospective customers. If these competitors were to acquire significantly increased market share, it could have a material adverse effect on the Company's business, financial condition or results of operations. The Company's competitors may also establish or strengthen co-operative relationships with systems integrators, third-party consulting firms or other parties with whom the Company has relationships, thereby limiting its ability to promote its products.

- *Failure to Protect its Intellectual Property:* Failure to protect the Company's intellectual property could harm its ability to compete effectively. The Company is highly dependent on its ability to protect its proprietary technology. The Company intends to rely on a combination of copyright, trademark and trade secret laws, as well as non-disclosure agreements and other contractual provisions to establish and maintain its proprietary rights. The Company intends to protect its rights vigorously. However, there can be no assurance that these measures will, in all cases, be successful. Enforcement of the Company's intellectual property rights may be difficult, particularly in some nations outside of North America in which the Company may seek to market its products. While U.S. and Canadian copyright laws, international conventions and international treaties may provide meaningful protection against unauthorized duplication of software, the laws of some foreign jurisdictions may not protect proprietary rights to the same extent as the laws of Canada or of the United States. The absence of internationally harmonized intellectual property laws makes it more difficult to ensure consistent protection of the Company's proprietary rights. Software piracy has been, and is expected to be, a persistent problem for the software industry, and piracy of the Company's products represents a loss of revenue to the Company. Despite the precautions the Company may take, unauthorized third parties, including its competitors, may be able to: (i) copy certain portions of its products; or (ii) reverse engineer or obtain and use information that the Company regards as proprietary. Also, the Company's competitors could independently develop technologies that are perceived to be substantially equivalent or superior to the Company's technologies. The Company's competitive position may be materially adversely affected by its possible inability to effectively protect its intellectual property.
- *Intellectual Property Infringement:* Other companies may claim that the Company has infringed their intellectual property, which could materially increase costs and materially harm the Company's ability to generate future revenue and profits. Claims of infringement are becoming increasingly common as the software industry develops and as related legal protections, including patents are applied to software products. Although the Company does not believe that its products infringe on the rights of third parties, third parties may assert infringement claims against the Company in the future. Although most of the Company's technology is proprietary in nature, the Company does include significant amounts of third-party software in its products. In these cases, this software is licensed from the entity holding the intellectual property rights. Although the Company believes that it has secured proper licenses for all third-party software that is integrated into its products, third parties may assert infringement claims against the Company in the future. Any such assertion may result in litigation or may require the Company to obtain a license for the intellectual property rights of third parties. Such licenses may not be available, or they may not be available on reasonable terms. In addition, such litigation could be disruptive to the Company's ability to generate revenue or enter into new market opportunities and may result in significantly increased costs as a result of the Company's efforts to defend against those claims or its attempt to license the patents or rework its products to ensure they comply with judicial decisions. Any of the foregoing could have a significant adverse impact on the Company's business and operating results as well as its ability to generate future revenue and profits. The loss of licenses to use third-party software or the lack of support or enhancement of such software could materially adversely affect the Company's business. The Company could also be forced to do one or more of the following: (i) stop selling, incorporating or using its products that use the challenged intellectual property; (ii) obtain from the owner of the infringed intellectual property right a license to sell or use the relevant technology, which license may not be available on reasonable terms, or at all; (iii) redesign those products that use allegedly infringing technology which may be costly or time-consuming; or (iv) refund license fees and other amounts received, and make payments of additional amounts in damages or settlement payments, for allegedly infringing technology or products.
- *Reliance on Third Party Software:* The Company currently depend upon third-party software products to develop its products. If in future such reliance existed and the software products were not available, the Company might experience delays or increased costs in the development of its products. The Company currently does not rely on software products that it licenses from third-parties. Should the Company in the future rely upon third-party software licenses that may not continue to be available to the Company, and the related software may not continue to be appropriately supported, maintained, or enhanced by the licensors, the loss by the Company of the license to use, or the inability by licensors to support, maintain, and enhance any of such software, could result in increased costs or in delays or reductions in product shipments until equivalent software is developed or licensed and integrated with internally developed software. Such increased costs or delays or reductions in product shipments could materially adversely affect its business. The loss of the Company's rights to use software licensed to it by third parties could increase its operating

expenses by forcing the Company to seek alternative technology and materially adversely affect its ability to compete. In addition, the Company's web-based software applications depend on the stability, functionality and scalability of the underlying infrastructure software including application servers, databases, java platform software and operating systems produced by IBM, Microsoft and others. If weaknesses in such infrastructure software exist, the Company may not be able to correct or compensate for such weaknesses. If the Company is unable to address weaknesses resulting from problems in the infrastructure software such that its products do not meet customer needs or expectations, its reputation, and consequently, its business may be significantly harmed.

- *Regulatory Risks:* The Company is subject to the governing laws of Canada, including tax regulations. The activities of the Company may be subject to regulation by governmental authorities. Achievement of the Company's business objectives are contingent, in part, upon compliance with regulatory requirements enacted by these governmental authorities and obtaining all regulatory approvals, where necessary, for the sale of its products. The Company cannot predict the time required to secure all appropriate regulatory approvals for its products, or the extent of testing and documentation that may be required by governmental authorities. Any delays in obtaining, or failure to obtain regulatory approvals would significantly delay the development of markets and products and could have a material adverse effect on the business, results of operations and financial condition of the Company.
- *Use of Open Source Software:* The Company's software makes use of and incorporates open source software components. These components are developed by third parties over whom the Company has no control. There are no assurances that those components do not infringe upon the intellectual property rights of others. The Company could be exposed to infringement claims and liability in connection with the use of those open source software components, and the Company may be forced to replace those components with internally developed software or software obtained from another supplier, which may increase its expenses. The developers of open source software are usually under no obligation to maintain or update that software, and the Company may be forced to maintain or update such software itself or replace such software with internally developed software or software obtained from another supplier, which may increase its expenses. Making such replacements could also delay enhancements to its products. Certain open source software licenses provide that the licensed software may be freely used, modified and distributed to others provided that any modifications made to such software, including the source code to such modifications, are also made available under the same terms and conditions. As a result, any modifications the Company makes to such software will be available to all downstream users of the software, including its competitors. In addition, certain open source licenses provide that if the Company wishes to combine the licensed software, in whole or in part, with its proprietary software, and distribute copies of the resulting combined work, the Company may only do so if such copies are distributed under the same terms and conditions as the open source software component of the work was licensed to the Company, including the requirement to make the source code to the entire work available to recipients of such copies. The types of combinations of open source software and proprietary code that are covered by the requirement to release the source code to the entire combined work are uncertain and much debated by users of open source software. An incorrect determination as to whether a combination is governed by such provisions will result in non-compliance with the terms of the open source license. Such non-compliance could result in the termination of the Company's license to use, modify and distribute copies of the affected open source software and the Company may be forced to replace such open source software with internally developed software or software obtained from another supplier, which may increase its expenses. In addition to terminating the affected open source license, the licensor of such open source software may seek to have a court order that the proprietary software that was combined with the open source software be made available to others, including its competitors, under the terms and conditions of the applicable open source license.
- *Lack of Operating History:* The Company has a limited operating history. The Company is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. The failure by the Company to meet any of these conditions could have a materially adverse effect on the Company and may force it to reduce, curtail, or discontinue operations. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations. The Company may not successfully address all of the risks and uncertainties or successfully implement its existing and new products and services. If the Company fails to do so, it could materially harm its business and impair the value of its common stock,

resulting in a loss to shareholders. Even if the Company accomplishes these objectives, the Company may not generate the anticipated positive cash flows or profits. No assurance can be given that the Company can or will ever be successful in its operations and operate profitably.

- *Growth and Consolidation in the Industry:* Acquisitions or other consolidating transactions could have adverse effects on the Company. The Company could lose strategic relationships if its partners are acquired by or enter into agreements with a competitor, causing the Company to lose access to distribution, content and other resources. The relationships between the Company and its strategic partners may deteriorate and cause an adverse effect on the business. The Company could lose customers if competitors or user of competing technology consolidate with the Company's current or potential customers. Furthermore, the Company's current competitors could become larger players in the market or new competitors could form from consolidations. Any of the foregoing events could put the Company at a competitive disadvantage, which could cause the Company to lose customers, revenue, and market share. Consolidation in the industry could also force the Company to divert greater resources to meet new or additional competitive threats, which could harm the Company's operating results.
- *Intellectual Property Risks:* The Company`s ability to compete largely depends on the superiority, uniqueness, and value of its intellectual property and technology, including both internally-developed technology and the ability to acquire patent protection and/or trademark protection. To protect its proprietary rights, the Company will rely on a combination of trademark, copyright, and trade secret laws, trademark and patent applications, confidentiality agreements with its employees and third parties, and protective contractual provisions. Despite these efforts, certain risks may reduce the value of the Company's intellectual property. The Company's applications for trademarks and copyrights relating to its business may not be granted, and if granted, may be challenged or invalidated. There is no guarantee that issued trademarks and registered copyrights will provide the Company with any competitive advantages. The Company's efforts to protect its intellectual property rights may not be effective in preventing misappropriation of its technology and may not prevent the development and design by others of products or technology similar to, competitive with, or superior to those the Company develops. There is a risk that another party may obtain a blocking patent and the Company would need to either obtain a license or design around the patent in order to continue to offer the contested feature or service in its products.
- *Access, loss or theft:* There is a risk that some or all of our users' holdings of digital currencies could be lost, stolen, destroyed or rendered inaccessible, potentially by the loss or theft of the private keys held by custodians associated with the public addresses that hold our users' digital currencies and/or the destruction of storage hardware. Multiple thefts of digital currencies from other holders have occurred in the past. Because of the decentralized process for transferring digital currencies, thefts can be difficult to trace, which may make digital currencies a particularly attractive target for theft. The Company has security protocols in place; however, there is no assurance that these protocols will be successful in preventing such restriction of access, loss, or theft. Security breaches, cyber-attacks, malware and hacking attacks have been a prevalent concern for crypto trading platforms. The Company obtains and processes sensitive customer data. Any real or perceived improper use of, disclosure of, or access to such data could harm the Company's reputation, as well as have an adverse effect on its business. Any cyber security breach caused by hacking, which involves efforts to gain unauthorized access to information or systems, or to cause intentional malfunctions or loss or corruption of data, software, hardware or other computer equipment, and the inadvertent transmission of computer viruses, could harm the Company's reputation and adversely affect its business, financial condition or results of operations.
- *Changes in the value of digital assets may affect trading:* Investing in digital assets is speculative, prices are volatile and market movements are difficult to predict. Supply and demand for digital assets can change rapidly and is affected by a variety of factors, including regulation and general economic trends. The markets for digital assets have experienced much larger fluctuations than other markets, and there can be no assurances that erratic swings in price will slow in the future. In the event that the price of digital assets decline, the value of an investment in the Company will also likely decline. Several factors may affect the price and volatility of digital assets, including, but not limited to: (i) global demand for digital assets; (ii) the perception that the use, holding and trading of digital assets is safe and secure, and the related lack of or inconsistency in regulatory restrictions, particularly across various jurisdictions; (iii) conversely, heightened regulatory measures restricting the use of digital assets as a form of payment or the purchase of digital assets; (iv)

investor's expectations with respect to the rate of inflation; (v) interest rates; (vi) currency exchange rates, including exchange rates between digital assets and fiat currency; (vii) fiat currency withdrawal and deposit policies on crypto trading platforms and liquidity on such platforms; (viii) interruption of services or failures of major digital asset trading platforms; (ix) general governmental monetary policies, including trade restrictions and currency revaluations; and (x) global or regional political, economic or financial events and situations, including increased threat or terrorist activities.

- *Faulty code:* Flaws in the source code for digital assets have been exposed and exploited in past, including those that exposed users' personal information and/or resulted in the theft of users' digital assets. Discovery of flaws in, or exploitations of, source code that allows malicious actors to take or create money in contravention of known network rules has occurred. A malicious actor may be able to steal the Company and/or its users' digital assets, which could result in reputational damage to and could adversely affect the Company's businesses, financial condition or results of operations, and result in a material loss for it and/or its users.

An investment in the Company's common shares is highly speculative and subject to a number of risks and uncertainties. Only those persons who can bear the risk of the entire loss of their investment should participate. An investor should carefully consider the risks described above before investing in the Company's common shares. The risks described above are not the only ones faced. Additional risks that the Company currently believes are immaterial may become important factors that affect the Company's business. If any of these risks occur, or if others occur, the Company's business, operating results and financial condition could be seriously impacted and investors may lose some or all of their investment.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements as of March 31, 2026 and as at the date of this MD&A.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the consolidated financial statements in conformity with IFRS Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates. Estimates, assumptions, and judgments are reviewed on an ongoing basis. Revisions to accounting estimates are recognized on a prospective basis beginning from the period in which they are revised.

All of the Company's material accounting policies and estimates are included in Note 3 of its audited consolidated financial statements for the year ended December 31, 2025.

OUTSTANDING SHARE DATA AS AT THE DATE OF THIS MD&A

(a) Authorized and issued share capital:

Class	Par Value	Authorized	Issued Number
Common	No par value	Unlimited	355,780,820

(b) Summary of options outstanding:

Security	Number	Number Exercisable	Exercise Price Range
Options	21,085,718	19,204,468	\$0.08 to \$1.60

(c) Summary of warrants outstanding:

Security	Number	Number Exercisable	Exercise Price Range
Warrants	34,964,439	34,964,439	\$0.30 to \$0.41
Broker warrants	2,151,166	2,151,166	\$0.30

CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the consolidated financial statements and the respective accompanying Management's Discussion and Analysis for the period ended March 31, 2026.

DISCLOSURE CONTROLS

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with IFRS Accounting Standards.

TSXV listed companies are not required to provide representations in the annual filings relating to the establishment and maintenance of DC&P and ICFR, as defined in NI 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the IFRS Accounting Standards.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making.