

BITCOIN TREASURY CORPORATION

ANNUAL INFORMATION FORM

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

Dated as of July 1, 2025

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GLOSSARY OF TERMS

In this AIF, unless there is something in the subject matter inconsistent therewith, the following terms shall have the respective meanings set out below, words importing the singular number shall include the plural and vice versa and words importing any gender shall include all genders. Capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the policies of the TSXV and applicable securities laws. In the event of a conflict between a term defined in this Glossary and a term defined in the policies of the TSXV, the definition of the TSXV will govern.

“268”	means 2680083 Alberta Ltd., a corporation originally incorporated in British Columbia as 1317214 B.C. Ltd. and continued to Alberta under the ABCA, and amalgamated with BTCT to form the Corporation.
“268 Consolidation”	means the consolidation of the 268 Shares based on a ratio that resulted in the post-consolidated 268 Shares outstanding having an aggregate value of \$750,000.00.
“268 Financial Statements”	means the audited financial statements of 268 for the years ended December 31, 2024 and 2023 and the unaudited comparative interim financial statements of 268 for the three-month periods ended March 31, 2025 and 2024, available on 268’s <i>SEDAR+</i> profile at www.sedarplus.ca .
“268 Post-Consolidation Shares”	means the post-consolidation common shares in the capital of 268 (prior to completion of the Transaction).
“268 Share”	means a fully paid and non-assessable common share in the capital of 268.
“625 BC”	means 1289625 B.C. Ltd., formerly the sole shareholder of 268.
“ABCA”	means the <i>Business Corporations Act</i> (Alberta), as amended, including the regulations made thereunder.
“Agency Agreement”	means the agency agreements between BTCT, 268 and the Agents, entered into in connection with the Concurrent Financing.
“Agents”	means, collectively, the Lead Agents and a syndicate of agents.
“Amalgamation”	means the amalgamation of 268 and BTCT under Section 181 of the ABCA to form one corporation pursuant to the terms of the Definitive Agreement.
“Anchorage”	means Anchorage Digital Bank N.A., a National Trust Bank regulated by the Office of the Comptroller of the Currency that serves as the custodian for BTCT.
“Anchorage Custodial Services Agreement”	means the Anchorage custodial services agreement between BTCT and Anchorage, effective June 11, 2025.
“Applicable Canadian Securities Laws”	means, as the context may require, the applicable securities legislation of each of the provinces and territories of Canada, and the rules, regulations, instruments, orders and policies published and/or promulgated thereunder, as such may be amended from time to time.

“Associate”

when used to indicate a relationship with a Person, means:

- (a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer,
- (b) any partner of the Person,
- (c) any trust or estate in which the Person has a substantially beneficial interest or in respect of which a Person serves as trustee or in a similar capacity,
- (d) in the case of a Person, who is an individual:
 - (i) that Person’s spouse or child, or
 - (ii) any relative of the Person or his spouse who has the same residence as that Person;

but

- (e) where the TSXV determines two Persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding Corporation of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D with respect to that Member firm, Member corporation or holding Corporation.

“Audit Committee”

means the audit committee of the Corporation, as defined by NI 52-110.

“BCBCA”

means the *Business Corporations Act* (British Columbia).

“Bitcoin Holding Value”

means the value of Corporation’s Bitcoin holdings that equal or exceed the threshold set forth for each tranche, calculated based on the Canadian dollar mark-to-market value averaged for each calendar day, with daily values then averaged over a period of thirty (30) continuous calendar days.

The mark-to-market pricing will be determined by the daily rate denominated in U.S. Dollars by the CME CF Bitcoin Reference, published on the CME website (<https://www.cfbenchmarks.com/data/indices/BRR>) at 4:00 p.m. London time. The Canadian dollar amount shall be valued at the amount noted at 4:00 p.m. London time, being the USD exchange rate published on the Bank of Canada’s website (<https://www.bankofcanada.ca/rates/exchange/daily-exchange-rates/>).

“Bitcoin per Share”

is defined as the Bitcoin Holding Value divided by the total number of issued and outstanding Shares, adjusted for stock splits, assuming full conversion of any outstanding Convertible Securities other than unvested Warrants.

“Board”

means the board of directors of the Corporation, as constituted from time to time.

“BTCT”

means Bitcoin Treasury Corporation, a corporation incorporated in Alberta under the ABCA and amalgamated with BTCT to form the Corporation, representing the pre-Transaction “Bitcoin Treasury Corporation” entity.

“BTCT Convertible Debentures”	means the convertible debentures issued in connection with the Concurrent Financing, convertible into BTCT Shares at a price of \$12.00, as further described herein.
“BTCT Convertible Securities”	means, collectively, the BTCT Convertible Debentures and the BTCT Warrants.
“BTCT Equity Award”	means BTCT Options and BTCT Share Units.
“BTCT Equity Incentive Plan”	means BTCT’s 10% rolling equity incentive plan dated May 17, 2025.
“BTCT Foundation Shares”	means the voting foundation shares in the capital of BTCT, prior to removal from the articles of BTCT on June 12, 2025.
“BTCT Options”	means an option granted by BTCT to a participant of the BTCT Equity Incentive Plan entitling such participant to acquire a designated number of BTCT Shares from treasury at the exercise price set out in the BTCT Equity Incentive Plan.
“BTCT Preferred Shares”	means the fully paid and non-assessable preferred shares in the capital of BTCT.
“BTCT PSU”	means a performance share unit or a right awarded to a participant of the BTCT Equity Incentive Plan to receive a payment in the form of BTCT Shares as provided by the BTCT Equity Incentive Plan.
“BTCT Resolution”	means the special resolution of BTCT Shareholders to authorize, approve and adopt the Amalgamation and related matters.
“BTCT RSU”	means a restricted share unit or a right awarded to a participant of the BTCT Equity Incentive Plan to receive a payment in the form of BTCT Shares as provided by the BTCT Equity Incentive Plan.
“BTCT Shareholders”	means a holder from time to time of BTCT Shares.
“BTCT Shares”	means the fully paid and non-assessable common shares in the capital of BTCT.
“BTCT Share Units”	means BTCT RSUs and BTCT PSUs.
“BTCT Warrants”	means performance warrants exercisable to acquire an aggregate of up to 2,431,667 BTCT Shares at a price of \$0.001 per BTCT Share which are exercisable for a period of ten (10) years from the date of issuance.
“Business Day”	means a day on which commercial banks are generally open for business in Calgary, Alberta, other than a Saturday, Sunday or a day observed as a statutory holiday in Calgary, Alberta, under the laws of the Province of Alberta or the federal Laws of Canada applicable therein.
“CCO”	means chief compliance officer.
“CEO”	means chief executive officer.
“CFO”	means chief financial officer.

“Change of Control”	includes situations where after giving effect to the contemplated transaction and as a result of such transaction: <ul style="list-style-type: none"> (a) any one Person holds a sufficient number of the voting shares of the Corporation to affect materially the control of the Corporation, or (b) any combination of Persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding hold in total a sufficient number of the voting shares of the Corporation to affect materially the control of the Corporation; <p>where such Person or combination of Persons did not previously hold a sufficient number of voting shares to affect materially the control of the Corporation. In the absence of evidence to the contrary, any Person or combination of Persons acting in concert by virtue of an agreement, arrangement, commitment or understanding, hold more than 20% of the voting shares of the Corporation is deemed to materially affect the control of the Corporation.</p>
“CMO”	means chief marketing officer.
“Coinbase”	means Coinbase Custody Trust Corporation, LLC, a licensed and regulated New York State trust Corporation that serves as the custodian for BTCT.
“Coinbase Custodial Services Agreement”	means the Coinbase custodial services agreement between BTCT and Coinbase, effective April 30, 2025.
“Concurrent Financing”	means the brokered and non-brokered private placement of Subscription Receipts which closed on June 23, 2025 and the brokered private placement of Offered Shares which closed on June 26, 2025, for aggregate gross proceeds of \$125,000,000.
“Convertible Debenture Subscription Receipts”	means subscription receipts of BTCT issued pursuant to the Concurrent Financing, which automatically converted into BTCT Convertible Debentures immediately prior to completion of the Transaction in accordance with their terms on the basis of one BTCT Convertible Debenture for each outstanding Convertible Debenture Subscription Receipt.
“Corporation”	means Bitcoin Treasury Corporation, a corporation existing pursuant to the laws of the Province of Alberta.
“Convertible Debentures”	means the 25,000 convertible debentures in the Corporation.
“Convertible Securities”	means the Convertible Debentures and the Warrants.
“Definitive Agreement”	means the amalgamation agreement entered into between 268 and BTCT on May 17, 2025, as amended and restated on June 16, 2025.
“Equity Awards”	means the Options and Share Units.
“Equity Incentive Plan”	means the Corporation’s 10% rolling equity incentive plan.
“Equity Subscription Receipts”	means subscription receipts of BTCT issued pursuant to the Concurrent Financing, which automatically converted into BTCT Shares immediately prior to completion

of the Transaction in accordance with their terms on the basis of one BTCT Share for each outstanding Equity Subscription Receipt.

“Escrow Agreement”	means the escrow agreement in the form of the Exchange’s Form 5D entered into by and among the Subscription Receipt Escrow Agent, the Corporation and certain principals of the Corporation.
“Escrow Securities”	means the Shares and the Warrants held in escrow by Odyssey Trust Corporation, pursuant to the Escrow Agreement.
“Evolve”	means Evolve Funds Group Inc.
“Evolve Administrative Agreement”	means the administrative agreement between BTCT and Evolve, effective June 4, 2025.
“Evolve ETFs”	means, <i>inter alios</i> , the Evolve Bitcoin ETF, Evolve Crypto ETF and Evolve Ether ETF and any other fund managed by Evolve, as the case may be.
“FINTRAC”	means the Financial Transactions and Reports Analysis Centre of Canada.
“IFRS”	means the International Financial Reporting Standards.
“Insider”	if used in relation to an issuer, means: <ul style="list-style-type: none">(a) a director or senior officer of the issuer;(b) a director or senior officer of BTCT that is an insider or subsidiary of the issuer;(c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or(d) the issuer itself if it holds any of its own securities.
“KYC”	means know your client.
“Lead Agents”	means, collectively, Canaccord Genuity Corp. and Stifel Nicolaus Canada Inc.
“Named Executive Officer” or “NEO”	has the meaning ascribed to it under “ <i>Director and Executive Compensation</i> ”.
“NI 52-110”	means National Instrument 52-110 – <i>Audit Committees</i> .
“Offered Shares”	means the common shares of the Corporation issued in connection with the Concurrent Financing.
“Options”	means an option granted by the Corporation to a participant of the Equity Incentive Plan entitling such participant to acquire a designated number of Shares from treasury at the exercise price set out in the Equity Incentive Plan.
“Person”	includes a Corporation or individual.

“Preferred Shares”	means the preferred shares in the capital of the Corporation as further described in “ <i>Description of Capital Structure</i> ”.
“PSU”	means a performance share unit or a right awarded to a participant of the Equity Incentive Plan to receive a payment in the form of Shares as provided by the Equity Incentive Plan.
“Reverse Takeover”	means a transaction or series of transactions, involving an acquisition by the issuer or of the issuer, and a securities issuance by an issuer that results in: <ul style="list-style-type: none"> (a) new shareholders holding more than 50% of the outstanding voting securities of the issuer, and (b) a Change of Control of the issuer. <p>The TSXV may deem a transaction to have resulted in a Change of Control by aggregating the shares of a vendor group and/or incoming management group, but does not include any transaction or series of transactions whereby the newly issued securities are to be issued to shareholders of an issuer listed on the Toronto Stock Exchange or another senior exchange under a formal takeover bid made pursuant to Securities Laws.</p> <p>A transaction or series of transactions may include an acquisition of a business or assets, an amalgamation, arrangement or other reorganization.</p> <p>Any securities issued pursuant to a private placement effected concurrently, contingent upon, or otherwise linked to a transaction or series of transactions, may be used in order to determine whether a transaction or series of transactions satisfies (a) and/or (b), above.</p>
“RSU”	means a restricted share unit or a right awarded to a participant of the Equity Incentive Plan to receive a payment in the form of Shares as provided by the Equity Incentive Plan.
“SEDAR+”	means the <i>System for Electronic Document Analysis and Retrieval</i> + accessible at www.sedarplus.ca .
“Seed Shares”	means certain Shares or other securities of the Corporation that were issued to Persons which are subject to the SSRRs.
“Shares”	means the common shares in the capital of the Corporation.
“Share Units”	means RSUs and PSUs.
“Spin-Out”	has the meaning ascribed to it under “ <i>General Development of the Business</i> ”.
“SSRRs”	means the seed share resale restrictions pursuant to section 10 of TSXV Policy 5.4 – <i>Capital Structure, Escrow and Resale Restrictions</i> .
“Subscription Receipt Escrow Agent”	means Odyssey Trust Corporation, as escrow agent for the Subscription Receipts issued pursuant to the Concurrent Financing.
“Subscription Receipts”	means, collectively, the Equity Subscription Receipts and the Convertible Debenture Subscription Receipts.

“Subscription Receipt Agreement”	means the subscription receipt agreement between the Subscription Receipt Escrow Agent, BTCT, 268 and the Lead Agents, entered into on June 20, 2025.
“SOC”	means Systems and Organizational Control.
“Transaction”	includes the listing of the Shares on Tiers 1 and 2 of the TSXV, the Concurrent Financing and the Amalgamation on the terms set forth in the Definitive Agreement.
“TSXV” or the “Exchange”	means the TSX Venture Exchange Inc.
“Wallet”	has the meaning ascribed to it under “ <i>Narrative Description of the Business – Operations</i> ”.
“Warrants”	means performance warrants exercisable to acquire an aggregate of up to 2,431,667 Shares at a price of \$0.001 per Share which are exercisable for a period of ten (10) years from the date of issuance.

NOTICE TO READER

Cautionary Note Regarding Forward-Looking Information

This AIF contains certain forward-looking statements within the meaning of Applicable Canadian Securities Laws. These statements relate to future events or future performance and reflect management’s expectations regarding the growth, results of operations, performance and business prospects and opportunities of the Corporation.

All statements other than statements of historical fact are forward-looking statements. Such forward-looking statements reflect management’s current beliefs and are based on information currently available to management. In some cases, forward-looking statements can be identified by terminology such as “seek”, “project”, “intend”, “could”, “might”, “future”, “may”, “will”, “should”, “expect”, “plan”, “anticipate”, “believe”, “estimate”, “predict”, “potential”, “continue”, “target” or the negative of these terms or other comparable terminology. These statements are only predictions. In addition, this AIF may contain forward-looking statements attributed to third party industry sources.

Forward-looking statements include, but are not limited to, statements with respect to:

- future development plans;
- the Corporation’s expectation to receive a Money Services Businesses registration;
- the Corporation’s expectation that its lending services, Bitcoin liquidity services and Bitcoin/fiat lending services will become drivers of financial results;
- the Corporation’s expectation of the continued adoption of digital assets, blockchain technology, and decentralized finance by individuals and institutions globally;
- the Corporation’s continued use of our scale, expertise and balance sheet to identify and execute acquisitions across our business lines;
- the Corporation’s growth strategy;
- the Corporation’s success and viability as a public company listed on the TSXV;
- the Corporation’s expectations regarding the sufficiency of its capital resources and requirements for additional capital;
- risks related to the decrease of the market price of the Shares if the holders of Shares of the Corporation sell substantial amounts of Shares;

- expectations regarding the adoption of digital assets and use of cryptocurrencies and broader blockchain innovations by institutions and individuals;
- future sales or issuances of equity securities diluting voting power and reducing future earnings per share;
- the Corporation's estimate of the size of the digital asset industry focused investment banking addressable market;
- expectations relating to the Corporation's collaboration with other financial service providers, Bitcoin custodians and asset management businesses;
- the Corporation's future financial performance, including expectations regarding and ability to achieve and maintain future profitability;
- the Corporation's ability to effectively manage growth;
- anticipated trends, growth rates and challenges in the Corporation's business, the crypto-economy and in the markets in which the Corporation operates;
- the Corporation's growth and investment strategy;
- the Corporation's failure to adhere to complex and evolving governmental laws and regulations;
- expectations regarding market demand for Bitcoin and related technologies, and data center capacity;
- changes to governmental laws and regulations;
- re-evaluations of the Corporation's prior determinations regarding the federal securities law status of digital assets the Corporation may transact;
- the monitoring of balances maintained at each third-party custodians;
- the Corporation's assessment of risk exposure;
- dividends; and
- the business and operations of the Corporation.

These forward-looking statements are based on the beliefs of the management of the Corporation as well as on assumptions which management believes to be reasonable, based on information currently available at the time such statements were made. However, there can be no assurance that forward-looking statements will prove to be accurate. Such assumptions and beliefs include, among other things: the ability of the Corporation to realize the benefits of the Transaction; the discretion of management of the Corporation and the Board to use the total available funds; the ability of the Corporation to execute its business plan successfully or as disclosed herein, such that the future growth, results of operations, performance and business prospects and opportunities of the Corporation will be as anticipated; the ability of the Corporation to maintain existing strategic partnerships and attract new partners; the ability of the Corporation to obtain financing on acceptable terms; and the ability of the Corporation to retain skilled management and employees.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to:

- the Corporation's operating results will experience significant fluctuations due to the highly volatile nature of Bitcoin;
- the Corporation operates in a heavily regulated environment and any material changes or actions could lead to negative adverse effects to the business model, operational results, and financial condition of the Corporation;
- evolving cryptocurrency regulatory requirements and the impact on the Corporation's business plan;

- Bitcoin value risk;
- lending of Bitcoin or other cryptocurrencies and digital assets may be especially risky;
- reliance on key personnel;
- implementation of the Corporation's business plan;
- lack of operating history;
- competitive conditions;
- de banking and financial services risk;
- anti money laundering and corrupt business practices;
- additional capital;
- financing risks;
- global financial conditions;
- insurance and uninsured risks;
- cybersecurity risks;
- changes to bank fees or practices, or payment card networks;
- audit of tax filings;
- market for the Shares;
- market Price of the Shares;
- conflicts of interest;
- internal controls;
- tariffs and the imposition of other restrictions on trade could adversely affect the Corporation's business;
- force Majeure Events;
- risk of litigation;
- pandemics or other health crisis;
- acquisitions and integration;
- risk of dilution of Resulting Issuer securities;
- dividend policy;
- a significant decrease in the market value of the Corporation's Bitcoin holdings could adversely affect the Corporation's ability to satisfy its financial obligations;
- it is unusual for a new, unestablished enterprise to commence operations with as much capital as the Corporation raised in the Concurrent Financing, which presents unique risks;
- the Corporation's planned business lines require a Money Services Business registration and may require regulatory licenses and qualifications that the Corporation does not currently have and that may be costly and time-consuming to obtain and, if obtained, may be subsequently revoked;
- the Corporation's use of proprietary and non-proprietary software, data and intellectual property may be subject to substantial risk;
- early market development state;
- failure to protect its intellectual property;

- the success of the Corporation’s proposed core business services will depend on generating and maintaining ongoing, profitable client demand for its services and resolutions, and the failure of that demand to materialize or any future significant reduction in such demand or an inability to respond to the evolving technological environment could materially negatively affect the Corporation’s proposed core business services;
- Bitcoin price volatility;
- custodial risks;
- technological vulnerabilities;
- Bitcoin transactions are irreversible and may result in significant losses, including as relates to the custody of our Bitcoin;
- the need to adopt technology in response to changing security threats poses a challenge to the safekeeping of the Corporation’s Bitcoin or other cryptocurrency and digital asset holdings;
- short history risk;
- limited history of the Bitcoin market;
- potential decrease in the global demand for Bitcoin;
- economic and political factors;
- top Bitcoin holders control a significant percentage of the outstanding Bitcoin;
- the concentration of our Bitcoin holdings enhances the risks inherent in our treasury strategy;
- availability of exchange traded products;
- liquidity;
- leverage;
- security breaches;
- Bitcoin does not pay interest or dividends;
- changes in the accounting treatment of Bitcoin could have significant accounting impacts, including increasing volatility of our results;
- uncertainty of use of proceeds;
- liquidity risk; and
- share price fluctuations.

This list is not exhaustive of the factors that may affect any of the forward-looking statements regarding the Corporation. Forward-looking statements are statements about the future and are inherently uncertain. Actual events or results could differ materially from those projected in the forward-looking statements including as a result of the matters set out in this AIF generally and certain economic and business factors, some of which may be beyond the control of the Corporation. Some of the important risks and uncertainties that could affect forward-looking statements are described under the heading “*Risk Factors*”. The Corporation does not intend, and does not assume any obligation, to update any of the forward-looking statements after the date of this AIF so as to conform such statements to actual results or to changes in the expectations of the Corporation, other than as required by applicable securities law.

For all these reasons, readers should not place undue reliance on the forward-looking statements contained herein, as the Corporation’s actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect Corporation’s business, or if Corporation’s estimates or assumptions prove inaccurate. The forward-looking statements contained in this AIF are expressly qualified by this cautionary statement.

ABOUT THIS ANNUAL INFORMATION FORM

All dollar amounts referred to in this AIF are stated in Canadian dollars, unless otherwise indicated and all financial information referred to in this AIF was prepared in accordance with IFRS.

The information in this AIF is presented as at July 1, 2025 unless otherwise indicated.

In this AIF, unless the context otherwise requires, the “Corporation” refers to Bitcoin Treasury Corporation.

CORPORATE STRUCTURE

Name, Address and Incorporation of the Corporation

268 was incorporated on July 27, 2021 under the BCBCA under the name “1317214 B.C. Ltd.” On January 21, 2025, 268 continued from British Columbia to Alberta under the ABCA under the name “2680083 Alberta Ltd.”

BTCT was incorporated on December 20, 2024 under the ABCA under the name “Bitcoin Treasury Corporation”.

On June 23, 2025, the Corporation was formed upon an amalgamation between 268 and BTCT by way of a Reverse Takeover pursuant to the terms of the Definitive Agreement (the “**Transaction**”). Pursuant to the Transaction, 268 completed the 268 Consolidation, a consolidation of 268 Shares on a one 268 Post-Consolidation Share for 51.66712593 pre-268 Consolidation shares basis, and the Corporation adopted BTCT’s articles and share rights, creating two classes of issued and outstanding shares, the Shares and the Preferred Shares.

In connection with the Transaction, the Corporation’s name became “Bitcoin Treasury Corporation”.

The Corporation’s head office is located at 161 Bay Street, Suite 1210, Toronto, Ontario M5J 2S1 and its registered office is located at 1900, 520 - 3rd Avenue SW, Calgary, Alberta.

Intercorporate Relationships of the Corporation

The Corporation has no subsidiaries.

GENERAL DEVELOPMENT OF THE BUSINESS

Prior to completion of the Transaction, 268 was a reporting issuer, engaged in the identification and evaluation of potential acquisitions. As further described herein, the Corporation is now engaged in the business of providing institutional-grade Bitcoin services, including lending, is listed on the TSXV and a reporting issuer in Ontario, Alberta and British Columbia.

History of 268

268 was incorporated on July 27, 2021 under the BCBCA under the name “1317214 B.C. Ltd.” On January 21, 2025, 268 continued from British Columbia to Alberta under the ABCA under the name “2680083 Alberta Ltd.” 268 was previously a wholly-owned subsidiary of 1289625 B.C. Ltd. (“**625 BC**”) until December 17, 2021 at which point a plan of arrangement was completed. On December 17, 2021, 625 BC completed the plan of arrangement whereby 625 BC spun off each of its subsidiaries including 268 (the “**Spin-Out**”). Pursuant to the Spin-Out, each 625 BC shareholder received 100,000 268 Shares in exchange for each existing common share of 625 BC.

Upon completion of the Spin-Out, 268 became a standalone “reporting issuer” (within the meaning of applicable securities legislation) in the Provinces of British Columbia and Alberta, engaged in the identification and evaluation of potential acquisitions.

268 was incorporated for the sole purpose of participating in a Reverse Takeover or similar transaction and currently does not carry on any business other than in furtherance of the Transaction and related matters.

On June 23, 2025, the Transaction was completed. In connection with the Transaction, the Corporation was named “Bitcoin Treasury Corporation”.

History of BTCT

The following disclosure is a description of the business of BTCT, which became the business of the Corporation after the completion of the Transaction.

BTCT was incorporated on December 20, 2024 under the ABCA under the name “Bitcoin Treasury Corporation”.

BTCT planned to provide institutional-grade Bitcoin services to institutional clients, including lending and, once the Corporation is registered as a Money Services Business, the Corporation plans to provide the liquidity and collateral solutions as set out below.

BTCT’s Bitcoin lending services were designed to provide liquidity solutions to clients while ensuring BTCT maintained financial security and minimizes risk exposure. BTCT intended for its lending services to include, and the Corporation’s lending services include, institutional Bitcoin-denominated loans. The Corporation intends to engage in Bitcoin lending as a strategic component of its business model, aiming to generate yield on its Bitcoin holdings while supporting the broader digital asset ecosystem.

BTCT applied to be a Money Services Business registered with the FINTRAC. Once such registration is obtained, the Corporation intends to offer institutional-grade Bitcoin liquidity services. These services include immediate-delivery spot Bitcoin transactions, as well as expanding its lending business to include the ability to accept fiat as interest payments or as collateral for institutional Bitcoin-denominated loans.

BTCT was also committed to capitalizing on the accelerating adoption of Bitcoin by delivering innovative virtual currency services to institutions, as well as advancing infrastructure and operational capabilities for Bitcoin Layer 2 networks. As part of this commitment, the Corporation is exploring how it may deploy its Bitcoin inventory to Layer 2 Bitcoin networks by providing liquidity or collateral as the market for Bitcoin lending and collateral products is nascent and developing rapidly. Opportunities to monetize the Corporation’s Bitcoin over time will be evaluated as market conditions change.

Recognizing Bitcoin’s finite supply and long-term potential, the Corporation will follow a treasury strategy that seeks to enhance the value of its holdings while supporting the development of its core business lines. As part of this treasury strategy and subject to market conditions, BTCT may issue shares and/or debt instruments. In addition to its core business lines, the Corporation’s corporate treasury strategy is designed to maximize long-term Bitcoin accumulation and to enhance shareholder value by focusing on the growth of both total Bitcoin holdings and Bitcoin per Share.

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

In the future, the Corporation intends to harness the potential of Bitcoin to redefine how transaction capital is accessed, collateralized, and exchanged. The intent is to usher in an era of financial inclusion by providing efficiency and resilience to Bitcoin as a digital currency for anyone, anywhere, at any time.

Significant Acquisitions

The following section contains a summary of the Transaction. This summary of certain provisions of the Definitive Agreement below is not comprehensive and is qualified in its entirety by the terms of the Definitive Agreement which is available under the Corporation's profile on *SEDAR+* at www.sedarplus.ca. This summary may not contain all of the information about the Definitive Agreement that is important to shareholders. All such shareholders are encouraged to read the Definitive Agreement carefully and in its entirety.

On May 17, 2025, 268 and BTCT entered into an amalgamation agreement which described the principal terms and conditions of the Transaction, and publicly announced their agreement to complete the Transaction. On June 16, 2025, 268 and BTCT entered into the Definitive Agreement, which amended and restated the original amalgamation agreement dated May 17, 2025, to reflect the adoption of amended BTCT articles. The amended BTCT articles amended the capital structure of BTCT as follows: (i) removed the BTCT Foundation Shares; (ii) re-classified the subordinate voting shares in the capital of BTCT as BTCT Shares; and (iii) added BTCT Preferred Shares. All other terms of the Definitive Agreement remained the same.

Upon completion of the Transaction, the Corporation adopted the BTCT articles and share rights.

On June 23, 2025, the Corporation completed a non-brokered private placement of 1,166,000 Equity Subscription Receipts at a price of \$10.00 per Equity Subscription Receipt, and a brokered private placement of 8,407,350 Equity Subscription Receipts at a price of \$10.00 per Equity Subscription Receipt and 25,000 Convertible Debenture Subscription Receipts at a price of \$1,000 per Convertible Debenture Subscription Receipt for gross proceeds of \$120,733,500.

On June 26, 2025, the Corporation completed a brokered private placement of 426,650 Offered Shares at a price of \$10.00 per Offered Share for gross proceeds of \$4,266,500.

In connection with the completion of the Transaction and pursuant to the Definitive Agreement, the Agency Agreement and the Subscription Receipt Agreement, the following steps were completed:

- (a) 268 completed the 268 Consolidation;
- (b) 268 caused the current directors and officers of 268 to resign;
- (c) 268 entered into full mutual releases with all former directors and officers of 268;
- (d) the Equity Subscription Receipts were automatically converted into BTCT Shares and the Convertible Debenture Subscription Receipts were automatically converted into BTCT Convertible Debentures;
- (e) each holder of BTCT Shares received one Share in exchange for each BTCT Share held by such holder and the BTCT Shares were cancelled by the Corporation;
- (f) each holder of BTCT Convertible Securities received one Convertible Security in exchange for each BTCT Convertible Security held by such holder and the BTCT Convertible Securities were cancelled by the Corporation;
- (g) each holder of 268 Post-Consolidation Shares received one Share in exchange for each 268 Post-Consolidation Share held by such holder and the 268 Shares were cancelled by the Corporation;
- (h) the Equity Incentive Plan became effective;
- (i) the net proceeds from the Concurrent Financing were released from escrow and remitted to the Corporation;
- (j) the Corporation was named "Bitcoin Treasury Corporation"; and

- (k) the Board was reconstituted to include Rajesh Lala, Elliot Johnson, Michael Simonetta and Patrick McBride.

Upon completion of the Transaction on June 23, 2025, the Corporation assumed the business of BTCT as described in “*Description of the Business*” below.

Outside of the Transaction, the Corporation has not completed any significant acquisitions in the most recently completed financial year.

DESCRIPTION OF THE BUSINESS

General

The Corporation plans to provide institutional-grade Bitcoin services to institutional clients, including lending and, once it is registered as a Money Services Business, liquidity and collateral solutions as set out below.

Principal Products or Services

The Corporation provides Bitcoin services to institutional clients, including lending and, once it is registered as a Money Services Business, liquidity and collateral solution as set out below. Recognizing Bitcoin’s finite supply and long-term potential, the Corporation will also follow a treasury strategy that seeks to enhance the value of its Bitcoin inventory while supporting the development of its core business lines. The Corporation expects that its institutional client base will include large corporations, institutional asset managers, regulated crypto asset trading platforms and investment funds that invest in Bitcoin.

Phase 1: Bitcoin Lending Services

The Corporation offers Bitcoin lending services that are designed to provide liquidity solutions to its clients while ensuring that the Corporation maintains financial security and minimizes credit risk exposure. In the initial phase of its business, the Corporation’s lending services only includes Bitcoin-denominated loans, whereby institutional clients borrow Bitcoin and repay the principal and interest on such loans in Bitcoin. No fiat currency payments will be made or received and, accordingly, the first phase of the Corporation’s lending services does not involve an exchange of virtual currency or any virtual currency transfer service. As a result, this initial business can be conducted by the Corporation without being registered as a Money Services Business. Bitcoin lending is a strategic component of the Corporation’s business model and will allow the Corporation to generate yield on its Bitcoin holdings while supporting the broader digital asset ecosystem.

The Corporation has commenced discussions with third parties concerning its phase 1 lending services. It expects that Bitcoin-denominated loans will be made to institutional clients under its phase 1 business plan.

Phase 2: Bitcoin Liquidity Services and Bitcoin/Fiat Lending Services

The Corporation has applied to be a Money Services Business registered with FINTRAC. If such registration is obtained, the Corporation intends to offer Bitcoin liquidity services to its institutional clients. Bitcoin liquidity services will only be offered to Canadian clients who acquire their Bitcoin on an “immediately delivery” basis. It is expected that this service will help clients to better manage their treasury and portfolio functions.

As part of this phase, the Corporation will also expand its lending services to include the ability to accept fiat as interest payments or as collateral for Bitcoin-denominated loans.

Phase 3: Layer 2 Liquidity and Collateral

The Corporation is also committed to capitalizing on the accelerating adoption of Bitcoin by delivering innovative virtual currency services to institutions, as well as advancing infrastructure and operational capabilities for Bitcoin Layer 2 networks. As part of this commitment, the Corporation is exploring how it will be able to deploy its Bitcoin

inventory to Layer 2 Bitcoin networks by providing liquidity or collateral as the market for Bitcoin lending and collateral products is nascent and developing rapidly. Opportunities to develop this additional business line in the future will be evaluated as market conditions change.

Development of its Core Business Lines

To achieve its core business goals, the Corporation will focus on infrastructure development by implementing secure third-party custody solutions, scalable transaction platforms, and Layer 2 solutions such as the Lightning Network. It will develop robust risk management frameworks, including credit risk assessment and collateral management systems, while reinforcing cybersecurity protocols. Strategic partnerships with digital infrastructure providers, custodians, and financial institutions will be forged to enhance service deployment and innovation.

Over the next 12 months, the Corporation intends to allocate between \$500,000 and \$1,000,000 toward the development of its products and services. These expenditures will support key operational areas including legal expenses related to lending and liquidity agreements, compliance consulting services (anti-money laundering etc.), technology and software development, marketing and other general operational expense, in each case aimed at operationalizing the Corporation's long-term business plan. The Corporation's research and development approach combines internal efforts with outsourced partnerships, working closely with industry participants to develop and optimize its product and service offerings. To ensure market readiness, the Corporation will conduct in-depth market research, develop targeted marketing strategies, and implement client education initiatives to drive adoption. The Corporation will continuously monitor industry trends, integrate emerging technologies, and refine its services based on regulatory developments and client feedback to maintain a competitive edge.

Corporate Finance Strategy for Strategic Bitcoin Accumulation

In addition to its core business lines, the Corporation's corporate treasury strategy is designed to maximize long-term Bitcoin accumulation and to enhance shareholder value by focusing on the growth of both total Bitcoin holdings and Bitcoin per Share. The Corporation aims to raise low-cost capital through equity, convertible debt, and potentially other instruments such as preferred shares, and then deploying these proceeds to acquire and hold Bitcoin as a strategic reserve asset that will then allow it to grow its core business lines. The Corporation's core revenue-generating products and services will also contribute to the growth of its Bitcoin inventory. The success of this strategy will be measured by key metrics such as Bitcoin per Share, Bitcoin per Share growth, and total Bitcoin holdings.

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

In the future, the Corporation intends to harness the potential of Bitcoin to redefine how transaction capital is accessed, collateralized, and exchanged. The intent is to usher in an era of financial inclusion by providing efficiency and resilience to Bitcoin as a digital currency for anyone, anywhere, at any time.

Operations

Current Business Services

The Corporation plans to provide institutional-grade Bitcoin services to institutional clients, including lending and, once it is registered as a Money Services Business, liquidity and collateral solutions as set out below.

Phase 1: Bitcoin Lending Services

The Corporation's Bitcoin-denominated loans allow institutional clients to borrow Bitcoin rather than fiat currency, with interest payments also made in Bitcoin. This service benefits investors who want to increase their Bitcoin exposure without making an outright fiat purchase, as well as those looking to hedge against fiat currency fluctuations or facilitate digital asset transactions without converting to cash. By providing institutional Bitcoin-denominated

loans, the Corporation enables clients to borrow Bitcoin from the Corporation's balance sheet and pay interest in Bitcoin, generating yield on its Bitcoin holdings while supporting the broader digital asset ecosystem. This reinforces the Corporation's strategic goal of accumulating more Bitcoin over time.

Phase 1 involves a limited number of Bitcoin denominated loans to select, high-quality institutions as the Corporation scales its operations. If the Corporation receives its Money Services Business registration, it plans to expand its lending services to offer broader lending solutions through strategic partnerships, including Bitcoin and fiat-denominated loans, with interest payable in either Bitcoin or fiat currency. The Money Services Business license will also enable the Corporation to accept fiat currency as collateral for its Bitcoin-denominated lending activities.

Recognizing the increasing demand for Bitcoin-backed lending, the Corporation will explore future partnerships with Canadian financial institutions to expand this service. By acting as a capital provider, the Corporation aims to facilitate the growth of secure and sustainable lending markets in collaboration with professional underwriting platforms that have demonstrated expertise in risk management.

To ensure the security and stability of its lending operations, the Corporation employs a comprehensive risk management framework centred on rigorous credit assessment. Each borrower undergoes a detailed credit evaluation, which informs the structure of the loan depending on the borrower's creditworthiness and market conditions. Where appropriate, the Corporation may require collateral that exceeds the value of the loan, with overcollateralization ratios determined by factors such as asset volatility, borrower profile, and prevailing market dynamics. In cases where collateral is posted, automated risk controls—such as margin calls and liquidation triggers—help mitigate downside exposure. All loan agreements include standard protective covenants and default provisions. The Corporation directly originates, funds, and manages its loans, reinforcing its role as an institutional-grade lender. The infrastructure to support this framework will be built through strategic partnerships or in-house development.

Through its institutional lending solutions and future expansion into Bitcoin-backed financing, the Corporation strengthens its role as a key participant in the Bitcoin financial ecosystem. By providing innovative and risk-managed lending structures, the Corporation enables clients to access liquidity while preserving their digital asset exposure, reinforcing its position as a trusted leader in Bitcoin financial services.

Phase 2: Bitcoin Liquidity Services and Bitcoin/Fiat Lending Services

If the Corporation receives its Money Services Business registration, the Corporation will sell Bitcoin to, and purchase Bitcoin from, its clients in exchange for fiat currency using an "immediate delivery" model. Each client must provide his, her or its proprietary digital asset wallet ("**Wallet**") address directly to the Corporation and the sold or purchased Bitcoin is sent or received, as the case may be, by the Corporation directly to or from the client's Wallet. The Corporation has no control over, or any connection with, any client Wallet. The Corporation does not supply or host the Wallets.

The Corporation has no intention of operating as a cryptocurrency exchange or crypto asset trading platform. The liquidity services described will be offered exclusively to select institutional counterparties in order to support the Corporation's operational cash flow needs through spot Bitcoin transactions. These transactions are designed to be low-frequency, high-integrity trades completed on an immediate delivery basis. The commissions earned from facilitating such trades will help offset operating expenses, allowing the Corporation to manage short-term liquidity requirements without drawing down its core Bitcoin holdings. For clients purchasing Bitcoin, the client enters a purchase order by secure electronic instructions and sends fiat to the Corporation via wire transfer, Interac e-transfer or credit card. Once payment is received by the Corporation and all required "KYC" verification is complete, the Corporation provides out of its own inventory the amount of the Bitcoin ordered by the client and immediately delivers that Bitcoin to the Wallet address provided by the client.

For clients purchasing Bitcoin, the client enters a purchase order by secure electronic instructions and sends fiat to the Corporation via wire transfer, Interac e-transfer or credit card. Once payment is received by the Corporation and all required "KYC" verification is complete, the Corporation provides out of its own inventory the amount of the Bitcoin ordered by the client and immediately delivers that Bitcoin to the Wallet address provided by the client.

For clients selling Bitcoin, the client enters a sell order by secure electronic instructions and sends the Bitcoin to a designated Wallet address provided by the Corporation that is owned or controlled by the Corporation. Once the Bitcoin is received by the Corporation and any required “KYC” verification is complete, the Corporation immediately sends an amount of fiat equal to the sale price, less commission and other fees, to the bank account provided by the client.

The purchase or sale price of the Bitcoin is agreed upon at the time the client provides the Corporation with the secure order instructions.

The Corporation charges customers a commission based on the percentage of the amount for each transaction. The Corporation adds an additional surcharge to the amount of each purchase transaction for which the client selects a certain type of payment method. This surcharge is added after the commission has been added to the purchase amount.

The Corporation does not offer its clients any investment or financial advice (which is explicitly stated to its clients), but instead leverages advanced security protocols to serve as a trusted partner for financial institutions, corporations, and high-net-worth individuals seeking to integrate Bitcoin into their portfolios.

The Corporation helps clients navigate the complexities of Bitcoin adoption, including compliance, security, and liquidity management. By facilitating seamless access to Bitcoin liquidity, the Corporation will support a range of innovative use cases, from treasury diversification to various currency strategies. These operations position the Corporation as a foundational player in the growing ecosystem of Bitcoin-backed virtual currency services, fostering trust and transparency in the rapidly evolving digital asset landscape.

Corporate Finance Strategy for Strategic Bitcoin Accumulation

Pending use of its inventory of Bitcoin in its business operations, the Corporation will follow a treasury strategy that will seek opportunities to enhance the value of the Bitcoin that it holds. As part of this treasury strategy and subject to market conditions, the Corporation may issue shares and/or debt instruments.

The Corporation’s level of Bitcoin inventory will be informed by the demand for its primary business services and by the fact that Bitcoin is finite. As such, the Corporation intends to accumulate Bitcoin in its inventory to ensure it has a sufficient supply as its business expands. This approach aligns with the Corporation’s commitment to building shareholder value in Bitcoin terms and supporting the broader adoption of Bitcoin by corporations.

By maintaining a Bitcoin centric perspective in its virtual currency and liquidity strategies, the Corporation will align its activities with the core goal of accreting Bitcoin per Share and total Bitcoin holdings. This principle not only drives shareholder value, but also reinforces the Corporation’s mission to advance the adoption and utility of Bitcoin as the preeminent store of value in the global financial system.

Business Internal Controls

In addition to the standard operational and other internal controls for a public corporation, the Corporation will establish strict internal controls to ensure, among other things, that (i) it is in compliance, at all times, with its obligations under its Money Services Business registration and (ii) all of its Bitcoin dealings with clients at present and for the foreseeable future are based on compliance with the immediate delivery model as described in regulatory notices. One of the primary principles underlying all the Corporation’s internal controls is that the Corporation will not engage in any registrable activity without first seeking the necessary registration or obtaining an appropriate exemption. In addition, the Corporation will enforce strict risk management controls for its Bitcoin lending services to protect capital and minimize counterparty risk. These include thorough borrower due diligence and regular credit risk assessments. Based on the outcome of these assessments, the Corporation may require overcollateralization, implement automated margin calls and liquidations, and adjust risk controls accordingly. Loan agreements will meet industry-standard terms with protective covenants and default provisions. The Corporation will continuously monitor lending practices to ensure compliance and adjust risk measures based on market conditions, regulatory changes, and internal audits.

Coinbase and Anchorage serve as the custodians for the Corporation's Bitcoin. To enhance security, the Corporation utilizes segregated cold storage addresses, separate from those used by Coinbase and Anchorage for their retail customers. Importantly, 100% of the Corporation's crypto assets are held in cold storage, never in hot wallets. These robust, institutional-grade custody solutions underscore the Corporation's commitment to asset security and operational excellence.

Inventory Policy

The Corporation's inventory policy governs the management of the Corporation's financial assets with specific guidance regarding the use of Bitcoin within the Corporation operations. The Corporation's objective is to increase its Bitcoin inventory to power revenue generation through various Bitcoin related business activities, with a which has a long-term time horizon. The Corporation inventory policy applies to all treasury and financial management activities, including cash reserves, digital assets used in operations, and corporate finance functions. It specifically outlines the permissible use and risk parameters regarding Bitcoin. The Corporation shall be the legal and beneficial owner of all Bitcoin that is purchased by the Corporation. There is no maximum on the amount of Bitcoin that the Corporation can acquire, provided that it uses its inventory to fund its business plan, as described in this AIF.

The Corporation's internal controls are overseen by the Board and its Audit Committee. The Chief Financial Officer (CFO) and Corporate Secretary are responsible for ensuring adherence to these controls. The internal compliance function operates as an advisory service under the direction of the Audit Committee. The Corporation's executive officers have full and unrestricted access to all the Corporation activities, records, property, personnel and information, except as otherwise authorized by the Audit Committee.

To mitigate against risk, the Corporation employs specialized protocols for inventory management to ensure the security and integrity of corporate holdings:

- **Cold Storage:** The majority of Bitcoin holdings are stored in cold storage, minimizing exposure to online threats.
- **Multi-Signature Wallets:** Multi-signature wallets are used to protect Bitcoin holdings, requiring multiple key holders to authorize transactions.
- **Multi-Approval Process:** Movement of Bitcoin holdings out of Cold Storage requires initiation and approval from more than one individual from the Corporation along with more than one individual from the Corporation's digital asset administrator, Evolve. All initiation and approval activities are logged.
- **Hardware Security Models:** Hardware Security Models are employed for secure key management, enhancing protection against unauthorized access.
- **Access Rights:** Periodic reviews ensure that only authorized personnel have access to wallets, with immediate revocation of access for former personnel.
- **Backup Systems:** Secure backup systems are in place to ensure data integrity and recovery in the event of system failure.
- **Transaction Monitoring:** Continuous monitoring of transactions to detect and mitigate risks related to unauthorized activity.

Coinbase and Anchorage are the custodians for the Corporation, as set out in "*Narrative Description of the Business – Bitcoin Custody*" below. Any change to the custodian must be approved by the Board.

Bitcoin Custody

Ensuring the highest standards of digital custody security is paramount to the Corporation's success. To this end, the Corporation has engaged Coinbase a licensed and regulated New York State trust Corporation, as one of the two custodians for its Bitcoin holdings. Coinbase operates independently of the Corporation.

As a fiduciary under Section 100 of the New York Banking Law and a qualified custodian per Rule 206(4)-2(d)(6) under the Investment Advisers Act, Coinbase is authorized to hold client digital assets in trust. The Corporation employs industry-leading security measures, including offline (cold storage) solutions, multi-signature technology,

and geographically distributed vaults secured by biometric access controls. Notably, private keys are never exposed to internet-connected devices, significantly reducing the risk of theft or cyberattacks.

In the event of bankruptcy or insolvency, the Corporation will enforce its rights under the Coinbase Custodial Services Agreement through arbitration under New York State laws and will engage with Coinbase Custody's regulator, the New York State Department of Financial Services, as well as Coinbase Custody's named insurer. Importantly, the Corporation's Bitcoin holdings are held in trust, ensuring the Corporation retains a direct claim on its assets, thereby safeguarding them even in such events. The Bitcoin are the Corporation's assets, held in custody with Coinbase. The Corporation's Bitcoin will be stored in segregated cold storage addresses, separate from those used for Coinbase's retail customers.

Coinbase has undergone SOC 1 Type II and SOC 2 Type II examinations, verifying substantial internal controls over financial reporting and platform security.¹ These certifications, expanded in 2022 to encompass all Coinbase Prime operations, underscore the Corporation's commitment to maintaining high security and compliance standards.

To date, there have been no known security breaches or incidents involving Coinbase that have resulted in the loss or theft of crypto assets. Coinbase undergoes regular third-party audits to validate its security and compliance frameworks. Its extensive experience in managing institutional digital assets, including custody services for multiple Canadian and U.S. Bitcoin ETFs, reinforces the Corporation's confidence in Coinbase's capabilities as a custodian.

The Corporation is not aware of any factors related to Coinbase's operations that would adversely affect its ability to obtain an unqualified audit opinion and believes there will be no issues in this regard. Coinbase is strictly responsible for safeguarding the Corporation's Bitcoin assets and does not act as a payment processor.

With respect to Bitcoin custody, the Corporation's officers are responsible for directing all Bitcoin-related transactions. Evolve, as part of the administrative services agreement, executes Bitcoin trade orders solely based on instructions provided by the Corporation management.

In addition, the Corporation has engaged Anchorage as its second custodian, as further described under "*Material Contracts*".

Specialized Skill and Knowledge

The Corporation's business activities require specialized skills and knowledge related to capital markets, regulatory compliance, Bitcoin custody, financial administration, distribution, marketing, public relations, technology, and more. The Corporation has successfully engaged personnel with the required specialized skill and knowledge. The Corporation's senior management team is comprised of Elliot Johnson (CEO and CCO), Heather Sim (CFO and Corporate Secretary), Kaitlin Thompson (COO) and Keith Crone (CMO).

The Corporation entered into an administrative agreement with Evolve, a market leader in bringing digital assets to investors through listed products. Evolve was the first in Canada to file for a futures-based Bitcoin ETF in 2017. In 2021, Evolve was among the first in the world to launch a spot Bitcoin ETF (Evolve Bitcoin ETF, ticker: EBIT). Evolve also launched one of the first Ether ETFs (Evolve Ether ETF, ticker: ETHR) and manages Canada's largest multi-crypto ETF, (Evolve Cryptocurrencies ETF, ticker: ETC). Since inception in 2017, Evolve has gathered over \$7.5 billion in assets under management across 30 ETFs. Founded by a group of industry veterans, the principals of Evolve have raised over \$1B in closed-end fund assets including split-share vehicles. Evolve's extensive industry relationships are expected to be instrumental in supporting the Corporation, by, among other things, leveraging its established network to drive awareness. The Corporation is responsible for all aspects of its business operations, with certain duties delegated to Evolve where needed. The Corporation maintains control over high-level management, including business planning, regulatory compliance, financial administration, Bitcoin lending operations, shareholder meeting coordination, and public relations. The Corporation executive team leads all strategic decisions and oversight. Evolve assists the Corporation by executing specific operational functions as directed.

¹ Coinbase, "*Coinbase, Inc. completes initial Prime Broker (Prime) SOC1 and SOC2, Type 2 Reports*", available at: [Coinbase, Inc. completes initial Prime Broker \(Prime\) SOC 1 and SOC 2, Type 2 reports](#)

With more than four years of experience operating this fund, Evolve has demonstrated a strong track record in managing digital assets securely. Evolve's experience operating a physical Bitcoin ETF with daily liquidity makes it the ideal organization to provide administration services relating to handling and safeguarding Bitcoin as a treasury asset for the Corporation.

Elliot Johnson brings extensive experience in digital asset management, product development, and operational leadership. Elliot Johnson was essential in launching these innovative investment products, notably Canada's first spot Bitcoin ETF (EBIT) and Ether ETF (ETHR). Evolve now manages nearly \$300 million across six crypto ETFs, all offering daily liquidity and institutional-grade custody. His leadership has positioned Evolve as a pioneer in cryptocurrency investments, offering accessible digital asset exposure to investors. Elliot's deep expertise in building and overseeing the infrastructure behind physically settled crypto products is directly aligned with the Corporation's Bitcoin treasury and lending strategy. Mr. Johnson is a sought-after speaker on asset management and cryptocurrency. He has shared his insights at prominent events like the European Blockchain Convention, where he discussed the evolving landscape of crypto ETFs and institutional adoption of digital assets.

Kaitlin Thompson brings extensive expertise in product strategy and trading operations to the Corporation. As Vice President of Product Strategy at Evolve, she plays a critical role in overseeing the trading of Bitcoin for several Evolve funds on a daily basis. Her leadership in product development spans both traditional and digital asset strategies, making her an invaluable resource for the Corporation's long-term success. Her deep understanding of asset management and innovative financial products will ensure that the Corporation remains at the forefront of Bitcoin adoption in institutional and retail markets. Prior to Evolve, she held roles in product, sales and operations at Mackenzie Investments.

Heather Sim is a CPA and President of Treewalk, which provides regulatory and financial reporting services to public companies. She currently serves as CFO and Director of DMG Blockchain Solutions Inc. (TSXV: DMGI), a publicly listed blockchain Corporation. Her expertise spans financial controls, reporting, and compliance in the crypto and capital markets sectors. Heather brings over five years of public Corporation oversight experience to the Corporation, where she serves as CFO—providing critical leadership in regulatory compliance, financial governance, and operational readiness as the Corporation scales its Bitcoin-focused business.

Raj Lala is the Chairman of the Corporation and brings extensive experience in building and leading investment firms, with a strong focus on product innovation and distribution. He is the Founder and CEO of Evolve ETFs, one of Canada's leading ETF providers with over \$7 billion in assets across 35 ETFs, including six crypto-focused mandates. Prior to founding Evolve, Raj held senior roles at WisdomTree Canada and Fiera Capital, and was the co-founder and CEO of Propel Capital, which raised approximately \$1 billion in structured products before its acquisition by Fiera.

Keith Crone is the Chief Marketing Officer of the Corporation and also serves as CMO of Evolve ETFs. With over 25 years of experience in the sales and marketing of investment products, Keith brings deep expertise in advisor distribution, investor engagement, and brand strategy. His dual role supports the Corporation's go-to-market efforts and strengthens its visibility among retail and institutional investors.

Michael Simonetta is a director of the Corporation and currently serves as Chairman of Evolve ETFs. Michael was the founding CEO of First Asset Management Inc., which managed over \$30 billion in assets before its sale to NYSE-listed Affiliated Managers Group. He has deep expertise in corporate governance, capital raising, and asset manager operations.

Market

Bitcoin is rapidly emerging as the premier store-of-value currency for the digital age. Recognized for its security, scarcity, and portability, Bitcoin is increasingly viewed not only as a hedge against inflation but also as a transformative capital asset with applications far beyond traditional stores of value like real estate and gold. This evolution is underscored by growing institutional and national adoption, including recognition from nation-states in both the developing and developed world, led by the United States.

What sets Bitcoin apart from other assets is its versatility as a capital asset that is becoming vital to corporate operations. Unlike gold or real estate, Bitcoin integrates seamlessly into a range of funding and financial applications. These include providing liquidity for corporations, crypto asset trading platforms, investment funds, and other businesses, collateralizing Layer 2 blockchain ecosystems, facilitating global remittances, and serving as a universally accepted, transmittable deposit. Its decentralized nature and frictionless transferability positions Bitcoin for a globally connected, digital-first economy. Additionally, in Canada, Bitcoin is generally treated as a commodity under securities and tax legislation, further reinforcing its role as an institutional-grade asset.

Several key trends are accelerating Bitcoin's institutional adoption and financial integration. The launch of spot Bitcoin ETFs by firms like BlackRock and Fidelity, which now hold approximately 7% of Bitcoin's total supply, has significantly increased demand for institutional lending and over-the-counter transaction services.² Regulatory clarity, particularly Canada's well-defined crypto framework and potential U.S. deregulation in 2025, is fostering a more robust institutional market.³ The 2024 Bitcoin halving has introduced supply constraints, leading to price appreciation and further driving demand for Bitcoin-backed financial services.⁴ Meanwhile, traditional financial institutions are integrating Bitcoin lending and over-the-counter services into their operations, expanding market access and liquidity.⁵

As Bitcoin's inherent value proposition continues to gain recognition, it is fueling the emergence of innovative business models that are redefining global finance. This shift is evident in the rise of Bitcoin-backed ETFs, corporations adding Bitcoin to their balance sheets, the development of Bitcoin-backed mortgages, and the growing integration of Bitcoin in global remittance systems all of which drive demand for institutional-grade virtual currency transactions. These trends highlight Bitcoin's expanding utility and its transformative potential as the foundation for new financial products and services.

The Corporation seeks a position at the forefront of this transformation, establishing itself as a cornerstone provider of Bitcoin-backed products and services. Our mission is to leverage Bitcoin's unique characteristics to enable seamless, borderless financial transactions for individuals, businesses, and institutions worldwide. This moment marks a monumental evolution in the financial industry, akin to the transformative impact of the internet. Just as early internet pioneers like Google, Amazon, eBay, PayPal, and Facebook generated extraordinary shareholder value by capitalizing on a connected world, the Corporation is determined to seize the unprecedented opportunities presented by Bitcoin. By positioning itself within a pioneering community of innovative firms, the Corporation will help redefine the global currency landscape and deliver substantial, long-term value to its shareholders.

Bitcoin Lending Services

The Bitcoin lending market is poised for substantial expansion, with outstanding Bitcoin-backed loans reaching \$8.5 billion USD in 2024.⁶ The market is projected to grow at a 26.4% compound annual growth rate, reaching \$45 billion USD by 2030.⁷ The Corporation is well-positioned to capitalize on this trend by offering over-collateralized Bitcoin-backed lending solutions that cater to institutional investors seeking to unlock liquidity without selling their Bitcoin holdings. Additionally, the rising adoption of Bitcoin as a capital asset has led to an increased demand for lending structures that allow firms to leverage their Bitcoin holdings. Institutions, including hedge funds, investment firms, and corporate treasuries, are turning to Bitcoin-backed loans as a way to manage liquidity while maintaining long-term exposure to Bitcoin's appreciation.⁸

² Bernstein Research, "ETF Adoption and Bitcoin Market Impact," available at: <https://www.forbes.com/sites>

³ Nasdaq, "Crypto Market Forecast: 2025 Trends," available at: <https://www.nasdaq.com/articles/crypto-market-forecast-top-trends-will-affect-crypto-2025>

⁴ Swan Bitcoin, "Post-Halving Market Impact", available at: <https://www.swanBitcoin.com/>

⁵ Financial Times, "Institutional Bitcoin Adoption and Lending Trends," available at: <https://www.ft.com/content/7e23191c-3d56-45db-87a8-6d708a68bee8>

⁶ Osler, "Bitcoin-Backed Lending: Opportunities and Considerations," available at: <https://www.osler.com/en/insights/updates/Bitcoin-backed-lending-opportunities-considerations-financial-institutions/>

⁷ HFT Market Intelligence, "Bitcoin Loan Market Growth Trends," available at: <https://www.einpresswire.com/article/733128761/Bitcoin-loan-market-is-set-to-fly-high-growth-in-years-to-come-youholder-uniswap-salt-lending>

⁸ International Banker, "Bitcoin's Role in Institutional Finance," available at: <https://internationalbanker.com/brokerage/Bitcoin-at-100000-are-more-gains-ahead-for-crypto/>

Institutional Bitcoin Liquidity Services

The Bitcoin-to-fiat over-the-counter market is experiencing significant growth, with total trading volumes surging 106% year-over-year in 2024.⁹ Institutions now hold approximately 10-15% of Bitcoin's circulating supply, representing \$198-\$297 billion USD in holdings.¹⁰ The global over-the-counter Bitcoin market saw an average daily trading volume of \$1.4 billion USD in 2023, with expectations of continued expansion due to rising demand from corporations, investment funds, and regulated trading platforms.¹¹ In Canada alone, the total institutional Bitcoin trading volume is estimated to be between \$1.5 and \$4.7 billion CAD annually, creating an opportunity for the Corporation to provide liquidity services.¹² The approval of spot Bitcoin ETFs has further accelerated demand, as institutional investors increasingly engage in arbitrage and hedging strategies that require efficient Bitcoin transaction services.¹³ This growing institutional participation reinforces the Corporation's addressable market as a trusted provider of Bitcoin liquidity services in the Canadian market.

Competitive Conditions

The Corporation operates in the Canadian institutional Bitcoin services market, targeting large corporations and regulated crypto asset trading platforms. In the Bitcoin lending space, the Corporation faces competition from several established players in both Canada and global markets. In Canada, Lendn is a leading provider of Bitcoin-backed loans and savings products, known for its transparency and competitive rates, while APX Lending offers secure crypto-backed loans without credit checks, catering to clients seeking immediate liquidity. Globally, decentralized finance platforms like Aave and Compound enable users to lend and borrow cryptocurrencies, including Bitcoin, through decentralized protocols with flexible terms. Major centralized platforms such as Crypto.com provide Bitcoin-backed lending solutions with competitive rates and various repayment options, leveraging their extensive global user bases.

Other competitors, particularly for institutional Bitcoin liquidity services, include Canadian firms such as Coinsquare, Bitbuy, and NDAX, which are all registered Money Services Businesses. Coinsquare and Bitbuy have established themselves as leading platforms for immediate cryptocurrency delivery and fiat-to-crypto on-ramps, while NDAX focuses on providing high-liquidity order books and competitive pricing for institutional investors. On a global scale, competitors with a Canadian presence such as Coinbase Institutional, Galaxy Digital, and Kraken Institutional offer robust liquidity services through over-the-counter trading desks.

Given the Corporation's plan to accumulate and hold a sufficient inventory of Bitcoin on its balance sheet, the Corporation also competes with other firms that accumulate Bitcoin as part of their corporate treasury strategy. Notable competitors include MicroStrategy, which has become synonymous with aggressive Bitcoin accumulation, and public companies like MARA Holdings Inc., Metaplanet Inc., Tesla and Block Inc. that hold Bitcoin on their balance sheets. These companies leverage Bitcoin holdings for long-term appreciation and market positioning, similar to the Corporation's strategic accumulation model. As Bitcoin continues to gain recognition as a store of value and hedge against inflation, the Corporation anticipates that an increasing number of corporations and institutions will adopt similar Bitcoin treasury strategies to diversify their balance sheets and capitalize on potential long-term asset appreciation.

The Corporation differentiates itself through a comprehensive suite of services that includes immediate Bitcoin delivery, institutional lending, collateral solutions, and a focus on Bitcoin Layer 2 infrastructure. Compared to its competitors, the Corporation offers competitive pricing tailored to institutional clients, high-performance transaction execution, and Bitcoin holdings aimed at driving long-term growth. In addition, the Corporation's localized Canadian market focus provide a competitive edge for Canadian institutional clients.

⁹ Finance Magnates, "Wall Street Crypto Fever Drives OTC Trading to Double in 2024," available at:

<https://www.financemagnates.com/cryptocurrency/wall-street-crypto-fever-drives-otc-trading-to-double-in-2024/>

¹⁰ Chainalysis, *2024 Geography of Cryptocurrency Report*, available at: <https://www.chainalysis.com/reports/>

¹¹ Finery Markets, "2024 OTC Market Review," available at:

https://finerymarkets.com/assets/files/FM_2024_OTC_review.pdf

¹² Statista, "Cryptocurrency Market in Canada," available at:

<https://www.statista.com/outlook/fmo/digital-assets/cryptocurrencies/canada>

¹³ Forbes, "Bitcoin Market Outlook 2025," available at: <https://www.forbes.com/sites>

Potential new competition could emerge from traditional financial institutions such as Fidelity Digital Assets and BlackRock, fintech companies like PayPal and Block Inc., blockchain infrastructure startups, and large global exchanges expanding into Canada. Notably, Canadian banks, which have been cautious in entering the cryptocurrency space, may begin offering Bitcoin trading, custody, and lending services to institutional clients as regulatory clarity improves. Regulatory developments may further introduce new competitors with enhanced compliance capabilities. To maintain its competitive position, the Corporation will leverage its deep industry relationships, continue expanding its proprietary infrastructure, and ensure strong regulatory compliance while addressing evolving client needs in liquidity and collateral solutions.

Marketing Plans and Strategies

The Corporation's marketing approach emphasizes thought leadership, strategic partnerships, and targeted digital campaigns to position the Corporation as a trusted institutional Bitcoin partner. The Corporation's products will generally be priced competitively at market rates. This pricing approach, combined with the Corporation's emphasis on thought leadership, will support the Corporation's business objectives and drive client adoption.

Key marketing initiatives include:

Social Media Strategy & PR: Enhancing brand visibility through a strong LinkedIn and Twitter (X) presence with institutional-focused content, market insights, and regulatory updates. Engaging with industry leaders and media to secure thought leadership opportunities in top-tier financial publications. Regular press releases on corporate milestones, partnerships, and industry commentary to establish the Corporation as a trusted voice in institutional Bitcoin services.

Digital & Content Marketing: Leveraging SEO-optimized content, LinkedIn campaigns, and email marketing to highlight the Corporation's expertise, Bitcoin holdings, and innovative lending solutions.

Industry Thought Leadership: Establishing the Corporation as a go-to resource through webinars, and industry events that educate institutional investors on Bitcoin's role in treasury management, lending, and decentralized finance.

Targeted B2B Outreach: Engaging corporate treasurers, asset managers, and crypto asset trading platforms through direct sales efforts, tailored content, and executive networking to showcase our secure and compliant transaction solutions.

Strategic Partnerships: Collaborating with financial institutions, Bitcoin ETF providers, and fintech platforms to integrate the Corporation's services into broader institutional Bitcoin strategies. Additionally, the Corporation will partner with key industry influencers to expand its reach, enhance brand credibility, and engage a wider audience of institutional stakeholders through influencer-driven content and media exposure.

While the exact breakdown remains to be finalized, the Corporation plans to prioritize digital marketing, social media and PR in its first year of operations.

Future Developments

Phase 3: Providing Liquidity to Bitcoin Layer 2 Protocols

The rapid growth of Bitcoin Layer 2 protocols is a critical driver of Bitcoin adoption, enabling faster, cheaper, and more scalable transactions while expanding the utility of the Bitcoin network. The Corporation aims to explore participation in this expansion by supporting liquidity services tailored to the unique requirements of each protocol.

One of the most prominent Layer 2 solutions is the Lightning Network, which facilitates instantaneous Bitcoin payments with minimal fees. As the Lightning Network grows, the demand for liquidity from node operators and payment channels increases. The Corporation will endeavour to act as a liquidity provider to support Lightning nodes in maintaining robust operations. By enabling liquidity, the Corporation will foster the development of Lightning

infrastructure, supporting merchants, payment processors, and individual users who rely on this network for efficient and cost-effective transactions. This approach aligns with the broader need for continued investment in Lightning infrastructure to enable global adoption of Bitcoin as a medium of exchange.

Beyond the Lightning Network, the Corporation is evaluating opportunities to support other Layer 2 protocols that leverage and build upon Bitcoin's unique attributes as a virtual currency. For instance, protocols like Stacks enable smart contract functionality and decentralized applications secured by Bitcoin. The Corporation will be well positioned to provide liquidity and collateral to facilitate the development and expansion of these networks, helping drive innovation in decentralized finance built on Bitcoin.

Additionally, the Liquid Network offers advanced capabilities, such as confidential transactions and tokenized assets, making it a valuable tool for financial institutions and enterprises. The Corporation will explore supplying Bitcoin liquidity and collateralization services to participants in the Liquid ecosystem, empowering businesses to build and scale their operations within this secure and efficient framework.

The Layer 2 ecosystem built on Bitcoin is still in its infancy, characterized by rapid innovation and early-stage development of new protocols and solutions. As this landscape evolves, the Corporation will seek opportunities to participate and serve as an enabler, strategically allocating Bitcoin to these emerging Layer 2 protocols to support their growth and accelerate the next phase of Bitcoin adoption. The Corporation's involvement in nurturing these networks has the potential to generate new revenue streams from routing fees and liquidity provisioning denominated in Bitcoin, contributing to long-term profitability and shareholder accretion. The market for Bitcoin lending and collateral products is nascent and developing rapidly. Opportunities to monetize the Corporation's Bitcoin over time will be evaluated as market conditions change.

Research & Partnership Formation (Months 1–3)

The Corporation intends to conduct in-depth due diligence on Lightning, Stacks, and Liquid protocols, identify technical and legal requirements, and explore potential partnerships with ecosystem providers such as Lightning Pool, Voltage Cloud, Blockstream Greenlight, and relevant Stacks grants programs. During this period, the Corporation plans to establish node-hosting agreements, configure monitoring tools, and define preliminary operational parameters—pending outcomes of legal and compliance reviews.

Lightning Network Pilot (Months 4–6)

Subject to satisfactory Stage 1 findings, the Corporation expects to deploy a pilot Lightning network operation by provisioning two nodes, opening channels via a liquidity marketplace, and providing initial Bitcoin capacity. The Corporation plans to implement dashboards for preliminary tracking of channel performance and fee generation and engage merchant beta partners to test real-world payment flows. Results from this pilot will inform decisions on scaling and operational design in subsequent stages.

Analytical Review & Stacks Pilot Exploration (Months 7–9)

Assuming positive outcomes from the Lightning pilot, the Corporation intends to conduct a structured analysis of fee-optimization models and channel dynamics. Concurrently, the Corporation expects to issue a request for proposals to explore liquidity and yield opportunities in the Stacks ecosystem, including potential developer incentives and BTC-backed decentralized finance pilots. This stage will focus on evaluating technical feasibility, prospective returns, and integration risks.

Liquid Network Exploration & Go-Forward Assessment (Months 10–12)

In the final phase, the Corporation plans a small-scale pilot of collateral services on the Liquid Network, in partnership with interested institutional participants, to assess confidentiality features and tokenization workflows. Based on collective insights across all pilots, the Corporation will compile a comprehensive go-forward recommendation, outlining potential next steps for scaling, risk management, and market engagement.

Marketing & Industry Engagement

The Corporation intends to raise awareness of its Layer 2 initiatives through targeted marketing campaigns and active participation in key industry events. The Corporation plans to engage with developer and enterprise audiences, and to maintain a presence on social channels. The Corporation will also evaluate sponsorship and speaking opportunities at leading Bitcoin and blockchain conferences, with the goal of forging additional partnerships, and soliciting feedback from broader ecosystem stakeholders.

Throughout each stage, all activities are contingent upon successful completion of prior research and piloting, as well as ongoing legal, regulatory, and operational reviews. This phased approach is designed to manage uncertainty, optimize capital deployment, and ensure that any broader rollout aligns with the Corporation's strategic objectives and shareholder interests.

Intangible Properties

The Corporation's business is not heavily reliant on intangible properties.

Cycles

Bitcoin is sensitive to macroeconomic trends such as interest rates, inflation, and market liquidity. Bull and bear cycles in crypto markets can significantly impact investment performance. Additionally, blockchain and cryptocurrency sectors experience cycles driven by technological breakthroughs (e.g., the rise of decentralized finance or non-fungible tokens). These cycles influence market dynamics and the timing of investments. Further market sentiment heavily influences the adoption of new blockchain technologies and cryptocurrencies. Speculative trading can create boom-and-bust cycles, affecting valuations and investment returns.

Economic Dependence

The Corporation's business is not substantially dependent on any one contract.

Changes to Contracts

The Corporation's business is not reasonably expected to be affected in the current financial year by the renegotiation or termination of any contracts or sub-contracts.

Environmental Protection

There are no financial and operational effects of environmental requirements on the capital expenditures, profit or loss and competitive position of the Corporation in the current financial year and none is expected in future years.

Employees

As of the date hereof, the Corporation has one employee, Heather Sim (CFO and Corporate Secretary), and three independent contractors, Elliot Johnson (CEO and CCO), Kaitlin Thompson (COO) and Keith Crone (CMO).

Proprietary Protection

As of the date hereof, the Corporation has not obtained proprietary protection for its products or operations. The Corporation's current structure does not inherently involve proprietary technology, trade secrets, or intellectual property that typically requires protection. The Corporation's management team is committed to regularly evaluating the need for proprietary protection as the business evolves. This assessment will consider the development or use of proprietary technology, partnerships involving confidential information, and potential branding initiatives. If necessary, the Corporation will engage legal counsel to secure IP rights through patents, trademarks, or copyrights, with anticipated timelines of six to twelve months from identification. To safeguard operational know-how and

confidential information, the Corporation will implement measures including confidentiality agreements with employees, consultants, and service providers.

The Corporation's management team will continuously monitor regulatory developments, market changes, and technological advancements to assess the need for proprietary protection. Formal reviews will occur during the Corporation's annual strategic planning process, with additional evaluations conducted for new initiatives. Through this proactive approach, the Corporation aims to ensure that any future proprietary information or processes are adequately protected.

Lending

The Corporation does not currently have any material long term liabilities. If the Corporation is unable to raise the necessary capital to meet its obligations as they become due, the Corporation may have to sell some of its Bitcoin inventory or curtail its operations, including obtaining financing at unfavourable terms.

Bankruptcy and Similar Procedures

There have been no bankruptcy, receivership or similar proceedings against the Corporation, or any voluntary bankruptcy, receivership or similar proceedings by the Corporation, since incorporation or completed during or proposed for the current financial year.

Material Reorganizations

There have been no material reorganizations of the Corporation or any of its subsidiaries since incorporation.

Risk Factors

An investment in the securities of the Corporation is highly speculative, involves a high degree of risk and should be undertaken only by Persons whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Prior to investing in such securities, you should carefully consider the risks described below, together with other information included in or incorporated by reference into this AIF and filed on SEDAR+ at www.sedarplus.ca. If any of the following risks materialize, the business, financial condition, results of operation and future prospects of the Corporation will likely be materially and adversely affected. This could cause actual future events to differ materially from those described in forward-looking statements and may cause the trading price of the Corporation's securities to decline.

The risks presented below should not be considered exhaustive and may not be all the risks the Corporation may face. Management of the Corporation believes that factors set out below could cause actual results to be different from expected and historical results. Other sections of this AIF include additional factors that could have an effect on the business and financial performance of the Corporation's business following the completion of the Transaction. New risks may emerge from time to time and management may not be able to predict all of them, or be able to predict how they may cause actual results to be different from those contained in any forward-looking statements. You should not rely upon forward-looking statements as a prediction of future results. Additional risks and uncertainties not presently known to the Corporation or which the Corporation currently deem immaterial may also impair the Corporation's business operations. If any of the possibilities described in such risks actually occurs, the Corporation's business, financial condition and operating results could be materially adversely harmed. The following risk factors may not be a definitive list of all risk factors associated with the Transaction, an investment in the Corporation or in connection with the Corporation's business or operations.

References below to the "Corporation" refer to the Corporation and all of its subsidiaries, as applicable.

Risks Relating to the Operations of the Corporation

The Corporation's operating results will experience significant fluctuations due to the highly volatile nature of Bitcoin

The Corporation's revenue is derived entirely from activities related to the Bitcoin economy. Due to the highly volatile nature of this economy and the price of Bitcoin, the Corporation's operating results are likely to experience significant fluctuations on a quarterly and annual basis in Canadian dollar terms, the Corporation's operating results are expected to fluctuate significantly as a result of a variety of factors, of which many are outside of the Corporation's control and unpredictable, including:

- the Corporation's ability to attract, retain, and consistently grow its user base;
- changes in the regulatory environment, or actions taken by regulators against the Corporation or its service providers;
- investments the Corporation makes with the Corporation's treasury;
- the Corporation's ability to effectively compete against its competitors;
- pricing for the Corporation's products and services;
- macroeconomic conditions;
- the introduction or development of new technologies, products, or services by the Corporation or its competitors;
- security or privacy breaches;
- the Corporation's ability to attract and retain talent;
- regulatory changes that materially affect the Corporation's ability to offer products or services to customers; and
- system failures or outages regarding both the Corporation's platform and third-party networks.

Due to these factors, it will be difficult for the Corporation's management team to accurately forecast growth trends, particularly in the short to medium term, and makes future prospects difficult to evaluate. Due to the speed of innovation and rapid evolution of the decentralized finance industry, period-to-period comparisons of the Corporation's operating results may not be meaningful or indicative of future results. This volatility may lead to the Corporation's operating results in one or more future quarterly reports to fall below the expectations of market analysts and investors. The combination of these factors may result in the trading price of the Corporation's common stock increasing or decreasing by a significant margin.

The Corporation operates in a heavily regulated environment and any material changes or actions could lead to negative adverse effects to the business model, operational results, and financial condition of the Corporation

The Corporation may be subject to an extensive list of laws, regulations, legal interpretations, agreements, and rules that govern the Corporation's business activities. A considerable amount of these regulations and laws pertaining to the Corporation's proposed activities were instituted prior to the development of Bitcoin or blockchain technology and, as a result, interpretations vary considerably depending on the given organization or government agency involved in policy enforcement. These regulatory regimes are subject to change on a frequent basis and many of the policies set out and enforced in certain jurisdictions conflict with those in another. These frequent changes and regulatory inconsistencies introduce a significant amount of ambiguity in the Corporation's current and future ability to offer services to customers. In the event that a new regulation or piece of legislation restricts the Corporation from offering

products or services, the Corporation may be forced to cease operations in a particular geographic location, or cease to operate entirely.

Evolving cryptocurrency regulatory requirements and the impact on the Corporation's business plan

The complexity surrounding the Corporation's business and the rapidly evolving nature of the industry that the Corporation will operate in will require the Corporation to make frequent judgments on how to approach specific laws, rules, and regulations pertaining to business activities and the products and services the Corporation offers to customers. There is a reasonable probability that regulators or governmental bodies will not agree with the Corporation's conclusions regarding its business model and activities, which may subject the Corporation to financial penalties, place limitations on the Corporation's products and services, damage the Corporation's reputation, or place other regulatory restrictions on operations, all of which may adversely affect the Corporation's business, operational results, and financial condition. If the Corporation is considered an investment fund, it will materially impact the Corporation's ability to raise capital, build an inventory of Bitcoin and execute its business plan.

Bitcoin value risk

Bitcoin has emerged as an alternative form of money, untethered to traditional money and largely unregulated. It is not backed by a central bank, national or international organization, or assets or other credit and the value of Bitcoin is determined by the value that market participants place on them through transactions. A loss of confidence in Bitcoin may lead to the collapse of trading activities and/or an abrupt decrease in the value of Bitcoin. The value of Bitcoin has been very volatile and unpredictable. The Corporation will hold Bitcoin on its balance sheet and in connection with generating revenue. A precipitous drop in the price of Bitcoin that the Corporation will hold will adversely impact the Corporation's operations.

Lending of Bitcoin or other cryptocurrencies and digital assets may be especially risky

The Corporation intends to provide institutional lending of Bitcoin to clients. On termination of the loan, the borrower is required to return the Bitcoin to the Corporation; any gains or loss in the market price during the loan would inure to the Corporation. In the event of the bankruptcy of the borrower, the Corporation could experience delays in recovering its Bitcoin. In addition, to the extent that the value of the Bitcoin increases during the term of the loan, the value of the Bitcoin may exceed the value of collateral provided to the Corporation, exposing the Corporation to credit risks with respect to the borrower and potentially exposing the Corporation to a loss of the difference between the value of the Bitcoin and the value of the collateral. If a borrower defaults under its obligations with respect to a loan of Bitcoin, including by failing to deliver additional collateral when required or by failing to return the Bitcoin upon the termination of the loan, the Corporation may expend significant resources and incur significant expenses in connection with efforts to enforce the loan agreement, which may ultimately be unsuccessful.

Reliance on Key Personnel

The Corporation's development will depend on the efforts of key management and other key personnel. Loss of any of these people, particularly to competitors, could have a material adverse effect on the Corporation's business. Further, with respect to future development of the Corporation's projects, it may become necessary to attract both international and local personnel for such development. The marketplace for key skilled personnel is becoming more competitive, which means the cost of hiring, training and retaining such personnel may increase. Factors outside the Corporation's control, including competition for human capital and the high level of technical expertise and experience required to execute this development, will affect the Corporation's ability to employ the specific personnel required. Due to the relatively small size of the Corporation, the failure to retain or attract a sufficient number of key skilled personnel could have a material adverse effect on the Corporation's business, results of future operations and financial condition. The Corporation does not intend to take out 'key person' insurance in respect of any directors, officers or other employees.

Implementation of the Corporation's Business Plan

The Corporation's future growth, profitability and cash flows depend upon its ability to successfully implement its business plan, which in turn is dependent upon a number of factors including the Corporation's ability to derive value based on its current and planned business lines. The Corporation's current phased business plan may need to be adapted, and the Corporation may not be able to complete all or any of the phases outlined in this AIF.

There can be no assurance that the Corporation can successfully derive value on any or all of these business lines in the manner or time period that it expects. Further, achieving these objectives will require investments which may result in short-term costs exceeding short-term revenues and therefore may be dilutive to the Corporation's earnings. The Corporation cannot provide any assurance that it will realize, in full or in part, the anticipated benefits that the Corporation expects its strategies will achieve. The failure to realize those benefits could have a material adverse effect on the Corporation's business, results of operations and financial condition.

Moreover, the Corporation's future success will also depend on its ability to effectively control and/or reduce costs. There is no guarantee that the Corporation will be able to successfully implement effective cost control systems or otherwise reduce its operating costs, as necessary. If the Corporation is unable to successfully control its operating costs, it may be forced to discontinue operations.

Lack of operating history

The Corporation has a limited operating history. The Corporation will therefore also be 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 Corporation to meet any of these conditions could have a materially adverse effect on the Corporation and may force it to reduce, curtail, or discontinue operations. There is no assurance that the Corporation 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 Corporation may not successfully address all of the risks and uncertainties or successfully implement its existing and new products and services. If the Corporation 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 Corporation accomplishes these objectives, the Corporation may not generate the anticipated positive cash flows or profits. No assurance can be given that the Corporation can or will ever be successful in its operations and operate profitably.

Furthermore, the Corporation's business lines are nascent, unproven and subject to material legal, regulatory, operational, reputational, tax and other risks in every jurisdiction and are not assured to be profitable. The Corporation may fail to be able develop its business lines or produce a return for our investors. The Corporation has chosen to pursue a number of different businesses in an evolving industry. It is possible that some of these businesses may be difficult to enter and/or it may become evident that a particular business is not a productive use of capital or time. In particular it is possible that existing laws and regulations (as interpreted going forward), and newly-enacted laws and regulations that have not yet become effective or been proposed, could make it impractical or impossible for the Corporation to enter into new business lines and may require us to stop engaging in certain business activities that we already perform that may currently be profitable. These difficulties and legal restrictions could lead the Corporation to modify its businesses and focus.

Competitive Conditions

The Corporation is engaged in an industry that is highly competitive, and because its industry is evolving and characterized by rapid technological change, it is difficult for the Corporation to predict whether, when and by whom new competing technologies may be introduced or when new competitors may enter the market. Many of the Corporation's competitors have significantly greater financial and other resources than the Corporation currently (and the Corporation will) possesses and may spend significant amounts of resources to gain market share. The Corporation cannot assure investors that the Corporation 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 Corporation'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 Corporation may be able to, or devote greater resources to the

development, promotion and sale of products than the Corporation may be able to. 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 Corporation's prospective customers. If these competitors were to acquire significantly increased market share, it could have a material adverse effect on the Corporation's business, financial condition or results of operations. The Corporation's competitors may also establish or strengthen co-operative relationships with systems integrators, third-party consulting firms or other parties with whom the Corporation will have relationships, thereby limiting its ability to promote its products. If the Corporation is not able to differentiate its business from that of its competitors, drive value for customers or effectively align its financial and operational resources with its goals and objectives, the Corporation may not be able to compete effectively against its competitors. If the Corporation fails to compete effectively against its competitors, its business and profitability may be adversely affected.

De-Banking and Financial Services Risk

The Corporation relies on access to traditional banking services to conduct its operations, including processing transactions, holding funds, and managing day-to-day financial activities. There is a risk that financial institutions, payment processors, or other service providers may decline to provide, or may terminate, services to the Corporation due to the nature of its business, regulatory pressures, or changes in internal policies. This risk is heightened for businesses involved in the digital asset sector, where financial institutions may view such relationships as higher risk. The loss of access to essential banking services could disrupt the Corporation's operations, delay the execution of its business plan, impair its ability to process transactions, or force reliance on less secure or more expensive alternatives. Such outcomes could have a material adverse effect on the Corporation's business, operational results, financial condition, and reputation.

Anti-Money Laundering and Corrupt Business Practices

The Corporation may conduct business in regions which have experienced high levels of business corruption and other criminal activity. The Corporation and its personnel are required to comply with applicable anti-bribery laws, including the Canadian *Corruption of Foreign Public Officials Act*, as well as local laws in all areas in which the Corporation does business. These, among other things, include laws in respect of the monitoring of financial transactions and provide a framework for the prevention and prosecution of corruption offences, including various restrictions and safeguards. However, there can be no guarantee that these laws will be effective in identifying and preventing money laundering terrorism financing and sanctions circumvention and corruption. The failure of some of the governments where the Corporation does business to fight corruption or the perceived risk of corruption could have a material adverse effect on the local economies. Any allegations of corruption or evidence of money laundering in those countries could adversely affect the ability of those countries to attract foreign investment and thus have a material adverse effect on its economy which in turn could have a material adverse effect on the Corporation's business, results of operations and financial condition. Moreover, findings against the Corporation, the directors, the officers or the employees of the Corporation, or their involvement in corruption or other illegal activity could result in criminal or civil penalties, including substantial monetary fines, against the Corporation, the directors, the officers or the employees of the Corporation. Any government investigations or other allegations against the Corporation, the directors, the officers or the employees of the Corporation, or finding of involvement in corruption or other illegal activity by such persons, could significantly damage the Corporation's reputation and its ability to do business and could have a material adverse effect on the Corporation's business, results of operations and financial condition.

The Corporation seeks to implement anti-money laundering measures, counter terrorism financing ("CTF"), KYC, sanctions policies, and other policies and procedures that are consistent with Canadian, United States, and applicable foreign laws and regulations surrounding anti-money laundering matters, foreign corrupt practices and terrorist financing. Nonetheless, the Corporation may not be able to prevent illegal or corrupt activity from occurring on or through its services.

The Corporation currently does and will in the future rely on third-party service providers to assist it in complying with anti-money laundering, CTF and sanctions matters, and other corrupt practices legislation, and there can be no assurances that such service providers will detect or prevent all real or potential illegal activity or comply with all aspects of applicable law and regulation. Any failure of the Corporation or its service providers to comply with anti-

money laundering, CTF, sanctions, KYC or other foreign corrupt practices legislations or regulations could have a material adverse effect on the Corporation's business, results of operations and financial condition.

Additional Capital

The Corporation plans to focus on further developing and commercializing its operations and will use its working capital to carry out such initiatives. However, this may require substantial additional financing. Further expansion of the Corporation's business may be dependent upon its ability to obtain financing through equity or debt, and there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further development of the Corporation's planned initiatives.

Financing Risks

The Corporation may require financing in the future to continue to develop its business. As at the Effective Time, it is expected that the Corporation will have sufficient cash and cash equivalents, although the Corporation has no source of operating cash flow and no assurance that additional funding will be available to it for development of its Bitcoin services. If financing is obtained by issuing Shares, control of the Corporation may change, and investors may suffer additional dilution. To the extent financing is not available, lease payments, work commitments, rental payments, and option payments, if any, may not be satisfied and could result in a loss of property ownership or earning opportunities for the Corporation.

Global Financial Conditions

Recent global financial conditions have been characterized by increased volatility and access to public financing. These conditions may affect the Corporation's ability to obtain equity or debt financing in the future on terms favourable to the Corporation or at all. If such conditions continue, the Corporation's operations could be negatively impacted.

Insurance and Uninsured Risks

The Corporation's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, disputes, and changes in the regulatory environment. Such occurrences could result in damage to production facilities, personal injury or death, monetary losses and possible legal liability.

Although the Corporation may maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with a Corporation's operations. The Corporation may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Losses from these events may cause the Corporation to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Cybersecurity Risks

The Corporation depends on information technology infrastructure and systems hosted internally and outsourced, to process, transmit and store electronic data and financial information (including proprietary or confidential information), and manage business operations. Its business requires the appropriate and secure utilization of sensitive, confidential or personal data or information belonging to its employees, customers and partners. In addition, proprietary or confidential information may be stored on IT Systems of the Corporation's suppliers, customers and partners. Increased global cybersecurity vulnerabilities, threats and more sophisticated and targets cyber-related attacks pose a risk to the security of the Corporation's and its customers', partners', suppliers' and third-party service providers' information technology systems and the confidentiality, availability and integrity of the Corporation's and its customers' and partners' data or information. While the Corporation has engaged services to address these threats, including monitoring of networks and systems, hiring of experts, employee training and security policies for employees, it may face difficulties in anticipating and implementing adequate preventative measures and remain

potentially vulnerable. The Corporation must rely on its own safeguards as well as the safeguards put in place by its suppliers, customers and partners to mitigate the threats. Its internal systems are audited for cybersecurity vulnerabilities by third party security firms to ensure the Corporation is prepared for new and emerging threats. Its suppliers, customers and partners have varying levels of cybersecurity expertise and safeguards, most have yearly compliance audits that are available upon request.

An information technology system failure or non-availability, cyber-attack or breach of systems security could disrupt its operations, cause the loss of, corruption of, or unauthorized access to sensitive, confidential or personal data or information or expose it to regulatory investigation, litigation or contractual penalties. The Corporation's customers, partners or governmental authorities may question the adequacy of cybersecurity processes and procedures and this could have a negative impact on existing business or future opportunities. Furthermore, given the highly evolving nature of cybersecurity threats or disruptions and their increased frequency, the impact of any future incident cannot be easily predicted or mitigated, and the costs related to such threats or disruptions may not be fully insured or indemnified by other means.

Changes to bank fees or practices, or payment card networks

The Corporation will be reliant on banks and other payment processors to process transactions and must pay fees for their services. Payment card networks, from time to time, increase their fees for each transaction that accesses their networks, and the cost of these increased fees may be passed on to the Corporation by payment processor(s), who may also increase their fees for payment processing. Any increase in these fees could increase operating costs and reduce the Corporation's profitability.

Audit of Tax Filings

The Corporation's taxes may be affected by a number of factors, some of which are outside of its control, including the application and interpretation of the relevant tax laws and treaties. Regulations relating to Bitcoin and other digital assets are new, evolving, and subject to frequent change, which may also include tax rules that could materially affect the Corporation's long-term business prospects. If the Corporation's filing position, application of tax incentives or similar "holidays" or benefits were to be challenged for whatever reason, this could have a material adverse effect on its business, results of operations and financial condition. The Corporation may be subject to routine tax audits by various tax authorities. Tax audits may result in additional tax, interest payments and penalties which would negatively affect the Corporation's financial condition and operating results. New laws and regulations or changes in tax rules and regulations or the interpretation of tax laws by the courts or the tax authorities may also have a substantial negative impact on the Corporation's business. There is no assurance that the Corporation's current financial condition will not be materially and adversely affected in the future due to such changes.

Market for the Shares and the Convertible Debentures

There can be no assurance that an active market for the Shares will develop or be sustained. If an active public market for the Shares does not develop, the liquidity of a purchaser's investment may be limited, and the share price may decline.

Market Price of the Shares

The Shares do not currently trade on any exchange or market. Securities of micro-cap and small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries. The price of the Shares is also likely to be significantly affected by short-term changes in the market's appetite for crypto companies or in its financial condition or results of operations as reflected in its quarterly earnings reports. Other factors unrelated to the Corporation's performance that may have an effect on the price of the Shares include the following: (i) the extent of analytical coverage available to investors concerning the Corporation's business may be limited if investment banks with research capabilities do not follow the Corporation's securities; (ii) lessening in trading volume and general market interest in the Corporation's securities may affect an investor's ability to trade significant numbers of the Shares; (iii) the size of the Corporation's

public float may limit the ability of some institutions to invest in the Corporation's securities; and (iv) a substantial decline in the price of the Corporation that persists for a significant period of time could cause the Corporation's securities, if listed on an exchange, to be delisted from such exchange, further reducing market liquidity.

As a result of any of these factors, the market price of the Shares at any given point in time may not accurately reflect the Corporation's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Corporation may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

The fact that no market currently exists for the Shares may affect the pricing of the Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Shares and the extent of the regulations to which the Corporation is subject.

Conflicts of Interest

There are potential conflicts of interest to which the directors and officers of the Corporation will be subject to in connection with the operations of the Corporation. In particular, certain of the directors and officers of the Corporation are involved in managerial or director positions with Evolve whose operations may, from time to time, be in direct competition with those of the Corporation or with entities which may, from time to time, provide financing to, or make equity investments in, competitors of the Corporation. Any decision made by any of such directors and officers involving the Corporation should be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Corporation and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the ABCA and other applicable laws.

Internal Controls

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, and not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation. The Corporation has a very limited history of operations and has not made any assessment as to the effectiveness of its internal controls. Though the Corporation intends to put into place a system of internal controls appropriate for its size, and reflective of its level of operations, there are limited internal controls currently in place.

In contrast to the certificate required for non-venture issuers under NI 52-109, the Corporation's certifying officers, as a venture issuer, are not required to make representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. In particular, the certifying officers of the Corporation will not be required to make any representations that they have:

- (a) designed, or caused to be designed, disclosure controls and procedures to provide reasonable assurance that information required to be disclosed by the Corporation 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) designed, or caused to be designed, internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis disclosure controls and procedures and internal control over financial reporting may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Tariffs and the imposition of other restrictions on trade could adversely affect the Corporation's business

In February 2025, the United States imposed a 25% tariff on imports from countries including Canada. In response, the Canadian government announced retaliatory tariffs on imports from the United States. After an initial delay the tariffs were implemented in March 2025. The Corporation is reviewing its exposure to the potential tariffs and alternatives to inputs sourced from suppliers that may be subject to the tariffs. There is uncertainty on the ultimate effect on the Corporation's supply costs. Other countries may also adopt other protectionist measures including tariffs, trade barriers and other protectionist or retaliatory measures that could limit the Corporation's ability to procure goods and services either in response to the US Government's imposition of tariffs or otherwise. Such tariffs or retaliatory actions taken by governments could adversely impact the Corporation's business, financial condition and profitability.

Force Majeure Events

The Corporation may be negatively affected by force majeure events, which are incidents that are beyond the Corporation's control or reasonable foresight. Examples of force majeure events include, but not limited to, an act of God or natural disasters, acts of terrorism, voluntary or involuntary compliance with any regulation, law or order of any government, acts of war (whether war be declared or not), labor strike or lock-out, civil commotion, epidemic, failure or default of public utilities or common carriers, destruction of facilities or materials by fire, earthquake, storm or like catastrophe. These events may prevent the Corporation from carrying on business, restrict access to supplies or clients, or inflict damage on its assets.

Risk of Litigation

The Corporation may become involved in disputes with third parties, including regulatory authorities and governmental bodies, which may result in litigation or regulatory proceedings. There is a reasonable probability that regulators or governmental bodies may not agree with the Corporation's conclusions regarding its business model and activities. Any such disagreements may subject the Corporation to financial penalties, place limitations on its products and services, damage its reputation, or impose other regulatory restrictions on its operations. The outcome of any litigation or regulatory proceeding is inherently uncertain. If the Corporation is unable to resolve such matters favourably, it could have a material adverse effect on its business, operational results, financial condition, and ability to carry out its business plan.

As an enterprise whose material planned business lines include financial services, the Corporation will depend to a significant extent on its relationships with its clients and its reputation for integrity and high-caliber professional services. As a result, if a client is not satisfied with the Corporation's services or if there are allegations of improper conduct by private litigants or regulators, whether the ultimate outcome is favorable or unfavorable to the Corporation, or if there is negative publicity and press speculation about the Corporation, whether or not valid, that may harm the Corporation's reputation and may be more damaging to the Corporation's businesses than to businesses in other non-financial industries.

Pandemics or Other Health Crisis

The Corporation's business, operations and financial condition could be materially adversely affected by the outbreak of pandemics or other health crises, such as the outbreak of COVID-19 that was designated as a pandemic by the World Health Organization on March 11, 2020. Such public health crises can result in operating, supply chain and project development delays and disruptions, global stock market and financial market volatility, declining trade and market sentiment, reduced movement of people and supply shortages, and travel and shipping disruption and shutdowns, including as a result of government regulation and prevention measures, or a fear of any of the foregoing, all of which could affect commodity prices, interest rates, credit risk and inflation. In addition, any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions which may adversely impact the Corporation's operations, and the operations of suppliers, contractors and service providers.

The Corporation may experience business interruptions, including suspended (whether government mandated or otherwise) or reduced operations relating to a public health crisis and other such events outside of its control, which could have a material adverse impact on its business, operations and operating results, financial condition and liquidity.

Acquisitions and Integration

From time to time, it can be expected that the Corporation will examine opportunities to acquire additional related assets and businesses. Any acquisition that the Corporation may choose to complete may be of a significant size, may change the scale of the Corporation's business and operations, and may expose the Corporation to new operating and financial risks. The Corporation's success in its acquisition activities depends upon its ability to identify suitable acquisition candidates, negotiate acceptable terms for any such acquisition, and integrate the acquired operations successfully with those of the Corporation. Any acquisitions would be accompanied by risks. In the event that the Corporation chooses to raise debt capital to finance any such acquisitions, the Corporation's leverage will be increased. If the Corporation chooses to use equity as consideration for such acquisitions, existing shareholders may suffer dilution. Alternatively, the Corporation may choose to finance any such acquisitions with its existing resources. There can be no assurance that the Corporation would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.

Risk of Dilution of Corporation securities

While the Corporation believes that it is well financed to carry out its business plans in the near term, the Corporation may require additional monies to fund research and development programs and potential acquisitions. The Corporation cannot predict the size of future issuances of the Shares or the issuance of debt instruments or other securities convertible into Shares. Likewise, the Corporation cannot predict the effect, if any, that future issuances and sales of the Corporation's securities will have on the market price of the Shares. If the Corporation raises additional funds by issuing additional equity securities, such financing may substantially dilute the interests of existing shareholders. Sales of substantial numbers of the Shares, or the availability of such Shares for sale, could adversely affect prevailing market prices for the Corporation's securities.

Dividend Policy

No dividends on the Shares have been paid by the Corporation to date. Investors in the Corporation's securities cannot expect to receive a dividend on their investment in the foreseeable future, if at all. Accordingly, it is unlikely that investors will receive any return on their investment in the Corporation's securities other than through possible share price appreciation.

A significant decrease in the market value of the Corporation's Bitcoin holdings could adversely affect the Corporation's ability to satisfy its financial obligations

The Corporation's ability to obtain equity or debt financing may in turn depend on, among other factors, the value of its Bitcoin holdings, investor sentiment, and the general public perception of Bitcoin, the Corporation's strategy and the Corporation's value proposition. Accordingly, a significant decline in the market value of the Corporation's Bitcoin holdings, or a negative shift in these other factors, may create liquidity and credit risks. As such, a decline or such shifts may adversely impact the Corporation's ability to secure sufficient equity or debt financing to satisfy the Corporation's financial obligations, including our debt and cash dividend obligations. These risks could materialize at times when Bitcoin is trading below its carrying value on the Corporation's most recent balance sheet or cost basis. As Bitcoin constitutes the vast bulk of assets on the Corporation's balance sheet, if the Corporation is unable to secure equity or debt financing in a timely manner, on favorable terms, or at all, the Corporation may be required to sell Bitcoin to satisfy these obligations. Any such sale of Bitcoin may have a material adverse effect on the Corporation's operating results and financial condition, and could impair the Corporation's ability to secure additional equity or debt financing in the future. The inability to secure additional equity or debt financing in a timely manner, on favorable terms or at all, or to sell the Corporation's Bitcoin in amounts and at prices sufficient to satisfy financial obligations, including debt service and cash dividend obligations, could cause the Corporation to default under such obligations. Any default on the Corporation's current or future indebtedness or preferred stock may have a material adverse effect on the Corporation's financial condition.

It is unusual for a new, unestablished enterprise to commence operations with as much capital as the Corporation raised in the Concurrent Financing, which presents unique risks

The Corporation intends to commence its operations with significantly more capital than startup businesses with no proven track record or operating history are generally able to attract. While the proceeds of the Concurrent Financing will likely assist the Corporation in establishing its operations rapidly, there are risks involved with putting large amounts of capital to work without established systems, personnel and clients. In particular, the Corporation may not be able to deploy its capital as efficiently as established companies and may not be able to generate a return on its capital for a significant period of time.

The Corporation's planned business lines require a Money Services Business registration and may require regulatory licenses and qualifications that the Corporation does not currently have and that may be costly and time-consuming to obtain and, if obtained, may be subsequently revoked

The Corporation's planned business lines involve certain activities which require a Money Services Business registration. The Corporation cannot implement certain aspects of its planned business without the Money Services Business registration, and receipt of such registration has been delayed due to factors outside the control of the Corporation. If the Corporation does not obtain a Money Services Business registration, its planned business will be materially impacted.

The Corporation's planned business lines involve certain activities which may also require additional regulatory licenses and qualifications such as dealing, management and advisory activities. These activities are often subject to material, costly and constraining financial regulation in jurisdictions worldwide. The Corporation does not yet hold the required licenses and qualifications to engage in such activities. The process of acquiring these licenses and qualifications will be costly and time-consuming, will occupy material management attention and is not certain to be successful, given that the Corporation may not meet the requirements for such licenses or qualifications or may fail to secure discretionary approval of relevant regulatory bodies. The law and regulation surrounding the operation of financial businesses with respect to digital assets is also unclear, uncertain, rapidly evolving and not assured to develop in a way that is favorable to the Corporation. There is a risk that many of the Corporation's business plans could be outlawed in many jurisdictions around the world.

The Corporation's use of proprietary and non-proprietary software, data and intellectual property may be subject to substantial risk

The Corporation's investment strategy will rely heavily on the use of proprietary and non-proprietary software, data and intellectual property of the Corporation and third parties in the digital asset sector. The reliance on this technology and data is subject to a number of important risks. First, the operation of any element of the cryptocurrencies or digital assets network or any other electronic platform may be severely and adversely affected by the malfunction of its technology and the technology of third parties. For example, an unforeseen software or hardware malfunction could occur as a result of a virus or other outside force, or as result of a design flaw in the design and operation of the network or platform. Furthermore, if the Corporation's software, hardware, data or other intellectual property is found to infringe on the rights of, or the Corporation's rights therein are found to be infringed upon by, any third party, the underlying value of the assets of the Corporation could be materially and adversely affected.

Early market development state

The Corporation is currently in an early development stage and its growth and success is heavily dependent upon the Corporation's ability to develop a market for its services. The existence of a market for its services is wholly dependent upon the Corporation's efforts to create and establish such market. The Corporation has currently developed and targeted its services for, and substantially all of the Corporation's revenues for the foreseeable future will be derived from, institutional-grade Bitcoin services, including lending, liquidity, and collateral solutions for institutional services. Should this market cease to exist, fail to grow or grow more slowly than anticipated, or become saturated with competitors, the Corporation's business, financial condition and results of operations could be adversely affected.

Failure to protect its intellectual property

Failure to protect the Corporation's intellectual property could harm its ability to compete effectively. The Corporation is highly dependent on its ability to protect its proprietary technology. The Corporation 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 Corporation, and subsequently the Corporation, intends to protect its rights vigorously. However, there can be no assurance that these measures will, in all cases, be successful. Enforcement of the Corporation and the Corporation's intellectual property rights may be difficult, particularly in some nations outside of North America in which the Corporation 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 will make it more difficult to ensure consistent protection of the Corporation's proprietary rights. Software piracy has been, and is expected to be, a persistent problem for the software industry, and piracy of the Corporation's services represents a loss of revenue to the Corporation. Despite the precautions the Corporation 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 Corporation regards as proprietary. Also, the Corporation's competitors could independently develop technologies that are perceived to be substantially equivalent or superior to the Corporation's technologies. The Corporation's competitive position may be materially adversely affected by its possible inability to effectively protect its intellectual property.

The success of the Corporation's core business services will depend on generating and maintaining ongoing, profitable client demand for its services and resolutions, and the failure of that demand to materialize or any future significant reduction in such demand or an inability to respond to the evolving technological environment could materially negatively affect the Corporation's core business services

The success of the Corporation's business will depend on creating and maintaining a demand for its services and solutions with favorable margins. The ability to realize or maintain this demand could be negatively affected by numerous factors, many of which will be beyond the control of the Corporation and unrelated to its future work product. Developments in the digital asset industry, which are expected to be rapid, could shift demand to new services and solutions. If, as a result of new technologies or changes in the industries the Corporation serves, or clients demand new services that the Corporation does not or is unable to provide, the Corporation may be less competitive in these new areas or need to make significant investment to meet that demand. The Corporation's strategy for developing its lending and liquidity business focuses on responding to these types of developments by driving innovation that will enable the Corporation to expand its lending and liquidity business into new growth areas. If the Corporation does not sufficiently invest in new technology and adapt to industry developments, or evolve and expand its business at sufficient speed and scale, the success or even the viability of the Corporation's business would be negatively affected.

Furthermore, the Corporation intends to provide lending and liquidity services in the digital asset industry. This is a rapidly evolving environment in which there currently are, and the Corporation expects that there will continue to be, new entrants, including those with new or improved technologies. New services or technologies offered by competitors or new entrants may make the Corporation's services less differentiated or less competitive when compared to other alternatives, which may adversely affect the success or even the viability of the Corporation's business.

Risks Related to Bitcoin Inventory

Bitcoin Price Volatility

Bitcoin's trading history is marked by extreme volatility, with sudden and significant price fluctuations. Such volatility can lead to substantial financial losses for the Corporation, in Canadian dollar terms. Volatility in the price of Bitcoin could also hinder demand for the Corporation's services. Volatility in the value of Bitcoin held in inventory could also impair the ability of the Corporation to invest capital in the development of its business activities and retention of key employees or contractors.

Custodial Risks

Bitcoin custody requires a high degree of technical and operational expertise. The Corporation will rely upon external third parties for these services each of whom are expected to be operating using industry best practices, and have sufficient expertise, skills and experience to ensure effective and secure custody of the Bitcoin held. Despite these efforts it remains possible that failures in the custody activities, personnel or technology result in the irreversible loss of Bitcoin owned by the Corporation.

Technological Vulnerabilities

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

Bitcoin transactions are irreversible and may result in significant losses, including as relates to the custody of our Bitcoin

Bitcoin transactions are irreversible, and any Bitcoin lost, stolen or incorrectly transferred between parties (including by the Corporation or the Corporation employees and third party service providers) may be irretrievable. Once a transaction has been validated by nodes on the network and recorded on the blockchain, there is no reasonable method by which to retrieve those assets without the direct cooperation of the entity receiving the Bitcoin. In recent years, the cryptocurrency industry has experienced significant thefts resulting from security breaches, unauthorized access, and other cyberattacks, which have led to the permanent loss of substantial amounts of digital assets.

The Corporation cannot guarantee the security of any third party platforms or custodians it may use.

In the event of theft, there will be no recourse available to restore ownership of stolen assets. An incorrectly placed Bitcoin transaction cannot be reversed, which will result in the permanent loss of Bitcoin.

The need to adopt technology in response to changing security threats poses a challenge to the safekeeping of the Corporation's Bitcoin or other cryptocurrency and digital asset holdings

Holders of cryptocurrencies and digital assets must adapt to technological change to secure and safeguard accounts. As technological change occurs, the security threats to the Corporation's Bitcoin and other cryptocurrency and digital asset holdings will likely adapt, and previously unknown threats may emerge. Furthermore, the Corporation may become a greater target of security threats as the Corporation's size and reputation increases. If the Corporation is unable to identify and mitigate or stop new security threats, the Corporation's Bitcoin and other assets may be subject to theft, loss, destruction or other attack, which could result in a loss of the Corporation's assets or materially and adversely affect the Corporation's investment, trading and lending strategies, the value of its assets and the value of any investment in the Corporation.

Short History Risk

Bitcoin is just under a decade old, which makes it one of the youngest multi-billion dollar assets in the world. Due to this short history, it is not clear how all elements of Bitcoin will unfold over time, specifically with regard to governance between miners, developers and users, as well as the long-term security model as the rate of inflation of Bitcoin decreases. Since the Bitcoin community has successfully navigated a considerable number of technical and political challenges since its inception, the Board believes that it will continue to engineer its way around future challenges. The history of open-source software development would indicate that vibrant communities are able to change the software under development at a pace sufficient to stay relevant. Furthermore, in Bitcoin's short life it has

amassed computer power that is more than a hundred-fold more powerful than Google, which makes it robust against nefarious actors.¹⁴ That said, the continuation of such vibrant communities is not guaranteed, and insufficient software development or any other unforeseen challenges that the community is not able to navigate could have an adverse impact on the business activities of the Corporation.

Limited History of the Bitcoin Market

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

Potential Decrease in the Global Demand for Bitcoin

Factors contributing to decreased demand in Bitcoin may include heightened concerns regarding theft and security vulnerabilities, particularly in light of recent high profile cybersecurity breaches affecting cryptocurrency exchanges and custodians. The association of Bitcoin with illicit activities and use by bad actors may also discourage adoption among legitimate users and institutional investors. In addition, adverse regulatory developments, such as restrictive legislation, enhanced compliance requirements, or outright bans in key markets, may further limit demand. The emergence of competing digital currencies, including those issued or endorsed by governments or major corporations, could also divert interest and capital away from Bitcoin, negatively impacting its market value and long term viability, and having a material adverse effect on the financial condition of the Corporation. Furthermore, if Bitcoin's adoption as a medium of exchange declines—whether due to technological limitations, regulatory restrictions, transaction costs, or the availability of more efficient alternatives—the overall demand for Bitcoin could diminish.

Investors should be aware that there is no assurance that Bitcoin will maintain its long term value in terms of purchasing power in the future or that the acceptance of Bitcoin for payments by mainstream retail merchants and commercial businesses will continue to grow. As relatively new products and technologies, Bitcoin has only recently become widely accepted as a means of payment for goods and services by many major retail and commercial outlets, and use of Bitcoin by consumers to pay such retail and commercial outlets remains limited. Banks and other established financial institutions may refuse to process funds for Bitcoin transactions, process wire transfers to or from Bitcoin trading platforms, Bitcoin related companies or service providers, or maintain accounts for persons or entities transacting in Bitcoin for a number of reasons, such as perceived compliance risks or costs. The Corporation's inability to procure or keep banking services would have a material and adverse effect on the Corporation. Similarly, continued general banking difficulties may decrease the utility or value of Bitcoin and other cryptocurrencies and digital assets or harm public perception of those assets. Any of these occurrences could materially and adversely affect the Corporation's investment, trading and lending strategies, the value of its assets and the value of any investment in the Corporation.

Conversely, a significant portion of Bitcoin demand is generated by speculators and investors seeking to profit from the short or long-term holding of Bitcoin. Price volatility undermines Bitcoin's role as a medium of exchange as retailers are much less likely to accept it as a form of payment. Market capitalization for Bitcoin therefore, as a medium of exchange and payment method, may continue to be low. A lack of expansion by Bitcoin into retail and commercial markets, or a contraction of such use could adversely impact the long term business plan of the Corporation. Management believes that, like any commodity, Bitcoin will fluctuate in value, but over time will gain a level of acceptance as a store of value, similar to precious metals.

Economic and Political Factors

Global economic instability or political events may influence Bitcoin's price. For instance, large-scale sales triggered by economic crises could lead to significant price declines.

¹⁴ <https://www.cryptocoinsnews.com/Bitcoin-100-times-powerful-google/>.

Top Bitcoin Holders Control a Significant Percentage of the Outstanding Bitcoin

The top 100 Bitcoin addresses hold roughly 14% of the Bitcoin supply. While this concentration has decreased significantly over the years it is still concentrated. If one of these top holders were to exit their Bitcoin position it could cause volatility that may adversely affect the price of Bitcoin, which could adversely impact the business prospects of the Corporation.

The concentration of our Bitcoin holdings enhances the risks inherent in our treasury strategy

The concentration of our Bitcoin holdings limits the risk mitigation that we could achieve if we were to purchase a more diversified portfolio of treasury assets, and the absence of diversification enhances the risks inherent in our treasury strategy. The price of Bitcoin experienced a significant decline in 2022, and this had, and any future significant declines in the price of Bitcoin would have, a more pronounced impact on our financial condition than if we used our cash to purchase a more diverse portfolio of assets.

Availability of Exchange Traded Products

The availability of spot exchange-traded products for Bitcoin and other digital assets may adversely affect the market for the Shares and the Convertible Debentures.

Liquidity

The Corporation's holdings are less liquid than cash and cash equivalents, and may not be able to serve as a source of liquidity for the Corporation to the same extent as cash and cash equivalents.

Leverage

When the Corporation makes investments in Bitcoin, borrows cash for investment purposes, or uses physical short sales on equities, fixed income securities, or other portfolio assets, leverage may be introduced. Leverage occurs when the Corporation's notional exposure to underlying assets is greater than the amount invested. It is an investment technique that can magnify gains and losses. Consequently, any adverse change in the value or level of the underlying asset, rate, or index may amplify losses compared to those that would have been incurred if the underlying asset had been directly held by the Corporation, and may result in losses greater than the amount invested in the derivative itself. Leverage may increase volatility, may impair the Corporation's liquidity, and may cause the Corporation to liquidate positions at unfavourable times.

Security Breaches

If the Corporation or its third-party service providers experience a security breach or cyberattack and unauthorized parties obtain access to the Corporation's Bitcoin, or if the Corporation's private keys are lost or destroyed, or any other similar circumstance takes place, the Corporation may lose some or all of its Bitcoin and its financial condition and results of operations could be materially adversely affected.

Bitcoin does not pay interest or dividends

Bitcoin does not pay interest or other returns and we can only generate cash from our Bitcoin holdings if we sell our Bitcoin or implement strategies to create income streams or otherwise generate cash by using our Bitcoin holdings. Even if we pursue any such strategies, we may be unable to create income streams or otherwise generate cash from our Bitcoin holdings, and any such strategies may subject us to additional risks.

Changes in the accounting treatment of Bitcoin could have significant accounting impacts, including increasing volatility of our results

The broader digital assets industry, including the technology associated with digital assets, the rate of adoption and development of, and use cases for, digital assets, market perception of digital assets, and the legal, regulatory, and

accounting treatment of digital assets are constantly developing and changing, all of which may have a material impact on our financial results in future periods, increase the volatility of our financial results, and affect the carrying value of Bitcoin on our balance sheet. There may be additional risks in the future that are not possible to predict.

Use of Available Funds

The Corporation's management has broad discretion in using the available funds following the Transaction in ways that it deems most efficient. The application of the funds to various items may not benefit the business or increase its value. If funds are not applied effectively, this misapplication could adversely affect its business, results of operations and financial condition.

Uncertainty of Use of Proceeds

Although the Corporation has set out its intended use of proceeds, these intended uses are estimates only and subject to change. While the Corporation's management does not contemplate any material variation, management does retain broad discretion in the application of such proceeds. The failure by the Corporation to apply these funds effectively could have a material adverse effect on the Corporation's business, including the Corporation's ability to achieve its stated business objectives.

Liquidity Risk

Liquidity risk arises through the excess of financial obligations due over available financial assets at any point in time. The Corporation's objective in managing liquidity risk will be to maintain sufficient readily available cash reserves and credit in order to meet its liquidity requirements at any point in time. The total cost and planned timing of acquisitions and/or other development or construction projects is not currently determinable, and it is not currently known precisely when the Corporation will require external financing in future periods.

Share Price Fluctuations

In recent years, securities markets have experienced a high level of price and volume volatility. The securities of many companies have experienced wide fluctuations in market prices which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that the price of the Shares will be unaffected by any such volatility.

DIVIDENDS AND DISTRIBUTIONS

No dividends on the Shares have been paid by the Corporation to date. Investors in the Corporation's securities cannot expect to receive a dividend on their investment in the foreseeable future, if at all. Accordingly, it is unlikely that investors will receive any return on their investment in the Corporation's securities other than through possible share price appreciation.

DESCRIPTION OF CAPITAL STRUCTURE

The Corporation has two classes of issued and outstanding shares, the Shares and the Preferred Shares. Each Share is entitled to one vote, has the right to receive dividends if and when declared by the Board and the right to receive property upon dissolution. Preferred Shares may be issued from time to time in one or more series. Each Preferred Share is entitled to the rights, privileges, restrictions and conditions attached to it when issued. With respect to the payment of dividends and the distribution of assets or return of capital upon dissolution, Preferred Shares have preference over Shares or any other shares of the Corporation.

Holder of Shares have no pre-emptive, conversion or subscription rights, and there is no redemption or sinking fund provisions. The Directors may fix from time to time the designation, rights, privileges, restrictions and conditions attaching to each series of Preferred Shares including, without limiting the generality of the foregoing, any voting rights, the rate or amount of dividends or the method of calculating dividends, the dates of payment thereof, the terms and conditions of redemption, purchase and conversion if any, and any sinking fund or other provisions.

Share Capital

As of the date hereof, the Corporation has issued and outstanding: (i) 10,075,080 Shares; (ii) 2,431,667 Warrants entitling the holders thereof to acquire an aggregate of 2,431,667 Shares at a price of \$0.001 per Share exercisable for a period of ten (10) years from the date of issuance; and (iii) 25,000 Convertible Debentures with 2,083,333 Shares reserved for issuance upon conversion of the Convertible Debentures.

To the knowledge of the Board and senior officers of the Corporation, as of the date hereof, there are no persons or companies beneficially owning or controlling or directing, directly or indirectly, shares carrying 10% or more of the voting rights attached to all outstanding shares of the Corporation.

As of the date hereof, there are no issued and outstanding Preferred Shares.

MARKET FOR SECURITIES

Trading Price and Volume

The Shares are listed for trading on the TSXV under the symbol “BTCT”.

The following table sets out the price ranges and trading volumes on the TSXV of the Shares as of the date of this AIF:

	High (\$)	Low (\$)	Volume
June 30, 2025	11.00	9.00	198,907

Prior Sales

The following table details the issuances of securities by the Corporation during the year ended December 31, 2024 and prior to the date hereof, as part of each class of securities of the Corporation that is not listed or quoted on the marketplace.

Date	Type of Security	Number of Securities	Price per Security	Aggregate Gross Proceeds
June 23, 2025	Convertible Debenture Subscription Receipts	25,000	\$1,000.00	\$25,000,000
June 23, 2025	Warrants	2,431,667	NA ⁽¹⁾	NA

Note:

- (1) The Warrants are exercisable to acquire an aggregate of 2,431,667 Shares at a price of \$0.001 per Share, which are exercisable for a period of ten (10) years from the date of issuance.

Except as disclosed in the notes to the table above, no sales of the securities were made to Non-Arm’s Length Parties of BTCT.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTIONS ON TRANSFER

As of the date hereof and pursuant to the policies of the Exchange, the following Shares and Warrants are being held pursuant to a Tier 1 Escrow Agreement:

Designation of Class	Number of Securities Held in Escrow	Percentage of Class
Shares	14,597	0.14%
Warrants	2,431,667	100%

The value securities are subject to a Escrow Agreement among the certain shareholders of the Corporation and the Subscription Receipt Escrow Agent, pursuant to the policies of the TSXV. Under the Escrow Agreement, the Escrow Securities will be released as follows:

Percentage of Securities Released from Escrow	Release Date
25%	June 24, 2025
25%	December 24, 2025
25%	June 24, 2026
25%	December 24, 2026

The Escrow Securities held pursuant to the Escrow Agreement may not be sold, assigned, transferred, redeemed, surrendered or otherwise dealt with in any manner except as provided by the Escrow Agreement. The Escrow Securities may be transferred within escrow to an individual who is a director or senior officer of the Corporation or a material operating subsidiary of the Corporation, provided that certain requirements of the TSXV are met, including that the new proposed transferee agrees to be bound by the terms of the Escrow Agreement. In the event of the bankruptcy of a holder of the Escrow Securities, the Escrow Securities held by such holder may be transferred within escrow to the trustee in bankruptcy or other Person legally entitled to such Escrow Securities provided that certain prescribed TSXV requirements are met.

Voluntary Lock-Up Agreements

Principals of the Corporation entered into voluntary lock-up agreements, whereby all Shares or Convertible Securities are locked up in favor of the Agents for a period of 6 months from June 24, 2025, and all Shares issued pursuant to vested Warrants are locked up in favor of the Corporation for a period of 18 months from June 24, 2025.

Seed Share Resale Restrictions

In addition to the above, 74,999 of the Shares were issued in exchange for 74,999 seed shares of 268, which were issued on December 17, 2021. An aggregate of 60,483 of these Shares are subject to seed share resale restrictions imposed by the TSXV (the “Seed Shares”). The Seed Shares are subject to a one year hold period, with 20% of such Seed Shares released every 3 months, with the first release on June 24, 2025.

The release schedule of the Seed Shares subject to such resale restrictions is determined based on the price at which such Seed Shares were issued in comparison to the price of \$10.00 and the length of time such Seed Shares have been held. To the extent permissible under TSXV policies, SSRRs are imposed by imprinting legends on the applicable certificates representing such securities which set forth the particulars of the resale restrictions.

Other than as disclosed above, no other securities of the Corporation are held in escrow or are anticipated to be held in escrow.

DIRECTORS AND OFFICERS

Name, Occupation and Security Holding

The following table provides the names, province or state and country of residence, position, and principal occupations of each individual serving as an executive officer and/or director of the Corporation. It is expected that the term of each director listed below will conclude at the end of the Corporation's next annual meeting of shareholders subject to reappointment by the shareholders of the Corporation at such meeting.

Name and Province of Residence	Positions Held with Corporation	Start Date	Principal Occupation During Last Five Years
Rajesh Lala ⁽²⁾⁽³⁾ Toronto, Canada	Chairman & Director	December 20, 2024	CEO of Evolve
Michael Simonetta ⁽¹⁾⁽²⁾ Toronto, Canada	Independent Director	April 14, 2025	Chair of Evolve
Patrick McBride ⁽¹⁾⁽³⁾ Toronto, Canada	Independent Director	June 23, 2025	Consultant at Hickson Capital, MD & Head of Origination, Investment Banking at Eight Capital
Elliot Johnson ⁽¹⁾⁽²⁾⁽³⁾ Toronto, Canada	CEO, CCO and Director	December 20, 2024	CIO & COO at Evolve
Kaitlin Thompson Toronto, Canada	COO	February 20, 2025	Vice President, Product Strategy at Evolve & Business Development Manager at Mackenzie Investments
Heather Sim, Burnaby, Canada	CFO and Corporate Secretary	April 14, 2025	CFO of DMG Blockchain Solutions; President of Treewalk Consulting Inc (formerly ACM Management Inc.) from January 2019 to present; CFO of VSBLTY Groupe Technologies Corp. from March 2020 to August 2021.
Keith Crone, Toronto, Canada	CMO	March 31, 2025	CMO of Evolve

Notes:

- (1) Member of the audit committee. See "*Charter of the Audit Committee*".
- (2) Member of the governance and nominating committee.
- (3) Member of the compensation committee.

As of the date hereof, the directors and executive officers of the Corporation as a group beneficially owned or controlled or directed, directly or indirectly, 182,797 Shares representing approximately 1.81% of the outstanding Shares.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

From January 31, 2022 to March 22, 2022, DMG Blockchain Solutions Inc., a corporation in which Heather Sim was CFO, was subject to a management cease trade order, as a result of the delay in filing financial statements for the financial year ended September 31, 2021, the related management discussion and analysis and the certification of annual filings. The management cease trade order was lifted on March 22, 2022.

Other than Heather Sim, no person expected to be a director, executive officer or promoter of the Corporation, is, as of the date hereof, or has been, within the 10 years preceding the date hereof, a director, chief executive officer or chief financial officer of any Corporation, that:

- (a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant Corporation access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant Corporation access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No person expected to be a director or executive officer of the Corporation, or to the best of the Corporation's knowledge, a shareholder holding a sufficient number of shares to materially affect control of the Corporation:

- (a) is, as of the date hereof, or has been within 10 years preceding the date of this AIF, a director or executive officer of any Corporation, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Except as described below, no person expected to be a director or executive officer of the Corporation, or to the best of the Corporation's knowledge, a shareholder holding a sufficient number of shares to materially affect control of the Corporation, has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

There are potential conflicts of interest to which the directors and officers of the Corporation are subject to in connection with the operations of the Corporation. In particular, certain of the directors and officers of the Corporation are involved in managerial or director positions with Evolve whose operations may, from time to time, be in direct

competition with those of the Corporation or with entities which may, from time to time, provide financing to, or make equity investments in, competitors of the Corporation. Any decision made by any of such directors and officers involving the Corporation should be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Corporation and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the ABCA and other applicable laws. As of the date hereof, the Corporation is not aware of any existing or potential material conflicts of interest between the Corporation and any director or officer of the Corporation other than as disclosed herein.

Other than as set out in this AIF or below, within three years prior to the date of this AIF, no director, executive officer, or person or Corporation that beneficially owns, or controls or directs, directly or indirectly, more than 10 percent of any class or series of outstanding voting securities of the Corporation, or any known Associates or Affiliates of such persons, has or has had any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or is reasonably expected to materially affect the Corporation.

Notwithstanding the potential conflicts of interest outlined above, the directors and officers of the Corporation who hold managerial or director positions at Evolve possess considerable experience in identifying and managing conflicts of interest. Evolve has established robust governance structures, including an Independent Review Committee, a Conflicts of Interest Management framework, and a dedicated compliance team. These mechanisms are designed to ensure that any conflicts are addressed transparently and in the best interests of investors.

The Corporation's conflicts of interest policy requires that all directors, officers, and promoters disclose any financial or personal interest that may conflict with their duties to the Corporation. These disclosures must be made as soon as they become aware of them and will be brought to the attention of the Board for review. The Board will assess the nature and materiality of the conflict and determine the appropriate course of action, which may include recusal from discussions and voting, the implementation of specific oversight mechanisms, or, where necessary, declining to proceed with a particular transaction. Furthermore, any business dealings involving non arm's length parties will be subject to heightened scrutiny by the Board. The Board is responsible for ensuring that such transactions are conducted on fair and reasonable terms, in the best interests of the Corporation and its shareholders. In cases where a related party transaction is deemed material, the Board may seek independent third-party evaluations or fairness opinions to support its decision making. Individuals with ongoing or recurring conflicts are required to update their disclosure annually or whenever there is a material change in circumstances. The Corporation is committed to maintaining the highest standards of integrity and corporate governance. Accordingly, its conflicts of interest policy is aligned with applicable regulatory requirements, including those set forth by securities regulators and stock exchanges, and will be reviewed periodically to ensure continued effectiveness in safeguarding shareholder value.

Reporting Issuer Experience

The following table describes each director and officer's personal experience as a director or officer of another reporting issuer (or the equivalent in another jurisdiction) in the last five-year period:

Name	Name and Jurisdiction	Name of Trading Market(s)	Position Held	From	To
Rajesh Lala	Evolve ⁽¹⁾	-	CEO Director	September 2017 September 2017	Present Present
Elliot Johnson	Evolve ⁽¹⁾	-	CIO COO Director	September 2017 September 2017 September 2017	Present Present Present
Kaitlin Thompson	Evolve ⁽¹⁾	-	VP Strategy	July 2021	Present

Name	Name and Jurisdiction	Name of Trading Market(s)	Position Held	From	To
Michael Simonetta	Evolve ⁽¹⁾	-	Chair, Director	September 2017	Present
Keith Crone	Evolve ⁽¹⁾	-	CMO	June 2017	Present
Patrick McBride	File Forge Technology PLC	Aquis	Director	June 2021	Present
Heather Sim	DMG Blockchain Solutions Inc.	TSXV	Director CFO Corporate Secretary	August 2021 April 2023 November 2022	Present Present April 2023

Note:

(1) Evolve is the manager of the Evolve Managed Funds, which are each a reporting issuer.

Principal Shareholders

As of the date hereof, to the knowledge of the directors and officers of the Corporation, no person beneficially owns, or controls or directs, directly or indirectly, shares carrying more than 10% of the voting rights attached to the Corporation's issued and outstanding shares.

AUDIT COMMITTEE

Audit Committee Charter

The Board has adopted a written charter for the Audit Committee which sets out the Audit Committee's responsibility in reviewing the financial statements of the Corporation and public disclosure documents containing financial information and reporting on such review to the Board, ensuring that adequate procedures are in place for the review of the Corporation's public disclosure documents that contain financial information, overseeing the work and reviewing the independence of the external auditors, setting policies and procedures for the engagement of non-audit services and reviewing, evaluating and approving the internal control procedures that are implemented and maintained by management. A copy of the Audit Committee Charter is attached hereto as Schedule "A".

Composition of the Audit Committee

The following individuals are the members of the Corporation's Audit Committee: Elliot Johnson, Patrick McBride and Michael Simonetta. All audit committee members are financially literate, and a majority of the Audit Committee shall be independent. Patrick McBride and Michael Simonetta are "independent" within the meaning of National Instrument 52-110 and Elliot Johnson is not "independent" within the meaning of National Instrument 52-110 because he is also an officer of the Corporation.

Each of the members of the Audit Committee of the Corporation has experience as directors or executive officers of reporting issuers listed on Canadian stock exchanges that have as their principal business financial services generally comparable to the business operations of the Corporation. In this role the members of the Audit Committee of the Corporation are experienced with engaging with licenced auditors in connection with the preparation of IFRS compliant audited financial statements, including past experience evaluating financial statements generally comparable to the issues that can reasonably be expected to be raised by the Corporation's financial statements and have an understanding of internal controls and procedures for financial reporting.

Relevant Education and Experience

Elliot Johnson

Mr. Johnson brings extensive experience in digital asset management, product development, and operational leadership. As CIO and COO of Evolve, he was instrumental in launching some of Canada's first crypto investment vehicles, including the spot Bitcoin ETF (EBIT) and Ether ETF (ETHR). Evolve now manages nearly \$300 million across six crypto ETFs, all offering daily liquidity and institutional-grade custody. Mr. Johnson's deep expertise in building and overseeing the infrastructure behind physically settled crypto products is directly aligned with BTCT's Bitcoin treasury and lending strategy.

Prior to joining Evolve and BTCT, Mr. Johnson was Senior Vice President, Retail Markets at Fiera Capital Corporation, a prominent Canadian investment management firm. Prior to this role, Mr. Johnson served as COO of Fiera Quantum Limited Partnership, an alternative investment manager. From 2010 to 2012, Mr. Johnson led technology management for a number of business lines at National Bank of Canada. Prior to 2012, he spent 13 years providing investment banking, institutional sales and trading and research services to corporate clients and institutional investors through its capital markets division, GMP Capital Corp., a diversified financial services firm primarily focused on wealth management and operations clearing. Mr. Johnson engaged in a variety of management roles across institutional brokerage, wealth management and asset management businesses. Mr. Johnson holds the Canadian Investment Manager (CIM) designation, the Derivatives Markets Specialist (DMS) designation and is a Fellow of the Canadian Securities Institute (FCSI). From 2016 to 2020, Mr. Johnson served on the board of Trinity College at the University of Toronto as the Chair of the Committee on Investments. Mr. Johnson currently serves as Chair, President and a trustee of the Upper Canada College Foundation and is also a trustee of the US based Upper Canada Educational Foundation.

Michael Simonetta

Mr. Simonetta has a broad background in management, investment and capital markets. Currently, Michael acts as Chairman of Evolve. Mr. Simonetta was one of the founding partners of First Asset Management Inc., a Canadian investment firm, and served as its President and CEO from 1997 to 2006. At the time First Asset Management Inc. was sold in 2005, First Asset Management Inc. managed in excess of \$30 billion in assets and was one of Canada's top ten largest companies in the pension and high net worth asset management business. First Asset Management Inc.'s affiliates have included: Beutel, Goodman & Company Ltd.; Foyston Gordon & Payne, Inc.; Deans Knight Capital Management Ltd., Montrusco Bolton Investments Inc.; Covington Capital Corporation; First Asset Funds Inc. (formerly Triax Capital Corporation); and Northwest Mutual Funds Inc. First Asset Management Inc. was sold in 2005 to Affiliated Managers Group, Inc. (NYSE: AMG), a publicly listed investment management company based in Boston. Mr. Simonetta is a member of the Institute of Chartered Accountants of Ontario, obtaining his C.A. designation in 1984 while achieving Top 20 Honour Roll standing, and holds a Bachelor of Arts from the University of Waterloo (1983 – Gold Medal).

Patrick McBride

Mr. McBride brings experience in structured product syndication and capital markets, contributing to the Corporation's distribution strategy and investor access, particularly within the institutional channel. Mr. McBride works as a consultant for Hickson Capital, a capital markets advisory business. From 2016 to 2021, Mr. McBride worked as Managing Director, Head of Origination Investment Banking at Eight Capital, a wholly-owned Canadian, full-service investment dealer. From 2012 to 2016, Mr. McBride worked as Managing Director, Head of Institutional Sales at Dundee Securities, a full service investment holding company that focuses on wealth management, resources, agriculture and real estate. Prior to these roles, Mr. McBride worked as the Managing Director, Institutional Sales at Canaccord Genuity Group Inc., the leading independent full-service financial services team. Mr. McBride holds a bachelor's degree in science from the University of Toronto (1998).

Audit Committee Oversight

The primary function of the Audit Committee is to assist the Board in fulfilling its financial oversight responsibilities by reviewing the Corporation’s (i) financial statements and other financial information provided by the Corporation to regulatory authorities and shareholders, and (ii) auditing, accounting and financial reporting processes.

Pre-Approval Policies and Procedures

The Audit Committee Charter sets out responsibilities regarding the provision of non-audit services by the Corporation’s external auditors and provides that the Audit Committee may pre-approve, in accordance with applicable law, any non-audit services to be provided by the Corporation’s external auditors, with reference to compatibility of the service with the external auditors’ independence.

External Auditor Service Fees

The aggregate fees billed by the Corporation’s external auditors during the years ended December 31, 2024 and December 31, 2023 are set out in the table below.

Year Ended	Audit Fees ⁽¹⁾	Audit Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
December 31, 2024	\$7,000	Nil	Nil	Nil
December 31, 2023	\$6,500	Nil	Nil	Nil

Notes:

- (1) “Audit Fees” refers to the aggregate fees billed by the Corporation’s external auditor for audit services.
- (2) “Audit-Related Fees” refers to the aggregate fees billed for assurance and related services by the Corporation’s external auditor that are reasonably related to the performance of the audit or review of the Corporation’s financial statements and not reported under Audit Fees. These amounts were incurred in relation to a quarterly review performed by the Corporation’s external auditor.
- (3) “Tax Fees” refers to the aggregate fees billed for professional services rendered by the Corporation’s external auditor for tax compliance, tax advice and tax planning.
- (4) “All Other Fees” refers to the aggregate fees billed for certain other services provided by the Corporation’s external auditor, other than the services reported under the other three columns.

DIRECTOR AND EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Corporation’s compensation philosophy is designed to attract and retain highly qualified individuals by offering competitive, performance-based remuneration. The Board annually reviews and determines director compensation, considering factors such as the nature and scope of responsibilities, individual performance, and Corporation’s financial resources. This approach ensures that directors of the Corporation are appropriately rewarded for their contributions without necessitating a formalized compensation program.

For executive officers, the Board, in consultation with the CEO, establishes compensation packages that align with each executive’s level of responsibility and performance. While base salaries are provided where applicable to reflect market values, the Corporation places significant emphasis on performance-based compensation. This structure includes incentive bonuses to reward exceptional contributions and the Equity Incentive Plan. The Equity Incentive Plan aligns executives’ interests with those of shareholders by fostering a sense of ownership and commitment to the Corporation’s long-term success.

As an early-stage Corporation, the Corporation must compete with well-funded organizations for top talent. To address this challenge, the Corporation prioritizes a compensation strategy that is both competitive and financially sustainable. By leveraging performance-based incentives and equity participation through the Equity Incentive Plan, the Corporation aligns its compensation practices with industry standards while maintaining fiscal discipline. This

approach not only helps attract and retain key personnel but also strengthens the alignment between directors, officers, and shareholders, fostering shared success and long-term growth. The type and amount of future compensation to be paid to NEOs and directors has not been determined and the Board has not yet considered the implications of the risks associated with the compensation policies and practices.

Share Based and Option Based Awards

The Corporation's process for granting Equity Awards to executive officers is designed to align executive compensation with shareholder interests while promoting long-term corporate success. The Board, in consultation with the CEO, oversees the development and amendment of the Equity Incentive Plan.

When determining new Equity Awards, the Board evaluates various factors such as the executive's level of responsibility and individual performance. Additionally, the Board considers the Corporation's financial resources to ensure that the compensation structure remains both competitive and fiscally sustainable. Previous equity grants are taken into account when considering new Equity Awards to ensure a balanced and fair approach to total executive compensation, while maintaining appropriate incentive structures that encourage long-term commitment and value creation for shareholders. Given the small size of the Corporation's team, the Corporation's management and the Board consider talent retention to be key to the long term success of the Corporation and as such the compensation strategy is designed to align employees with shareholders for the long term.

Compensation Governance

The Corporation has adopted a compensation program that reflects its stage of development, the main elements of which are expected to be comprised of base salary, annual cash incentives and restricted share units. This section sets out, to the extent currently known and determined, all significant elements of the compensation to be awarded to, earned by, paid to, or payable to directors and officers of the Corporation. Such details regarding compensation of directors and officers are based on the Corporation's current expectations.

In this section "Named Executive Officer" or "NEO" means the CEO, the CFO and the three most highly compensated other executive officers of the Corporation. The NEOs of the Corporation are Elliot Johnson, Heather Sim, Kaitlin Thompson and Keith Crone.

Objective, Oversight, and Description of Director and Named Executive Officer Compensation

Executive officer compensation is determined by the Board, based in part on recommendations from the CEO. The Board will recognize the need to provide a compensation package that will attract and retain qualified and experienced executives, as well as align the compensation level of each executive to that executive's level of responsibility.

The Board believes that the Corporation's compensation plan is consistent with the companies it competes with for talent. The objectives of the Corporation's compensation policies and practices include the following:

- attracting and retaining highly-qualified individuals;
- creating among directors, officers, consultants and employees, a corporate environment which will align their interests with those of the shareholders; and
- ensuring competitive compensation that is also affordable for the Corporation.

The compensation program is designed to provide competitive levels of compensation. In general, the Corporation's directors and officers may receive compensation that comprises three components:

- base salary, wages or contractor payments;
- incentive bonuses; and
- Equity Awards.

The objectives and reasons for this system of compensation are to allow the Corporation to remain competitive compared to its peers in attracting experienced personnel. The salaries are set on the basis of a review and comparison of salaries paid to executives at similar companies.

Any bonuses paid are allocated on an individual basis and are based on review by the Board of the work planned during the year and the work achieved during the year, administration, financing, shareholder relations and overall performance. The bonuses are paid to reward work done above the base level of expectations set by the base salary, wages or contractor payments.

As an early-stage Corporation, the Corporation remains at risk of losing qualified personnel to companies with greater financial resources and it attempts to mitigate this risk wherever possible through appropriately written contracts. The type and amount of future compensation to be paid to NEOs and directors has not been determined and the Board has not yet considered the implications of the risks associated with the compensation policies and practices.

Base Salary

The objectives of the base salary are to provide compensation in accordance with market value, and to acknowledge the competencies and skills of individuals. The base salary paid to NEOs is reviewed by the Board as part of the annual review of executive officers. The decision whether to grant an increase to the executive's base salary and the amount of any such increase will be in the sole discretion of the Board.

Incentive Bonuses

Incentive bonuses in the form of cash payments are designed to add a variable component of compensation, based on corporate and individual performances for executive officers and employees and are also subject to approval by the Board.

Equity Awards

Through the Equity Incentive Plan, Equity Awards are included in the Corporation's compensation package to align the interests of executives with those of shareholders, fostering a sense of ownership and commitment to the Corporation's long-term success. By offering Equity Awards, the Corporation aims to attract and retain qualified personnel, especially as an early-stage Corporation competing with organizations that have greater financial resources.

Summary Compensation Table

The following table sets out the compensation provided to each of the BTCT's NEOs for each of BTCT's most recently completed financial year and the current year-to-date:

Name and position	Year	Salary	Share-based awards ⁽⁴⁾	Option based awards	Non-equity incentive plan compensation		Pension value	All other compensation	Total compensation
					Annual incentive plans	Long term incentive plans			
Elliot Johnson ⁽²⁾ CEO, CCO and Director	January 1, 2025 to April 30, 2025	\$0	Up to \$9,726,670 ⁽¹⁾	\$0	\$0	\$0	\$0	\$0	Up to \$9,726,670
	Incorporation to December 31, 2024	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Heather Sim ⁽³⁾ CFO	January 1, 2025 to April 30, 2025	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Incorporation to December 31, 2024	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Kaitlin Thompson ⁽²⁾ COO	January 1, 2025 to April 30, 2025	\$0	Up to \$1,823,750 ⁽¹⁾	\$0	\$0	\$0	\$0	\$0	Up to \$1,823,750
	Incorporation to December 31, 2024	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Keith Crone ⁽²⁾ CMO	January 1, 2025 to April 30, 2025	\$0	Up to \$607,920 ⁽¹⁾	\$0	\$0	\$0	\$0	\$0	Up to \$607,920
	Incorporation to December 31, 2024	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Notes:

- (1) Calculated based on 2,431,667 BTCT Warrants. The BTCT Warrants are exercisable to acquire an equal number of BTCT Shares at a price of \$0.001 per BTCT Share, which are exercisable for a period of ten (10) years from the date of issuance. Each BTCT Share is valued at \$10.00.
- (2) Mr. Johnson, Ms. Thompson and Mr. Crone receive an annual salary of \$2,400 each, which is paid on an annual basis and pro-rated as of June 12, 2025.
- (3) Ms. Sim will receive a monthly salary of \$3,500 each, which will be paid on a semi-monthly basis, effective June 23, 2025.

Incentive Plan Awards

The following table sets out the BTCT Equity Awards outstanding for each NEO as at December 31, 2024:

Name and position	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options	Option exercise price	Option expiration date	Value of unexercised in-the-money options	Number of shares or units of shares that have not vested	Market or payout value of share-based awards that have not vested	Market or payout value of vested share-based awards not paid out or distributed
Elliot Johnson CEO, CCO and Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil

The following table sets out the BTCT Equity Awards of the NEOs for which value has vested or been earned during the most recently completed financial year of BTCT:

Name and position	Option-based awards – Value vested during the year	Share-based awards – Value vested during the year	Non-equity incentive plan compensation – Value earned during the year
Elliot Johnson CEO, CCO and Director	Nil	Nil	Nil

Pension Plan Benefits

The Corporation has no formal pension or retirement plan in place for its directors, officers or employees.

Termination and Change of Control Benefits

The Corporation does not have any plans or arrangements in place with its officers that provides for payment following or in connection with any termination, resignation, retirement, or change of control of the Corporation.

Director Compensation

The following table sets out the compensation provided to the non-executive directors of BTCT as at April 30, 2025:

Name	Fees Earned	Share-based award ⁽¹⁾	Option-based awards	Non-equity incentive plan compensation	Pension value	All other compensation	Total compensation ⁽¹⁾
Rajesh Lala	Nil	Up to \$5,471,250	Nil	Nil	Nil	Nil	Up to \$5,471,250

Name	Fees Earned	Share-based award ⁽¹⁾	Option-based awards	Non-equity incentive plan compensation	Pension value	All other compensation	Total compensation ⁽¹⁾
Michael Simonetta	Nil	Up to \$1,823,750	Nil	Nil	Nil	Nil	Up to \$1,823,750

Incentive Plan Awards – Directors

The following table sets out the BTCT Equity Awards outstanding for each director of BTCT as at December 31, 2024:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options	Option exercise price	Option expiration date	Value of unexercised in-the-money options	Number of shares or units of shares that have not vested	Market or payout value of share-based awards that have not vested	Market or payout value of vested share-based awards not paid out or distributed
Rajesh Lala	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Elliot Johnson	Nil	Nil	Nil	Nil	Nil	Nil	Nil

The following table sets out the BTCT Equity Awards of the directors of BTCT for which value has vested or been earned during the most recently completed financial of BTCT:

Name	Option-based awards – Value vested during the year	Share-based awards – Value vested during the year	Non-equity incentive plan compensation – Value earned during the year
Rajesh Lala	Nil	Nil	Nil
Elliot Johnson	Nil	Nil	Nil

Indebtedness of Directors and Executive Officers

As at the date hereof, and during the Corporation's financial year ended December 31, 2024, no director or executive officer of the Corporation and no associate of any such director or executive officer (including companies controlled by them), no employee of the Corporation or any of its subsidiaries, and no former executive officer, director or employee of the Corporation or any of its subsidiaries, is indebted to the Corporation or any of its subsidiaries (other than for "routine indebtedness" as defined under applicable securities legislation) or is indebted to another entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries or affiliates.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY INCENTIVE PLAN

The following table sets forth information with respect to all compensation plans under which equity securities are authorized for issuance as of the date of this AIF:

Plan Category	Number of securities to be issued upon exercise of outstanding options and rights (a)	Weighted-average exercise price of outstanding options and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	Nil	N/A	N/A
Equity compensation plans not approved by securityholders	Nil	N/A	1,007,508
TOTAL			1,007,508

Equity Incentive Plan

The Equity Incentive Plan, is used to provide additional incentives to attract, retain and motivate directors, officers, employees, consultants and advisors of the Corporation. No options have been granted under the Equity Incentive Plan.

The Equity Incentive Plan provides for the grant of the following incentive based compensation awards: (i) stock options of the Corporation (“**Options**”); (ii) restricted share units of the Corporation (“**RSUs**”); and (iii) performance share units of the Corporation (“**PSUs**”) (collectively, the “**Equity Awards**”) to eligible participants being all directors, officers, senior executives, consultants, management company employees and other employees of the Corporation or subsidiary, providing ongoing services to the Corporation and its affiliates. Notwithstanding the foregoing, investor relations service providers are not eligible to participate in the Equity Incentive Plan.

Participation Limits

The Equity Incentive Plan is a rolling plan. The Equity Incentive Plan, subject to adjustment provisions provided for therein, provides that the total number of Shares reserved and available for grant and issuance pursuant to Equity Awards under the Equity Incentive Plan shall not exceed ten percent (10%) of the total issued and outstanding Shares from time to time or such other number as may be approved by the TSXV and the shareholders of the Corporation from time to time.

The following additional limits are imposed under the Equity Incentive Plan:

- (a) the total number of shares which may be reserved for issuance to any one eligible participant under the Equity Incentive Plan together with all of the Corporation’s other previously established or proposed share compensation arrangements shall not exceed five percent (5%) of the issued and outstanding shares on the grant date or within any twelve (12) month period (in each case on a non-diluted basis);
- (b) the aggregate number of Equity Awards to any one eligible participant that is a consultant of the Corporation in any twelve (12) month period must not exceed two percent (2%) of the issued shares calculated at the first such grant date;

- (c) the aggregate number of Options to all persons retained to provide investor relations activities must not exceed two percent (2%) of the issued shares in any twelve (12) month period calculated at the first such grant date (and including any eligible participant that performs investor relations activities and/or whose role or duties primarily consist of investor relations activities); and
- (d) Options granted to any person retained to provide investor relations activities must vest in a period of not less than twelve (12) months from the date of grant of the Equity Award and with no more the twenty-five percent (25%) of the Options vesting in any three (3) month period notwithstanding any other provision of the Equity Incentive Plan.

The Equity Incentive Plan provides that the aggregate number of Shares (i) issued to insiders under the Equity Incentive Plan or any other proposed or established share compensation arrangement within any one (1) year period and (ii) issuable to insiders at any time under the Equity Incentive Plan or any other proposed or established share compensation arrangement, shall in each case not exceed ten percent (10%) of the total issued and outstanding shares from time to time.

Eligibility

The Equity Incentive Plan is made available to bona fide directors, officers, senior executives, consultants, management company employees and other employees of the Corporation or a subsidiary thereof (“**Eligible Participants**”).

Options

The Board from time to time shall, (i) designate the eligible participants who may receive Options under the Equity Incentive Plan, (ii) determine the number of Options to be granted to each eligible participant and the date or dates on which such Options shall be granted, (iii) determine the price per share to be payable upon the exercise of each such Option (“**Exercise Price**”), which shall not be less than the TSXV Market Price (as such term is defined in the Equity Incentive Plan), as calculated under the policies of the TSXV, (iv) determine the relevant vesting provisions, and (v) determine the Expiry Date.

Subject to the terms of any other agreement between the eligible participant and the Corporation, or the Board expressly providing to the contrary, and except as otherwise provided in the Equity Incentive Plan, each Option shall vest as to 1/3 on the first anniversary of the date of grant, 1/3 on the second anniversary of the date of grant and 1/3 on the third anniversary of the date of grant.

Each Option must be exercised no later than ten (10) years after the date the Option is granted or such shorter period as set out in the participant’s Option agreement, at which time such Option will expire (the “**Option Expiry Date**”).

Share Units

A Share Unit is either an RSU or PSU. The Board shall, from time to time, in its sole discretion (i) designate the eligible participants who may receive Share Units, (ii) fix the number of Share Units to be granted to each eligible participant and the dates they shall be granted, and (iii) determine the relevant conditions and vesting provisions and restriction period for any Share Units.

The Board shall determine whether each Share Unit awarded to a participant shall entitle the participant: (i) to receive one share issued from treasury; (ii) to receive the cash equivalent of one share; or (iii) to elect to receive either one share from treasury, the cash equivalent of one share or a combination of cash and shares. Share Units shall be settled by the eligible participant at any time beginning on the first business day following the date the Board determines that the performance criteria and other vesting conditions with respect to the Share Units have been met, and no later than three (3) years from this date. Unless otherwise specified in the RSU agreements, one-third of RSUs awarded pursuant to a RSU agreement shall vest on each of the first three anniversaries of the date of grant. At all times when the Corporation is listed on the TSXV, no person retained to provide investor relations activities shall receive any grant of Share Units.

The applicable restriction period of a Share Unit shall be determined by the Board but in all cases shall end no later than December 31, of the calendar year which is three (3) years after the calendar year in which the Equity Award was granted.

Shares Available for Awards

Subject to adjustment pursuant to provisions of the Equity Incentive Plan, the aggregate number of Shares (i) issued to Insiders under the Equity Incentive Plan or any other proposed or established share compensation arrangement within any one-year period and (ii) issuable to Insiders at any time under the Equity Incentive Plan or any other proposed or established share compensation arrangement, shall in each case not exceed ten percent (10%) of the total issued and outstanding Shares from time to time.

Effect of Termination

Unless otherwise determined by the Board, each Share Unit and Option shall be subject to the following conditions:

- (a) Termination for Cause: Upon a participant of the Equity Incentive Plan ceasing to be an Eligible Participant for “cause”, all unexercised vested or unvested Share Units and Options granted to such participant shall terminate on the effective date of the termination as specified in the notice of termination. For the purposes of the Equity Incentive Plan, the determination by the Corporation that the participant was discharged for cause shall be binding on the participant.
- (b) Termination or Cessation: In the case of a participant ceasing to be an Eligible Participant for any reason (other than for “cause” or death), subject to any later expiration dates determined by the Board, all Share Units and Options shall expire on the earlier of one hundred and twenty (120) days after the effective date of such termination or cessation, or the expiry date of such Share Unit and Option, to the extent such Share Unit or Option was vested and exercisable by the participant on the effective date of such termination or cessation and all unexercised unvested Share Units and/or Options granted to such participant shall terminate on the effective date of such termination or cessation.
- (c) Death: If a participant of the Equity Incentive Plan dies while in his or her capacity as an Eligible Participant, all unvested Share Units and Options will immediately vest and all Share Units and Options will expire one (1) year after the death of such participant.
- (d) Change of Control: Subject to any written employment or contracting agreement between the Corporation and a participant of the Equity Incentive Plan, if a participant is terminated without “cause” or resigns for good reason during the 12 month period following a change of control, or after the Corporation has signed a written agreement to effect a change of control but before the change of control is completed, then any unvested Share Units and/or Options will immediately vest and may be exercised prior to the earlier of thirty (30) days of such date or the expiry date of such Options.

PROMOTERS

No person is or has been within the two most recently completed financial years, been considered a promoter of the Corporation.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

In the ordinary course of business, the Corporation may become involved in various legal, administrative, regulatory and other proceedings, actions, claims and inquiries relating to its business.

The Corporation is not aware of any existing or contemplated legal proceedings or regulatory actions material to the Corporation to which the Corporation is a party or to which any of its property is subject since the beginning of its most recently completed financial year.

Since the date of incorporation of both 268 and BTCT, there have not been any penalties or sanctions imposed against 268 or BTCT by a court relating to provincial or territorial securities legislation or by a securities regulatory authority, nor have there been any other penalties or sanctions imposed by a court or regulatory body against 268 or BTCT, and 268 and BTCT have not entered into any settlement agreements before a court relating to provincial or territorial securities legislation or with a securities regulatory authority.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed elsewhere in this AIF and in the Corporation's financial statements, none of the directors or executive officers of the Corporation, nor any shareholder directly or indirectly beneficially owning, or exercising control or direction over, shares carrying more than ten (10%) percent of the voting rights attached to the Shares, nor an associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, in any transactions involving the Corporation that materially affected or would materially affect the Corporation or any of its subsidiaries.

AUDITOR, TRANSFER AGENTS AND REGISTRARS

As of the date hereof, Ernst and Young LLP, of Toronto, Ontario, is the auditor for the Corporation, and was previously the auditor for BTCT, and is independent with respect to BTCT within the meaning of the context of the CPA Code of Professional Conduct of the Chartered Professional Accountants of Ontario. Prior to completion of the Transaction, MNP LLP of Calgary, Alberta was the auditor for 268 and was independent of 268 within the meaning of the CPA Rules of Professional Conduct and Related Guidance (Alberta). Prior to November 15, 2023, Baker Tilly WM LLP of Toronto, Ontario was the auditor for 1317214 B.C. Ltd. (the former name of 268) and was independent with respect to 268 within the meaning of the CPA Code of Professional Conduct of the Chartered Professional Accountants of Ontario. The Corporation's registrar and transfer agent is Odyssey Trust Corporation, located at 1230 – 300 5th Avenue SW, Calgary, AB T2P 3C4.

MATERIAL CONTRACTS

The only material contracts entered into by the Corporation, other than in the ordinary course of business, within the most recently completed financial year, or before the most recently completed financial year that are still in effect are as follows:

- The Evolve Administrative Agreement;
- The Coinbase Custodial Services Agreement; and
- The Anchorage Custodial Services Agreement.

The Corporation confirms that it has posted all material contracts listed in this AIF on its SEDAR+ profile at www.sedarplus.ca.

INTERESTS OF EXPERTS

Based on security holdings as of the date hereof, the partners and associates of Ernst and Young LLP, MNP LLP and Baker Tilly WM LLP, do not hold any Shares.

Certain legal matters relating to the Transaction were passed upon BTCT's behalf by Blake, Cassels & Graydon LLP. Based on security holdings as of the date hereof, the partners and associates of Blake, Cassels & Graydon LLP do not hold any of the Shares. Certain legal matters relating to the Transaction and relating to the ongoing business of the Corporation were, and are being, passed upon 268's behalf by Borden Ladner Gervais LLP. Based on security holdings as of the date hereof, the partners and associates of Borden Ladner Gervais LLP do not hold any of the Shares.

ADDITIONAL INFORMATION

Additional information relating to the Corporation may be found on SEDAR+ at www.sedarplus.ca. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities and securities authorized for issuance under equity compensation plans will be contained in the

Corporation's information circular for its next annual and general meeting of its shareholders. Additional information is also provided in the Corporation's financial statements and MD&A for its most recently completed financial year.

SCHEDULE A

CHARTER OF THE AUDIT COMMITTEE

BITCOIN TREASURY CORPORATION (the “Corporation”)

Purpose

1. The overall purpose of the Audit Committee (the “Committee”) is to ensure that the Corporation’s management has designed and implemented an effective system of internal financial controls to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Corporation and to review the Corporation’s compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information.

Duties

2. The overall duties and responsibilities of the Committee shall be as follows:
 - (a) to assist the Board in the discharge of its responsibilities relating to the Corporation’s accounting principles, reporting practices and internal controls and its approval of the Corporation’s annual and quarterly consolidated financial statements and related financial disclosure;
 - (b) to establish and maintain a direct line of communication with the Corporation’s internal and external auditors and assess their performance;
 - (c) to ensure that the management of the Corporation has designed, implemented and is maintaining an effective system of internal financial controls; and
 - (d) to report regularly to the Board on the fulfilment of its duties and responsibilities.
3. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
 - (a) to recommend to the Board a firm of external auditors to be engaged by the Corporation, and to verify the independence of such external auditors;
 - (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
 - (c) review the audit plan of the external auditors prior to the commencement of the audit;
 - (d) to review with the external auditors, upon completion of their audit:
 - (i) contents of their report;
 - (ii) scope and quality of the audit work performed;
 - (iii) adequacy of the Corporation’s financial and auditing personnel;
 - (iv) co operation received from the Corporation’s personnel during the audit;
 - (v) internal resources used;
 - (vi) significant transactions outside of the normal business of the Corporation;

- (vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
 - (viii) the non audit services provided by the external auditors;
 - (e) to discuss with the external auditors the quality and not just the acceptability of the Corporation's accounting principles; and
 - (f) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.
- 4. The duties and responsibilities of the Committee as they relate to the Corporation's internal auditors are to:
 - (a) periodically review the internal audit function with respect to the organization, staffing and effectiveness of the internal audit department;
 - (b) review and approve the internal audit plan; and
 - (c) review significant internal audit findings and recommendations, and management's response thereto.
- 5. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Corporation are to:
 - (a) review the appropriateness and effectiveness of the Corporation's policies and business practices which impact on the financial integrity of the Corporation, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
 - (b) review compliance under the Corporation's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;
 - (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Corporation; and
 - (d) periodically review the Corporation's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.
- 6. The Committee is also charged with the responsibility to:
 - (a) review the Corporation's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;
 - (b) review and approve the financial sections of:
 - (i) the annual report to shareholders;
 - (ii) the annual information form, if required;
 - (iii) annual and interim MD&A;
 - (iv) prospectuses;

- (v) news releases discussing financial results of the Corporation; and
 - (vi) other public reports of a financial nature requiring approval by the Board, and report to the Board with respect thereto;
- (c) review regulatory filings and decisions as they relate to the Corporation's consolidated financial statements;
 - (d) review the appropriateness of the policies and procedures used in the preparation of the Corporation's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
 - (e) review and report on the integrity of the Corporation's consolidated financial statements;
 - (f) review the minutes of any audit committee meeting of subsidiary companies;
 - (g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Corporation and the manner in which such matters have been disclosed in the consolidated financial statements;
 - (h) review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and
 - (i) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board of Directors following each annual general meeting of shareholders.
7. The Committee shall have the authority:
- (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
 - (b) to set and pay the compensation for any advisors employed by the Committee; and
 - (c) to communicate directly with the internal and external auditors.
8. The Committee shall have access to such officers and employees of the Corporation and to the Corporation's external auditors, and to such information respecting the Corporation, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
9. The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Corporation as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

Composition

- 10. The Committee shall consist of at least three members of the Board of Directors (the "**Board**"), and a majority of the members of the Committee must be individuals who are not executive officers, employees or Control Persons of the Corporation, except in the circumstances permitted under National Instrument 52-110.
- 11. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.

12. The Board may appoint one member of the Committee to be the chair of the Committee (the “**Chair**”).
13. If the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee who is present at the meeting shall be chosen by the Committee to preside at the meeting.

Meetings

14. The Committee is responsible to meet as often as required to discharge its duties, provided that:
 - (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
 - (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and
 - (c) management representatives may be invited to attend all meetings except private sessions with the external auditors.
15. The Chair of the Committee will, in consultation with the members, determine the schedule, time and place of meetings.
16. A quorum for a meeting of the Committee shall be a majority of members present in person, by telephone conference call or by such other electronic means as allows them to participate in the meeting.
17. Notice of the time and place of every meeting shall be given in writing (including by way of written email or facsimile communication) to each member of the Committee at least 24 hours prior to the time fixed for such meeting, provided, however, that a member may in any manner waive a notice of a meeting; and attendance of a member at a meeting constitutes a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.
18. At the invitation of the Chair of the Committee, one or more officers of the Corporation may attend any meeting of the Committee.

Procedures, Records and Reporting

19. Subject to any statute or articles and by-laws of the Corporation, the Committee shall fix its own procedures at meetings, keep records of its proceedings and report to the Board when the Committee may deem appropriate (but not later than the next meeting of the Board). The minutes of its meetings shall be distributed to all members of the Board. All Directors shall be provided with access to any materials distributed to members of the Committee.
20. The Committee is responsible for preparing a report for inclusion in the Corporation’s annual management information circular.

Adopted and approved by the BTCT Board of Directors: May 22, 2025.