

Q1 2025



bluesky
DIGITAL ASSETS

**UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2025**

(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

MAY 30, 2025



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Bluesky Digital Assets Corp.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
Unaudited

As at,	March 31, 2025	December 31, 2024
ASSETS		
Current		
Cash	\$ 764,306	\$ 1,275,463
Other receivables (note 3)	228,321	229,819
Prepaid expenses	101,716	72,859
Investments (note 9)	63,240	35,011
Note receivable (note 12)	1,745,607	-
Total assets	\$ 2,903,190	\$ 1,613,152
LIABILITIES		
Current		
Accounts payable and accrued liabilities (note 8)	\$ 219,385	\$ 237,696
Loans payable (note 11)	118,269	114,685
Total current liabilities	337,654	352,381
Non-current liabilities		
Warrant liability (note 10)	108,684	357,316
Total liabilities	446,338	709,697
SHAREHOLDERS' EQUITY		
Share capital (note 13)	31,960,151	29,700,576
Contributed surplus (note 15)	9,534,509	9,534,509
Warrants (note 14)	1,579,622	484,522
Deficit	(40,617,430)	(38,816,152)
Total shareholders' equity	2,456,852	903,455
Total liabilities and shareholders' equity	\$ 2,903,190	\$ 1,613,152

Description of business and going concern (note 1)
Subsequent event (note 20)

"Frank Kordy", Director

"Ben Gelfand", Director

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

Bluesky Digital Assets Corp.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
Unaudited

	Three Months March 31,	
	2025	2024
		Restated (note 19)
Cost of revenue		
Site operating costs	\$ -	\$ (9,802)
Depreciation	-	(15,166)
Gross loss	-	(24,968)
Operating expenses		
General and administration (note 16)	955,564	93,290
Share-based payments (notes 13 and 14)	1,095,100	-
Software development expenses (note 5)	59,820	303,787
Total operating expenses	(2,110,484)	(397,077)
Net operating loss	(2,110,484)	(422,045)
Other items		
Gain (loss) on investments	28,229	(18,627)
Foreign exchange gain (loss)	345	(1,645)
Gain on disposal of assets	-	3,044
Gain on revaluation of warrant liability (note 10)	248,632	2,549
Termination of lease (note 7)	32,000	-
Total loss and comprehensive loss for the period	\$ (1,801,278)	\$ (436,724)
Net loss and comprehensive loss per share		
- basic and diluted (note 17)	\$ (0.03)	\$ (0.02)
Weighted average number of common shares outstanding		
- basic and diluted (note 17)	65,747,574	21,932,173

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

Bluesky Digital Assets Corp.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
Unaudited

	Three Months March 31,	
	2025	2024
		Restated (note 19)
Operating activities		
Loss for the period	\$ (1,801,278)	\$ (436,724)
<i>Items not affecting cash:</i>		
Depreciation	-	15,166
Common shares issued for services and compensation (note 15)	816,763	293,787
Share-based payments	1,095,100	-
Loss on revaluation of warrant liability	(248,632)	(2,549)
Loss on investments	(28,229)	18,627
(Gain) loss on disposal of assets	-	(3,044)
Interest on loan and leases	3,584	2,618
Accrued interest income	(2,795)	-
<i>Changes in non-cash working capital items:</i>		
Other receivables	1,498	6,665
Prepaid expenses	(28,857)	(1,248)
Accounts payable and accrued liabilities	(18,311)	1,186
Net cash used in operating activities	(211,157)	(105,516)
Financing activities		
Lease payments paid	-	(18,971)
Proceeds from loans	-	100,000
Net cash provided by financing activities	-	81,029
Investing activities		
Proceeds from sale of equipment	-	11,136
Issuance of note receivable	(300,000)	-
Net cash (used in) provided by investing activities	(300,000)	11,136
Decrease in cash	(511,157)	(13,351)
Cash, beginning of period	1,275,463	98,578
Cash, end of period	\$ 764,306	\$ 85,227

Supplemental information

Shares issued for payment of ChessGold Inc. invoices	\$ 1,442,812	-
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The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements.

Bluesky Digital Assets Corp.
Condensed Interim Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)
Unaudited

	Share capital						Digital Currency revaluation reserve	Deficit (note 19)	Total
	Preferred shares \$	Preferred shares to be registered \$	Common shares \$	Total Share capital \$	Contributed Surplus \$	Warrants \$	\$	\$	\$
Balance, December 31, 2023	2,054,685	(353,057)	24,491,189	26,192,817	6,005,652	4,016,491	80,931	(36,272,187)	23,704
Shares issued for services	-	-	745,787	745,787	-	-	-	-	745,787
Warrants expired	-	-	-	-	115,926	(115,926)	-	-	-
Net loss for the period	-	-	-	-	-	-	-	(436,724)	(436,724)
Balance, March 31, 2024	2,054,685	(353,057)	25,236,976	26,938,604	6,121,578	3,900,565	80,931	(36,708,911)	332,767
Balance, December 31, 2024	2,054,685	(353,057)	27,998,948	29,700,576	9,534,509	484,522	-	(38,816,152)	903,455
Share-based compensation	-	-	-	-	-	1,095,100	-	-	1,095,100
Shares issued for services	-	-	2,259,575	2,259,575	-	-	-	-	2,259,575
Net loss for the period	-	-	-	-	-	-	-	(1,801,278)	(1,801,278)
Balance, March 31, 2025	2,054,685	(353,057)	30,258,523	31,960,151	9,534,509	1,579,622	-	(40,617,430)	2,456,852

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements .

Bluesky Digital Assets Corp.**Notes to the Condensed Interim Consolidated Financial Statements****Three Months Ended March 31, 2025****(Expressed in Canadian Dollars)****Unaudited**

1. Description of business, going concern

Bluesky Digital Assets Corp. (or the "Company") is a reporting issuer in Ontario, Alberta and British Columbia. In Canada, the Company's common shares trade under the symbol "BTC" on the Canadian Securities Exchange and under the trading symbol "BTCWF" in the United States on the OTC Markets QB. The Company's "Class – A" preferred shares trades under the symbol "BTC.PR.A" on the Canadian Securities Exchange. The Company's corporate office and principal place of business is 100 King West, Suite 5700, Toronto, Ontario, Canada, M5X 1C9.

On June 7, 2024, the Company completed a 7:1 share consolidation of its common shares. All share quantities and share prices in these financial statements are stated based on their post-consolidation values, unless otherwise specified.

The Company business consist of conducting research & development of artificial intelligence to enhance the BlueskyINTEL platform. The Company previously was in the business of utilizing specialized equipment to solve complex computational problems to validate transactions on the bitcoin blockchain. The Company received bitcoin in return for successful service.

Going concern

The Company incurred a net loss during the three months ended March 31, 2025 of \$1,801,278 (2024 - \$436,724) and had an accumulated deficit of \$40,617,430 (December 31, 2024 - \$38,816,152). As at March 31, 2025, the Company had a working capital surplus of \$2,565,536 (December 31, 2024 - \$1,260,771). These conditions indicate material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern.

Given the volatility in the financial markets, it may be difficult to raise financing when needed. Because of continuing operating losses, the Company's continuance as a going concern is dependent upon its ability to obtain adequate financing and to reach profitable levels of operations. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operations. Material uncertainties as mentioned above cast significant doubt upon the Company's ability to continue as a going concern.

These unaudited condensed consolidated interim financial statements have been prepared on the basis of accounting principles applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying unaudited condensed consolidated interim financial statements. Such adjustments could be material. The Company may periodically have to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

Bluesky Digital Assets Corp.
Notes to the Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2025
(Expressed in Canadian Dollars)
Unaudited

2. Basis of presentation

Statement of compliance to international financial reporting standards

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by International Accounting Standards Boards ("IASB") and interpretations issued by IFRIC.

The policies applied in these unaudited condensed consolidated interim financial statements are based on IFRS's issued and outstanding as of May 30, 2025, the date the Board of Directors approved the statements. Except as disclosed in note , the same accounting policies and methods of computation are followed in these unaudited condensed consolidated interim financial statements as compared with the most recent annual financial statements as at and for the year ended December 31, 2024. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the period ending December 31, 2025 could result in restatement of these unaudited condensed consolidated interim financial statements.

Basis of measurement

These unaudited condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value as explained in these unaudited condensed consolidated interim financial statements. These unaudited condensed consolidated interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Basis of consolidation

These unaudited condensed consolidated interim financial statements include the accounts of the Company and its controlled subsidiaries. Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are deconsolidated from the date control ceases. The unaudited condensed consolidated interim financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating intercompany balances and transactions.

The following companies have been consolidated within these consolidated financial statements:

Company	Registered	Principle activity
Bluesky Digital Assets Corp.	Canada	Parent Company
Bluesky Digital Assets Inc. ⁽¹⁾	Canada	Holding Company
MethodeVerte Inc. ⁽¹⁾	Canada	Holding Company
GP Self Storage Inc. ⁽¹⁾	Canada	Commercial Rental Company
GP Realty Inc. ⁽¹⁾	Canada	Holding Company
Bluesky Defi Inc.(formerly 63 Wellington Street Inc.) ⁽²⁾	Canada	Inactive
Bluesky Intelligence Inc. (formerly 1Balfour Place Inc.) ⁽²⁾	Canada	Inactive

⁽¹⁾ 100% owned by the Parent Company

⁽²⁾ 100% owned by GP Realty Inc

Bluesky Digital Assets Corp.
Notes to the Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2025
(Expressed in Canadian Dollars)
Unaudited

3. Other receivables

	March 31, 2025	December 31, 2024
Other receivables	\$ 51,244	\$ 51,244
Funds held in trust by related parties	177,077	178,575
Total other receivable	\$ 228,321	\$ 229,819

4. Property, plant and equipment

Cost	Data miners	Equipment	Computers	Total
Balance, December 31, 2023	\$ 4,469,041	\$ 845,745	\$ 6,547	\$ 5,321,333
Disposals	(4,469,041)	(845,745)	(6,547)	(5,321,333)
Balance, December 31, 2024 and March 31, 2025	\$ -	\$ -	\$ -	\$ -

Accumulated depreciation	Data miners	Equipment	Computers	Total
Balance, December 31, 2023	\$ 4,237,966	\$ 756,823	\$ 6,547	\$ 5,001,336
Disposals	(4,237,966)	(756,823)	(6,547)	(5,001,336)
Balance, December 31, 2024 and March 31, 2025	\$ -	\$ -	\$ -	\$ -

Carrying amount	Data miners	Equipment	Computers	Total
Balance, December 31, 2024	\$ -	\$ -	\$ -	\$ -
Balance, March 31, 2025	\$ -	\$ -	\$ -	\$ -

During fiscal 2024, the Company either disposed of or sold the remainder of its data miners and equipment.

5. Software development expenses

Costs incurred for research and development activities include consulting services in order to develop an artificial intelligence to enhance the BlueskyINTEL platform. The Company allocates consulting expenses from third party vendors, and consulting fees from management who devote time to the project.

During the three months ended March 31, 2025, officers and directors provided \$nil (2024: \$293,787) related to the development of the BlueskyINTEL platform.

6. Right-of-use assets

The Company's right-of-use asset includes a digital mining facility in Quebec, Canada.

	March 31, 2025	December 31, 2024
Balance, beginning of period	\$ -	\$ 100,819
Depreciation	-	(45,499)
Termination of lease	-	(55,320)
Balance, end of period	\$ -	\$ -

Bluesky Digital Assets Corp.**Notes to the Condensed Interim Consolidated Financial Statements****Three Months Ended March 31, 2025****(Expressed in Canadian Dollars)****Unaudited****7. Lease liabilities**

A reconciliation of the carrying amount of the lease liabilities is as follows:

	March 31, 2025	December 31, 2024
Balance, beginning of period	\$ -	\$ 105,813
Interest expense	-	5,048
Lease payments	-	56,913
Termination of lease	-	(53,948)
Balance, end of period	\$ -	\$ -

8. Accounts payable and accrued liabilities

	March 31, 2025	December 31, 2024
Trade and other payables	\$ 150,062	\$ 171,691
Accrued liabilities	69,323	66,005
	\$ 219,385	\$ 237,696

9. Investments

	March 31, 2025		December 31, 2024	
	Number of shares	Estimated fair market value	Number of shares	Estimated fair market value
Workspoint Ltd.	13,561	\$ 62,247	13,561	\$ 17,952
Cheetah Canyon Resources Corp.	1,698,850	-	1,698,850	-
Chess Supersite Corp	300,000	993	300,000	604
Eastwest Bioscience Inc.	658,182	-	658,182	16,455
Astro Airspace Ltd	500,000	-	500,000	-
Hemp Inc.	24,000,000	-	24,000,000	-
Total		\$ 63,240		\$ 35,011

Classification

Short-term investments	\$ 63,240	\$ 35,011
Long-term investments	-	-
Total	\$ 63,240	\$ 35,011

Bluesky Digital Assets Corp.
Notes to the Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2025
(Expressed in Canadian Dollars)
Unaudited

10. Warrant liability

The Company has completed the following issuances of warrants:

Closing date	October 13, 2021
Warrants issued (note 13)	1,439,646
Warrants exercised	\$ 0.430
Fair value of warrants issued	\$ 0.270
Warrant term	60 months

Details related to the warrant liability are summarized below.

	Number of warrants	Amount
Balance, December 31, 2023 (note 1)	1,439,650	\$ 146,876
Fair value adjustment	-	210,440
Balance, December 31, 2024 (note 1)	1,439,650	357,316
Fair value adjustment	-	(248,632)
Balance, March 31, 2025	1,439,650	\$ 108,684

The Company recorded a non-cash loss on the revaluation of warrant liability of \$248,632 during the three months ended March 31, 2025 (three months ended March 31, 2024 - loss of \$210,440).

The Black-Scholes model and the inputs used in determining the values of the warrants as at March 31, 2025 and December 31, 2024 are as follows:

	March 31, 2025	December 31, 2024
Common share market price	\$ 0.200	\$ 0.400
Weighted average risk free interest rate	2.590 %	2.910 %
Estimated common share weighted average price volatility	223.60 %	171.20 %
Expected dividend yield	nil %	nil %
Estimated weighted average life in years	2.00	2.04

11. Loans payable

	March 31, 2025	December 31, 2024
Balance, beginning of year	\$ 114,685	\$ 60,000
Proceeds from loans payable	-	150,000
Interest on loan	3,584	14,685
Repayment - other loans	-	(110,000)
Balance, end of period	\$ 118,269	\$ 114,685

Classification	March 31, 2025	December 31, 2024
Short-term loans payable	\$ 118,269	\$ 114,685
Long-term loans payable	-	-
Total loans payable	\$ 118,269	\$ 114,685

Bluesky Digital Assets Corp.
Notes to the Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2025
(Expressed in Canadian Dollars)
Unaudited

11. Loans payable (continued)

Canada Emergency Business Account (CEBA) loan

During the year ended December 31, 2020, the Company received \$60,000 in Canada Emergency Business Account (CEBA), funded by the Federal Government of Canada. Starting January 18, 2024, the loans will be automatically renewed until December 31, 2026 at an interest rate of 5%.

Other loans payable

On February 16, 2024, the Company entered into a loan agreement whereby it can borrow up to \$300,000 in multiple tranches. The lending rate for any funds drawn from the facility has been set to 15% per annum with the repayment to occur within 24 months after any funds have been drawn upon. In accordance with the loan agreement the Company withdrew the first tranche of \$100,000, and on May 17, 2024, the Company withdrew an additional \$50,000.

During the year ended December 31, 2024, the Company settled the first tranche of \$100,000 by issuing 714,286 common shares with a fair value of \$125,000 on the date of settlement for the principal and interest (note 14(b)(i)).

12. Note receivable and other advances

Note receivable

On January 22, 2025, the Company entered into strategic investment into ChessGold Inc. ("ChessGold") an online digital game developer. The Company has agreed to enter into a loan agreement where Bluesky will advance up to \$1,000,000 to ChessGold. Any funds advanced by Bluesky to ChessGold will be backed by a General Security Agreement on the assets of ChessGold. Any advances shall also bare an interest rate of 5% per annum. Bluesky shall also have the ability to convert any amounts outstanding from the loan into Common Shares of ChessGold.

	March 31, 2025	December 31, 2024
Balance, beginning of year	\$ -	\$ -
Issuance of note receivable	300,000	-
Interest	2,795	-
Balance, end of period	\$ 302,795	\$ -

Other advances

During the three months ended March 31, 2025, the Company issued 6,750,000 common shares to pay for invoices on behalf of ChessGold in the amount of \$1,422,812. These amounts are non-interest bearing, and due on demand.

13. Share capital

As at March 31, 2025, the Company's authorized share capital consists of unlimited number of voting common shares, 941,594 non-voting, cumulative, "Class – A" preferred shares and "Class – B" preferred shares that are redeemable at the option of the Company at fair value.

On June 7, 2024, the Company completed a 7:1 share consolidation on its common shares. All share quantities and share prices in these financial statements are stated based on their post-consolidation values, unless otherwise specified.

Bluesky Digital Assets Corp.
Notes to the Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2025
(Expressed in Canadian Dollars)
Unaudited

13. Share capital (continued)

a) Preferred shares

Class A	Number of preferred shares	Amount
Balance, December 31, 2023, December 31, 2024 and March 31, 2025	493,020	\$ 2,042,185

Preferred shares to be registered

During the year ended December 31, 2020, the Company repurchased its own Class – A preferred shares from a related party through a series of multiple transactions. As at December 31, 2018 the Company had paid \$52,567 to be applied to preferred shares, which was included in other receivables. During fiscal 2020, an additional \$24,000 in cash was paid, along with issuance of 513,400 common shares with a value of \$51,330, and forgave the balance of a note receivable from an entity controlled by the related party in the amount of \$225,160. In exchange for all of these amounts, the Company received 26,500 preferred shares, with a value of \$353,057. The preferred shares certificates have been physically received but had not yet been registered back into the Company's name and are therefore held in a separate account within equity.

Class B	Number of shares	Amount
Balance, December 31, 2023, December 31, 2024 and March 31, 2025	1,250	\$ 12,500

b) Common shares

	Number of common shares	Amount
Balance, December 31, 2023	20,878,450	\$ 24,491,189
Common shares issued for debt	3,196,229	745,787
Balance, March 31, 2024	24,074,679	\$ 25,236,976
Balance, December 31, 2024	59,108,418	\$ 27,998,948
Common shares issued (ii)	10,001,000	2,250,200
Balance, March 31, 2025	69,109,418	\$ 30,249,148

(i) Common shares issued for debt - 2024

The Company issued 3,196,229 common shares, as per agreements for the total accounts payable for services and compensation for the total debt \$745,787. The shares closing price on the date of issuance was \$0.23 per share.

(ii) Common shares issued - 2025

The Company issued 10,001,000 common shares related to issuances for services with a fair value of \$2,250,200.

Bluesky Digital Assets Corp.**Notes to the Condensed Interim Consolidated Financial Statements****Three Months Ended March 31, 2025****(Expressed in Canadian Dollars)****Unaudited****14. Warrant reserve**

	Number of warrants	Fair value of warrants	Weighted average exercise price
Balance, December 31, 2023	6,780,100	\$ 4,016,491	\$ 1.75
Expired	(709,112)	(115,926)	7.14
Balance, March 31, 2024	6,070,988	\$ 3,900,565	\$ 1.19
Balance, December 31, 2024	2,005,829	\$ 484,522	\$ 2.30
Issued (notes 14(ii))	6,250,000	1,095,100	0.25
Expired	(1,458,085)	(261,638)	(2.80)
Balance, March 31, 2025	6,797,744	\$ 1,317,984	\$ 0.31

- (i) On March 8, 2025, the Company granted 6,250,000 bonus warrants to officers and consultants at an exercise price of \$0.25 for a period of 2 years from the date of issuance. The estimated fair value of the warrants at the grant date was \$1,095,100 using the Black-Scholes option pricing model. The underlying weighted average assumptions used in the estimation of fair value in the Black-Scholes valuation model were as follows: dividend yield 0%, expected annual volatility of 223.6%, risk free rate of return of 2.59% and an expected life of 2 years. Share price at the date of the grant was \$0.25.

The following table reflects the warrants issued and outstanding as of March 31, 2025:

Expiry Date	Exercise Price (\$)	Remaining Contractual Life (years)	Number of Warrants Outstanding	Grant date Fair Value (\$)
April 24, 2025	0.455	0.07	289,715	5,758
May 25, 2025	0.455	0.15	142,857	-
September 29, 2026	2.821	1.50	115,172	220,238
March 8, 2027	0.250	1.94	6,250,000	1,095,100
	0.307	0.26	6,797,744	1,321,096

15. Contributed surplusEmployee share option plan

The shareholders of the Company approved the Company's existing stock option plan, the "Plan", to be administered by the directors of the Company. Under the Plan, the Company may grant to directors, officers, employees and consultants options to purchase shares of the Company. The Plan provides for the issuance of stock options to acquire up to 10% of the Company's issued and outstanding capital. The plan is a rolling plan as the number of shares reserved for issuance pursuant to the grant of stock options will increase as the Company's issued and outstanding share capital increases.

The fair value at grant date is determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The Company grants all employee stock options with an exercise price equal to or greater than the market value of the underlying common shares on the date of grant.

Bluesky Digital Assets Corp.
Notes to the Condensed Interim Consolidated Financial Statements
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(Expressed in Canadian Dollars)
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15. Contributed surplus (continued)

	Number of stock options	Fair value of stock options	Weighted average exercise price
Balance, December 31, 2023	651,309	\$ 2,611,042	\$ 2.03
Expired	(317,857)	(1,734,888)	(1.47)
Balance, March 31, 2024	333,452	\$ 876,154	\$ 1.47
Balance, December 31, 2024 and March 31, 2025	12,500	\$ 113,660	\$ 9.76

The following table reflects the stock options issued and outstanding as of March 31, 2025:

Expiry Date	Exercise Price (\$)	Remaining Contractual Life (years)	Number of Options Outstanding and Exercisable	Estimated fair value at grant date
May 5, 2026	10.08	1.10	10,119	98,160
June 19, 2027	8.40	2.22	2,381	15,500
	9.76	1.31	12,500	113,660

16. General and administrative

	Three Months Ended March 31,	
	2025	2024
Management fees (note 18)	\$ 95,095	\$ 18,820
Loan interest and fees	3,584	2,618
Consulting and other professional fees (note 18)	827,795	18,564
General and administration	308	6,055
Marketing and investor relations	-	28,008
Legal and audit	22,700	6,250
Transfer agent and filing fees	13,889	12,975
Interest income	(7,807)	-
Total general and administrative	\$ 955,564	\$ 93,290

17. Basic and diluted loss per share

The calculation of basic and diluted loss per share for the three months ended March 31, 2025, was based on the loss attributable to common shareholders of \$1,801,278 (three months ended March 31, 2024 - \$436,724) and the weighted average number of common shares outstanding of 65,747,574 (three months ended March 31, 2024 - 21,932,173). Diluted loss per share did not include the effect of 6,797,744 warrants or 12,500 stock options for the three months ended March 31, 2025 (three months ended March 31, 2024 - 6,070,988 warrants or 333,452 stock options) as their effect is anti-dilutive.

Bluesky Digital Assets Corp.
Notes to the Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2025
(Expressed in Canadian Dollars)
Unaudited

18. Related party transactions

Key management personnel includes the Board of Directors of the Company, officers, and close family members and enterprises which are controlled by these individuals, as well as certain persons performing similar functions.

Remuneration of directors and key management personnel, other than consulting fees, of the Company was as follows:

	Three Months Ended March 31,	
	2025	2024
Management fees	\$ 720,095	\$ 282,487
Consulting and other professional fees	10,852	48,684
Share-based payments	394,237	-
	\$ 1,125,184	\$ 331,171

19. Comparative Figures

Certain comparative figures have been retroactively adjusted to reflect the software development costs accounting policies in effect as of December 31, 2024. These changes were made to reflect changes in the Company's plan for it's software.

The full accounting policy is as follows:

Consolidated Statements of Financial Position

	As at March 31, 2024 (as previously stated)	Impact of accounting policy change	As at March 31, 2024 (restated)
Assets	\$	\$	\$
Intangible asset	303,787	(303,787)	-
Total assets	1,575,224	(303,787)	1,271,437
Shareholders' equity			
Deficit	(36,405,124)	(303,787)	(36,708,911)
Total liabilities and shareholders' equity	11,559,832	(303,787)	2,584,767

Consolidated Statements of Comprehensive Loss

	Three Months March 31, 2024 (as previously stated)	Impact of accounting policy change	Three Months March 31, 2024 (restated)
	\$	\$	\$
Software development expenses	-	(303,787)	(303,787)
Net (loss) and comprehensive (loss)	(132,937)	(303,787)	(436,724)
Basic and diluted loss per share	(0.01)	(0.01)	(0.02)

Bluesky Digital Assets Corp.
Notes to the Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2025
(Expressed in Canadian Dollars)
Unaudited

19. Comparative Figures (continued)

Consolidated Statements of changes in equity

	(as previously stated)	Impact of accounting policy change	(restated)
	\$	\$	\$
Deficit as of December 31, 2023	(36,272,187)	-	(36,272,187)
Loss for the period	(132,937)	(303,787)	(436,724)
Deficit as of March 31, 2024	(36,405,124)	(303,787)	(36,708,911)

Consolidated Statements of cash flows

	Three Months Ended March 31, 2024 (as previously stated)	Impact of accounting policy change	Three Months Ended March 31, 2024 (restated)
	\$	\$	\$
Cash flows used in operating activities			
Loss for the period	(132,937)	(303,787)	(436,724)
Common shares issued for services and compensation	-	293,787	293,787
Cash used in operating activities from	(95,516)	(10,000)	(105,516)
Cash flows from investing activities			
Intangible assets	(10,000)	10,000	-
Cash flows from investing activities	1,136	10,000	11,136

20. Subsequent event

On May 1, 2025, the Company announced that ChessGold is in the final stages to fully launch its online chess gaming platform effective May 15, 2025.

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