



Digital Commodities

Digital Commodities Inc.
(Formerly Digital Commodities Capital Corp.)

Management's Discussion and Analysis

**For the six months ending August 31, 2025, and 2024
(Unaudited - Expressed in Canadian Dollars)**

Forward-Looking Information

The following is management's discussion and analysis ("MD&A"), prepared as of October 30, 2025. This MD&A should be read in conjunction with Digital Commodities Inc., (the "Company") unaudited condensed interim consolidated financial statements for the six months ended August 31, 2025 and 2024, and the audited consolidated financial statements and the accompanying notes for the years ended February 28, 2025, and 2024, all as prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

All amounts are stated in Canadian dollars unless otherwise indicated.

This report includes certain statements that may be deemed "forward-looking statements" within the meaning of applicable securities legislation. All statements, other than statements of historical facts that address such matters as future events or developments that the Company expects, are forward-looking statements and, as such, are subject to risks, uncertainties, assumptions and other factors of which are beyond the reasonable control of the Company. You can identify these statements by forward-looking words such as "expects", "does not expect", "plans", "anticipates", "does not anticipate", "believes", "intends", "estimated", "projects", "potential", "scheduled", "forecast", "budget", and similar expressions, or that events or conditions "will", "would", "may", "could", "should" or "might" occur and similar words. Such statements give the Company's current expectations or forecasts of future events and are not guarantees of future performance and actual results or developments may differ materially from those expressed in, or implied by, this forward-looking information. With respect to forward-looking statements and information contained herein, we have made numerous assumptions including among other things anticipated costs and expenditures and the Company's ability to achieve its goals. Although management believes that the assumptions made, and the expectations represented by such statements or information are reasonable, there can be no assurance that a forward-looking statement or information herein will prove to be accurate. Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Factors that could cause actual results to differ materially from those in forward-looking statements include, for example, such matters as continued availability of capital and financing and general economic, market or business conditions. Although we have attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking statements or information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking statements or information. Any forward-looking statements are expressly qualified in their entirety by this cautionary statement.

The information contained herein is stated as of the current date and subject to change after that date and the Company does not undertake any obligation to update publicly or to revise any of the forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Description of Business

The Digital Commodities Inc., formerly Digital Commodities Capital Corp and the BC Bud Corporation, (the "Company") was incorporated under the laws of Alberta and was continued into British Columbia during the year ended December 31, 2000. On March 31, 2020, the Company changed its name from Waterfront Capital Corporation to Entheos Capital Corp. On September 29, 2021, the Entheos Capital Corp. completed a reverse takeover transaction with The BC Bud Corporation and changed its name to The BC Bud Corporation. The Company is listed on the Canadian Securities Exchange ("CSE") under the symbol "DIGI". The Company's registered office is located at 15th Floor – 1111 West Hastings St., Vancouver, British Columbia, V6E 2J3.

On March 18, 2025, the Company completed a change of business from a cannabis issuer to an investment issuer. The Company invests in digital and physical non-fiat assets, businesses and private and publicly listed entities that are involved in high-growth industries, with a particular focus on hard commodities, cryptocurrencies and the resource sector.

On September 17, 2025, the Company changed its name to Digital Commodities Inc. and has continued out of the provincial jurisdiction of British Columbia under the Business Corporations Act (British Columbia) (the "BCBCA") into the jurisdiction of Canada under the Canada Business Corporations Act (the "CBCA").

Recent Announcements

- On March 4, 2025, the Company announced that it had uplisted from the OTC Pink Market to the OTCQB Venture Market. The Company's common shares have commenced trading on the OTCQB.
- On March 10, 2025, the Company announced that it had refiled its condensed interim consolidated financial statements for the three and nine-month periods ended November 30, 2024 and 2023. Due to significant doubts about the reliability of the financial statements audited by the Company's previous auditors, BF Borgers, CPA PC, the Company has revised the numbers previously filed for these periods in its unaudited condensed interim consolidated financial statements. Refer to "Change of Auditor" section above.
- On March 25, 2025, the Company announced the appointment of Dean Sutton as a strategic advisor. Dean Sutton is a recognized leader in the digital asset and fintech sectors, with over 15 years of experience in founding, capitalizing, and scaling disruptive technology companies. He is best known for his role as Co-Founder of WonderFi Technologies (TSX: WNDR) - a recognized leader in the regulated crypto landscape in Canada - and has played a key role in shaping the public crypto narrative in Canada through multiple innovative ventures.
- On March 27, 2025, the Company announced a strategic investment in Gold Finder Resources Ltd. ("GLD"), formerly GoldON Resources Ltd. The Company has acquired 10,000,000 units of GLD at a price of \$0.025 per unit for a total investment of \$250,000 (the "Investment"). Each unit consists of one common share and one common share purchase warrant, with each warrant exercisable at a price of \$0.05 per share for a period of two years. GLD is a publicly listed Canadian mineral exploration company focused on advancing gold exploration projects in Ontario - one of Canada's most prospective and mining-friendly jurisdictions. As part of the Investment, the Company has secured the right to nominate a representative to GLD's board of directors.

- On March 31, 2025, the Company announced the initial acquisition of 10,000 units of the Sprott Physical Silver Trust (TSX: PSLV) as part of its broader strategic commitment to the silver market. The Company is actively evaluating opportunities to increase its exposure to physical silver and related investments, including the potential acquisition of additional PSLV units in the near term.
- On April 30, 2025, the Company announced strategic digital marketing agreements with Senergy Communications Capital Inc. ("Senergy") and Aktiencheck.de AG ("Aktiencheck").
- On June 9, 2025, the Company announced that it has entered a binding letter of intent with Vancrypto Inc. ("Vancrypto") to establish a non-exclusive facility (the "Facility") through which the Company may, from time to time and at its discretion, acquire Bitcoin directly from Vancrypto in exchange for cash or securities of the Company. Vancrypto, a privately held company, operates a cryptocurrency mine in Western Canada that is powered entirely by renewable energy.
- On June 23, 2025, the Company announced that it has completed the conversion of its XRP holdings into Bitcoin ("BTC"). As a result, the Company purchased two BTC at an average cost of US\$101,365, underscoring its ongoing commitment to building long-term exposure to premier digital assets. Subsequently, the Company announced it has acquired additional BTC to bring the holdings to 10.56 BTC at an average cost basis of \$159,803 per BTC.
- On July 14, 2025, the Company completed a non-brokered private placement of up to 16,666,665 units at a price of \$0.075 per unit for aggregate gross proceeds of \$2,000,000. Each unit consists of one common share and one common share purchase warrant, exercisable at a price of \$0.10 per share for a period of two years. The Company paid finders fees of \$13,680 in cash commission, 1,066,666 common shares of the Company and 1,249,066 finder warrants. Each finder warrant entitles the holder thereof to acquire one common share of the Company at a price of \$0.10 per share for a period of two years from the date of issuance.
- On July 29, 2025, the Company announced that it had acquired an additional 1.86 BTC using cash on hand, for a total purchase price of C\$300,000, representing an average purchase price of C\$160,544 per BTC, inclusive of all costs and fees.
- On August 12, 2025, the Company announced that it entered into an agreement with VanCrypto Tech LTD. to purchase \$50,000 worth of BTC pursuant to the Facility previously announced on June 9, 2025. Under the terms of this transaction, the Company will acquire BTC in exchange for 714,285 units of the Company at a deemed price of \$0.07 per unit. Each unit will consist of one common share of the Company and one common share purchase warrant, with each warrant exercisable into one common share at a price of \$0.10 for a period of two years from the date of issuance. On August 25, 2025, the Company announced the completion of the drawdown.
- On September 29, 2025, the Company announced it has changed its name from "Digital Commodities Capital Corp." to "Digital Commodities Inc." and has continued out of the provincial jurisdiction of British Columbia under the Business Corporations Act (British Columbia) into the jurisdiction of Canada under the Canada Business Corporations Act (the "CBCA").

In addition, the Company announced that it has entered into a Marketing Service Agreement (the "Agreement") with Nordcore Media LLC ("Nordcore") dated September 25, 2025. Pursuant to the Agreement, Nordcore will provide marketing and advertising services to the Company including, without limitation, creating advertorials; creating texts, reports and research material; creating advertisement material; creating ad texts and display ads; controlling the distribution of the advertising; creating campaigns, ad groups as well as bid adjustments; and providing highly detailed and granular remarketing campaigns. In addition to a classic online marketing approach, Nordcore will utilize third party distributions and bookings to further increase viewability. In consideration of the services, the Company will pay Nordcore a one-time agency fee equal to 16% of the advertising Budget (defined below). The total cost for the above-mentioned services, representing the advertising budget and inclusive of the 16% agency fee is USD\$150,000, payable in cash (the "Budget"). The Budget will be credited to Nordcore's account before the start of the campaign. The term of the Agreement is initially for a period of 4 months or until the Budget is fully spent, whichever is earlier. Nordcore is arm's length to the Company, and its business address is at 30 N Gould St Ste R Sheridan, WY 82801. Nordcore's contact information is: 307-400-9199, irojas@nordcoremedia.net.

- On October 24, 2025, the Company announced successful monetization within its commodities portfolio and continued strength across its core holdings. The Company has sold 5,000,000 shares of Gold Finder Resources (TSXV: GLD) at an average price of \$0.106, for gross proceeds of \$530,000, representing a 320% gain from its acquisition cost of \$0.025 per share.

Discussion of Operations for the three months ended August 31, 2025 ("Q2 2025") compared to the three months ended August 31, 2024 ("Q2 2024"):

During the three months ended August 31, 2025, the Company incurred a net loss of \$560,146 (2024 - \$397,745). The change of \$162,401 in the net loss was due to the items noted below:

- Gross loss of \$nil (2024 – \$10,639) decreased due to a change of business to an investment issuer, and therefore all cannabis operations were recorded as an investment at fair value.
- Advertising and promotion of \$37,904 (2024 – \$nil) due to public relations campaigns in early 2025 aimed at promotion of the Company's proposed change in business.
- Consulting fees of \$58,500 (2024 - \$64,000) decreased due to less costs associated with operations after the change in business. This change included less management of inventories compared to the prior year.
- Share-based payments of \$131,376 (2024 - \$nil) due to the granting and vesting of stock options to certain directors, officers and consultants of the Company during the period. There were no grants of stock options in the comparable period.
- Professional fees and other increased to \$202,418 from \$56,155 in the comparable period. This increase was due to the additional legal and auditor costs related to the change in business.
- During the three months ended August 31, 2025, the Company had a loss on digital assets of \$109,154 and a loss on investments of \$10,094. These are caused by the changes in fair market value of the Company's financial asset holdings.

Discussion of Operations for the six months ended August 31, 2025 (“YTD2025”) compared to the six months ended August 31, 2024 (“YTD2024”):

During the six months ended August 31, 2025, the Company incurred a net loss of \$831,710 (2024 – \$ 378,550). The change of \$453,160 in the net loss was due to the items noted below:

- Gross loss of \$nil (2024 – \$164,211) decreased due to a change of business to an investment issuer, and therefore all cannabis operations were recorded as an investment at fair value.
- Advertising and promotion of \$188,260 (2024 – \$1,390) due to public relations campaigns in early 2025 aimed at promotion of the Company's proposed change in business.
- Bad debt recovery of \$nil (2024 - \$38,824) due to a prior year customer sending products to the Company to settle accounts receivable that were previously written off.
- Consulting fees of \$131,900 (2024 - \$115,226) increased due to additional costs associated with the change in business, which included higher amounts paid to management.
- Share-based payments of \$163,566 (2024 - \$nil) due to the granting and vesting of stock options to certain directors, officers and consultants of the Company during the period. There were no grants of stock options in the comparable period.
- Professional fees and other increased to \$286,051 from \$130,587 in the comparable period. This increase was due to the additional legal and auditor costs related to the change in business.
- During YTD2025, the Company had a gain on deconsolidation of \$3,963,012 from the change to an investment issuer as the Company deconsolidated The BC Bud Corporation subsidiary. The fair value was determined by taking the public company share price as substantially all of the Company's operations related to this subsidiary. Subsequently to the initial recognition, the Company recognized a loss on the investment in the BC Bud Corporation of \$4,119,920 due to the net present value of the discounted cash flows being significantly lower than the amount initially recognized.

Summary of Quarterly Results

The following is a summary of consolidated quarterly results for the Company for the eight most recently completed financial quarters:

Quarter ended	Revenue	Net income (loss) and comprehensive income (loss)	Weighted average number of shares	Basic and diluted (loss) income per share
	\$	\$	#	\$
August 31, 2025	-	(560,146)	152,901,784	(0.00)
May 31, 2025	-	(271,564)	132,622,795	(0.00)
February 28, 2025	74,461	(1,358,613)	118,178,453	(0.01)
November 30, 2024	23,494	(150,039)	102,403,204	(0.00)
August 31, 2024	36,499	(397,745)	77,010,982	(0.01)
May 31, 2024	6,306	19,195	64,986,432	0.00
February 29, 2024	(432,674)	(676,989)	56,510,982	(0.01)
November 30, 2023	34,364	(205,285)	56,117,232	(0.00)

During the three months ended August 31, 2025, the Company's net loss increased by \$288,582 from the previous quarter. This increase is mainly due to an increase in share-based payments, due to timing of stock options grants. Additionally, the increase was due to professional fees which were incurred for the change of business.

During the three months ended May 31, 2025, the Company saw revenue decrease to \$nil as the Company completed a change of business to an investment issuer during the quarter. The Company had a net loss of \$271,565 during Q1 2025, a decrease of \$1,087,049 from the previous quarter. This decrease was mainly due to a decrease in share-based payments due to the timing of stock option grants.

During the quarter ended February 28, 2025, the Company saw an increase in revenue of \$50,970 and an increase in the net loss and comprehensive loss of \$1,130,042. This increase is mainly due to the Company issuing stock options during the period totaling share-based payments of \$720,399 and an inventory impairment of \$294,121.

During the quarter ended November 30, 2024, sales have been leveling off has come as the Company recently consolidated its inventory with a smaller number of suppliers. This transition took time and caused a decrease in sales during the quarters ending May 31, 2024, and February 29, 2024. These transfers of inventory were completed during the quarter ended August 31, 2024. The completion of these transfers is expected to reduce operating expenses as operations are now simpler, with a lower level of total sales expected. The Company sales have experienced large fluctuations caused by year end audit adjustments related to revenue recognition. The Company's net loss over the past eight periods is around \$200,000 per quarter, with fluctuations due to adjustments for impairment of inventory and accounts receivable.

Off Balance Sheet Arrangements

The Company had no off-balance sheet arrangements that are not disclosed above as at August 31, 2025, and as at the date of this MD&A.

Proposed Transactions

As at August 31, 2025, the Company had no undisclosed proposed transactions.

Liquidity and Capital Resources

The condensed interim consolidated financial statements have been prepared on a going concern basis, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Accordingly, the condensed interim consolidated financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

The Company reported a loss of \$831,710 for the six months ended August 31, 2025 (2024 - \$378,550) and had an accumulated deficit of \$8,273,001 as at August 31, 2025 (February 28, 2025 – \$7,441,291) and working capital of \$3,421,678 at August 31, 2025 (February 28, 2025 - \$1,603,746).

The Company's capital structure consists of all components of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the current operations, including corporate and administrative functions and to support operations. The Company obtains funding primarily through issuing common stock and through its loans payable. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future.

There were no changes in the Company's approach to capital management during the six months ended August 31, 2025. The Company is not subject to externally imposed capital requirements. All the current accounts payable and accrued liabilities are due and payable within 12 months or on demand

The following is the cash flow activities for the six months ended August 31, 2025 and 2024:

	2025	2024
	\$	\$
Cash used in operating activities	(702,332)	(404,330)
Cash used in investing activities	(1,569,837)	-
Cash provided by financing activities	2,222,646	450,000
Net increase (decrease) in cash	(49,523)	45,670
Cash, beginning of the period	1,014,242	4,202
Cash, end of the period	964,719	49,872

Cash used in operating activities of \$702,332 during the six months ended August 31, 2025, was mainly the result of operating losses. In the comparable period, the operating activities used cash of \$404,330.

During the six months ended August 31, 2025, the Company acquired \$547,976 in investments, offset by the sale of \$419,871 in investments. The Company acquired \$1,769,161 in digital assets, offset by the sale of \$327,429 in digital assets. The Company had no cash flows from investing activities during the six months ended August 31, 2024.

Cash provided by financing activities of \$2,222,646 during the six months ended August 31, 2025 was mainly due to a private placement with net proceeds of \$1,986,320 and the exercise of warrants for proceeds of \$430,000. These were offset by the repayment of the loan payable for \$193,674. In the prior year, the Company completed a private placement for \$400,000 and received cash of \$50,000 for loans payable.

The Company has incurred losses since inception and the ability of the Company to continue as a going concern depends upon its ability to generate cash flow through the sales of products and the issuance of common shares pursuant to private placements. The Company has relied primarily on equity financing for all funds raised to date for its operations but has also been dependent on loans made by related parties. The Company needs more funds to finance its operations. Capital markets may not always be receptive to offerings of new equity from treasury or debt, whether by way of private placements or public offerings. This may be further complicated by the limited liquidity for the Company's shares, restricting access to some institutional investors. The Company's growth and success is dependent on additional external sources of financing which may not be available on acceptable terms.

The Company works to meet its administrative overhead and finance operations going forward. If adequate financing is not available when required, the Company may be required to delay, scale back or eliminate expenditures and/or investments and may be unable to continue in operation. There is no assurance that any future funding can be accomplished as it would be wholly dependent on the state of the capital markets for junior cannabis companies. The Company does not anticipate the payment of dividends in the future.

Transactions with Related Parties

Related parties include the directors, corporate officers, key management personnel, significant shareholders and enterprises that are controlled by these. This includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole and its subsidiaries.

During the six months ended August 31, 2025 and 2024, the Company expensed the following amounts towards related parties:

Consulting fees	Six months ended August 31,	
	2025	2024
TJT Ventures Ltd. (Management)	\$ 10,000	\$ 30,000
Brayden Sutton (CEO and Director)	90,000	30,000
Lachlan McLeod (CFO and Corporate Secretary)	46,800	-
	\$ 146,800	\$ 60,000

Rent expense	Six months ended August 31,	
	2025	2024
Cybin Therapeutics Inc.	\$ -	\$ 8,400

As at August 31, 2025, the Company had \$nil (February 28, 2025 - \$17,771) due to related parties included in accounts payable and accrued liabilities. These amounts are non-interest bearing and due on demand.

During the six months ended August 31, 2025, the Company paid \$nil to Zeus Capital Ltd., the employer of the former CFO and Corporate Secretary. (2024 - \$27,500).

Financial Instruments

Fair Value

The Company classifies its cash, accounts payable and loan payable as amortized cost instruments. The Company considers that the carrying amount of these financial assets and liabilities measured at amortized cost to approximate their fair value due to the short-term nature of the financial instruments. Loan payable is carried at amortized cost, measured at level 3 inputs of the fair value hierarchy.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values. Although the Company believes its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its accounts receivable,

advances and liquid financial assets, including cash. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with reputable financial institutions. The Company considers credit risk with respect of these amounts to be low. The carrying amount of financial assets represents the maximum credit exposure.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. As at August 31, 2025, the Company had working capital of \$3,421,678 (February 28, 2025 – \$1,603,746). All of the Company's current liabilities are due within 90 days of August 31, 2025, or on demand.

A summary of undiscounted liabilities and future operating commitments as at August 31, 2025, are as follows:

	Total	Within 1 year	1 – 3 years	3 – 5 years
Maturity analysis of financial liabilities	\$	\$	\$	\$
Accounts payable and accrued liabilities	32,961	32,961	-	-
	32,961	32,961	-	-

Market risk

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk. The Company is not currently exposed to any significant interest rate foreign currency risk or other price risk.

Changes In Accounting Standards

Accounting standards issued but not yet effective

Certain pronouncements have been issued by the IASB or IFRIC that are effective for accounting periods beginning on or after September 1, 2025. The Company has reviewed these updates and determined that many of these updates are not applicable or consequential; or instances where it is applicable the effective date is more than a year out and therefore, the Company and have been excluded from discussion within these significant accounting policies.

Material Accounting Policy Information

The preparation of condensed interim consolidated financial statements in conformity with IFRS Accounting Standard requires management to make estimates and assumptions that affect the amounts reported in the condensed interim consolidated financial statements and accompanying notes. It is reasonably possible that circumstances may arise that would cause actual results to differ from management estimates; however, management does not believe it is likely that such differences will materially affect the Company's financial position. A significant area requiring the use of management estimates and judgments is the assessment of the

recoverability of inventory, share based payments, and the estimate of the revenues to be recognized given the return rights of the products of the provincial bodies.

The key areas of judgment applied in the preparation of the condensed interim consolidated financial statements that could result in a material adjustment to the amounts reported in the condensed interim consolidated financial statements include:

Fair value of fully owned subsidiary

Due to the change in business from an operating company to an investment issuer during the period, the Company was required to deconsolidate its fully owned subsidiary using IFRS 10. The Company used a market value approach to value the operations of The BC Bud Corporation as it comprised substantially all of the Company's operations at the time of the deconsolidation.

Share-based payments

The Company uses the Black-Scholes option pricing model to value options and warrants granted during the period. The Black-Scholes model was developed for use in estimating the fair value of traded options that have no vesting restrictions and are fully transferable. The model requires management to make estimates that are subjective and may not be representative of actual.

Outstanding Share Data

The Company's authorized share capital consists of an unlimited number of voting common shares without par value. The Company had the following securities outstanding as at August 31, 2025, and the date of this MD&A:

	August 31, 2025	Date of this MD&A
	#	#
Common shares	168,670,411	168,670,411
Stock options	13,950,000	13,950,000
Common Share Purchase Warrants	88,489,430	88,489,430
Finders Warrants	1,541,226	1,541,226
Fully diluted securities	272,651,067	272,651,067

Subsequent Share Transactions:

The Company had no subsequent share capital transactions after the reporting period.

Investment Entity

The Company uses the following criteria, contained within IFRS 10 - Consolidated financial statements, to determine if the Company meets the definition of an Investment Entity ("Investment Entity"):

- Obtain funds from one or more investors for the purpose of providing those investor(s) with investment management services;
- Commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- Measures and evaluates the performance of substantially all its investments on a fair value basis.

The Company has evaluated the above criteria and determined that it meets the definition of an Investment Entity. As a result of meeting the definition of an Investment Entity, subsidiaries, which otherwise would have been consolidated, are carried at fair value.

Effective March 18, 2025, the Company changed from a cannabis issuer to an investment issuer. The Company was required to deconsolidate its subsidiary, The BC Bud Corporation, and accounted for it as an investment on the effective date of the change in business. The Company initially fair valued the investment in The BC Bud Corporation using the share price of the Company on the effective date multiplied by the number of outstanding common shares, less any assets or liabilities that were not used in the operations of the BC Bud Corporation, as these operations were substantially all the value of Company at the effective date of the change of business.

Fair value of outstanding shares⁽¹⁾	5,304,912
Less: current assets of parent	(1,471,792)
Plus: current liabilities of parent	286,800
Fair value of The BC Bud Corporation	4,119,920
Less: deconsolidated balances of the BC Bud Corporation	(156,908)
Gain on change in business	3,963,012

⁽¹⁾ Determined at 132,622,795 common shares at \$0.04.

Subsequently, the Company determined the fair value of The BC Bud Corporation to be \$nil when the Company performed a discounted cash flow of the investment. Therefore, a revaluation loss of \$4,119,920 was recognized on the statement of loss and comprehensive loss during the six months ended August 31, 2025.

Previous Financings – Use of Funds

Private Placement - February 2023

Funds Raised	\$340,000
Stated purpose in news release	Business development and general working capital
Actual Use	The funds have been spent on acquisition of inventory, financing receivables, and general operating costs
Variations and impact of variations	No material variations have been identified by the Company. Proceeds have been used as intended to date and to finance the Company's operations while meeting administrative requirements.

Private Placement - August 2023

Funds Raised	\$198,500
Stated purpose in news release	Business development and general working capital
Actual Use	The funds have been spent on acquisition of inventory, financing receivables, and general operating costs
Variations and impact of variations	No material variations have been identified by the Company. Proceeds have been used as intended to date and to finance the Company's operations while meeting administrative requirements.

Private Placement – April 2024

Funds Raised	\$400,000
Stated purpose in news release	Business development and general working capital
Actual Use	The funds have been spent on acquisition of inventory, financing receivables, and general operating costs
Variations and impact of variations	No material variations have been identified by the Company. Proceeds have been used as intended to date and to finance the Company's operations while meeting administrative requirements.

Private Placement – Nov 2024

Funds Raised	\$375,000
Stated purpose in news release	Business development and general working capital
Actual Use	The funds have been spent on acquisition of inventory, financing receivables, and general operating costs
Variations and impact of variations	No material variations have been identified by the Company. Proceeds have been used as intended to date and to finance the Company's operations while meeting administrative requirements.

Private Placement – January 2025

Funds Raised	\$1,649,011
Stated purpose in news release	Business development and general working capital
Actual Use	The funds have been spent on acquisition of investments, operating expenses and general working capital purposes
Variations and impact of variations	No material variations have been identified by the Company. Proceeds have been used as intended to date and to finance the Company's operations while meeting administrative requirements.

Private Placement – August 2025

Funds Raised	\$2,000,000
Stated purpose in news release	The net proceeds were to be spent to acquire digital assets, metal holdings, investments, and general corporate purposes.
Actual Use	\$1.4M of the funds were used to purchase BTC, \$250K of the funds were used to purchase shares in Gold Finder Resources. The remaining funds are held in cash for other opportunities.
Variations and impact of variations	No material variations have been identified by the Company.

Officers and Directors as of the date of the MD&A

Directors	Senior Officers	Position
Brayden Sutton	Brayden Sutton	Chief Executive Officer
Thomas Joshua Taylor	Thomas Joshua Taylor	President
Alyssa Barry	Lachlan McLeod	Chief Financial Officer and Corporate Secretary
Ken Osborne		