

FORM 51-102F3
Material Change Report

Item 1 Name and Address of Company

Bitcoin Well Inc. (the “**Corporation**”)
10142 82 Avenue NW
Edmonton, AB T6E 1Z4

Item 2 Date of Material Change

February 23, 2022

Item 3 News Release

A news release relating to the material change described herein was disseminated through the facilities of GlobeNewswire on February 24, 2022 and filed on the System for Electronic Document Analysis and Retrieval (SEDAR) under the Corporation’s profile and is attached hereto as Schedule “A”.

Item 4 Summary of Material Change

On February 23, 2022 the Corporation entered into a secured convertible debenture for up to CDN\$5.0 million (the “**Convertible Debenture**”), convertible into common shares of the Corporation at a conversion price of \$0.30. The Convertible Debenture may be issued in up to three tranches, the first of which was issued to Beyond The Rhode Corp. (“**BTR**”) on February 23, 2022 in the principal amount of CDN\$1.5 million. The Convertible Debenture bears interest at a rate of 10% per annum and matures on February 23, 2025, subject to two automatic one year extensions (the “**Maturity Date**”).

The Convertible Debenture provides for the payment of a monthly royalty to the holder equal to: (A) 20% of the gross profit, defined as the revenue generated less the cost of the coins generated from the online ecosystem of the Corporation and affiliates from February 23, 2022 until August 23, 2023; and (B) between 12-20% of gross profit from August 23, 2023 until the latter of three months after the most recent conversion date or the Maturity Date. No royalty payment shall be made if the aggregate amount of all interest payments, future interest payments and royalty payments would exceed 24%.

At the option of the Corporation, the second tranche in one or more advances not to exceed the principal amount of CDN\$2.0 million may be issued on or before March 31, 2022. Additionally, subject to TSX Venture Exchange approval and the consent of BTR, the Corporation may request a third tranche in one or more advances not to exceed the principal amount of CDN\$1.5 million on or before June 30, 2022.

Item 5 Full Description of Material Change

Please refer to the attached news release.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

For further information, please contact Adam O'Brien, Chief Executive Officer and Director of the Corporation at 1-888-711-3866.

Item 9 Date of Report

March 3, 2022.

Schedule “A”

[See attached]

**BITCOIN WELL ANNOUNCES \$5 MILLION SECURED CONVERTIBLE DEBT FINANCING
TO DEVELOP NEXT PHASE OF BITCOIN ECOSYSTEM**

Financing Will Underpin Development of FinTech Ecosystem of Products and Services

Edmonton, Alberta – February 24, 2022 – Bitcoin Well Inc. (“Bitcoin Well”) (TSXV: BTCW), a technology company building and utilizing products that offer safe and easy ways to buy, sell and use Bitcoin, is pleased to announce a CDN\$5.0 million secured convertible debenture (the “Convertible Debenture”) at a conversion price of \$0.30 (the “Financing”).

The Convertible Debenture will be issued in up to three tranches. The first tranche in the principal amount of CDN\$1.5 million was issued to Beyond The Rhode Corp. (“BTR”) on February 23, 2022. At the option of Bitcoin Well, the second tranche in one or more advances not to exceed the principal amount of CDN\$2.0 million may be issued on or before March 31, 2022. Additionally, subject to TSX Venture Exchange approval and the consent of BTR, Bitcoin Well may request a third tranche in one or more advances from BTR not to exceed the principal amount of CDN\$1.5 million on or before June 30, 2022.

Today bitcoin investors have limited ways to use the gold standard of cryptocurrency for daily needs such as bill payments, donations, online purchases of various products and services, etc. As the Bitcoin Well ecosystem of products and services evolves, we will be able to offer the convenience of modern banking coupled with the security and benefits of bitcoin which will allow users to interact with their bitcoin in a way that is familiar to them.

The funds will be used for enhancement of the existing Bitcoin Well online product, user acquisition and general working capital. The Bitcoin Well ecosystem of products and services will offer users the ability to buy, sell and use bitcoin online with self-custodied blockchain technology and through a proprietary mobile app (“Rise Wallet”).

Our vision is that Rise Wallet, soon to be rebranded as Well Wallet™, will provide superior personal financial app features for bitcoin. We plan to integrate various payment rails into the app to give users a simple and trusted platform to buy and sell bitcoin, alongside features they are used to having available on their modern banking apps.

“The industry is missing a coherent account system that allows customers to interact with bitcoin like they do with dollars,” said Adam O’Brien, Founder & CEO of Bitcoin Well. “Creating a seamless customer experience to not only buy and sell, but use bitcoin in a safe and convenient way, will scale globally, and is necessary to realize our vision of a financially sovereign world. We are essentially building a product that looks and feels like a bank account, but gives users full control of their money with Bitcoin technology.”

The Convertible Debenture will mature on February 23, 2025, subject to two (2) automatic one (1) year extensions (the “Maturity Date”). The Convertible Debenture will bear interest at 10% per annum,

payable in cash monthly in arrears. The principal amount of the Convertible Debenture will be convertible, in whole or in part, at the option of holder, into common shares of Bitcoin Well (the “Common Shares”) at a conversion price of CAD\$0.30 per Common Share, subject to adjustments in certain circumstances. Any adjustments will be subject to TSXV review and acceptance. Bitcoin Well has the right to force conversion of the principal amount if the volume weighted average trading price for the Common Shares for ten (10) trading days equals or exceeds CAD\$0.60 per Common Share. Bitcoin Well also has the option to repay any amounts of the Convertible Debenture with no penalty at any time after February 23, 2023.

The Convertible Debenture provides for the payment of a monthly royalty to the holder equal to: (A) 20% of the gross profit, defined as the revenue generated less the cost of the coins (estimated to be the equivalent of 60 bps of total revenue) generated from the online ecosystem of Bitcoin Well and affiliates from the date hereof until August 23, 2023; and (B) between 12-20% of Gross Profit (estimated to be between 36 and 60 bps of total revenue) from August 23, 2023 until the latter of three (3) months after the most recent conversion date or the Maturity Date. No royalty payment shall be made if the aggregate amount of all interest payments, future interest payments and royalty payments would exceed 24%.

The Convertible Debenture and the underlying Common Shares will be subject to a four (4) month hold period from the applicable date of advance. The Convertible Debenture is only transferable with the consent of Bitcoin Well. The Financing replaces the convertible debt financing previously announced by Bitcoin Well on December 6, 2021.

About Bitcoin Well

Bitcoin Well offers convenient, secure and reliable ways to buy, sell and use bitcoin. Bitcoin Well is on a mission to shift the relationship that society has with money by offering an ecosystem of products and services that make Bitcoin accessible and understood. This ecosystem includes **non-custodial** financial offerings (both in-person and online); technology development, including SaaS and internal technology developments through Ghostlab, the technology arm of the business; and educational resources designed with the needs of both the customers, and the industry, in mind.

Sign up for our [newsletter](#) and follow us on [LinkedIn](#), [Twitter](#), [YouTube](#), [Facebook](#), and [Instagram](#) to keep up to date with our business. For OTC location information visit bitcoinwell.com/appointment/.

Bitcoin Well Contact Information

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Bitcoin Well

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Information:

Certain statements contained in this news release may constitute forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "plan", "estimate", "expect", "may", "will", "intend", "should", or the negative thereof and similar expressions. Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information.

Forward-looking information contained in this press release includes but is not limited to statements relating to the use of proceeds of the Financing, the anticipated benefits of the Rise Wallet app, the timing and terms of the second and third tranches of the Financing, the estimated bps of total revenue, the ability of Bitcoin Well to develop the Rise Wallet app, the anticipated rebranding of the Rise Wallet app and the timing of maturity of the Convertible Debentures. The Bitcoin Well actual results could differ materially from those anticipated in this forward-looking information as a result of regulatory decisions, the risk that future tranches of the Financing are not completed or are not completed on the terms outlined herein, competitive factors in the industries in which Bitcoin Well operates, changes to the anticipated costs to develop, market and implement the Rise Wallet app, prevailing economic conditions, changes to laws and regulations, the need for additional financing and other factors, many of which are beyond the control of Bitcoin Well. Although Bitcoin Well has attempted to identify important risks and factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated, or intended.

Forward looking information is based on the opinions and estimates of management at the date the information is made and is based on a number of assumptions, including assumptions regarding, among other things, the bitcoin market, the market for third party users of the Rise Wallet app, the ability to protect intellectual property, the ability of Bitcoin Well to manage growth of its business and Bitcoin Well's competitive advantages. Bitcoin Well believes that the expectations reflected in the forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking information should not be unduly relied upon.

Any forward-looking information contained in this news release represents the Bitcoin Well expectations as of the date hereof, and is subject to change after such date. Bitcoin Well disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable securities legislation.

For more information, see the Cautionary Note Regarding Forward Looking Information found in the Bitcoin Well quarterly Management Discussion and Analysis.