

Wellfield Reports Financial Results for the Three Months Ended December 31, 2022

- Wellfield generated revenue of \$42.1 million for the quarter ended December 31, 2022, at approximately breakeven gross margin.
- On track to continue growing revenue through 2023 driven by growth at Wellfield Capital, increases in Coinmama.com organic traffic, early success with new user acquisition efforts, and initiatives aimed to enhance monetization of Coinmama's over 3.5 million registered users.
- VaultChain™ Gold and VaultChain™ Silver businesses expected to add to revenue in 2023 as Wellfield provides its user base with access to these products, and integrates its proprietary decentralized services into the VaultChain™ offerings.

Toronto, Ontario--(Newsfile Corp. - February 28, 2023) - [Wellfield Technologies, Inc.](#) (TSXV: WFLD) (FSE: K8D) (the "**Company**" or "**Wellfield**") today reported financial results for the quarter ended December 31, 2022. All currency references used in this news release are in Canadian dollars (\$) unless otherwise noted.

Financial Highlights

- Revenue of \$42.1 million for the quarter ended December 31, 2022, compared to revenue of \$19.3 million in Q3 2022, \$5.7 million in Q2 2022, and nil revenue in each of Q1 2022 and Q4 2021.
- Net loss of \$4.9 million for the quarter ended December 31, 2022, compared to a net loss of \$28.9 million in Q3 2022 (which includes a non-cash intangible asset and goodwill impairment of \$24.1 million), \$3.8 million in Q2 2022, \$1.0 million in Q3 2021, \$4.7 million in Q1 2022 and \$3.9 million in Q4 2021.

Recent Operating Developments

- On February 8, 2023, Wellfield [closed the acquisition of Tradewind Markets, Inc.](#) ("Tradewind Markets"). Tradewind Markets offers blockchain based digital ownership of deliverable precious metals held in custody by the Royal Canadian Mint. At December 31, 2022, Tradewind Markets had C\$176 million in assets under management between its flagship VaultChain™ Gold and VaultChain™ Silver products, with retail channel distribution primarily by Kitco Metals Inc., one of North America's largest online retailers and full-service providers of precious metals, and a leading global commodities media and information provider. Tradewind Markets additionally operates an Electronic Request For Quote ("RFQ") platform used by miners and refiners to streamline large scale trade execution of physical precious metals. During calendar 2022, the RFQ processed over C\$825 million in transactions. Over the years, Tradewind attracted investments from several industry leaders, including: Sprott Inc., Agnico Eagle Mines Limited, Newmont Corporation, IAMGOLD Corporation, IEX Group, and Wheaton Precious Metals Corp.
- On February 8, 2023, the Company [announced](#) that it had closed a non-brokered private placement of 15,000,000 units of the Company for gross proceeds of C\$3,000,000.
- Coinmama is making progress on monetization efforts aimed at expanding its registered user base and promoting engagement to increase revenue. These initiatives include targeted growth campaigns, operational and product improvements, educational content to increase conversion and retention, and support for additional cryptocurrencies. Early indications are positive with the registered user base continuing to grow month-over-month, compared to the over 3.5 million registered users at Coinmama at the time of its acquisition by Wellfield.

Management Commentary

Levy Cohen, CEO of Wellfield commented, "During 2022, Wellfield grew revenue from nothing in Q1,

to \$42.1 million in the quarter ended December 31st, driven by the rapid integration of Coinmama, and the launch of Wellfield Capital. We expect 2023 to bring an inflection point for the business as we begin to really lean into user growth at Coinmama, commercially launch our proprietary liquidity pool products, integrate the VaultChain™ Gold and VaultChain™ Silver products into our ecosystem and continue to build Wellfield Capital. In the current market environment, Wellfield has the perfect mix of accessible fintech on-ramps to the world of blockchain finance, along with a portfolio of in-demand, proprietary products and services that we expect will generate tremendous value for shareholders as they are launched and scaled."

About Wellfield Technologies (TSXV: WFLD) (OTCQB: WFLDF) (FSE: K8D)

Wellfield is an R&D focused Fintech company that operates on public blockchains including Bitcoin and Ethereum. The Company operates a regulated platform that onboards customers globally at scale, leveraging its proprietary decentralized technology to offer highly disruptive on-chain self-custody solutions. Wellfield leverages these assets to operate two business lines: Coinmama (for consumers) with over 3.5 million registered users globally and Wellfield Capital for institutional and professional investors. Additionally, Wellfield has recently expanded the scope and monetization potential of its technology by acquiring Tradewind Markets, Inc. Tradewind Markets digitizes real world assets, starting with its flagship VaultChain™ Gold and VaultChain™ Silver products, which offer blockchain-based digital ownership of deliverable precious metals held in custody by the Royal Canadian Mint.

Join Wellfield's digital community on [LinkedIn](#) and [Twitter](#), and for more details, visit wellfield.io

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Cautionary Statements as to Presentation of Financial Information & Cautionary Note for U.S. Securityholders

The financial information included or incorporated by reference in this press release or the documents referenced herein has been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, which differs from US generally accepted accounting principles ("US GAAP") in certain material respects, and thus are not directly comparable to financial statements prepared in accordance with US GAAP.

Cautionary Notice on Forward-Looking Statements

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of such future events.

The forward-looking information and forward-looking statements contained herein include, but are not limited to, statements regarding: the Company's business objectives and the anticipated timing of, and costs in connection with, the execution or achievement of such objectives including, without limitation, growth at Wellfield Capital, increases in organic Coinmama.com traffic, early success with newpaid user acquisition efforts, and efforts aimed to enhance monetization of Coinmama's over 3.5 million registered users, increased revenue from the acquisition of Tradewind Markets from open access of VaultChain™ Gold and VaultChain™ Silver by its user base, launching a regulated blockchain-based spot market for gold and silver, and integration of its proprietary decentralized products services into VaultChain™; the Company's future growth prospects; the development of the Company's business and future activities following the date hereof.

Forward-looking information in this press release are based on certain assumptions and expected future events, namely: the Company will have sufficient working capital and the ability to obtain the financing required in order to develop and continue its business and operations; no adverse changes will be made to the regulatory framework applicable to the Company's business; the Company will be able to generate cash flow from operations, the Company will be able to execute on its business strategy as anticipated; the Company will be able to meet the requirements necessary to obtain and/or maintain authorizations required to conduct the business; general economic, financial, market, regulatory, and political conditions will not negatively affect the Company or its business; the Company will be able to successfully compete in its industry; the Company will be able to effectively manage anticipated and unanticipated costs; the Company will be able to maintain internal controls over financial reporting and disclosure, and procedures in order to ensure compliance with applicable laws; general market conditions will be favourable with respect to the Company's future plans and goals; the Company will reach the anticipated sales from continuing operations.

These statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements, including but not limited to: the Company's ability to achieve the synergies expected as a result of the Tradewind acquisition; the Company's ability to meet the working capital requirements; material adverse changes in general economic, business and political conditions, including changes in the financial markets, changes in applicable laws; compliance with extensive government regulation, the ability of the Company to raise additional capital to fund future operations, compliance with extensive government regulations, domestic and foreign laws and regulations adversely affecting the Company, the impact of COVID-19, and the decentralized finance industry generally.

There can be no assurance that forward-looking statements will prove to be accurate, and actual results and future events could differ materially from those anticipated. Readers are cautioned that the foregoing list is not exhaustive and the forward-looking statements contained in this press release are expressly qualified by this cautionary statement. Readers are encouraged to review the disclosure documents accessible on the Company's SEDAR profile at www.sedar.com. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect. Except as required by law, the Company disclaims any intention and assumes no obligation to update or revise any forward-looking information.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) has approved nor disapproved the contents of this news release, nor do they accept responsibility for the adequacy or accuracy of this release.

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