NEXTGEN DIGITAL PLATFORMS INC.

Unaudited Condensed Interim Financial Statements

For the three and nine months Ended December 31, 2025, and 2024

(Expressed in Canadian Dollars)

Notice to Reader

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the condensed interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements have been prepared by and are the responsibility of the management of NextGen Digital Platforms Inc.

The Company's independent auditor has not performed a review of these unaudited condensed interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

NextGen Digital Platforms Inc.
Unaudited Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)

	As at December 31, 2025	As at March 31, 2025
	$	$
Assets		
Current		
Cash	**430,699**	421,260
Other receivables (Note 5)	**187,976**	53,213
Prepaid expenses and advances	**533,164**	20,823
Intangible assets (Note 7)	**326,392**	-
Total Current Assets	**1,478,231**	495,296
Property and equipment (Note 6)	**19,097**	5,303
Intangible assets (Note 7)	**23,162**	23,162
Convertible receivable	**150,000**	-
Total Assets	**1,670,490**	523,761
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities (Notes 8, 13)	**436,146**	177,367
Total Liabilities	**436,146**	177,367
Equity		
Share capital (Note 9)	**4,803,388**	996,726
Shares to be issued (Note 9)	**-**	43,985
Contributed surplus (Note 10)	**952,192**	191,635
Reserve for warrants (Note 11)	**425,412**	373,298
Accumulated deficit	**(4,946,648)**	(1,259,250)
Total Shareholders' Equity	**1,234,344**	346,394
Total Liabilities and Equity	**1,670,490**	523,761

Nature of operations and going concern (Note 1)
Subsequent events (Note 17)

Approved on behalf of the Board of Directors:

"Anthony Zelen"
Anthony Zelen, Director

"Matt Zahab"
Matt Zahab, Director

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

NextGen Digital Platforms Inc.

Unaudited Condensed Interim Statements of Loss and Comprehensive Loss
For the three and nine months ended December 31, 2025, and 2024
(Expressed in Canadian Dollars)

	Three months ended		Nine months ended	
	December 31, 2025	December 31, 2024	**December 31, 2025**	December 31, 2024
	$	$	**$**	$
Revenue (Note 14)	**(415)**	2,294	**1,673**	3,244
Cost of sales (Note 6)	**(4,256)**	(2,680)	**(12,175)**	(3,936)
Gross Profit	**(4,671)**	(386)	**(10,502)**	(692)
Expenses				
Professional fees	**65,227**	54,195	**260,402**	107,697
Office and general (Note 13)	**64,637**	26,011	**225,371**	42,529
Consulting fees	**352,917**	6,987	**1,270,765**	40,725
Regulatory compliance	**64,439**	11,037	**108,683**	41,402
Research and development (Note 14)	**-**	6,633	**-**	8,062
Advertising and promotion	**269,000**	91,436	**945,758**	91,660
Stock-based compensation (Notes 10, 13)	**-**	191,635	**827,797**	191,635
Bank charges / Interest (Note 4)	**505**	909	**1,353**	(3,576)
Total Expenses	**(817,625)**	(387,025)	**(3,640,129)**	(520,134)
Other expenses				
Unrealized loss on change of fair value of digital assets	-	-	**(4,922)**	-
Loss on sale of digital assets	-	-	**(31,845)**	-
Total Other Expenses	**-**	-	**(36,767)**	-
Net Loss and Comprehensive Loss	**(822,296)**	(387,411)	**(3,687,398)**	(520,826)
Weighted Average Number of Shares Outstanding				
- Basic and Diluted (Note 12)	**36,039,264**	11,416,276	**29,289,502**	11,133,774
Net Loss per Share - Basic and Diluted (Note 12)	**(0.023)**	(0.034)	**(0.126)**	(0.047)

NextGen Digital Platforms Inc.
Unaudited Condensed Interim Statements of Changes in Shareholders' Equity
For the three and nine months ended December 31, 2025, and 2024
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Shares to be issued	Contributed surplus	Reserve for Warrants	Accumulated Deficit	Total
	#	$	$	$	$	$	$
Balance, March 31, 2024	**10,918,275**	**593,494**	**-**	**-**	**27,203**	**(215,330)**	**405,367**
Shares issued on exercise of warrants	498,000	29,800	-	-	-	-	29,800
Shares issuance cost	-	(2,597)	-	-	-	-	(2,597)
Warrants exercised - Crowdfunding	-	-	-	-	(29,800)	-	(29,800)
Warrants issuance cost	-	-	-	-	2,597	-	2,597
Stock-based compensation	-	-	-	191,635	-	-	191,635
Net loss for the period	-	-	-	-	-	(520,826)	(520,826)
Balance, December 31, 2024	**11,416,275**	**620,697**	**-**	**191,635**	**-**	**(736,156)**	**76,176**
Balance, March 31, 2025	**24,100,050**	**996,726**	**43,985**	**191,635**	**373,298**	**(1,259,250)**	**346,394**
Shares issued on exercise of options (Note 9)	800,000	167,240	-	(67,240)	-	-	100,000
Share issuance costs	-	-	-	-	-	-	-
Shares issued on debt settlement	431,034	250,000	(250,000)	-	-	-	-
Issuance of Units from private placement (Note 9)	2,505,000	958,000	-	-	-	-	958,000
Unit issuance cost (Note 9)	-	(205,488)	-	-	111,239	-	94,249
Issuance of Warrants from private placement (Notes 9, 10)	-	-	206,015	-	2,763,143	-	2,969,158
Warrant issuance costs (Notes 9, 10)	-	-	-	-	(208,247)	-	(208,247)
Exercise of Warrants (Notes 9, 10)	9,055,794	2,636,910	-	-	(2,614,021)	-	22,889
Stock-based compensation (Notes 10, 13)	-	-	-	827,797	-	-	827,797
Net loss for the period	-	-	-	-	-	(3,687,398)	(3,687,398)
Balance, December 31, 2025	**36,891,878**	**4,803,388**	**-**	**952,192**	**425,412**	**(4,946,648)**	**1,234,344**

NextGen Digital Platforms Inc.

Unaudited Condensed Interim Statements of Cash Flows
For the three and nine months ended December 31, 2025, and 2024
(Expressed in Canadian Dollars)

	Nine months ended December 31, 2025	Nine months ended December 31, 2024
	$	$
Operating Activities		
Net loss for the period	**(3,687,398)**	(520,826)
Adjustments for:		
Staking revenue	**(1,673)**	-
Unrealized loss on change of fair value of digital assets	**5,075**	-
Loss on sale of digital assets	**31,845**	-
Depreciation expense	**12,155**	1,285
Interest income on short-term investments (Note 4)	**-**	(3,156)
Stock-based compensation (Notes 10, 13)	**827,797**	191,635
	(2,812,199)	(331,062)
Net change in non-cash working capital items:		
Other receivables (Note 5)	**(133,090)**	(11,990)
Prepaid expenses and advances	**(512,341)**	26,738
Convertible receivable	**(150,000)**	
Accounts payable and accrued liabilities (Notes 8, 13)	**508,781**	53,539
Cash Flows (used in) Operating Activities	**(3,098,851)**	(262,775)
Investing Activities		
Purchase (Sales) of Digital Currency (Note 7)	**(363,312)**	-
Redemption (addition) of short-term investments	**-**	130,784
Additions of property and equipment (Note 6)	**(25,949)**	(4,899)
Cash flows from / (used in) investing activities	**(389,261)**	125,885
Financing Activities		
Proceeds received on private placements (Note 9)	**3,594,033**	-
Cash issuance costs (Notes 9, 10)	**(302,497)**	-
Debt settled in shares to be issued	**206,015**	-
Cash Flows from Financing Activities	**3,497,551**	-
Increase (decrease) in cash	**9,439**	(136,890)
Cash, beginning of period	**421,260**	247,677
Cash, end of period	**430,699**	110,787
Non-cash financing activities		
Proceeds received on options exercised (Note 10)	100,000	-

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

1. Nature of Operations and Going Concern

NextGen Digital Platforms Inc. (CSE: NXT, FSE: Z12) ("NextGen" or the "Company") is a Canadian technology company existing under the laws of British Columbia. On October 21, 2022, the Company changed its name from 1266457 B.C. Ltd. to NextGen Digital Platforms Inc. The Company's registered office address is 1500, 1055 West Georgia St. Vancouver, British Columbia, V6E 4N7.

The Company is a fintech and digital asset company that provides investors with exposure to a diversified portfolio of Web3 technologies, blockchain infrastructure, and digital assets. The Company is committed to developing innovative financial structures that align with the future of decentralized finance while prioritizing transparency, regulatory compliance, and shareholder value creation. NextGen also operates a fleet of computing workstations for its online hardware-as-a-service business ("Cloud AI Hosting") and a premium computing and electronics e-commerce platform under the brand PCSections.com ("PCS").

For the three and nine months ended December 31, 2025, the Company incurred a net loss of $822,296 and $3,687,398, respectively (December 2024 – $387,411 and $520,826, respectively) and as at December 31, 2025, had an accumulated deficit of $4,946,648 (March 31, 2025 – accumulated deficit of $1,259,250). The Company's future viability depends upon its ability to develop, test, market, and support new products and enhancements on a timely basis in response to both competitive threats and marketplace demands and achievement of revenue growth. The Company has started to generate operating cash from sales of products on its website and Cloud AI Hosting lines. So far, the volume of transactions is not sufficient to cover the expenditures. The expected primary source of future funds presently available to the Company is through the issuance of common shares. The ability of the Company to arrange such financing will depend, in part, on prevailing market conditions as well as the business performance of the Company. These events and conditions indicate the existence of material uncertainties that cast significant doubt on the Company's ability to continue as a going concern. There can be no assurance that the Company will be successful in its efforts to arrange the necessary financing, if needed, on terms satisfactory to the Company. If additional financing is arranged through the issuance of shares, control of the Company may change, and shareholders may suffer significant dilution.

These financial statements have been prepared on a going concern basis which assumes that the Company will continue in operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. Realization values may be substantially different from carrying values as shown and the financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

2. Basis of Presentation

(a) Statement of Compliance

These unaudited condensed interim financial statements, including comparatives, have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS"). The accounting policies set out below were consistently applied to all periods presented unless otherwise noted. These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standards 34 – Interim Financial Reporting ("IAS 34").

These unaudited condensed interim financial statements were reviewed, approved, and authorized for issuance by the Board of Directors (the "Directors") of the Company on March 2, 2026.

(b) Basis of Measurement

These unaudited condensed interim financial statements have been prepared in accordance with IFRS, on the historical cost basis. In addition, these unaudited condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

2. Basis of Presentation (continued)

(c) Functional Currency

These unaudited condensed interim financial statements are presented in Canadian dollars, which is the functional currency of the Company, unless otherwise noted. The functional currency is the currency of the primary economic environment in which the Company operates.

(d) Significant Accounting Judgments and Estimates

The preparation of these unaudited condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue, and expenses. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue, and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. These estimates are reviewed periodically, and adjustments are made as appropriate in the period they become known.

Items for which actual results may differ materially from these estimates are described as follows:

Going concern

At each reporting period, management exercises judgment in assessing the Company's ability to continue as a going concern by reviewing the Company's performance, resources and future obligations. The conclusion that the Company will be able to continue as a going concern is subject to critical judgments of management with respect to assumptions surrounding the short- and long-term operating budgets, expected profitability, investment and financing activities and management's strategic planning. The assumptions used in management's going concern assessment are derived from actual operating results along with industry and market trends. Management believes there is sufficient capital to meet the Company's business obligations for at least the next 12 months, after taking into account expected cash flows, capital commitments, future financing, and the cash position at period-end.

Fair value of financial assets and financial liabilities

Fair value of financial assets and financial liabilities on the statements of financial position that cannot be derived from active markets, are determined using a variety of techniques including the use of valuation models. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. The judgments include, but are not limited to, consideration of model inputs such as volatility, estimated life and discount rates.

Impairment

Long-lived assets, including property and equipment and intangible assets, are reviewed for indicators of impairment at each reporting period or whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is defined as the higher of: (i) value-in-use; or (ii) fair value less cost to sell. If the carrying amount of an asset exceeds its recoverable amount, an impairment charge is recognized immediately in profit or loss by the amount by which the carrying amount of the asset exceeds the recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the lesser of the revised estimate of recoverable amount, and the carrying amount that would have been recorded had no impairment loss been recognized previously.

Expected credit losses on financial assets

Determining an allowance for expected credit losses ("ECL") for amounts receivable and all debt financial assets not held at fair value through profit and loss ("FVTPL") requires management to make assumptions about the historical patterns for the probability of default, the timing of collection and the amount of incurred credit losses, which are adjusted based on management's judgment about whether economic conditions and credit terms are such that actual losses may be higher or lower than what the historical patterns suggest.

2. Basis of Presentation (continued)

(d) Significant Accounting Judgments and Estimates (continued)

Income taxes

Income taxes and tax exposures recognized in the financial statements reflect management's best estimate of the outcome based on facts known at the reporting date. When the Company anticipates a future income tax payment based on its estimates, it recognizes a liability. The difference between the expected amount and the final tax outcome has an impact on current and deferred taxes when the Company becomes aware of this difference.

In addition, when the Company incurs losses that cannot be associated with current or past profits, it assesses the probability of taxable profits being available in the future based on its budgeted forecasts. These forecasts are adjusted to take account of certain non-taxable income and expenses and specific rules on the use of unused credits and tax losses.

When the forecasts indicate the sufficient future taxable income will be available to deduct the temporary differences, a deferred tax asset is recognized for all deductible temporary differences.

Provisions

The Company recognizes provisions if there is a present obligation as a result of a past event, it is probable that the Company will be required to settle the obligation and the obligation can be reliably estimated. The amount recognized as a provision reflects management's best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

Research and development costs

Judgment is required to distinguish the research phase and the development phase to correctly identify costs that qualify for capitalization.

Options and warrants

Options and warrants, including finders' warrants, are initially recognized at fair value using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgments are used in applying the valuation techniques. These assumptions and judgments include the expected volatility of the share price, expected forfeitures, expected dividend yield, expected term of the warrants or options, and expected risk-free interest rate. Such assumptions and judgments are inherently uncertain. Changes in these assumptions can affect the fair value estimates of stock-based compensation.

Operating segments

The Company determines and presents operating segments based on the internal reports that are regularly reviewed and used by executive management (collectively, the "Chief Operating Decision Maker", or "CODM") in assessing performance and in determining the allocation of resources. These segments reflect how the Company manages its business and how management classifies operations for planning and measuring performance.

Management has exercised judgement in determining the Company's operating segments in accordance with IFRS 8 *Operating Segments*. Although the Company earns revenue from two distinct revenue streams, the CODM reviews operating results and allocates resources on a consolidated basis. Accordingly, management has concluded that the Company has only one reportable segment.

Digital assets

The Company has assessed that payments received in digital currencies for services should be classified in accordance to IAS 38 as indefinite-lived intangible assets. The judgement is based on that the compensation received do not meet the criteria for any other asset class under IFRS and the indefinite lived classification is based on that there is no foreseeable limit on the period of time over which the asset is expected to contribute to the cash flows of the Company. The fair value is determined using the spot price of the Digital Assets on the reporting date.

2. Basis of Presentation (continued)

(d) Significant Accounting Judgments and Estimates (continued)

Staking revenue

The Company participates in Proof-of-Stake ("PoS") blockchain networks and provides validation and related services in order to earn staking rewards. Staking rewards are determined by the underlying network's protocol and accrue based on the Company's participation and the timing of services performed.

As consideration for these services, the Company receives digital tokens issued by the respective blockchain network. Revenue from staking activities is recognized as the rewards are earned and is measured at the fair value of the tokens received at the time they are earned. Fair value is determined using the prevailing spot price of the applicable digital asset on the date of receipt, based on observable market data such as quoted prices from major digital asset exchanges.

3. Summary of Material Accounting Policies

The accounting policies applied by the Company in these unaudited condensed interim financial statements are the same as those disclosed in Note 3 the Company's audited financial statements for the year ended March 31, 2025, unless otherwise noted below.

a) Intangible Assets – Digital Assets

The Company has determined that its digital asset holdings do not meet the definition of cash and cash equivalents under IAS7 given the volatility associated with these assets, nor do they meet the definition of financial assets under IAS 32 / IFRS 9. Therefore, the Company has classified its digital assets as intangible assets and applied the criteria pursuant to IAS 38.

This is made up of cryptocurrency denominated assets, including Bitcoin ("BTC"), Bittensor ("TAO"), and USD Coin ("USDC"), and is included in current assets as an intangible asset. Digital currencies are treated as intangible assets and carried at the spot rate. The Company measures digital assets at initial cost (based on observable market inputs) and subsequently measures the digital asset using the revaluation model. The fair value is determined using the spot price of the currency on the reporting date.

If a digital asset's carrying amount is increased as a result of a revaluation, the increase shall be recognized in other comprehensive income and accumulated in equity under the heading of revaluation surplus. However, the increase shall be recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

If a digital asset's carrying amount is decreased as a result of a revaluation, the decrease shall be recognized in profit or loss. However, the decrease shall be recognized in other comprehensive income to the extent of any credit balance in the revaluation surplus in respect of that asset. The decrease recognized in other comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus.

Digital currency is not amortized as the Company has determined that it has an indefinite useful life. The digital currency market is still a new market and is highly volatile; historical prices are not necessarily indicative of future value; a significant change in the market prices for digital currencies would have a significant impact on the Company's earnings and financial position. At each reporting date, the Company reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. An asset's carrying amount is written down immediately to its recoverable amount (higher of an asset's fair value less costs to sell and value in use) if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in profit and loss.

(Expressed in Canadian Dollars)

4. Short-Term Investments

The Company had invested $125,000 in certain guaranteed investment certificates ("GICs") which matured in October 2024. The GIC of $125,000 and accrued interest of $5,784 were redeemed in October 2024. For the three and nine months ended December 31, 2025, interest income of $nil (2024 – $238 and $3,156 respectively) has been accrued on the GIC and were included in bank charges and interest on the unaudited condensed interim statements of loss and comprehensive loss. The outstanding balance of short-term investments with accrued interest as at December 31, 2025 was $nil (March 31, 2025 - $nil).

5. Other Receivables

The Company's other receivables balance represents amounts due from government taxation authorities in respect of the Goods and Services Tax and Harmonized Sales Tax. As at December 31, 2025, the other receivables balance also includes $150,000 receivable from issuances of warrants (see Note 11). The Company anticipates full recovery of these amounts and therefore no ECL has been recorded against those receivables, which are due in less than one year.

6. Property and Equipment

The Company's property and equipment is comprised of desktop workstations used by Cloud AI Hosting.

	Computer Equipment
Cost:	
March 31, 2024	3,199
Additions	4,899
March 31, 2025	8,098
Additions	25,949
December 31, 2025	**34,048**
Accumulated Amortization:	
March 31, 2024	499
Depreciation expense	2,296
March 31, 2025	2,795
Depreciation expense	12,155
December 31, 2025	**14,950**
Carrying amounts:	
March 31, 2025	5,303
December 31, 2025	**19,097**

During the three and nine months ended December 31, 2025, depreciation of $4,256 and $12,155, respectively, has been included in Cost of Sales (2024 - $485 and $1,285, respectively) on the unaudited condensed interim statements of loss and comprehensive loss.

(Expressed in Canadian Dollars)

7. Intangible Assets

Intangible assets are made up of digital currency and website development costs.

Digital Currency

Digital assets consist of Bitcoin ("BTC"), Bittensor ("TAO"), and USD Coin ("USDC"). The Company measures digital assets at initial cost (based on observable market inputs) and subsequently measures the digital asset using the revaluation model.

The Company's holdings of digital currency are as follows:

	BTC $	TAO $	USDC $	**Total** **$**
Balance, beginning of Year	-	-	-	**-**
Purchases	1,000,000	187,001	188,211	**1,375,212**
Dispositions	(824,899)	-	(187,001)	**(1,011,900)**
Realized gain / (loss) on disposition	(31,773)	-	(72)	**(31,845)**
Unrealized gain / (loss) on revaluation	(5,771)	-	237	**(5,534)**
Received for staking revenue	-	459	-	**459**
Total	**137,557**	**187,460**	**1,375**	**326,392**

Website

During the year ended March 31, 2023, the Company developed the Website using different external developers to facilitate sales on the Internet, and incurred costs of $23,162 in relation to the Website. As the Website is considered to have an indefinite life, it is not subject to amortization.

As at December 31, 2025, the Company reviewed the Website for indicators of impairment. No indicator for impairment was identified, as the Website is currently undergoing enhancements, and no impairment loss was recorded on the intangible assets.

8. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities of the Company are principally comprised of amounts outstanding for trade purchases incurred in the normal course of business.

	December 31, 2025	March 31, 2025
	$	$
Accrued liabilities	19,500	53,606
Accounts payable	416,646	123,761
	436,146	177,367

The Company's standard term for trade payables is 30 to 60 days.

(Expressed in Canadian Dollars)

9. Share Capital

Authorized share capital

The Company is authorized to issue an unlimited number of common shares without par value.

On March 12, 2025, the Company completed a 2-for-1 share split of its outstanding common shares. All references to the number of common shares, earnings per share, and per share information in these financial statements have been retroactively adjusted to reflect the impact of the share split for all periods presented. The total number of common shares outstanding increased from 12,050,025 to 24,100,050, with no change in total share capital.

Common shares issued and outstanding for the period from March 31, 2024 to December 31, 2025 are as follows:

	Number of common shares	Amount
	#	$
Balance, March 31, 2024	21,836,550	593,494
Warrants exercised	966,000	27,203
Shares issued through private placements	1,267,500	376,029
Balance, March 31, 2025	**24,070,050**	**996,726**
Options exercised	800,000	167,240
Shares issued through private placements	2,505,000	752,512
Shares issued on debt settlement	431,034	250,000
Warrants exercised	9,055,794	2,636,910
Balance, December 31, 2025	**36,861,878**	**4,803,388**

Share capital transactions for the period ended December 31, 2025

On November 7, 2025, the Company announced that it has completed the first tranche of a non-brokered private placement financing (the “First Tranche”) and issued 2,605,000 Units (each a “Unit”) of the Company at a price of $0.40 per Unit for gross proceeds of $826,000. Each Unit consists of one common share of the Company and one-half common share purchase warrant (a “Warrant”). Each Warrant will entitle the holder to purchase one additional common share at an exercise price of $0.40 for a period of 24 months from the date of issuance. The fair value of $15,000 for these warrants was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of $0.235; expected dividend yield of 0%; risk-free interest rate of 2.44%; volatility of 2,294.42% and an expected life of 2 years.

During the month of October 2025, 76,296 warrants were exercised at a price of $0.30 per share for gross proceeds of $22,889 and the Company recognized a transfer of fair value of warrants to share capital of $32,179.

Share capital transactions for the period ended September 30, 2025

On May 1, 2025, 800,000 options were exercised for gross proceeds of $100,000, which was settled against accounts payable balance.

On May 16, 2025, the Company issued 440,000 common shares at a price of $0.30 per share in connection with the Second Tranche Special Warrant Financing (defined hereafter, see Note 11 for more information).

On September 4, 2025, the Company issued 431,034 common shares to settle an aggregate of $250,000 in debt.

During the month of September 2025, all 8,979,498 Special Warrants automatically converted into common shares of the Company for no additional consideration (see Note 11 for more information).

(Expressed in Canadian Dollars)

9. Share Capital (continued)

Share capital transactions for the year ended March 31, 2025

On June 3, 2024, 996,000 special warrants were exercised for no additional consideration and converted into 996,000 common shares. These common shares were valued at $27,203, based on the value of special warrants. See Note 10 for more details.

On January 23, 2025, the Company announced that it has completed the first tranche of a non-brokered private placement financing (the "First Tranche") and issued 1,267,500 Units (each a "Unit") of the Company at a price of $0.64 per Unit for gross proceeds of $811,200. Each Unit consists of one common share of the Company and one common share purchase warrant (a "Warrant"). Each Warrant will entitle the holder to purchase one additional common share at an exercise price of $0.80 for a period of 24 months from the date of issuance. The fair value of $392,384 for these warrants was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of $0.455; expected dividend yield of 0%; risk-free interest rate of 2.95%; volatility of 296.96% and an expected life of 2 years.

In connection with the First Tranche, the Company paid professional fees of $29,885, finder's fees to eligible finders consisting of $31,988 in cash and issued 49,262 common share purchase warrants (the "Finder's Warrants"). Each Finder's Warrant is exercisable to acquire one common share at an exercise price of $0.80 for a period of 24 months from the date of issuance. The fair value of $21,000 for these Finders' Warrants was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of $0.455; expected dividend yield of 0%; risk-free interest rate of 2.95%; volatility of 296.96% and an expected life of 2 years. All share-issuance costs were proportionately allocated between share capital and reserve for warrants.

The Company recorded $376,029 for the issuance of shares, and $352,298 for the issuance of warrants based on a residual fair value calculation after deducting all share-issuance costs.

10. Contributed Surplus – Options Reserve

The Company maintains the Option Plan whereby certain key employees, officers, directors and consultants may be granted stock options for the common shares of the Company. The Option Plan provides that the aggregate number of securities reserved for issuance will be up to 10% of the number of common shares issued and outstanding. Under the Option Plan, the exercise price of each option may not be lower than the closing price of the Company's shares on the trading day prior to the grant date or the grant date itself, whichever is higher. Vesting of options is determined at the discretion of the Board.

The following table summarizes information of stock options activity for the period from March 31, 2024 to December 31, 2025:

	December 31, 2025		March 31, 2025	
	Number of options	**Weighted average exercise price**	Number of options	Weighted average exercise price
	#	**$**	#	$
Outstanding, beginning of year	2,280,000	0.125	-	-
Issued	1,400,000	0.550	2,280,000	0.125
Issued	300,000	0.560	-	-
Issued	265,000	0.630	-	-
Issued	200,000	0.500	-	-
Exercised	(800,000)	0.125	-	-
Outstanding, end of period	**3,645,000**	**0.381**	2,280,000	0.125

(Expressed in Canadian Dollars)

10. Contributed Surplus – Options Reserve (continued)

Option activities for the three and nine months ended December 31, 2025

On May 1, 2025, 800,000 options were exercised for gross proceeds of $100,000, which was settled against accounts payable balance.

On June 6, 2025, the Company granted 1,400,000 options to certain directors, officers, and consultants of the Company. The options are exercisable at a price of $0.55 per common share for a period of five years. The options vest immediately on the date of grant and were valued using Black Scholes with the following assumptions: expected volatility of 2,294.42%, expected dividend yield of 0%, risk-free interest rate of 2.96% and an expected life of five years. The grant date fair value of $659,720 attributable to these options was recognized as contributed surplus and stock-based compensation expense.

On July 18, 2025, the Company granted 300,000 options to a certain officer of the Company. The options are exercisable at a price of $0.56 per common share for a period of five years. The options vest on a quarterly basis over a period of 36 months from the date of grant and were valued using Black Scholes with the following assumptions: expected volatility of 2,294.42%, expected dividend yield of 0%, risk-free interest rate of 3.10% and an expected life of five years. The grant date fair value of attributable to these options was $163,619, and $10,967 was recognized as contributed surplus and stock-based compensation expense during the period.

On July 23, 2025, the Company granted 265,000 options to a certain advisor of the Company. The options are exercisable at a price of $0.63 per common share for a period of five years. The options vest over a four-month period in equal installments commencing four months after the date of grant. These options were valued using Black Scholes with the following assumptions: expected volatility of 2,294.42%, expected dividend yield of 0%, risk-free interest rate of 3.10% and an expected life of five years. The grant date fair value of attributable to these options was $145,890, and $62,163 was recognized as contributed surplus and stock-based compensation expense during the period.

On September 5, 2025, the Company granted 200,000 options to a certain advisor of the Company. The options are exercisable at a price of $0.50 per common share for a period of five years. The options vest immediately on the date of grant and were valued using Black Scholes with the following assumptions: expected volatility of 2,294.42%, expected dividend yield of 0%, risk-free interest rate of 2.82% and an expected life of five years. The grant date fair value of $94,947 attributable to these options was recognized as contributed surplus and stock-based compensation expense.

Option activities for the year ended March 31, 2025

On December 13, 2024, the Company granted 2,280,000 options to certain directors, officers, and consultants of the Company. The options are exercisable at a price of $0.125 per common share for a period of three years. The options vest immediately on the date of grant and were valued using Black Scholes with the following assumptions: expected volatility of 2,294.42%, expected dividend yield of 0%, risk-free interest rate of 2.97% and an expected life of three years. The grant date fair value of $191,635 attributable to these options was recognized as contributed surplus and stock-based compensation expense.

The following table summarizes information of options outstanding and exercisable as at December 31, 2025:

	Number of options #	Number of options exercisable #	Exercise price $	Weighted average remaining life Years
December 13, 2027	1,480,000	1,480,000	0.125	1.95
June 6, 2030	1,400,000	1,400,000	0.550	4.43
July 18, 2030	300,000	25,000	0.560	4.47
July 23, 2030	265,000	-	0.630	4.56
September 5, 2030	200,000	200,000	0.500	4.68
	3,645,000	**3,105,000**	**0.381**	**3.45**

(Expressed in Canadian Dollars)

11. Warrants Reserve

The following summarizes the warrant activity for the period from March 31, 2024 to December 31, 2025:

	December 31, 2025		March 31, 2025	
	Number of warrants	**Weighted average exercise price**	Number of warrants	Weighted average exercise price
	#	**$**	#	$
Outstanding, beginning of year	1,316,762	0.800	996,000	-
Issued	10,501,581	0.300	1,316,762	0.800
Exercised	(9,055,794)	0.300	(996,000)	-
Outstanding, end of period	**2,762,549**	**0.682**	1,316,762	0.800

Warrant activity for the three and nine months ended December 31, 2025

On May 8, 2025, the Company announced that it has completed the first tranche of a non-brokered private placement financing (the "First Tranche Special Warrant Financing") and issued 3,118,366 Special Warrants of the Company at a price of $0.30 per Special Warrant for gross proceeds of $935,510.

In connection with the First Tranche Special Warrant Financing, the Company paid finder's fees to eligible finders consisting of $5,391 in cash and 17,969 Finders' warrants. Each Finder's Warrant is exercisable to acquire one common share of the Company at an exercise price of $0.30 per share for a period of 24-months.

On May 16, 2025, the Company announced that it has completed the second tranche of a non-brokered private placement financing (the "Second Tranche Special Warrant Financing") and issued 3,393,100 Special Warrants and 440,000 common shares of the Company (collectively, the "Securities") at a price of $0.30 per Security for gross proceeds of $1,149,930.

In connection with the Second Tranche Special Warrant Financing, the Company paid finder's fees to eligible finders consisting of $41,885 in cash and 131,244 Finders' warrants. Each Finder's Warrant is exercisable to acquire one common share of the Company at an exercise price of $0.30 per share for a period of 24-months.

On May 23, 2025, the Company announced that it has completed the third tranche of a non-brokered private placement financing (the "Third Tranche Special Warrant Financing") and issued 2,468,032 Special Warrants at a price of $0.30 per Special Warrant for gross proceeds of $740,410. As at December 31, 2025, $150,000 of the gross proceeds remain outstanding and recorded under other receivables in the interim statements of financial position.

In connection with the Third Tranche Special Warrant Financing, the Company paid finder's fees to eligible finders consisting of $7,476 in cash and 13,320 Finders' warrants. Each Finder's Warrant is exercisable to acquire one common share of the Company at an exercise price of $0.30 per share for a period of 24-months.

Each Special Warrant automatically converted, for no additional consideration, into one common share in the capital of the Company on the date that was four months and one day after the respective closing dates.

During the three and nine months ended December 31, 2025, the Company also incurred $89,941 of legal fees in connection with the special warrant financings.

Warrant activity for the year ended March 31, 2025

On September 26, 2023, the Company completed a crowdfunding private placement of 596,000 special warrants at a price of $0.05 per special warrant for aggregate gross proceeds of $29,800. Each special warrant was to be automatically converted into a common share of the Company, without payment for additional consideration, on the earlier of the date that is:

(i) at any time, at the discretion of the Company, or
(ii) upon the issuance by a Canadian securities regulatory authority of a receipt for a final prospectus qualifying the issuance of the common shares upon conversion of the securities, or
(iii) on that date that is 18 months from the date of issuance.

(Expressed in Canadian Dollars)

11. Warrants Reserve (continued)

In connection with the closing of the crowdfunding, the Company issued an additional 400,000 compensatory special warrants to Vested Technology Corp. and incurred issuance cost of $2,597 in cash.

On June 3, 2024, all of 996,000 special warrants were exercised into common shares, and $27,203 was reclassified from warrants reserve into Share Capital.

On January 23, 2025, the Company issued 1,267,500 warrants and 49,262 Finders' warrants in connection with the closing of the First Tranche, as disclosed in Note 9.

The following table summarizes information of warrants outstanding and exercisable as at December 31, 2025:

	Number of warrants #	Number of warrants exercisable #	Exercise price $	Weighted average remaining life Years
January 23, 2027	1,316,762	1,316,762	0.80	1.06
May 8, 2027	17,969	17,969	0.30	1.35
May 26, 2027	131,244	131,244	0.30	1.37
May 23, 2027	13,320	13,320	0.30	1.39
November 7, 2027	1,302,500	1,302,500	0.60	1.85
November 7, 2027	57,050	57,050	0.40	1.85
	2,762,549	**2,762,549**	**0.68**	**1.46**

12. Loss per Share

Basic and diluted loss per share for the three and nine months ended December 31, 2025, is calculated by dividing the net loss of $822,296 and $3,687,398, respectively (December 2024 – net loss of $95,197 and $133,415, respectively) by the weighted average number of common shares outstanding of 29,289,502 and 36,039,264, respectively (December 2024 – 22,832,550 and 22,484,224, respectively).

For the three and nine months ended December 31, 2025, the basic and diluted loss per share was $0.023 and $0.126, respectively (2024 – $0.004 and $0.006, respectively).

13. Related Party Transactions

In accordance with IAS 24 – Related Party Disclosures, key management personnel, including companies controlled by them, are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

Management remuneration

During the three and nine months ended December 31, 2025, the Company's Chief Financial Officer ("CFO") charged fees of $15,000 and $45,000, respectively (2024 - $nil).

During the three and nine months ended December 31, 2025, the Company's Chief Executive Officer ("CEO") charged fees of $46,989 (2024 - $nil).

During the three and nine months ended December 31, 2025, the Company paid director fees of $4,500 and $13,500, respectively (2024 - $nil).

During the three and nine months ended December 31, 2025, the Company recorded stock-based compensation of $10,967 and $199,459, respectively, in connection with the vesting of certain stock options granted to officers and directors (2024 - $nil).

(Expressed in Canadian Dollars)

14. Segment Information

The Company earns revenue from three primary sources: Staking, Cloud AI Hosting and PCS.

In accordance with IFRS 8 *Operating Segments*, the CODM reviews financial performance and allocates resources on a consolidated basis. The CODM does not review or manage operations by business line or geographical region, and therefore the Company has determined that it operates in a single reportable segment.

	Three months ended December 31, 2025	Three months ended December 31, 2024	Nine months ended December 31, 2025	Nine months ended December 31,2024
	$	$	**$**	$
Staking revenues	-	-	153	-
Cloud AI Hosting	(415)	2,294	1,520	2,978
PCS	-	-	-	266
Total	**(415)**	**2,294**	**1,673**	**3,244**

For the three and nine months ended December 31, 2025, all of the Company's Cloud AI Hosting revenue from external customers was derived from one customer (2024 - one customer). The Company had no revenue for PCS (2024 - two customers). All revenues were generated from customers located in Canada, and all of the Company's non-current assets are located in Canada.

14. Capital Management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to deploy that capital to generate returns to shareholders. The management of the Company monitors its capital structure and makes adjustments according to market conditions to meet its objectives given the current outlook of the business and industry in general. The Directors of the Company do not establish quantitative return on capital criteria for management, but rather relies on the expertise of the management team to sustain the future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's capital management objectives, policies and processes have remained unchanged since the Company's most recent financial reporting period.

The Company is not subject to any externally imposed capital requirements.

15. Risk Management

The Company's financial instruments consist primarily of cash and accounts payable. The Company is exposed to various risks as it relates to these financial instruments. Management, under oversight of the Board, mitigates these risks by assessing and monitoring the Company's risk management processes. There have not been any changes in the nature of these risks or the process of managing these risks from the previous reporting periods.

Credit risk

Credit risk is the risk of potential loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and short-term investments. Cash and short-term investments are held with a reputable Canadian chartered bank and are closely monitored by management. Management believes that the credit risk concentration with respect to financial instruments included in cash is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company manages its liquidity risk by reviewing its capital requirements on an ongoing basis. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at December 31, 2025 the Company had a cash balance of $430,699 (March 31, 2025 – $421,260) to settle current liabilities of $436,146 (March 31, 2025 – $177,367).

(Expressed in Canadian Dollars)

16. Risk Management (continued)

The following table summarizes the carrying amount and the contractual maturities of both the interest and principal portion of significant financial liabilities as of December 31, 2025:

	Carrying amount	Year 1	Year 2 to 3	Year 3 to 5
	$	$	$	$
Accounts payable and accrued liabilities	436,146	-	-	-

The Company manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring anticipated cash flows to identify financial requirements. Where insufficient liquidity may exist, the Company may pursue various debt and equity instruments for short or long-term financing of its operations.

The management of the Company believes there is sufficient capital to meet short-term business obligations, after taking into account cash flow requirements from operations and the Company's cash position as at December 31, 2025.

Digital currency risk

Digital currency risk refers to the potential impact of fluctuations in the market value of digital currencies on the Company's financial position and cash flows. The Company is exposed to digital currency risk as its holdings in BTC, TAO, and other digital assets are subject to market price volatility. As of December 31, 2025, the Company's digital asset holdings were valued at $326,392 (March 31, 2025 – $nil). A plus or minus 10% change in the market value of these digital assets would impact net income by $32,639 (2025 - $nil).

Fair value

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.

As at December 31, 2025, the Company's financial instruments consisted of cash, short-term investments and accounts payable and accrued liabilities. The fair value of cash, short-term investments and accounts payables and accrued liabilities are approximately equal to their carrying value due to their short-term nature.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at December 31, 2025, the Company did not have any financial instruments which were carried at fair value (March 31, 2025 – $nil).