NEPTUNE DIGITAL ASSETS CORP.

Consolidated Financial Statements
For the Years Ended August 31, 2025 and 2024

(Expressed in Canadian Dollars)

206-5250 Solar Drive, Mississauga, ON, L4W 0G4
Phone: (647) 793-8100 | Fax: (905) 497-1190
Web: www.hdcpa.ca

Independent Auditors' Report

To the Shareholders of Neptune Digital Assets Corp.

Opinion

We have audited the consolidated financial statements of Neptune Digital Assets Corp. and its subsidiaries (the "Group" or the "Company"), which comprise the consolidated statements of financial position as at August 31, 2025, and the consolidated statements of income and comprehensive income, consolidated statements of changes in shareholders' equity, and consolidated statements of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at August 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Restatement of Consolidated Financial Statements

We draw attention to Note 17 to the consolidated financial statements which describes i) that the consolidated financial statements that originally reported on December 19, 2024 have been restated, and ii) the matter that gives rise to the restatement of the consolidated financial statements. Our opinion is not modified in respect of this matter.

Other Matter – Comparative Information

The consolidated financial statements of the Company for the year ended August 31, 2024, excluding the adjustments that were applied to restate certain comparative information, were audited by another auditor who expressed an unmodified audit opinion on those statements on December 19, 2024.

As part of our audit of the consolidated financial statements for the year ended August 31, 2025, we also audited the adjustments that were applied to restate certain comparative information presented as at August 31, 2024. In our opinion, such adjustments are appropriate and have been properly applied. Other than with respect to the adjustments that were applied to restate certain comparative information, we were not engaged to audit, review or apply any procedures to the consolidated financial statements as at and for the year ended August 31, 2024. Accordingly, we do not express an opinion or any other form of assurance on those consolidated financial statements taken as a whole.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended August 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our auditor's report.

1. Investments in equity instruments at fair value through profit or loss – private US companies

Description of the key audit matter

The carrying value of the investments in the private US companies amounted to $8,352,449 as at August 31, 2025 (2024 - $4,037,301). The Company accounts for these investments at fair value through profit and loss. See Note 5 in the consolidated financial statements for further details.

Why the matter is a key audit matter

Private investments is a key audit matter as the assessment of fair value of the investment requires management to apply judgement and estimates. The principal risks relate to the assessment of management's methodology used to value the investment as well as assessment of the fair value of the investment.

How our audit addressed the key audit matter

Our approach in addressing this matter included the following procedures among others:

- Performing inquiries and discussions with management to obtain an understanding of the nature of these investments.
- Evaluating the appropriateness of the methodology used in the valuation of the private investments.
- Reviewing relevant internal and external information to assess the reasonability of inputs in instances where these inputs were more subjective.
- Conducting consultations with an independent valuation expert.
- Developing independent fair value estimates by using private investment financial information, using a calibration approach, along with available market information from third party sources such as quoted prices in secondary markets, and comparing to management's fair value estimates.
- Obtaining confirmation from the private US companies of the shares owned in those companies and their fair value.
- Assessing the compliance of Company's accounting policies with applicable accounting standards under IFRS.
- Reviewing and assessing the adequacy of the presentation, classification and disclosures in the consolidated financial statements.

2. Investments in equity instruments at fair value through profit or loss – investment fund

Description of the key audit matter

The Company has invested in a digital asset fund with a fair value of $3,467,272 as at August 31, 2025

(2024 - $3,716,604). The underlying tokens within the funds are locked and will become unlocked and distributable according to a monthly unlocking schedule. See Note 5 in the consolidated financial statements for further details.

Why the matter is a key audit matter

The investment in digital asset funds is a key audit matter due to its significant magnitude relative to the consolidated financial statements and the non-routine nature of the transaction for the Company. Significant judgement was required from management in determining the appropriate IFRS to apply for this investment and determining the accounting policy in reference to the IFRS. There was also significant judgement required in estimating the fair value of the investment, particularly given the complexities introduced by the lack of marketability.

How our audit addressed the key audit matter

We evaluated management's assessment of the accounting policy and valuation equity investments with reference to the applicable IFRS. Specifically, our work included, but was not limited to, the following procedures:

- Obtaining an understanding of the nature of the fund and the fund administrator managing the fund.
- Obtaining and analyzing management's accounting assessment of the investment in accordance with IFRS.
- Performing tests of details on the initial investment and transactions during the year.
- Obtaining confirmation from the fund administrator of the tokens within the fund and their fair value.
- Obtaining management's calculation of the fair value of the fund using a discount for lack of marketability.
- Engaging an independent expert to develop a range and point estimate of the discount for lack of marketability and comparing fair value using the expert's inputs to management's estimate.
- Reviewing the adequacy of the presentation, classification and disclosures in the consolidated financial statements.

3. Digital currencies and staked digital currencies – intangible assets

Description of the key audit matter

The Company has digital currencies and staked digital currencies – intangible assets ("Digital assets") with a fair value of $70,177,330 as at August 31, 2025 (2024 - $31,288,165). See Note 3 in the consolidated financial statements for further details.

Why the matter is a key audit matter

Digital assets are a key audit matter due to the significant magnitude of the holdings relative to the consolidated financial statements. Significant judgement was required by management in determining the appropriate accounting policy under IFRS, assessing the Company's rights and ownership of the digital assets, and evaluating whether the entity has control over digital assets.

How our audit addressed the key audit matter

We evaluated management's assessment of the accounting policy, existence, valuation and rights and ownership of digital assets with reference to the Company's accounting policy. Specifically, our work included, but was not limited to, the following procedures:

- Consulting with a subject matter expert regarding our planned audit response to address risks of material misstatement.
- Evaluating the accounting policy for digital currencies and staked digital currencies in accordance with the IFRS.
- Obtaining an understanding of the counterparties that had custody of digital assets.
- Reviewing service organization control reports, mapping service organization controls to audit risks and testing client-user entity controls.
- Obtaining and analyzing management's accounting assessment of each counterparty and arrangement to determine whether the appropriate accounting policy was applied in accordance with IFRS.
- Performing a test of details on digital asset transactions during the year.
- Confirming August 31, 2025 coin balances with the respective counterparties.
- Performing audit procedures to confirm existence, rights and ownership of digital assets.
- Testing the valuation of digital assets based on the Company's accounting policy.
- Reviewing the adequacy of the presentation, classification and disclosures in the consolidated financial statements.

Other Information

Management is responsible for the other information. The other information comprises:

- The information included in the Management's Discussion and Analysis of Financial Conditions and Results of Operations for the year ended August 31, 2025.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management's Discussion and Analysis of Financial Conditions and Results of Operations for the year ended August 31, 2025 prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, base on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended August 31, 2025, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Harpreet Dhawan.

"Harpreet Dhawan" (signed)

HDCPA Professional Corporation
Chartered Professional Accountants,
Authorized to practice public accounting by CPA Ontario

Mississauga, ON
December 19, 2025

Neptune Digital Assets Corp.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

As at		August 31, 2025		August 31, 2024 *(Restated – Note 17)*
ASSETS				
Current				
Cash	$	505,744	$	3,592,849
Short-term investments		-		1,597,405
Prepaid expenses		23,545		7,500
Subscriptions and other receivables (Note 8 and 9)		448,889		1,200,376
Investments in equity instruments at fair value through profit or loss – current (Note 5)		9,910,006		5,725,864
		10,888,184		12,123,994
Non-current				
Investments in equity instruments at fair value through profit or loss (Note 5)		1,909,715		2,028,041
Deposits		340,103		340,103
Digital currencies and staked digital currencies – intangible assets (Note 3)		70,177,330		31,288,165
Property and equipment (Note 6)		3,853,862		4,038,349
Total Assets	$	87,169,194	$	49,818,652
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities (Note 8)	$	1,356,778	$	805,904
Income taxes payable (Note 12)		89,323		-
Loan payable (Note 7)		9,620,226		-
		11,066,327		805,904
Non-current				
Deferred tax (Note 12)		4,454,445		-
Total Liabilities		13,496,976		805,904
Shareholders' Equity				
Share capital (Note 9)		56,982,164		57,098,130
Reserves (Note 9)		17,571,907		17,571,907
Revaluation surplus (Note 10)		48,235,058		25,850,990
Deficit		(51,140,707)		(51,508,279)
Total Shareholders' Equity		71,648,422		49,012,748
Total Liabilities and Shareholders' Equity	$	87,169,194	$	49,818,652

Nature and continuance of operations (Note 1)
Subsequent events (Note 18)

On behalf of the Board on December 19, 2025:

"Cale Moodie" Director *"Carmen To"* Director

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

Neptune Digital Assets Corp.
Consolidated Statements of Income and Comprehensive Income
(Expressed in Canadian Dollars)

For the years ended	August 31, 2025	August 31, 2024 (Restated – Note 17)
Revenue		
Mining revenue (Note 3)	$ 844,871	$ 1,759,107
Staking revenue (Note 3)	936,749	649,015
	1,781,620	2,408,122
Cost of revenue		
Cost of mining revenue		
Hashrate management fees (Note 3)	9,192	19,140
Operating and maintenance costs (Note 3)	806,666	1,406,726
Depreciation – equipment (Note 6)	88,986	185,343
	904,844	1,611,209
Gross profit	876,776	796,913
Consulting fees (Note 8 and 9)	(2,001,627)	(1,536,729)
Depreciation (Note 6)	(95,501)	(99,381)
Directors' fees (Note 8 and 9)	(98,450)	(114,507)
Foreign exchange gain (loss)	45,244	(13,585)
Interest expense (Note 7)	(363,476)	-
Marketing	(176,528)	(43,065)
Office and miscellaneous	(383,682)	(213,194)
Professional fees	(678,250)	(349,528)
Share-based compensation (Note 9)	-	(234,894)
Unrecoverable sales tax	(324,181)	(87,658)
Realized loss on settlement of loans receivable (Note 4)	(441,461)	(31,880)
Unrealized gain on investments in equity instruments at fair value through profit or loss (Note 5 and 17)	3,199,825	2,577,812
Realized gain on redemption of investments in equity instruments at fair value through profit or loss (Note 5)	1,619,798	316,749
Impairment loss on equity instruments at fair value through profit or loss (Note 5)	-	(135,310)
Realized (loss) gain on sale of digital currencies – intangible assets (Note 3)	(1,553)	102,600
Revaluation loss on digital currencies – intangible assets (Note 3)	(806,007)	(642,020)
Gain on sale of property and equipment (Note 6)	-	169,793
Gain on settlement of claim on digital currencies receivable from centralized exchange (Note 15)	33,891	443,470
Gain before finance income	404,818	905,586

Neptune Digital Assets Corp.
Consolidated Statements of Income and Comprehensive Income
(Expressed in Canadian Dollars)
(continued)

For the years ended	August 31, 2025	August 31, 2024 *(Restated – Note 17)*
Finance income		
Interest income from loans receivable, short term investments, and bank interest	459,670	652,023
Income before income tax	864,448	1,557,609
Income tax expense (Note 12)	(496,916)	-
Net income	367,572	1,557,609
Other comprehensive income		
Revaluation of digital currencies – intangible assets (Note 3)	26,469,028	14,684,947
Deferred tax related to items recognized in other comprehensive income (Note 12)	(4,084,960)	-
Total other comprehensive income	22,384,068	14,684,947
Comprehensive income	$22,751,640	$16,242,556

Weighted Average Number of Common Shares Outstanding		
Basic	127,096,497	126,928,392
Diluted	134,778,904	128,389,176
Income per Common Share		
Basic	$ 0.00	$ 0.01
Diluted	$ 0.00	$ 0.01

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

Neptune Digital Assets Corp.
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Share Capital		Reserves				
	Number of Common Shares	**Share Capital**	**Share-based Payments**	**Warrant Reserve**	**Revaluation Surplus**	**Deficit *(Restated – Note 17)***	**Total**
Balance, September 1, 2023	125,534,811	$ 56,843,880	$9,010,032	$8,326,981	$11,166,043	$(53,065,888)	$32,281,048
Share-based compensation (Note 9)	-	-	234,894	-	-	-	234,894
Warrant exercises	2,301,785	454,375	-	-	-	-	454,375
Shares repurchased and cancelled (Note 9)	(589,000)	(200,125)	-	-	-	-	(200,125)
Net income for the year	-	-	-	-	-	1,557,609	1,557,609
Revaluation of digital currencies – intangible assets (Note 3)	-	-	-	-	14,684,947	-	14,684,947
Balance, August 31, 2024	127,247,596	57,098,130	9,244,926	8,326,981	25,850,990	(51,508,279)	49,012,748
Balance, September 1, 2024	127,247,596	57,098,130	9,244,926	8,326,981	25,850,990	(51,508,279)	49,012,748
Option exercise	120,000	24,000	-	-	-	-	24,000
Shares repurchased and cancelled (Note 9)	(276,500)	(139,966)	-	-	-	-	(139,966)
Net income for the year	-	-	-	-	-	367,572	367,572
Revaluation of digital currencies – intangible assets (Note 3)	-	-	-	-	26,469,028	-	26,469,028
Deferred tax related to items recognized in other comprehensive income (Note 12)					(4,084,960)		(4,084,960)
Balance, August 31, 2025	127,091,096	$ 56,982,164	$ 9,244,926	$ 8,326,981	$ 48,235,058	$ (51,140,707)	$ 71,648,422

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

Neptune Digital Assets Corp.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

For the years ended	August 31, 2025	August 31, 2024 *(Restated – Note 17)*
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 367,572	$ 1,557,609
Items not affecting cash:		
Depreciation	184,487	284,724
Mining revenue	(844,871)	(1,759,107)
Staking revenue	(936,749)	(649,015)
Expenses paid by digital currency – intangible asset	9,192	19,140
Change in interest income receivable – short-term investments	69,027	(8,319)
Realized loss on settlement of loans receivable	441,461	31,880
Unrealized gain on investments in equity instruments at fair value through profit or loss	(3,199,825)	(2,577,812)
Realized gain on redemption of investments in equity instruments at fair value through profit or loss	(1,619,798)	(316,749)
Deferred income tax expense	369,485	-
Impairment loss on investment in equity instrument at fair value through profit or loss	-	135,310
Realized (gain) loss on disposal of digital currencies – intangible assets	1,553	(102,600)
Revaluation of digital currencies – intangible assets	806,007	642,020
Gain on disposal of equipment	-	(169,793)
Accrued interest on loan payable	363,476	-
Shared-based compensation	-	234,894
Unrealized foreign exchange gain	-	(18,405)
Common shares issued for subscriptions receivable on warrant exercises	-	454,375
Changes in non-cash working capital items:		
Prepaid expenses	(16,045)	(958,307)
Subscriptions and other receivables	751,487	(7,500)
Accounts payable and accrued liabilities	550,874	151,429
Income taxes payable	89,323	-
Net cash flows used in operations	(2,613,344)	(3,056,226)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of short-term investments	-	(7,423,878)
Proceeds from redemption of short-term investments	1,528,378	14,461,681
Issuance of loans receivable	(7,418,204)	(9,586,489)
Settlement of loans receivable	3,916,942	8,890,091
Purchase of investments in equity instruments at fair value through profit or loss	(1,434,320)	(2,331,732)
Proceeds from redemption of investments in equity instruments at fair value through profit or loss	-	4,958
Decrease in deposits	-	81,378
Purchase of digital currencies – intangible assets	(6,207,341)	(477,044)
Proceeds from disposals of digital currencies – intangible assets	-	92,307
Proceeds from disposal of equipment	-	221,392
Net cash flows (used in) provided by investing activities	(9,614,545)	3,932,664
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loan payable	9,256,750	-
Option exercise	24,000	-
Repurchase and cancellation of common shares	(139,966)	(200,125)
Net cash flows provided by (used in) financing activities	9,140,784	(200,125)
Net change in cash	(3,087,105)	676,313
Cash, beginning of the year	3,592,849	2,916,536
Cash, end of the year	$ 505,744	$ 3,592,849

Neptune Digital Assets Corp.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
(continued)

For the years ended	August 31, 2025	August 31, 2024
Non-cash Investing Transactions:		
Digital currencies – intangible assets sold for digital currencies – intangible assets	$ 87,341	$ 156,621
Digital currencies – intangible assets purchased with digital currencies – intangible assets	$ 87,341	$ 156,621
Digital currency – intangible asset received on settlement of loans receivable	$ 3,059,801	$ 1,016,324
Digital currency – intangible asset received on redemption of investment in equity instruments at FVTPL	$ 2,583,070	$ 531,895
Non-cash Financing Transactions:		
Common shares issued for subscriptions receivable on warrant exercises	$ -	$ 454,375

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Neptune Digital Assets Corp. (the "Company" or "Neptune") (formerly Neptune Dash Technologies Corp.) was incorporated on October 31, 2017 under the laws of the province of British Columbia. On December 17, 2020, the Company changed its name to Neptune Digital Assets Corp. The Company's shares are listed on the TSX Venture Exchange (TSX-V) under the symbol NDA, on the Frankfurt Stock Exchange under the symbol 1NW, and on the OTCQX Venture Market under NPPTF. The head office, registered office and records office of the Company are located in 2700 – 1133 Melville Street, Vancouver, BC.

Neptune builds, owns, and operates infrastructure supporting the digital currency ecosystem. Its core assets are digital currencies, and its primary business model is Bitcoin mining, blockchain staking and node management to earn digital currency staking rewards and engaging in Decentralized Finance ("DeFi") activities. The Company's ancillary activities include lending cash with the goal of earning interest.

On February 16, 2018, the Company incorporated a wholly owned subsidiary, Neptune Stake Technologies Corp. ("Neptune Stake") which was dissolved during the year ended August 31, 2024. On October 1, 2021, the Company incorporated a wholly owned subsidiary, Neptune Digital USA Corp. ("Neptune USA") for its US Bitcoin mining operations. The principal place of business of Neptune USA is in the US.

Going concern

The directors have, at the time of approving the consolidated financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements, which assumes that the Company will realize its assets and discharge its liabilities.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

Statement of compliance

These consolidated financial statements have been prepared using accounting policies consistent with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee ("IFRS IC").

These consolidated financial statements were approved and authorized for issuance by the Board of Directors of the Company on December 19, 2025.

Basis of presentation

These consolidated financial statements are prepared on the historical cost basis, except for financial instruments and digital currencies (including those related to lending activities) that are measured at revalued amounts. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Neptune Stake and Neptune USA. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

All intercompany balances and transactions and gains or losses resulting from intercompany transactions are eliminated in full in the consolidated financial statements.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Foreign currencies

The Company's consolidated financial statements are presented in Canadian Dollars, which is also the parent company's functional currency. For each entity, the Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Foreign currency transactions in currencies other than the Company's functional currency are translated into its functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

Foreign operations

The operations of Neptune USA are an extension and complement of the parent company, Neptune. Neptune USA's revenues are intercompany management services and staking revenue that are not independent of Neptune. Therefore, management has determined, Neptune USA's functional currency is Canadian dollars.

Significant accounting judgments and estimates

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Significant judgments

Critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements include the following:

(i) Income taxes - Management exercises judgment to determine the extent to which deferred tax assets are recoverable and can therefore be recognized in the consolidated statements of financial position and income and comprehensive income.

(ii) Functional currency - The functional currency of the Company has been assessed by management based on consideration of the currency and economic factors that mainly influence the Company's digital currencies, production and operating costs, financing, and related transactions. Specifically, the Company considers the currencies in which digital currencies are most commonly denominated and expenses are settled by each entity as well as the currency in which each entity receives or raises financing. Changes to these factors may have an impact on the judgment applied in the determination of the Company's functional currency.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Significant accounting judgments and estimates (continued)

Significant judgments (continued)

Since Neptune USA is a foreign operation, the Company applied judgement to determine whether Neptune USA carries on business as if it were an extension of the parent company. Management determined that Neptune USA is an extension of the parent company and is assumed to operate in the same primary economic environment as the parent company and should have the same functional currency as the parent company.

(iii) Digital currency transactions and balances - Judgments applied on this area are as follows:

Digital currencies as intangible assets or inventories

Certain digital assets can be purchased with the intent to resell in the near future, generating a profit from margins or from fluctuations in prices. The Company applies the inventory treatment of a broker-trader under IAS 2 *Inventories* ("IAS 2").

In determining the fair value of digital currencies, management needs to apply judgments to identify the relevant available markets, and to consider accessibility to and activity within those markets in order to identify the principal digital asset markets for the Company.

In June 2019, the IFRS IC published its agenda decision on 'Holdings of Cryptocurrencies,' and management exercises significant judgment in determining the appropriate accounting treatment for matters with no current definitive and uniform answers. In the event authoritative guidance is enacted by the IASB, the Company may be required to change its policies, which could have an effect on the Company's consolidated financial position and results from operations.

Accounting for mining revenue and staking rewards

There is currently no specific definitive guidance in IFRS or alternative accounting frameworks for accounting for (a) mining of digital assets and (b) staking rewards. Management has exercised significant judgment in determining appropriate accounting treatments for these revenue and other income items. Management has determined the accounting treatments as follows:

- The Company measures bitcoins from mining at the spot price when the consideration is received daily, which is not materially different from the fair value at the time the Company has earned the awards from the pools. Bitcoins received are subsequently measured as an intangible asset.
- Staking rewards are measured at fair value by reference to the average market price of the rewards during the period. Digital assets received are subsequently measured as an intangible asset.

In the event authoritative guidance is enacted by the IASB, the Company may be required to change its policies which could result in a change in the Company's financial position and earnings.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Significant accounting judgments and estimates (continued)

Significant judgments (continued)

Control over staked digital assets

Management applied judgment whether the Company, either acting as a validator or a delegator in a staking activity, should continue to recognize staked digital assets as its own assets on the consolidated statement of financial position. The Company assessed that it should continue to recognize staked digital assets as its own assets after applying the control principle in IFRS 15.

(iv) Investments in equity instruments at fair value through profit or loss ("FVTPL") - Included in investments in equity instruments at FVTPL are non-controlling investments in two US private companies and an investment fund. Management accounted for such investments at FVTPL under IFRS 9, because the Company does not exercise significant influence over the investee. The Company does not have any contractual right to appoint any representative to the investee's board of directors. In addition, the Company does not have any participation in policy-making processes and does not have any material transactions with the investee.

The fair value of investments in investment funds which are not quoted in an active market is determined by using net asset value as determined by the investment fund's administrator less a discount for lack of marketability ("DLOM"). Management deems the net asset value to be the fair value after considering key factors such as the liquidity of the investment fund or its underlying investments, any restrictions on redemptions and basis of accounting.

The fair value of investments in the US private companies which are not quoted in an active market is determined based on financing rounds of the US private companies or their underlying investments.

(v) Depreciation of property and equipment - Depreciation of property and equipment is dependent upon estimates of useful lives, which are determined through the exercise of judgment.

(vi) Identifying whether a contract includes a lease - The Company entered into hosting contracts with third party hosting facilities to provide space and electricity to the equipment used for cryptocurrency mining.

The Company assessed whether the Company has contracted for the rights to substantially all of the capacity of the third-party hosting facilities and whether the contracts with the third-party hosting facilities contain a lease for the occupied space in these facilities. Based on the Company's assessment of the contract terms, the Company does not have the right to obtain substantially all the economic benefits from the use of the facilities. As a result, management concluded that the Company has not contracted for substantially all the capacity of the facilities, and therefore the contracts do not contain a lease.

Significant estimates

(i) Valuation of digital currencies are revalued to their fair value determined based on volume weighted average price from www.cryptocompare.com at 7:00 am UTC. 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. In addition, management estimates that selling costs will be nominal.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Significant accounting judgments and estimates (continued)

Significant estimates (continued)

(ii) Depreciation of property and equipment - Depreciation of property and equipment is dependent upon estimates of useful lives, which are determined through the exercise of judgment.

(iii) Impairment of non-financial assets - Impairment of these non-financial assets exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. These calculations are based on available data, other observable inputs and projections of cash flows, all of which are subject to estimates and assumptions.

(iv) Calculation loss allowance - When measuring ECL the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions, and expectations of future conditions.

(v) Share based compensation - The Company utilizes the Black-Scholes Option Pricing Model (“Black-Scholes”) to estimate the fair value of stock options granted to directors, employees, and consultants. The use of Black-Scholes requires management to make various estimates and assumptions that impact the value assigned to the stock options including the forecast future volatility of the stock price, the risk-free interest rate, dividend yield and the expected life of the stock options. Any changes in these assumptions could have a material impact on the share-based compensation calculation value, however the most significant estimate is the volatility. Expected future volatility can be difficult to estimate as the Company has had limited history and is in a unique industry, and historical volatility is not necessarily indicative of future volatility.

Revenue recognition

Mining revenue

The Company has entered into cryptocurrency mining pools by executing contracts with mining pool operators to provide computing power to the mining pool. The contracts are terminable at any time by either party without prior written notice and payment of a termination penalty is not required. The only amounts due are related to previously satisfied performance obligations which may be pending at termination (i.e. outstanding compensation earned by the Company via contribution of computing power to the pool per the contractual payment model). The Company’s enforceable right to compensation begins upon providing computing power to the mining pool operator and this enforceable right is created as power is provided over time. Providing computing power to the mining pool operators is an output of the Company’s ordinary activities and providing such computing power represents the only performance obligation in the Company’s contracts with mining pool operators. There is no significant financing component present in these transactions. Furthermore, the agreement does result in consideration payable to the customer in the form of a pool operator fee (in bitcoin).

The Company earns revenue under payout models determined by the mining pool operators. The payout model relevant to the Company during the years ended August 31, 2025 and 2024 is the Full Pay Per Share (“FPPS”) model.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Revenue recognition (continued)

Mining revenue (continued)

Under the FPPS model, in exchange for providing computing power to the pool, which represents the Company's performance obligation, the Company is entitled to compensation at an amount that approximates the total bitcoin that could have been mined using the Company's computing power, based upon the then current blockchain difficulty. Under this model, the Company is entitled to compensation regardless of whether the pool operator successfully records a block to the bitcoin blockchain.

The terms of the contracts specify that the performance and the expected block reward and expected transaction fees are measured either hourly or daily and are calculated from midnight-to-midnight UTC time or calculated on a look-back basis across a specified number of previous blocks. Although the performance and payment are measured hourly, certain contracts allow the Company to receive its allocable share of compensation daily. Payments are associated with computing power provided during one UTC day and not combined with those for previous days.

Due to the continuous nature of the provision of computing power to the pool, the Company has determined that its performance obligation is satisfied over time. The provision of computing power represents a single performance obligation that represents a promise to transfer to the customer a series of distinct goods that are substantially the same and that have the same pattern of transfer to the customer.

Under the FPPS model, the transaction consideration the Company receives is also non-cash consideration, which the Company measures at the spot price when the consideration is received daily, which is not materially different from the fair value at the time the Company has earned the award from the pools.

Under the FPPS approach, the Company's reward is based upon the pool operator's standard FPPS payout methodology. This payout methodology determines the Company's payout, in bitcoin, based on the hashrate the Company contributed to the mining pool relative to the current network difficulty at the end of each 24-hour time-period (i.e. at 23:59 UTC) or at the end of each hour calculated on a look-back basis across a specified number of previous blocks. Revenue is calculated and recognized on a daily or an hourly basis in accordance with the payout methodology of the pool operators as specified in the Company's contracts.

Staking revenue

Staking is the act of posting digital assets as collateral to a proof-of-stake ("PoS") blockchain network either as (1) a validator or (2) a delegator.

A validator is a blockchain participant (e.g., an individual or entity) that verifies transactions on a PoS blockchain as part of the blockchain's consensus mechanism. Validators generally must be node operators to sign blocks of transactions as valid.

A delegator is an individual or entity that stakes its digital assets with a trusted validator instead of operating a node and validating blockchain transactions itself.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Revenue recognition (continued)

Staking revenue (continued)

Validator in staking activity

As a validator, the Company earns income from staking in which the Company participates in networks with PoS consensus algorithms, through creating or validating blocks on the network. In exchange for participating in the consensus mechanism of these networks, the Company earns rewards in the form of the native token of the network. Each block creation or validation is a performance obligation. Rewards are recognized at the point when the block creation or validation is complete and the rewards are available for transfer. Other income is measured based on the number of tokens earned and the fair value of the token when it was earned.

Staking income from running a validator node is not significant during the years ended August 31, 2025 and 2024.

Delegator in staking activity

As a delegator, the Company secures the network by delegating its stake to validator nodes. The Company earns a portion of the rewards generated by validators by securing the network and producing blocks per respective period/epoch/era (varies based on the platform or the chain).

When the Company elects to de-stake digital assets acting either as delegator or validator, an unbonding period may apply. During this period, the Company typically no longer earns staking rewards on the de-staked digital assets and is subject to slashing, but it cannot sell (or otherwise transfer) those digital assets. The unbonding period varies based on the platform or the chain.

The performance obligation is the delegation of the Company's tokens to a validator node for certain contract term (which varies from one chain to another) plus the unbonding period. In determining the contract term, the Company considered the length of time during which the Company can monitor and can decide whether to exit from the reward pool and whether the Company has reasonable ability to do so. Every contract term the Company will decide on whether to unbond its position from the staking pool without additional cost or penalty. Since the smart contract will renew without additional cost under the same terms, there is not a material right associated with the evergreen renewal clause. Therefore, the Company assessed that there are no material rights for future services granted under the contract.

The Company assessed that each contract renewal is considered as a contract modification. The Company further assessed that the contract modification is a separate contract because the modification results in a promise to deliver additional services that are distinct (i.e. delegating tokens to a delegation pool); and an increase in the price of the contract by an amount of consideration that reflects the Company's stand-alone selling price for those services (i.e. pro-rata share of rewards based on the proportion of the Company's delegated assets relative to the total of other delegated assets and the validator's own assets less any commissions charged by the validator).

The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. When determining the transaction price relating to rewards from staking, the Company considered the effects of all of the following:

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Revenue recognition (continued)

Staking revenue (continued)

- Variable consideration,
- Constraining estimates of variable consideration,
- The existence of a significant financing component in the contract, and
- Non-cash consideration.

The consideration is all variable because staking rewards earned will be proportional to the total number of delegated assets staked and network's inflation rate. Because it is not probable that a significant reversal of cumulative revenue will not occur, the consideration is constrained until the Company is able to resolve the variable consideration, which occurs at the end of each contract term. Revenue is recognized over time, which is measured at the beginning of each contract term. The transaction consideration the Company receives is non-cash consideration, which the Company measures at fair value by reference to the quoted market price of the rewards at the beginning of each day (i.e. inception of the contract).

Interest income from loans receivable classified as at amortized cost and from loans receivable classified as at FVTPL

From time to time, the Company loans out cash to earn interest. The loans classified as at amortized cost are in both open and closed terms at varying interest rates. Interest rates are based on a percentage of cash loaned and are denominated in cash. The loans classified as at FVTPL are in closed terms with term borrow fees classified as interest income received at the commencement of the loan.

Interest income from loans receivable is presented as part of other income as management deems this as part of its ancillary operations.

Current and non-current classification

Assets and liabilities are presented in the consolidated statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realized or intended to be sold or consumed in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Digital currencies

The Company has classified digital currencies as either intangible assets under IAS 38 or inventories under IAS 2, depending on facts and circumstances.

Digital currencies – intangible assets

Digital currencies that are expected to be realized within 12 months of the reporting period are recorded as current assets on the consolidated statement of financial position. All other digital currencies are classified as non-current.

Management of the Company views each digital currency that are not purchased with the intent to resell in the near future, generating a profit from margins or from fluctuations in prices, as an intangible asset as it is an identifiable non-monetary asset without physical substance and accordingly the Company uses the revaluation model, as permitted under IAS 38 to measure its digital currencies. Initially, the digital currencies are measured at cost. For purposes of revaluation, fair value is determined by reference to the volume weighted average price at 7:00 am UTC from www.cryptocompare.com, an independent third-party pricing aggregator and management expects any variance between these prices and the principal market to be immaterial.

If the carrying amount of a digital currency is increased as a result of a revaluation, the increase is recognized in other comprehensive income ("OCI") and accumulated in equity under the heading of revaluation surplus. However, the increase is 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 the carrying amount of a digital currency is decreased as a result of a revaluation, the decrease is recognized in profit or loss. However, the decrease is recognized in other comprehensive income to the extent of any credit balance in the revaluation surplus in respect to that digital currency and reduces the amount accumulated in equity under the heading of revaluation surplus.

The Company does not transfer the cumulative revaluation surplus included in equity directly to retained earnings when the surplus is realized.

The Company has assessed that the digital currencies have an indefinite useful life because there is no foreseeable limit to the period over which the assets are expected to generated cash inflows for the Company.

Purchases of digital currencies by the Company are included within investing activities on the consolidated statement of cash flows, while digital currencies awarded to the Company through its mining activities are included within operating activities on the consolidated statement of cash flows. The sales of digital currencies are included within investing activities on the consolidated statement of cash flows and any realized gains or losses from such sales are included as an item under other items on the consolidated statement of income and comprehensive income.

Digital currencies that are used in lending activities do not meet the derecognition criteria under IAS 38 and are presented as digital currencies related to lending activities on the consolidated statement of financial position. When a digital currency is transferred to digital currencies related to lending activities, both the revalued amount and the corresponding cost of the digital currency are transferred to that category.

The Company's realized gain or loss on digital currencies is calculated as the proceeds received from the sale of digital currencies less their cost, which is determined on a First-in, First-out basis.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Digital currencies (continued)

Digital currencies – inventories

Certain digital assets are transacted in decentralized platforms and are purchased with the intent to resell in the near future, generating a profit from margins or from the fluctuations in prices. The Company applies the inventory treatment of a broker-trader under IAS 2 to these digital assets. Under IAS 2, the digital assets are measured at fair value less cost to sell, with change in fair value recognized in the consolidated statement of profit or loss. Costs are determined on a First-in, First-out basis and realized gains or losses when digital assets are sold.

As at August 31, 2025 and August 31, 2024 the Company did not have any digital currencies classified as inventories because the Company did not purchase any digital currencies that would be used in liquidity service arrangement.

Share-based payments

Share-based payments include option and stock grants granted to directors, employees and consultants. The Company accounts for share-based compensation using a fair value-based method with respect to all share-based payments measured and recognized, to directors, employees and consultants. For directors and employees, the fair value of the options and stock grants is measured at the date of grant. For consultants, the fair value of the options and stock are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined that the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. For directors, employees and consultants, the fair value of the options and stock grants is accrued and charged to operations, with the offsetting credit to share based payment reserve for options, and commitment to issue shares for stock grants over the vesting period. If and when the stock options are exercised, the applicable amounts are transferred from share-based payment reserve to share capital. When the stock grants are issued, the applicable fair value is transferred from commitment to issue shares to share capital. Option based compensation awards are calculated using the Black-Scholes option pricing model while stock grants are valued at the fair value on the date of grant.

The Company has granted certain directors and consultants restricted share units ("RSUs") to be settled in shares of the Company. The fair value of the estimated number of RSUs that will eventually vest, determined at the date of grant, is recognized as share-based compensation expense over the vesting period, with a corresponding amount recorded as equity. The fair value of the RSUs is estimated using the market value of the underlying shares as well as assumptions related to the market and non-market conditions at the grant date.

Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current taxation is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries the Company and its subsidiary operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Income taxes (continued)

Deferred income tax assets and liabilities are recognized for deferred income tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred income tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. To the extent that the Company does not consider it probable that a deferred income tax asset will be recovered, the deferred income tax asset is not recognized. Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to offset current tax assets against liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing the net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average share outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

Financial instruments

(i) Financial assets

Initial recognition and measurement

Financial assets are classified as either financial assets at FVTPL, amortized cost, or fair value through other comprehensive income. The Company determines the classification of its financial assets at initial recognition.

FVTPL - financial assets are classified as fair value through profit or loss if they do not meet the criteria of amortized cost or fair value through other comprehensive income. Changes in fair value are recognized in profit and loss.

Amortized cost – financial assets are classified as measured at amortized cost if both of the following criteria are met and the financial assets are not designated as FVTPL: 1) The objective of the Company’s business model for these financial assets is to collect their contractual cash flows; and 2) the assets contractual cash flow represents solely payments of principal and interest.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments (continued)

Subsequent measurement – financial assets at amortized cost

After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

Derecognition

A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company no longer retains substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

(ii) Financial liabilities

Initial recognition and measurement

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was incurred. The Company's accounting policy for each category is as follows:

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL, as is the case with derivative instruments and, or the Company has opted to measure the financial liability at FVTPL. All financial liabilities are recognized initially at fair value, and where applicable net of directly attributable transaction costs.

Subsequent measurement – financial liabilities at amortized cost

After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or expires with any associated gain or loss recognized in other income or expense in the statement for profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

The Company's financial instruments are classified as follows:

Classification	**IFRS 9**
Cash and cash equivalents	Amortized cost
Short-term investments	Amortized cost
Loans receivable with put option	FVTPL
Investments in equity instruments	FVTPL
Accounts payable and accrued liabilities	Amortized cost
Loan payable	Amortized cost

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Impairment

(i) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred income tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the "cash-generating unit").

An impairment loss is recognized if the carrying amount of a cash-generating unit exceeds its estimated recoverable amount. The recoverable amount of an asset or a cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cost flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the assets. Impairment losses are recognized in net income (loss).

Impairment losses recognized in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss has been recognized.

(ii) Financial assets

The Company assesses all information available, including on a forward-looking basis, the expected credit losses ("ECL") associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as the reporting date, with the risk of default as at the date of initial recognition, based on all information available, and reasonable and supportive forward-looking information.

(ii) Financial assets (continued)

The Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Property and equipment

Property and equipment are recorded at historical cost less accumulated depreciation and accumulated impairment losses. The Company provides for depreciation using a straight-line basis of 40 years for building, the declining balance at 20% per year for furniture, and the declining balance at 50% per year for all mining equipment.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Unit share issuances

For unit share issuances consisting of common shares and warrants, the Company uses the fair value of common shares as the more reliably measurable instrument. The proceeds from the issuance of units are first allocated to the share capital and the residual amount, being the difference between the proceeds from issuance and the fair value of the common shares, is allocated to warrants.

Comprehensive income

Comprehensive income is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in net profit. Other comprehensive income consists of changes to unrealized gains and losses on digital currencies that are measured at revalued amounts during the period. Comprehensive income measures net earnings for the period plus other comprehensive income. Amounts reported as other comprehensive income are accumulated in a separate component of shareholders' equity as revaluation surplus.

Accounting standards adopted

There were no new accounting policies and standards adopted by the Company for the year ended August 31, 2025 which had a material effect on its consolidated financial statements.

Accounting standards not yet adopted

Certain pronouncements were issued by the IASB or the IFRS IC that are mandatory for accounting periods commencing on or after September 1, 2025. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

In May 2024, the IASB issued amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments – Disclosures*. The amendments clarify the derecognition of financial liabilities and introduce an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system. The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance ("ESG")-linked features and other similar contingent features and the treatment of non-recourse assets and contractually linked instruments ("CLIs"). Further, the amendments mandate additional disclosures in IFRS 7 for financial instruments with contingent features and equity instruments classified at FVOCI. The amendments are effective for annual periods starting on or after January 1, 2026. Retrospective application is required and early adoption is permitted.

In April 2024, the IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements* ("IFRS 18") to improve reporting of financial performance. The new standard replaces IAS 1 *Presentation of Financial Statements*. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and requires disclosure of management-defined performance measures. It also includes new requirements for the location, aggregation and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required and early adoption is permitted.

(Expressed in Canadian Dollars)

3. DIGITAL CURRENCIES AND STAKED DIGITAL CURRENCIES – INTANGIBLE ASSETS

Digital currencies and staked digital currencies – intangible assets are recorded at their fair value on the acquisition date or when they are received as revenues and are revalued at their current market value at each reporting date. Fair value is determined based on volume weighted average price from www.cryptocompare.com at 7:00 am UTC. The Company believes any price difference amongst the principal market and an aggregated price to be immaterial.

A summary of digital currencies and staked digital currencies – intangible assets balances as at August 31, 2025 and 2024 is as follows:

	Holdings, August 31, 2025	Fair Value, August 31, 2025	Holdings, August 31, 2024	Fair Value, August 31, 2024
Bitcoin(1)	407	$ 60,599,003	346	$ 27,508,268
Solana(2)(3)	20,841	5,747,073	6,796	1,240,888
ATOM(2)	220,706	1,354,511	188,526	1,159,790
Ethereum(2)	142	855,714	138	466,927
Sonic (formerly Fantom)(2)	1,676,892	715,281	462,632	264,884
Dogecoin	989,977	290,723	-	-
Polkadot(2)	55,169	283,770	48,749	280,103
The Graph(2)	1,421,232	172,905	1,247,605	245,402
Dash(1)	2,298	74,630	2,152	68,188
LIF3	2,000,338	56,132	2,000,338	9,548
Ocean	55,452	20,856	55,452	36,739
Juno(2)	66,246	6,327	56,386	6,846
Neo	42	386	42	560
OMG Network	77	19	77	22
Balance		$ 70,177,330		$ 31,288,165

(1) 107 (2024 - nil) Bitcoin valued at $15,931,878 (2024 - $nil) pledged as collateral and deposited with a Swiss bank in regulated custody against a credit facility with the bank as discussed in Note 7.
(2) Digital currencies used for staking, of which 91% (2024 - $94%) based on fair value are staked and subject to potential slashing.
(3) Solana holdings do not include Solana held within the Company's investment in an investment fund as discussed in Note 5.

The Company's digital currencies and staked digital currencies – intangible assets are remeasured as of the reporting date. The following summary shows the fair values and costs as at August 31, 2025 and 2024:

	Fair Value, August 31, 2025	Cost, August 31, 2025	Fair Value, August 31, 2024	Cost, August 31, 2024
Bitcoin	$ 60,599,003	$ 18,707,847	$ 27,508,268	$ 10,585,947
Solana	5,747,073	3,824,537	1,240,888	745,684
ATOM	1,354,511	2,422,230	1,159,790	2,193,108
Ethereum	855,714	536,277	466,927	519,369
Sonic (formerly Fantom)	715,281	1,524,346	264,884	281,962
Dogecoin	290,723	444,415	-	-
Polkadot	283,770	376,259	280,103	332,533
The Graph	172,905	251,299	245,402	211,485
Dash	74,630	294,968	68,188	289,461
LIF3	56,132	49,326	9,548	49,326
Ocean	20,856	29,037	36,739	29,037
Juno	6,327	41,860	6,846	39,732
Neo	386	3,101	560	3,101
OMG Network	19	1,157	22	1,157
Balance	$ 70,177,330	$ 28,506,659	$ 31,288,165	$ 15,281,902

(Expressed in Canadian Dollars)

3. DIGITAL CURRENCIES AND STAKED DIGITAL CURRENCIES – INTANGIBLE ASSETS (continued)

The following is a reconciliation of digital currencies and staked digital currencies – intangible assets as at August 31, 2025 and 2024:

	August 31, 2025	August 31, 2024
Balance, beginning of period	$ 31,288,165	$ 12,946,322
Bitcoin mining	844,871	1,759,107
Staking revenue	541,806	523,393
Purchase of digital currencies – intangible assets	6,299,177	681,917
Disposal of digital currencies – intangible assets	(93,393)	(194,580)
Digital currencies used to pay for expenses	(9,192)	(19,140)
Digital currencies received to settle loans receivable	3,059,801	1,016,324
Redemption of investment in equity instrument at FVTPL	2,583,070	531,895
Revaluation of digital currencies	25,663,025	14,042,927
Balance, end of period	$ 70,177,330	$ 31,288,165

Management considers the fair value of digital assets to be Level 2 under IFRS 13 *Fair Value Measurement* ("IFRS 13") fair value hierarchy as the volume weighted average price taken from www.cryptocompare.com which uses the volumes of multiple digital currency exchanges. There has been no change in the valuation techniques during the period.

Staked digital currencies – intangible assets balances as at August 31, 2025 and 2024 is as follows:

	Staked Holdings, August 31, 2025	Fair Value, August 31, 2025	Staked Holdings, August 31, 2024	Fair Value, August 31, 2024
Solana(1)	20,840	$ 5,746,797	6,309	$ 1,151,966
ATOM	175,000	1,074,005	174,000	1,070,434
Ethereum	138	831,609	138	466,927
Sonic (formerly Fantom)	519,132	221,437	-	-
Polkadot	55,169	283,770	48,749	280,103
The Graph	1,421,227	172,904	1,247,605	245,402
Dash	2,000	64,952	2,000	63,372
Ocean	-	-	286	189
Juno	49,990	4,774	49,990	6,069
Balance		$ 8,400,248		$ 3,284,462

(1) Solana holdings do not include Solana held within the Company's investment in an investment fund as discussed in Note 5.

Staking revenue for the years ended August 31, 2025 and 2024 is comprised of the following:

	Year Ended August 31, 2025	Year Ended August 31, 2024
Solana earned(1)	$ 590,754	$ 172,933
Atom earned	229,124	352,087
Polkadot earned	40,782	63,913
Graph earned	40,615	10,644
Ethereum earned	17,492	4,057
Sonic (formerly Fantom) earned	10,348	-
Dash earned	5,507	5,451
Juno earned	2,127	39,733
Ocean earned	-	197
Staking revenue	$ 936,749	$ 649,015

(1) Includes $394,943 for the year ended August 31, 2025 (2024 - $125,622) earned on staked Solana within the Company's investment in an investment fund as discussed in Note 5.

(Expressed in Canadian Dollars)

3. DIGITAL CURRENCIES AND STAKED DIGITAL CURRENCIES – INTANGIBLE ASSETS (continued)

Bitcoin

As at August 31, 2025, the Company has 407 (2024 - 346) Bitcoin with a fair value of $60,599,003 (2024 - $27,508,268). Included within net and comprehensive income for the year ended August 31, 2025, is $844,871 (2024 - $1,759,107) related to 6 (2024 - 29) Bitcoin mined during the year.

A continuity for Bitcoin as at August 31, 2025 and 2024 is as follows:

	Number	Amount
Balance, August 31, 2023	305	$ 10,719,902
Mining revenue	29	1,759,107
Hashrate management fee	-	(19,140)
Bitcoin received on settlement of loan receivable	10	563,509
Bitcoin acquired	2	133,476
Revaluation	-	14,351,414
Balance, August 31, 2024	346	$ 27,508,268
Mining revenue	6	844,871
Hashrate management fee	-	(9,192)
Bitcoin received on settlement of loan receivable	10	1,220,623
Bitcoin acquired	45	6,065,597
Revaluation	-	24,968,836
Balance, August 31, 2025	407	$ 60,599,003

All revenue from Bitcoin mining was generated from one mining pool operator. Revenue from Bitcoin mining is recognized over time.

As at August 31, 2025, the Company had 107 (2024 - nil) Bitcoin valued at $15,931,878 (2024 - $nil) pledged as collateral and deposited with a Swiss bank in regulated custody against a credit facility with the bank as discussed in Note 7.

(Expressed in Canadian Dollars)

4. LOANS RECEIVABLE

Loans receivable classified as at FVTPL

During the year ended August 31, 2024, the Company entered into a series of loans whereby it loaned an aggregate of USD 7,086,000 and the loans were classified as at FVTPL because the contractual cash flows characteristics are not solely for payment of principal and interest.

Principal (USD)	Initial Valuation	Term Borrow Fee (USD) Received at Commencement	Principal Repayment Conditions Upon Maturity	Maturity Date	Final Amount Received
USD 260,000	$353,080	USD 8,000	10 Bitcoin if ≤ USD 26,000 per Bitcoin	September 29, 2023	USD 260,000 valued at $351,520
USD 260,000	$353,080	USD 8,550	10 Bitcoin if ≤ USD 26,000 per Bitcoin	September 29, 2023	USD 260,000 valued at $351,520
USD 125,000	$169,763	USD 3,055	5 Bitcoin if ≤ USD 25,000 per Bitcoin	September 29, 2023	USD 125,000 valued at $169,000
USD 243,000	$333,712	USD 6,000	150 Ethereum if ≤ USD 1,620 per Ethereum	October 27, 2023	USD 243,000 valued at $336,725
USD 154,000	$209,486	USD 2,800	100 Ethereum if ≤ USD 1,540 per Ethereum	October 27, 2023	USD 154,000 valued at $213,398
USD 270,000	$367,281	USD 5,260	10 Bitcoin if ≤ USD 27,000 per Bitcoin	October 27, 2023	USD 270,000 valued at $374,139
USD 170,000	$235,807	USD 3,610	100 Ethereum if ≤ USD 1,700 per Ethereum	November 24, 2023	USD 170,000 valued at $231,591
USD 365,000	$495,743	USD 10,500	10 Bitcoin if ≤ USD 36,500 per Bitcoin	December 29, 2023	USD 365,000 valued at $482,749
USD 195,000	$264,849	USD 5,000	100 Ethereum if ≤ USD 1,950 per Ethereum	December 29, 2023	USD 195,000 valued at $257,907
USD 220,000	$298,936	USD 3,400	100 Ethereum if ≤ USD 2,200 per Ethereum	December 29, 2023	USD 220,000 valued at $290,972
USD 210,000	$280,476	USD 7,900	100 Ethereum if ≤ USD 2,100 per Ethereum	January 26, 2024	USD 210,000 valued at $282,429
USD 215,000	$287,111	USD 8,500	100 Ethereum if ≤ USD 2,150 per Ethereum	January 26, 2024	USD 215,000 valued at $289,154
USD 445,000	$595,900	USD 14,650	10 Bitcoin if ≤ USD 44,500 per Bitcoin	January 26, 2024	10 BTC valued at $563,509
USD 225,000	$302,445	USD 6,300	100 Ethereum if ≤ USD 2,250 per Ethereum	February 23, 2024	USD 225,000 valued at $303,615
USD 400,000	$536,160	USD 7,750	10 Bitcoin if ≤ USD 40,000 per Bitcoin	February 23, 2024	USD 400,000 valued at $539,760
USD 409,500	$553,071	USD 6,000	10 Bitcoin if ≤ USD 40,950 per Bitcoin	February 23, 2024	USD 409,500 valued at $552,579
USD 476,000	$640,220	USD 8,400	70,000 Polkadot if ≤ USD 6.80 per Polkadot	February 23, 2024	USD 476,000 valued at $642,314
USD 497,000	$670,652	USD 20,720	70,000 Polkadot if ≤ USD 7.10 per Polkadot	March 29, 2024	USD 497,000 valued at $673,435
USD 1,606,500	$2,171,185	USD 41,650	35 Bitcoin if ≤ USD 45,900 per Bitcoin	April 26, 2024	USD 1,606,500 valued at $2,195,764
USD 340,000	$467,534	USD 23,200	100 Ethereum if ≤ USD 3,400 per Ethereum	July 26, 2024	100 ETH valued at $452,815

(Expressed in Canadian Dollars)

4. LOANS RECEIVABLE (continued)

Loans receivable classified as at FVTPL (continued)

During the year ended August 31, 2025, the Company entered into a series of loans whereby it loaned an aggregate of USD 5,307,500 and the loans were classified as at FVTPL because the contractual cash flows characteristics are not solely for payment of principal and interest.

Principal (USD)	Initial Valuation	Term Borrow Fee (USD) Received at Commencement	Principal Repayment Conditions Upon Maturity	Maturity Date	Final Amount Received
USD 580,000	$782,478	USD 16,900	10 Bitcoin if ≤ USD 58,000 per Bitcoin	October 25, 2024	USD 580,000 valued at $804,576
USD 680,000	$946,288	USD 28,500	10 Bitcoin if ≤ USD 68,000 per Bitcoin	November 29, 2024	USD 680,000 valued at $952,680
USD 380,000	$533,026	USD 29,300	1,000,000 Dogecoin if ≤ USD 0.38 per Dogecoin	November 29, 2024	USD 380,000 valued at $532,380
USD 325,000	$454,383	USD 11,000	500,000 Fantom if ≤ USD 0.65 per Fantom	November 29, 2024	USD 325,000 valued at $455,325
USD 500,000	$702,800	USD 50,000	500,000 Fantom if ≤ USD 1.00 per Fantom	December 27, 2024	500,000 Fantom valued at $599,201
USD 400,000	$561,520	USD 27,000	1,000,000 Dogecoin if ≤ USD 0.40 per Dogecoin	December 27, 2024	1,000,000 Dogecoin valued at $448,914
USD 400,000	$574,600	USD 35,500	500,000 Fantom if ≤ USD 0.80 per Sonic (formerly Fantom)	January 31, 2025	500,000 Fantom valued at $402,200
USD 905,000	$1,284,466	USD 13,500	10 Bitcoin if ≤ USD 90,500 per Bitcoin	February 28, 2025	10 Bitcoin valued at $1,220,623
USD 402,500	$576,615	USD 8,100	5 Bitcoin if ≤ USD 80,500 per Bitcoin	March 28, 2025	USD 402,500 valued at $575,857
USD 300,000	$411,210	USD 18,000	2,000 Solana if ≤ USD 150 per Solana	June 27, 2025	2,000 Solana valued at $388,863
USD 435,000	$591,818	USD 22,200	3,000 Solana if ≤ USD 145 per Solana	July 25, 2025	USD 435,000 valued at $596,124

The Company considers the fair value hierarchy of the instrument as Level 2 under IFRS 13. A continuity for loans receivable as at August 31, 2025 and 2024 is as follows:

	August 31, 2025	August 31, 2024
Balance, beginning of period	$ -	$ 351,806
Additions	7,418,204	9,586,489
Repayments	(3,916,942)	(8,890,091)
Acquisition of digital currencies through exercise of option	(3,059,801)	(1,016,324)
Interest and term borrow fees accrued	364,522	282,066
Interest and term borrow fees received	(364,522)	(282,066)
Gain (loss) on settlement of loans receivable classified as at FVTPL	(441,461)	(31,880)
Balance, end of period	$ -	$ -

As at August 31, 2025 and 2024 in determining the ECL, management has taken into account the historical default experience, the financial position of the counterparties as well as the future prospects of the crypto industry in estimating the probability of default of each loan occurring within their respective loss assessment time horizon, as well as the loss upon default in each case. There are $nil expected credit losses as at August 31, 2025 (2024 - $nil).

(Expressed in Canadian Dollars)

5. INVESTMENTS IN EQUITY INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

During the year ended August 31, 2022, the Company through a subsidiary, invested $2,286,000 in a private US company whose sole purpose is to invest in a US spacecraft manufacturer, space launch provider, and satellite communications provider. During the year ended August 31, 2023, the Company through a subsidiary, invested $332,301 in another private US company whose sole purpose is to invest in a US spacecraft manufacturer, space launch provider, and satellite communications provider. During the year ended August 31, 2025, the Company through a subsidiary, invested another $1,434,320 in the first private US company above. The fair values of these investments are remeasured based on new rounds of financing of the private US companies or the US spacecraft manufacturer, space launch provider, and satellite communications provider. The Company will adjust the fair value of the investment when (i) there is a bona fide arm's length transaction which establishes a different value, or ii) where an investment experiences a material change in value, the valuation will be increased or decreased to the estimated fair value. These investments are classified as current as they can be readily sold or used to settle a liability.

During the year ended August 31, 2023, the Company invested $135,400 in a private Canadian company focused on Web3 innovation and gaming and where an independent director of the Company is the Chairman and majority owner. The fair value of this investment is remeasured based on new rounds of financing of the private Canadian company. The Company will adjust the fair value of the investment when (i) there is a bona fide arm's length transaction which establishes a different value, or (ii) where an investment experiences a material change in value, the valuation will be increased or decreased to the estimated fair value. During the year ended August 31, 2024, the Company learned that the private Canadian company has no significant assets and is to be dissolved. The Company recognized an impairment loss of $135,310 on investment in equity instrument at FVTPL as a separate line on the consolidated statement of income or loss and comprehensive income or loss.

During the year ended August 31, 2024, the Company through a subsidiary, invested $2,331,732 in a private investment fund designed to acquire Solana tokens from a bankrupt estate. The Company’s investment represents an acquisition of 26,964 Solana at USD 64 per Solana. The investment fund manager receives a monthly management fee equal to an annualized rate of 1% per annum on the Company’s investment balance. This management fee is included in unrealized gain on investments in equity instruments at FVTPL. The Solana acquired by the Company will be locked and staked, earning staking rewards during the lock period. Staking commissions are set at 5% of the staking rewards and included within staking revenue. Staking rewards will accrue while the Solana is locked and will become distributable on the same unlocking schedule as the Solana. 80% of the Solana are released linearly monthly until January 2028 and 20% of the Solana was released in March 2025. The investment in the investment fund is valued based on the latest available net asset value, as determined by the investment fund’s administrator. The fair value of the investment is remeasured based on quarterly valuation reports provided to the Company by the investment fund administrator less an applicable DLOM.

These investments are accounted for as financial assets which are initially recognized at fair value and subsequently measured at fair value through profit or loss. A continuity for investments in equity instruments at fair value through profit or loss as at August 31, 2025 and 2024 is as follows:

	August 31, 2025	August 31, 2024 *(Restated – Note 17)*
Balance, beginning of year	$ 7,753,905	$ 3,074,157
Additions	1,434,320	2,331,732
Redemptions	(963,272)	(215,150)
Holdback on redemption released	-	(4,958)
Staking income	394,943	125,622
Impairment loss on a private Canadian company	-	(135,310)
Unrealized gain	3,199,825	2,577,812
Balance, end of year	$ 11,819,721	$ 7,753,905

(Expressed in Canadian Dollars)

5. INVESTMENTS IN EQUITY INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

The balance is comprised of:

	August 31, 2025	August 31, 2024 *(Restated – Note 17)*
Current		
Investment in an investment fund	$ 1,557,557	$ 1,688,563
Investments in private US companies	8,352,449	4,037,301
	9,910,006	5,725,864
Non-current		
Investment in an investment fund	1,909,715	2,028,041
Balance	$ 11,819,721	$ 7,753,905

Management considers the fair value of investments in the investment fund to be Level 3 and in the private US companies to be Level 2, under IFRS 13 fair value hierarchy.

6. PROPERTY AND EQUIPMENT

Property is comprised of real estate in New York City.

Equipment is comprised of Bitcoin miners. During the year ended August 31, 2024, the Company sold some of its mining equipment for USD 162,800 or equivalent $221,392 and recognized a gain on sale of equipment of $169,793.

	Property	Mining Equipment	Furniture	Total
Cost:				
Balance, August 31, 2023	$ 3,999,193	$ 8,025,981	$ 134,229	$ 12,159,403
Disposals	-	(1,917,816)	-	(1,917,816)
Balance, August 31, 2024	3,999,193	6,108,165	134,229	10,241,587
Balance, August 31, 2025	3,999,193	6,108,165	134,229	10,241,587
Accumulated depreciation and impairment loss:				
Balance, August 31, 2023	136,419	7,611,067	37,245	7,784,731
Depreciation	79,984	185,343	19,397	284,724
Disposals	-	(972,211)	-	(972,211)
Disposals – impairment (recovery)	-	(894,006)	-	(894,006)
Balance, August 31, 2024	216,403	5,930,193	56,642	6,203,238
Depreciation	79,984	88,986	15,517	184,487
Balance, August 31, 2025	$ 296,387	$ 6,019,179	$ 72,159	$ 6,387,725
Net book value:				
August 31, 2024	$ 3,782,790	$ 177,972	$ 77,587	$ 4,038,349
August 31, 2025	$ 3,702,806	$ 88,986	$ 62,070	$ 3,853,862

Included in the $6,019,179 (2024 - $5,930,193) of accumulated depreciation and impairment loss on mining equipment is $5,396,277 (2024 - $5,396,277) of accumulated impairment loss.

(Expressed in Canadian Dollars)

7. LOAN PAYABLE

On January 23, 2025, the Company entered into a loan agreement with a regulated Swiss bank for a Lombard loan of up to USD 25,000,000. The loan is for an indefinite term (until termination) and interest bearing at 8.9% per annum. The loan is secured against the Company's digital currencies – intangible assets of 107 (2024 - nil) Bitcoin valued at $15,931,878 (2024 - $nil) as at August 31, 2025 as discussed in Note 3, which are pledged and deposited with the Swiss bank in regulated custody. Because the collateral is subject to fluctuations in value, the Company may be required to provide additional collateral to restore the security margin on the loan.

During the year ended August 31, 2025, the Company accrued interest expense of $363,476 (2024 - $nil). A continuity for loan payable as at August 31, 2025 and 2024 is as follows:

	Amount
Balance, August 31, 2024	$ -
Loan proceeds	9,256,750
Interest expense accrued	363,476
Balance, August 31, 2025	$ 9,620,226

8. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered a related party transaction when there is a transfer of resources or obligations between related parties.

During the years ended August 31, 2025 and 2024, the Company incurred the following related party transactions:

	August 31, 2025	August 31, 2024
Consulting fees	$ 1,810,087	$ 1,415,784
Directors' fees	98,450	114,507
Share-based compensation	-	196,281

Key management includes directors and key officers of the Company, including the President and Chief Executive Officer (CEO), Chief Operating Officer (COO), and Chief Financial Officer (CFO). The Company has the right to terminate the agreements with the officers of the Company by providing 24 months' notice or paying the equivalent of 24 months in fees to each officer. Consulting fees include payments made or accrued to the Company's CEO, COO, and CFO for services.

As at August 31, 2025, there is $925,710 (2024 - $576,842) due to directors and officers of the Company included in accounts payable and accrued liabilities. The balances due to related parties are unsecured, non-interest bearing and without fixed repayment terms.

As at August 31, 2025, there is $448,889 (2024 - $454,375) of subscription receivable from two private Canadian companies where the Company's CEO is the majority owner. This amount is included in subscriptions and other receivables. The balance is a result of common shares issued on the exercise of warrants as discussed in Note 9.

9. SHARE CAPITAL

Authorized Capital

Unlimited common shares without par value

Shares issued

During the year ended August 31, 2024, the Company:

a) issued 837,500 common shares on the exercise of warrants at a price per share of $0.13 for gross receivable of $108,875;
b) issued 714,286 common shares on the exercise of warrants at a price per share of $0.175 for gross proceeds receivable of $125,000;
c) issued 750,000 common shares on the exercise of warrants at a price per share of $0.294 for gross proceeds receivable of $220,500;

During the year ended August 31, 2025, the Company:

d) issued 120,000 common shares on the exercise of stock options at a price per share of $0.20 for gross proceeds of $24,000.

Shares repurchased and cancelled

During the year ended August 31, 2024, the Company repurchased and cancelled 589,000 common shares at an average price per share of $0.34 for gross repurchases of $200,125 as part of a Normal Course Issuer Bid ("NCIB"), to purchase for cancellation, up to 11,350,727 common shares of the Company, representing 10% of the public float at the time. Purchases in any 30-day period are restricted to a maximum of 2% of the total number of outstanding common shares. The NCIB may extend until April 1, 2025, unless the maximum amount of common shares is purchased before then or the Company provides earlier notice of termination.

During year ended August 31, 2025, the Company repurchased and cancelled 276,500 common shares at an average price per share of $0.51 for gross repurchases of $139,966.

During the year ended August 31, 2025, the Company renewed the NCIB, allowing the Company to purchase for cancellation up to 11,328,130 common shares of the Company, representing 10% of the public float at the time. Purchases in any 30-day period are restricted to a maximum of 2% of the total number of outstanding common shares. The NCIB may extend until April 13, 2026, unless the maximum amount of common shares is purchased before then or the Company provides earlier notice of termination.

(Expressed in Canadian Dollars)

9. SHARE CAPITAL (continued)

Share Purchase Warrants and Stock Options

Stock option and share purchase warrant transactions are summarized as follows:

	Warrants			Stock Options		
	Number		Weighted Average Exercise Price	Number		Weighted Average Exercise Price
Outstanding, August 31, 2023	20,863,075	$	1.490	12,450,000	$	0.50
Issued	-		-	730,000		0.335
Exercised	(837,500)		0.130	-		-
Exercised	(714,286)		0.175	-		-
Exercised	(750,000)		0.294	-		-
Expired	(750,000)		0.294	(400,000)		0.60
Expired	(461,538)		0.400	-		-
Expired	(312,500)		1.000	-		-
Expired	(17,037,251)		1.750	-		-
Outstanding, August 31, 2024	-	$	-	12,780,000	$	0.49
Exercised	-		-	(120,000)		0.20
Outstanding, August 31, 2025	-	$	-	12,660,000	$	0.49
Number currently exercisable	-	$	-	12,660,000	$	0.49

The weighted average remaining contractual life of the warrants and stock options as at August 31, 2025 was nil years (2024 - nil years) and 5.93 years (2024 - 6.92 years), respectively.

As at August 31, 2025 and 2024 there are no common share purchase warrants outstanding.

As at August 31, 2025 and 2024 the following incentive stock options were outstanding:

	August 31, 2025 Number	**August 31, 2024 Number**		**Exercise price**	**Expiry date**
Stock Options	5,755,000	5,875,000	$	0.20	January 21, 2031
	4,200,000	4,200,000	$	1.03	April 28, 2031
	1,975,000	1,975,000	$	0.23	September 21, 2032
	730,000	730,000	$	0.335	March 21, 2034
	12,660,000	12,780,000			

Share-based compensation

The Company has a stock option plan under which it is authorized to grant options to directors, employees and consultants to acquire up to 10% of the issued and outstanding common stock. The exercise price of each option is based on the market price of the Company's stock for a period preceding the date of grant. The options can be granted for a maximum term of 10 years and vest as determined by the board of directors.

(Expressed in Canadian Dollars)

10. REVALUATION SURPLUS

Revaluation surplus arises on revaluation of digital currencies and staked digital currencies – intangible assets, including those related to lending activities. The change in revaluation surplus is as follows:

	August 31, 2025	August 31, 2024
Balance, beginning of year	$ 25,850,990	$ 11,166,043
Revaluation increase on digital currencies	26,469,028	14,684,947
Deferred tax related to items recognized in OCI	(4,084,960)	-
Balance, end of year	$ 48,235,058	$ 25,850,990

11. CAPITAL DISCLOSURES

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' equity as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to acquire more cryptocurrencies and fund the operations and investments of the Company. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through equity or debt financing. The Company is not subject to any capital requirements imposed by a regulator.

12. INCOME TAXES

The Company has non-capital losses carried forward of approximately $25,677,671 (2024 - $21,670,878) available to reduce income taxes in future years. These non-capital losses expire as follows:

	Amount
2039	$ 2,984
2040	6,273,703
2041	-
2042	-
2043	15,394,191
2045	4,006,793
	$ 25,677,671

The Company has capital losses of approximately $423,763 (2024 - $423,763) available for carry-forward to reduce future years' Canadian taxable capital gains.

Neptune USA has estimated unused tax losses of $4,393,712 (2024 - $5,971,814) which can be carried forward indefinitely but are limited to 80 percent of taxable income.

(Expressed in Canadian Dollars)

12. INCOME TAXES (continued)

The following table reconciles the amount of income tax expense on application of the statutory Canadian federal and provincial income taxes:

	Year ended August 31, 2025	Year ended August 31, 2024 (*Restated – Note 17)*
Canadian statutory income tax rate	27%	27%
Income tax expense at statutory rate	$ 233,401	$ 420,554
Effect of income taxes on:		
Non-deductible and other items	11,835	50,035
Items recorded in other comprehensive income	1,170,532	-
Items on account of capital	-	18,267
Foreign rate differential	(312,546)	16,777
Change in unrecognized deferred tax assets	(606,306)	(505,633)
Income tax expense[(1)]	$ 496,916	$ -

(1) Consists of $127,431(2024 - $nil) current income tax expense and $369,485 (2024 - $nil) deferred income tax expense.

The following table reconciles the deferred tax related to items recognized in other comprehensive income ("OCI"):

	Year ended August 31, 2025	Year ended August 31, 2024 (*Restated – Note 17)*
Deferred tax related to items recognized in OCI during the year	$ 6,708,552	$ 4,181,770
Tax losses, current year	(1,081,834)	-
Tax losses, previously unrecognized	(1,505,447)	(4,181,770)
Origination and reversal of temporary differences	(36,311)	-
Deferred tax related to items recognized in OCI	$ 4,084,960	$ -

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liability are as follows:

	August 31, 2025	August 31, 2024 (*Restated – Note 17)*
Non-capital loss carryforwards	$ 7,856,457	$ 5,012,568
Digital currencies	(11,049,084)	(4,346,496)
Property and equipment	(31,738)	(58,458)
Share issuance costs	36,311	-
Unrealized gain	(1,266,391)	(607,614)
Recognized net deferred tax liabilities	$ (4,454,445)	$ -

(Expressed in Canadian Dollars)

12. INCOME TAXES (continued)

The following table is a summary of temporary differences and unused tax losses for which no deferred tax asset is recognized in the consolidated statement of financial position:

	August 31, 2025	August 31, 2024 *(Restated – Note 17)*
Non-capital loss carryforwards	$ -	$ 5,575,728
Neptune USA non-capital loss carryforwards	-	2,800,043
Capital loss carryforwards	423,763	423,763
Digital currencies and staked digital currencies	-	87,129
Accrued liabilities	7,495,542	7,495,542
Share issuance costs	-	636,851
Unrecognized net deferred tax assets	$ 7,919,305	$ 17,019,056

13. FINANCIAL INSTRUMENTS

Classification of financial instruments

	August 31, 2025	August 31, 2024 *(Restated – Note 17)*
Financial assets at amortized cost		
Cash and cash equivalents	$ 505,744	$ 3,592,849
Short-term investments	-	1,597,405
Financial assets at fair value through profit or loss		
Investments in equity instruments at fair value through profit or loss	11,819,721	7,753,905
Total	$ 12,325,465	$ 12,944,159

	August 31, 2025	August 31, 2024
Financial liabilities at amortized cost		
Accounts payable and accrued liabilities	$ 1,356,778	$ 805,904
Loan payable	9,620,226	-
Total	$ 10,977,004	$ 805,904

The carrying amounts of cash and cash equivalents, short-term investments, accounts payable and accrued liabilities, and loan payable approximate their fair values because of the short-term nature of these instruments.

13. FINANCIAL INSTRUMENTS (continued)

Financial risk management

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. Financial instruments which are potentially subject to credit risk for the Company consist of primarily cash and cash equivalents, short-term investments, and loans receivable. The carrying amount of financial assets represents the maximum credit exposure. The Company has gross credit exposure at August 31, 2025, related to these assets of $505,744. All cash is held at Canadian chartered banks and U.S. Federal Deposit Insurance Corporation insured commercial banks in the United States, which minimizes credit risk. The Company's loans receivable are issued to arm's length parties with which it has previously issued loans. Credit risk is mitigated by loaning funds to companies based on the size, credit quality and reputation of these arm's length parties that are based and regulated in the U.S.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company manages Company-wide cash projections centrally and regularly updates projections for changes in business and fluctuations caused in digital currency prices and exchange rates.

Interest risk

Interest risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market interest rates. The Company's exposure to interest rate risk is limited relating to its ability to earn interest income on cash balances at variable rates. Changes in short term interest rates will not have a significant effect on the fair value of the Company's cash account. The Company's exposure to interest rate risk is limited relating to its accounts payable and loan payable. The accounts payable are not subject to any interest and the interest rate on the loan payable is fixed. A 10% change in the interest rate would not have a significant effect on the Company's operations.

Price risk

Price risk is the risk that the value of a security or investment will decrease. The Company is exposed to price risk on its investments in equity instruments at FVTPL. A 10% fluctuation in the prices of the investees would result in a change of $1,252,989 to the fair value of investments in equity instruments at FVTPL and recognized in income or loss.

Foreign currency risk

Currency risk relates to the risk that the fair values or future cash flows of the Company's financial instruments will fluctuate because of changes in foreign exchange rates. Exchange rate fluctuations may affect the costs that the Company incurs in the future in its operations as well as the currency in which the Company has historically raised capital. The Company is currently exposed to currency risk as certain cash and cash equivalents, short-term investments, loans receivable, and investments in equity instruments at FVTPL are denominated in US Dollars. A 10% fluctuation in the US Dollar would result in a change to profit or loss of $946,480.

(Expressed in Canadian Dollars)

14. FAIR VALUE MEASUREMENT

The Company classifies its fair value measurements in accordance with an established hierarchy that prioritizes the inputs in valuation techniques used to measure fair value as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices 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 that are not based on observable market data for the asset or liability.

The following table sets forth the Company's assets measured at fair value by level within the fair value hierarchy as at August 31, 2025 and 2024.

August 31, 2025	Level 1	Level 2	Level 3
Digital currencies and staked digital currencies – intangible assets	$ -	$ 70,177,330	$ -
Investments in equity instruments at FVTPL	-	8,352,449	3,467,272
Total	$ -	$ 78,529,779	$ 3,467,272

August 31, 2024 *(Restated – Note 17)*	Level 1	Level 2	Level 3
Digital currencies and staked digital currencies – intangible assets	$ -	$ 31,288,165	$ -
Investments in equity instruments at FVTPL	-	4,037,301	3,716,604
Total	$ -	$ 35,325,466	$ 3,716,604

Management determined fair value as follows:

- The fair value of digital currencies and staked digital currencies – intangible assets is determined by reference to the volume average weighted price provided by www.cryptocompare.com, an independent third-party pricing aggregator that makes publicly available, for each relevant digital asset, volume weighted average price calculated from various exchanges, as well as price and volume data by exchange.
- Investments in equity instruments at FVTPL consist of investments in a private fund and US private companies. The fair value of the investment in the private fund is remeasured based on valuation reports provided to the Company by the investment fund administrator less an applicable DLOM. The fair values of the US private companies are based on the arm's length funding rounds of the investee or underlying investment.

15. DIGITAL CURRENCY RISKS

Price risk related to digital currencies – intangible assets

Digital asset prices are volatile and affected by various factors including global supply and demand, interest rates, exchange rates, inflation or deflation and the political and economic conditions. Supply and demand for such assets rapidly change from time to time, affected by regulations and general economic trends. A decline in the market prices of digital assets could impact the Company's future operations. The management of the Company constantly monitors the exposure in response to the market conditions.

Digital assets that the Company deals within its operating and investing activities are various digital currencies which can be traded in a number of public exchanges or through over-the-counter market. The Company's exposure to price risk arises from digital currencies – intangible assets which are measured at revalued amounts.

At August 31, 2025, if the prices of digital currencies – intangible assets held by the Company had decreased by 15% (being a reasonably expected change determined based on average monthly price movements) in the principal markets with other variables held constant, the impact on revaluation surplus arising from changes in fair value of digital currencies – intangible assets would have been $10.5 million (2024 - $4.7 million) lower. This decrease shall be recognized in income or loss. However, the decrease shall be recognized in revaluation surplus to the extent of any credit balance in the revaluation surplus in respect of that asset. Conversely, if the prices of digital currencies – intangible assets had been 15% higher and all other variables were held constant, other comprehensive income would increase by $10.5 million (2024 - $4.7 million). This increase shall be recognized in other comprehensive income and accumulated in equity.

Loss of access risk

The loss of access to the private keys associated with the Company's digital asset holdings may be irreversible and could adversely affect the future operation. Digital assets are controllable only by an individual that possesses both the unique public key and private key or keys relating to the "digital wallet" in which the digital asset is held. To the extent a private key is lost, destroyed or otherwise compromised and no backup is accessible, the Company may be unable to access the digital assets. It is the policy of the Company to conduct due diligence surrounding private key management performed by custodians as part of the onboarding process in order to mitigate this risk.

Irrevocability of transactions

Digital asset transactions are irrevocable and if stolen or incorrectly transferred, digital assets may be irretrievable. Once a transaction has been verified and recorded in a block that is added to the blockchain, an incorrect transfer or theft generally will not be reversible, and the Company may not be capable of seeking compensation. The Company seeks to mitigate the risk by establishing policies and procedures to require a careful review of each transaction before execution.

15. DIGITAL CURRENCY RISKS (continued)

Hard fork and airdrop risks

When a proposed modification to the digital currency network is not accepted by the vast majority of miners and users but is nonetheless accepted by a substantial population of participants in the network, a "fork" in the blockchain occurs, resulting in two separate digital currency networks. A "hard fork" is a software upgrade that introduces a new rule to the network that is not compatible with the older software, while a "soft fork" is any change that is backward compatible. Holders of digital currency on the original digital currency network, at the time the block is mined and the fork occurs, can then also typically receive an identical amount of new tokens on the new network. Hard forks could affect the value and harm the sustainability of the affected digital currencies.

Airdrops occur when the promoters of a new digital asset send amounts of the new digital asset to holders of another digital asset that they will be able to claim a certain amount of the new digital asset for free. The Company may not be able to realize the economic benefit of a hard fork or airdrop, either immediately or ever, for various reasons. For instance, the Company may not have any systems in place to monitor or participate in hard forks or airdrops. Therefore, the Company may not receive any new digital assets created as a result of a hard fork or airdrop, thus losing any potential value from such digital assets. For the years ended August 31, 2025 and 2024, there were no losses relating to a hard fork or airdrop.

Regulatory oversight risk

Regulatory changes or actions may restrict the use of digital assets or the operation of digital asset networks or exchanges in a manner that adversely affects investments held by the Company. The Company consistently engages with external legal counsels or regulatory advisors to understand any updates on the regulatory landscape which might have impacts on its businesses.

Cybersecurity risk

While the Company's security technology is designed to prevent, detect, and mitigate inappropriate access to its systems, it is possible that hackers, employees or service providers acting contrary to its policies, or others could circumvent these safeguards to improperly access its systems or documents, or the systems or documents of its business partners, agents, or service providers, and improperly access, obtain, misuse its digital currencies held in hot wallets.

Staking risk

Digital currency prices are volatile and can drop quickly. If any of the Company's staked assets suffers a large price drop, that could outweigh any staking income earned on them. Staking can require the Company to lock up its digital currencies for a minimum amount of time. Staking also exposes the Company to slashing. Slashing is a penalty enforced at the protocol level associated with malicious attack against the network by a validator.

Smart contract risk

DeFi, in several ways, substitutes custodial risk prevalent with centralized finance platforms with smart contract risk, allowing hackers and attackers to seize funds and tokens escrowed in smart contracts. Smart contracts are constantly exploited across the blockchain ecosystem, with hackers taking advantage of flaws in the code. DeFi smart contracts are managed using admin keys. These allow the key holder to make significant changes to the code, such as protocol upgrades. One way cyberattacks occur is when hackers gain control of private or admin keys, allowing them to deplete all or some of the liquidity within pools of certain projects, among others.

As at August 31, 2025, the smart contract risk is $nil (2024 - $nil).

(Expressed in Canadian Dollars)

15. DIGITAL CURRENCY RISKS (continued)

Reliance on Centralized Exchanges (CEXs)

The Company exchanges fiat and other forms of capital into digital assets that can then be used across various protocols and applications. The Company is reliant on these CEXs for the exchange of fiat/digital assets. Any change to the CEXs business models, practices, ability to custody assets, ability to send or receive payments, solvency, swap or exchange assets, or be subject to security breaches or hacks could have a meaningful impact on the Company's operations and potential loss of some or all of its assets.

During the year ended August 31, 2022, the Company recognized an impairment loss of $1,265,901 on certain digital currencies held with an exchange that filed for bankruptcy on July 13, 2022. During the year ended August 31, 2024, the Company paid $60,462 for settlement of withdrawal preference exposure related to withdrawals of funds the Company had made within 90 days before the exchange filed for bankruptcy. During the year ended August 31, 2024, mediation by the United States Bankruptcy Court Southern District of New York reached a settlement for supplemental distribution to be made by the exchange to the Company. During the period ended August 31, 2025, the company received USD 373,482 or equivalent $503,932 included in amounts receivable at August 31, 2024.

16. SEGMENTED INFORMATION

The Company operates in Canada and the United States. The Company's chief operating decision makers currently review the operating results of the Company as one operating segment.

Information about geographic areas

Revenue from cryptocurrency mining was all generated in Canada. Staking revenue are earned in both Canada and the United States.

	August 31, 2025	August 31, 2024
Mining revenue		
Canada	$ 844,871	$ 1,759,107
Staking revenue		
Canada	421,693	521,744
United States	515,056	127,271
	936,749	649,015
Total	$ 1,781,620	$ 2,408,122

The following table analyzes the Company's non-current assets by geographical location. The basis for attributing the assets is the location of the assets.

	August 31, 2025	August 31, 2024 *(Restated – Note 17)*
Canada	$ 66,268,096	$ 30,841,745
United States	10,012,914	6,852,913
Total	$ 76,281,010	$ 37,694,658

(Expressed in Canadian Dollars)

16. SEGMENTED INFORMATION (continued)

Information about a major customer

For the year ended August 31, 2025, mining revenue from one customer represents 100% (2024 - 100%) of the total mining revenue and staking revenue from one digital currency represents 63% (2024 - 27%) and from another digital currency represents 24% (2024 - 54%) of the total staking revenue.

17. CORRECTION OF AN ERROR

Subsequent to the issuance of the consolidated financial statements for the year ended August 31, 2024, errors were discovered with respect to the remeasurement of fair value less an applicable DLOM of the Company's investment in a private investment fund designed to acquire Solana tokens from a bankrupt estate that is included in the Company's investments in equity instruments at FVTPL. Accordingly, the consolidated financial statements for the year ended August 31, 2024, have been restated to reflect adjustments made as a result of this correction of error. As the correction of error does not affect other years, a statement of financial position as at September 1, 2023 is not presented.

The income tax information in these consolidated financial statements for the prior year have been restated to conform to the current year presentation. There is no impact to prior year income or comprehensive income.

The following is a summary of the impacts to the consolidated statement of financial position as at August 31, 2024 and the consolidated statement of income and comprehensive income and the consolidated statement of cash flows for the year ended August 31, 2024:

	August 31, 2024 As previously reported	Adjustments	August 31, 2024 As restated
Consolidated Statement of Financial Position			
Investments in equity instruments at FVTPL - current	6,121,947	(396,083)	5,725,864
Investments in equity instruments at FVTPL	2,503,753	(475,712)	2,028,041
Deficit	(50,636,484)	(871,795)	(51,508,279)

	Year ended August 31, 2024 As previously reported	Adjustments	Year ended August 31, 2024 As restated
Consolidated Statement of Income and Comprehensive Income			
Unrealized gain on investments in equity instruments at FVTPL	3,449,607	(871,795)	2,577,812
Net income	2,429,404	(871,795)	1,557,609
Comprehensive income	17,114,351	(871,795)	16,242,556
Income per common share (basic and diluted)	0.02	(0.01)	0.01

	Year ended August 31, 2024 As previously reported	Adjustments	Year ended August 31, 2024 As restated
Consolidated Statement of Cash Flows			
Unrealized gain on investments in equity instruments at FVTPL	(3,449,607)	871,795	(2,577,812)

18. SUBSEQUENT EVENTS

Subsequent to the year ended August 31, 2025, and up to the date of this report, the Company:

a) On September 3, 2025, issued 620,000 common shares on the exercises of 380,000 stock options at a price per share of $0.20, 200,000 stock options at a price per share of $0.23, and 40,000 stock options at a price per share of $0.335 for gross proceeds of $135,400.

b) On October 2, 2025, issued 570,000 common shares on the exercise of 375,000 stock options at a price per share of $0.20, 75,000 stock options at a price per share of $0.23, and 120,000 stock options at price per share of $0.335 for gross proceeds of $132,450.

c) On November 1, 2025, was approved for a reduction of the interest rate from 8.9% to 8.5% per annum on its loan payable.

d) On December 9, 2025, issued 1,300,000 stock options to certain directors and officers of the Company. These stock options vest immediately, will entitle the holder to acquire one common share at an exercise price of $0.70 and are to expire on December 9, 2035.

e) On December 11, 2025, through its subsidiary, Neptune USA, invested USD 300,000 in a series of equity interest in a US private company. The purpose of the series is to acquire shares of an artificial intelligence company, with the mission to advance scientific discovery and deepen collective understanding of the universe.

19. RECLASSIFICATION OF ACCOUNTS

Certain prior year amounts have been reclassified in the consolidated statement of income and comprehensive income to conform to the current year presentation. Only reclassifications have been made with no changes in accounting policies.