

BLOCKMATE VENTURES INC.

CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars unless otherwise noted)

FOR THE YEARS ENDED JUNE 30, 2025 and 2024

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October 14, 2025
Edmonton, Alberta

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Blockmate Ventures Inc.

Opinion

We have audited the consolidated financial statements of Blockmate Ventures Inc. (the Company), which comprise the consolidated statements of financial position as at June 30, 2025 and 2024, and the consolidated statements of operations and comprehensive loss, shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at June 30, 2025 and 2024, and the consolidated financial performance and consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

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 Company in accordance with 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 - Material Uncertainty Relating to Going Concern

We draw your attention to Note 1 in the consolidated financial statements, which indicates that the Company had a working capital deficit at June 30, 2025. As stated in Note 1, these events or conditions, along with other matters as set forth in the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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 of the current period. 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. For the matter below, our description of how our audit addressed the matter is provided in that context.

In addition to the matter described in the Emphasis of Matter - Material Uncertainty Related to Going Concern section, we have determined that matters described below to be key audit matters to be communicated in our auditor's report.

Impairment of loan receivable

We refer to financial statement summary of material accounting policies on the valuation of the loan receivable and related disclosure in Note 6.

(continues)

Independent Auditor's Report to the Shareholders of Blockmate Ventures Inc. *(continued)*

During the fiscal year, the Company advanced funds amounting to \$1,043,713 to an external party. The advanced funds were treated as an interest-free loan which was due on demand. Due to the credit risk of loans receivable, the Company reviewed the collectability of the loan and determined the advanced funds were not expected to be recovered and fully impaired the related asset.

This impairment assessment was considered as a key audit matter due to nature of the events leading to the recognition of the impairment and the related recognition of the impairment, which involves management judgment. The Company has specific procedures for the recognition and accounting of all asset impairment.

To address the risk for material misstatement related to the impairment of the loan receivable, our audit procedures included, amongst other procedures:

- Reviewed supporting documentation for the loan advances issued, including related correspondence;
- Obtained an understanding of management's rationale and the underlying business purpose for entering into the loan arrangement;
- Assessed the appropriateness of the accounting treatment applied by management in recognizing the impairment, with reference to relevant financial reporting standards; and
- Evaluated the reasonableness of management's impairment assessment, including review of the analysis and underlying calculations supporting the estimated recoverable amount of the loan.

We assessed the adequacy of the Company's presentation and disclosures related to the loan receivable and related impairment.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the consolidated financial statements and our auditor's report thereon, which includes Management's Discussion and Analysis.

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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis 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 the 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

(continues)

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 Company'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, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 Company 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 Company 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.

Independent Auditor's Report to the Shareholders of Blockmate Ventures Inc. *(continued)*

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 of the current period 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 Justin Rousseau.

Kingston Ross Pasmak LLP
Kingston Ross Pasmak LLP
Chartered Professional Accountants

BLOCKMATE VENTURES INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2025 AND JUNE 30, 2024
(Expressed in Canadian dollars)

	Notes	June 30, 2025	June 30, 2024
		\$	\$
ASSETS			
Current			
Cash	3	860,881	57,464
VAT receivable		12,861	-
Prepaid expenses	4	248,720	354,665
Loans receivable	6	-	46,392
Total Current Assets		1,122,462	458,521
Non-current			
Equipment	7	4,935	1,636
Crypto assets	8	41,727	838,212
Intangibles	9	15,232	8,894
TOTAL ASSETS		1,184,356	1,307,263
LIABILITIES AND SHAREHOLDERS' DEFICIT			
Current			
Accounts payable and accrued liabilities	10	460,016	473,848
Unearned income		25,000	-
Due to directors	17	69	63
SAFE Notes	11	3,072,825	3,235,517
Total Current Liabilities		3,557,910	3,709,428
Non-current			
SAFE Notes	11	3,324,431	-
Total Liabilities		6,882,341	3,709,428
Shareholders' Deficit			
Share capital	12	22,049,573	19,493,838
Contributed surplus		2,669,673	2,669,673
Warrants and options reserve	13	1,938,439	1,111,947
Restricted stock units reserve	14	139,524	113,400
Deferred share units reserve	15	297,740	
Accumulated deficit		(32,077,752)	(25,117,247)
Accumulated other comprehensive loss		(434,996)	(610,726)
Total deficit attributable to the shareholders of the company		(5,417,799)	(2,339,115)
Non-controlling Interest	16	(280,186)	(63,050)
Total shareholders' deficit		(5,697,985)	(2,402,165)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT		1,184,356	1,307,263

Nature of operations and Going concern (Note 1)

Approved on behalf of the Board on October 14, 2025:

Signed: "Justin Rosenberg"
Director

Signed: "Domenic Carosa"
Director

The accompanying notes are an integral part of the consolidated financial statements

BLOCKMATE VENTURES INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024
(Expressed in Canadian dollars)

	Notes	2025	2024
		\$	\$
EXPENSES			
Accretion expense	11	(261,304)	(102,865)
Amortization and depreciation	7	(1,673)	(258)
Filing fees and transfer fees		(98,201)	(68,625)
General and administrative		(352,693)	(104,384)
Marketing		(1,451,417)	(343,721)
Professional and consulting fees	17	(1,418,060)	(1,234,418)
Rent		(33,718)	(21,545)
Software development and website		(391,729)	(72,853)
Share-based compensation	13,14,15	(999,814)	(168,189)
Wages		(1,970,896)	(807,173)
Total expenses		(6,979,505)	(2,924,031)
Net Loss Before Other Income subsidiary from Continuing Operations		(6,979,505)	(2,924,031)
Net Loss Before Other Income from Discontinued Operations	5	-	(616,279)
OTHER ITEMS			
Foreign exchange gain/(loss)		174	(15,041)
License income		34,111	-
Impairment on intangibles	9	(587)	(385)
Interest income		10,464	115,850
Loss on debt settlement	13	-	(20,076)
Gain on discount on SAFE Notes	11	762,459	373,485
Other income		11,292	875
Other loss on debt forgiven	5,6	(8,170)	(1,459,139)
Expected credit loss	6	(1,007,879)	-
Total other loss		(198,136)	(1,004,431)
Net Loss from Continuing Operations		(7,177,641)	(3,928,462)
Gain on disposition of subsidiaries	5	-	323,886
Net Profit from Discontinued Operations	5	-	1,001,252
TOTAL NET LOSS		(7,177,641)	(2,603,324)
OTHER COMPREHENSIVE INCOME (LOSS)			
Gain on revaluation of cryptocurrency	8	(12,758)	17,523
Foreign currency translation		188,488	55,671
TOTAL COMPREHENSIVE LOSS		(7,001,911)	(2,530,130)
Loss attributable to:			
Shareholders of the Company		(6,784,775)	(2,467,080)
Non-controlling interest	16	(217,136)	(63,050)
		(7,001,911)	(2,530,130)
Basic and diluted weighted average shares outstanding		126,943,452	110,689,478
Basic and diluted net loss per share - Continuing Operations		(0.06)	(0.03)
Basic net income and diluted per share Discontinued Operations		0.00	0.01
Total basic net loss per share		(0.06)	(0.02)

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

BLOCKMATE VENTURES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024
(Expressed in Canadian dollars)

	Notes	2025	2024
		\$	\$
OPERATING ACTIVITIES			
Net loss for the period from continuing operations		(7,177,641)	(3,604,576)
Items not affecting cash:			
Loss on debt settlement	13	-	20,076
Depreciation on equipment	7	1,673	258
Share-based compensation	13,14,15	999,814	168,189
Accrued interest on loans receivable	6	-	(69,500)
Gain on sale of subsidiaries	2,5	-	(323,886)
Accretion expense	11	261,304	102,865
Discount on SAFE notes	11	(762,459)	(373,485)
Gain on write up of Helium asset	8	-	(17,523)
Non-cash received through SAFE notes	4,8,11	2,762,708	-
Expected Credit Loss	6	1,007,879	-
Other income on debt forgiven	5	8,170	1,459,139
Impairment on intangibles	9	587	385
		(2,897,965)	(2,638,058)
Changes in non-cash working capital items:			
Accounts receivable		(12,861)	-
Prepaid expenses	4,11	105,945	(168,625)
Due to directors		-	(13,267)
Accounts payable and accrued liabilities	10	(13,832)	1,041
Net cash used in operating activities from continuing operations		(2,818,713)	(2,818,909)
Net cash used in operating activities from discontinued operations	5	-	(516,067)
FINANCING ACTIVITIES			
Net proceeds from issuance of shares for warrants exercise	12,13	1,296,900	25,000
Net proceeds from issuance of shares for options exercise	12,13	9,375	-
Net proceeds from private placement	12	1,400,000	-
Proceeds from unearned income		25,000	-
Proceeds from SAFE notes	11	898,988	2,451,000
Loans receivable	6	(1,043,713)	(1,638,724)
Proceeds from loans receivable repayment	6	37,931	1,650,753
Net cash provided by financing activities from continuing operations		2,624,481	2,488,029
Net cash provided by financing activities from discontinued operations	5	-	102,606
INVESTING ACTIVITIES			
Acquisition of equipment	7	(4,999)	(1,963)
Acquisition of intangibles	9	(6,206)	(9,279)
Proceeds from sale of crypto assets	8	796,594	-
Net cash used by investing activities from continuing operations		785,389	(11,242)
Net cash used by investing activities from discontinued operations	5	-	(6,468)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		591,157	(762,051)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD		57,464	825,235
EFFECT OF CHANGES IN FOREIGN EXCHANGE RATES		212,260	(5,720)
CASH AND CASH EQUIVALENTS, END OF THE PERIOD		860,881	57,464

Cash and cash equivalents at the end of the period consists of:

	June 30, 2025	June 30, 2024
Continuing operations	860,881	57,464
Discontinued operations (Note 5)	-	-
Total	860,881	57,464

The accompanying notes are an integral part of the consolidated financial statements

BLOCKMATE VENTURES INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' DEFICIT
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024
(Expressed in Canadian dollars except for the number of common shares)

	Number of Common Shares (Note 12)	Share Capital (Note 12)	Contributed Surplus (Note 13)	Warrants and Options Reserve (Note 13)	Subscription Receivable	DSU Reserves (Note 15)	RSU Reserves (Note 14)	Accumulated Deficit	Non- Controlling Interest (Note 16)	Accumulated Other Comprehensive Profit/ (Loss)	Total Shareholders' Deficit
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance, June 30, 2023	107,966,997	19,352,300	2,669,673	943,758	(25,000)	-	-	(22,576,973)	-	(683,920)	(320,162)
Shares issued for debt settlement (Note 12)	2,830,761	141,538	-	-	-	-	-	-	-	-	141,538
Subscription received	-	-	-	-	25,000	-	-	-	-	-	25,000
Share options granted (Notes 13,15)	-	-	-	168,189	-	-	-	-	-	-	168,189
RSU granted (Notes 14)	-	-	-	-	-	-	113,400	-	-	-	113,400
Net loss for the period	-	-	-	-	-	-	-	(2,540,274)	(63,050)	-	(2,603,324)
Accumulated other comprehensive income	-	-	-	-	-	-	-	-	-	73,194	73,194
Balance, June 30, 2024	110,797,758	19,493,838	2,669,673	1,111,947	-	-	113,400	(25,117,247)	(63,050)	(610,726)	(2,402,165)
Balance, June 30, 2024	110,797,758	19,493,838	2,669,673	1,111,947	-	-	113,400	(25,117,247)	(63,050)	(610,726)	(2,402,165)
Private placement	14,000,000	730,580	-	669,420	-	-	-	-	-	-	1,400,000
Warrant exercise	17,292,000	1,763,564	-	(466,662)	-	-	-	-	-	-	1,296,902
Options exercise	187,500	15,691	-	(6,316)	-	-	-	-	-	-	9,375
Options granted	-	-	-	550,444	-	-	-	-	-	-	550,444
Options vested	-	-	-	79,606	-	-	-	-	-	-	79,606
RSU vested	1,020,000	45,900	-	-	-	-	(45,900)	-	-	-	-
RSU granted	-	-	-	-	-	-	72,024	-	-	-	72,024
DSU granted	-	-	-	-	-	297,740	-	-	-	-	297,740
Net loss for the period	-	-	-	-	-	-	-	(6,960,505)	(217,136)	-	(7,177,641)
Accumulated other comprehensive loss	-	-	-	-	-	-	-	-	-	175,730	175,730
Balance, June 30, 2025	143,297,258	22,049,573	2,669,673	1,938,439	-	297,740	139,524	(32,077,752)	(280,186)	(434,996)	(5,697,985)

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

BLOCKMATE VENTURES INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024
(Expressed in Canadian Dollars, unless otherwise noted)

1. NATURE OF OPERATIONS AND GOING CONCERN

Blockmate Ventures Inc. (Formerly Midpoint Holdings Ltd.) (the "Company") was incorporated under the Business Corporations Act (British Columbia) on April 15, 2010 and was classified as a Capital Pool Company as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4. The principal business of the Company was to negotiate an acquisition or participation in a business subject to acceptance by regulatory authorities and, in certain cases, shareholder approval (the "Qualifying Transaction") which it completed on April 11, 2013.

The Company owns 100% of Blockchain World Ltd. ("BWL"). BWL owns Hivello Holdings Ltd and the premium domain names, Blockchain.eu (Europe) and Blockchain.com.au (Australia). During the year ended June 30, 2024, the Company completed the divestment of its Midpoint foreign exchange business (MPNT and MPT HK) to focus all its resources toward the blockchain and clean energy ventures within its portfolio and reduce its net cash outflows by approximately \$500,000 per annum.

The Company's head office is 650-1231 Pacific Blvd., Vancouver, British Columbia, V6Z E2.

There is no assurance that the Company's business will result in future profitable operations. The business is subject to risk, market conditions, supply and demand, and competition. The Company relies on financing and the cash currently available to meet its administrative overhead and maintain its assets. The recoverability of amounts shown in assets is dependent on several factors. These factors include the ability of the Company to obtain financing to complete the planned growth, reduction of operating expenses, and future cashflow from the Company's business.

However, there can be no assurance that the Company will be able to continue to raise funds in the future in which case the Company may be unable to meet its obligations. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the statement of financial position.

These consolidated financial statements have been prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. On June 30, 2025, the Company also had an accumulated deficit of \$32,077,752 (June 30, 2024 - \$25,117,247).

As at June 30, 2025, the Company has working capital deficit of \$2,435,448 (June 30, 2024 – \$3,250,907) which is not considered sufficient to fund operations at their current levels for the next twelve months. The Company does not foresee substantial future revenue from operations and will be required to generate additional funding through external financing, which cannot be assured. The management is expecting to fund future growth and expansion along with meeting cash flow requirements through raising funds by warrant exercises and private placements. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

2. MATERIAL ACCOUNTING POLICIES

Statement of compliance and principles of consolidation

The Company has prepared these consolidated financial statements and the notes thereto in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. They are presented in Canadian dollars.

The consolidated financial statements have been prepared on a historical cost basis using the accrual basis of accounting. The consolidated financial statements include the Company's wholly owned subsidiaries, BWL and HVL; and discontinued operations, MPT UK and MPT HK. All significant intercompany accounts and transactions have been eliminated as a result of consolidation.

The consolidated financial statements comprise of the financial statements of the Company and the following entities owned and controlled by the Company and its subsidiaries:

BLOCKMATE VENTURES INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024
(Expressed in Canadian Dollars, unless otherwise noted)

2. MATERIAL ACCOUNTING POLICIES (Continued)

Statement of compliance and principles of consolidation (continued)

Name of Subsidiary	Country of Incorporation	Ownership		Principle Activities
		Jun 30, 2025	Jun 30, 2024	
Blockchain World Ltd	London	100%	100%	Blockchain
Hivello Holdings Ltd	London	96% BWL	96% BWL	Blockchain
Hivello Operations B.V. Hivello Software	Netherlands	100% HVL	100% HVL	Blockchain
Development Company Ltd	Vietnam	100% HVL	-	Blockchain
Midpoint Canada	Canada	100%	100%	Dormant company

These consolidated financial statements were approved and authorized by the Board of Directors of the Company on October 14, 2025.

During the year ended June 30, 2025, Hivello Software Development Company Ltd., a company incorporated by Hivello Holdings on August 5, 2024, has started its operations and was included in the consolidated financial statements.

All intercompany transactions, balances, income and expense are eliminated upon consolidation. The operating results of Midpoint Hong Kong and Midpoint & Transfer, which were subsidiaries sold during the year ended June 30, 2024, are presented as discontinued operations in these consolidated financial statements. Prior to their sale, the Corporation owned 100 percent of the shares of each subsidiary.

Subsidiaries are those entities which the Company controls by having the power to govern the financial and operating policies. Subsidiaries are fully consolidated from the date on which control is obtained by the Company and are deconsolidated from the date that control ceases.

Discontinued Operations

The Company completed the sale of MPT HK and MPNT on November 21, 2023, and March 31, 2024, respectively. The segments meet the criteria of a discontinued operation under IFRS 5.

As at November 21, 2023, the company completed the divestiture of MPT HK and accordingly has not been consolidated subsequent to November 21, 2023. As at March 31, 2024, the company has completed its previously announced divestiture of MPNT and accordingly has not been consolidated subsequent to March 31, 2024. The operating results of MPT HK and MPNT are included in the consolidated statement of comprehensive loss up until the date of disposal. During the period ended June 30, 2024, the sale of MPT HK and MPNT resulted to a loss in disposition of subsidiary for \$5,116 and a gain in disposition of subsidiary for \$329,002, respectively (Note 5).

Cash and Cash Equivalent

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

Foreign currency translation

i) Functional and presentation currency

The consolidated financial statements of the Company are presented in Canadian dollars. The Canadian dollar is the functional currency of Blockmate Ventures Inc.

Translation gains or losses resulting from the translation of the financial statements of BWL, HVL, MPNT, MPHK, and Hivello Software into Canadian dollars are recorded in other comprehensive (loss) income.

BLOCKMATE VENTURES INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024
(Expressed in Canadian Dollars, unless otherwise noted)

2. MATERIAL ACCOUNTING POLICIES (Continued)

Foreign currency translation (continued)

ii) Translation and balances

Transactions in currencies other than the functional currency are translated to the functional currency at the rate of exchange prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange prevailing at the end of the reporting period. Exchange gains and losses on settlement of transactions, and the translation of monetary assets and liabilities other than in the functional currency are recorded in profit or loss.

The following foreign exchange rates are used to translate the foreign currencies to Canadian dollars:

Name of Subsidiary	Currency	Exchange Rate		As at year-end or date of deconsolidation
		Assets and Liabilities	Income and Expenses	
		\$	\$	
Blockchain World Ltd	GBP	1.8699	1.8485	June 30, 2025
Hivello Holdings Ltd	GBP	1.8699	1.8485	June 30, 2025
Hivello Operations B.V.	EUR	1.6030	1.5697	June 30, 2025
Hivello Software	VND	0.000052090	0.000053290	June 30, 2025
Midpoint & Transfer	GBP	1.7055	1.7101	March 31, 2024
Midpoint Hong Kong	HKD	0.1757	0.1755	November 21, 2023

Use of estimates and judgements

The preparation of the consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. The key areas of estimation and judgements are the valuation of intangible assets, valuation of impairment on investment, share based transactions, provision for taxes, valuation of warrants, valuation of the settlement provision and determination of a business combination and assessment of going concern.

The Company is in the business of building fast-growing technology involving blockchain, battery and clean energy ventures, and currencies exchange, many aspects of which are not specifically addressed by current IFRS guidance. The Company is required to make judgements as to its accounting policies under IAS 8. The Company has disclosed its presentation, recognition and derecognition, and measurement of assets, and the recognition of revenue as well as significant assumptions and judgements. However, if specific guidance is enacted by the IASB in the future, the impact may result in changes to the Company's income and financial position as presented. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

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2. MATERIAL ACCOUNTING POLICIES (Continued)

Use of estimates and judgements (Continued)

Information about the estimates and judgements made in applying accounting policies that could potentially have an effect on the amounts recognized in the consolidated financial statements, are discussed below:

a) Going Concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures and to meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

b) Share Based Compensation and Warrant Valuation

The Company estimates the cost of equity-settled share-based compensation using the Black-Scholes option pricing model. The model takes into account an estimate of the expected life of the option, the current price of the underlying common share, the expected volatility, an estimate of future dividends on the underlying common share, the risk-free rate of return expected for an equity instrument with a term equal to the expected life of the option, and the expected forfeiture rate.

c) Income Taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken in the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities based on the Company's current understanding of tax laws as applied to the Company's circumstances. However, it is possible that at some future date an additional liability could result from audits by taxing authorities.

The Company computes an income tax provision in each of the jurisdictions in which it operates. Actual amounts of income tax expense only become final upon filing and acceptance of the tax return by the relevant authorities, which occur subsequent to the issuance of these consolidated financial statements. Additionally, estimating income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the ability to use the underlying future tax deductions against future taxable income before such deductions expire. The assessment is based upon existing tax laws and estimates of future taxable income. To the extent estimates differ from the final tax return, earnings would be affected in a subsequent period.

d) SAFE Notes Valuation

Judgement is used in determining the discount rate applicable in the SAFE notes that do have a non-market interest rate, based on factors that reflect the Company's credit risk and prevailing market conditions. The maturity date is determined based on expected conversion timelines influenced by anticipated financing events. The Company periodically reassesses the valuation of the SAFE notes and adjusts their carrying amount in the financial statements as necessary to reflect any significant changes in market conditions or the Company's financial position

e) Valuation of Loans Receivable

The Company's estimate of allowance on loans receivable is based on an Expected Credit Loss ("ECL") approach that employs an analysis of historical data, economic indicators and experience of delinquency and default to estimate the amount that may default as a result of past or future events, with certain adjustments for other relevant circumstances influencing the recoverability.

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2. MATERIAL ACCOUNTING POLICIES (Continued)

Use of estimates and judgements (Continued)

e) Valuation of Loans Receivable (continued)

Default rates, loss rates and the expected timing of future recoveries are periodically benchmarked against actual outcomes to ensure that they remain appropriate. Impairment of loans is assessed based on whether there has been a significant increase in credit risk since origination and incorporation of forward-looking information in the measurement of expected credit losses.

f) Business Combination and Goodwill

Judgment is used in determining whether an acquisition is a business combination or an asset acquisition. For any intangible asset identified, depending on the type of intangible asset and the complexity of determining its fair value, an independent valuation expert or management may develop the fair value, using appropriate valuation techniques, which are generally based on a forecast of the total expected future net cash flows. The evaluations are linked closely to the assumptions made by management regarding the future performance of the assets concerned and any changes in the discount rate applied. Goodwill is assessed for indicators of impairment at each reporting date and is tested annually or whenever events or changes in circumstances indicate that the carrying amount of goodwill exceeds its recoverable amount.

g) Impairment of Non-Financial Assets

The determination as to the existence and measurement of any impairment requires management to make significant estimates and assumptions, which includes estimated future cash flows, discount rates and estimated useful life. These significant estimates and judgements could impact the Company's future results if the current estimates of future performance and fair value change. This could affect the amount of amortization expense and any impairment charges on intangible assets in future periods.

Business combination

Business combinations, except for transactions between entities under common control, are accounted for using the acquisition method. Under this method, consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Company, liabilities assumed by the Company and equity interests issued in exchange for control of the acquired company. Acquisition - related costs and gain on bargain purchase are recognized in profit or loss as incurred. Again, on bargain purchase arises when the sum of the fair value of identifiable net assets exceeds the fair value of the consideration paid.

Equipment

The Company records equipment at cost less accumulated depreciation and accumulated impairment losses. It recognizes depreciation to expense the cost of assets (less their residual values) over their useful lives, using the following methods and rates:

Computer Equipment	Straight-line	3 years
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The Company reviews the estimated useful lives, residual values and depreciation method at each year end, accounting for the effect of any changes in estimate on a prospective basis. The gain or loss arising from disposal or retirement of equipment is determined as the difference between the sales proceeds and the asset's carrying amount and is recognized in profit or loss.

The Company also uses the half-year rule, which assumes equipment is in service for one-half of its first and last year, regardless of the actual purchase or disposal date. The purpose of this rule is to better align expenses with revenues generated by the asset, and to reduce the tax depreciation claim in the year of purchase.

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2. MATERIAL ACCOUNTING POLICIES (Continued)

Intangible assets

The Company follows IAS 38 which details the accounting treatment of intangible assets, as outlined below.

Internally generated intangible assets:

Software development

The Company incurs certain costs in connection with the development of software to be used internally for providing services to customers are capitalized once a project has progressed beyond a conceptual, preliminary stage to that of application development. Development costs that are directly attributable to the design and testing of the software controlled by the Company are recognized as intangible assets when the criteria under IAS 38 are met:

As at June 30, 2025, no software development cost has met the criteria to be capitalize.

Intangible assets, excluding cryptocurrencies, are measured at cost less accumulated amortization and accumulated impairment loss.

Costs that qualify for capitalization include both internal and external costs. These costs are amortized over their remaining useful lives estimated at 3 years as at June 30, 2025 (2024 – 3 years) assuming the half-year rule. Residual values are reviewed at the end of each reporting period and adjusted if appropriate. During the year ended June 30, 2025, the Company recognized an impairment loss of \$587 (2024 - \$385).

Externally generated intangible assets:

Intangible assets acquired through asset acquisitions or business combinations are initially recognized at fair value, based on an allocation of the purchase price. The intangible assets are amortized on a straight-line basis over their estimated useful lives. The amortization method estimated useful lives, and residual values are reviewed each financial year-end or more frequently if required and are adjusted as appropriate.

Trademark

Trademark are stated at cost, which primarily consist of legal costs in relation to their applications. Domains are amortized using the straight-line method over ten years.

Cryptocurrency

Cryptocurrencies are considered to be intangible assets as the company holds the cryptocurrencies for long-term appreciation. Cryptocurrencies owned by the company consist of USDT, USDC, SOL, NOS, Helium HNT, Helium IOT, and SPL Helium Token, which are traded in active markets and are acquired for long-term holding as a store of value. Consequently, the Company has concluded that its cryptocurrency holdings should be accounted for under IAS 38, as it anticipates realizing future economic benefits through sales or by exchanging the cryptocurrencies for goods or services. The Company has opted for the revaluation model for its cryptocurrencies, measuring these assets at fair value based on the principal market at the time of revaluation.

Cryptocurrencies are subsequently measured using the revaluation model to periodically revalues assets to reflect their fair value and provide a more updated view of a company's asset values. The net increase and decrease in fair value over the initial cost of the cryptocurrencies is recorded in consolidated statements of comprehensive income (loss). IAS 38 permits the decrease to be recognized in other comprehensive income (loss) to the extent of any credit balance in accumulated other comprehensive income in respect of that asset.

The Company has determined that its cryptocurrency holdings are traded in active markets and based on quoted prices at the end of each reporting year end as of 23:59:59 UTC.

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2. MATERIAL ACCOUNTING POLICIES (Continued)

Impairment of long-lived assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication those assets have suffered an impairment loss. If any such indication exists, it estimates the asset's recoverable amount to determine the extent of the impairment loss (if any). Where it is not possible to estimate an individual asset's recoverable amount, the Company estimates the recoverable amount of the cash-generating unit ('CGU') to which the asset belongs. Where it can identify a reasonable and consistent basis of allocation, it also allocates corporate assets to individual CGU's, or otherwise allocates them to the smallest group of CGU's for which it can identify a reasonable and consistent allocation basis.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the Company discounts estimated future cash flows to their present value using a pre-tax discount rate reflecting current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If an asset or CGU's recoverable amount is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount, recognizing an impairment loss immediately in profit or loss.

SAFE Notes

SAFE notes or Simple Agreement for Future Equity notes are an alternative to convertible notes where investors are purchasing future equity at a negotiated price. The Advance Subscription shall automatically convert into Conversion Shares at the Conversion Price, and the Company shall issue and allot to the Subscriber (or as the Subscriber shall direct) a variable number of fully paid Conversion Shares to which it is entitled in event of financing round, liquidation event, long stop date, or insolvency.

There are no embedded derivatives in the SAFE Notes held. The instruments are classified as financial liabilities until conversion takes place in line with IFRS 9, financial instruments, at which point equity is issued and the liability is satisfied. The annual interest rate will be measured using the Effective Interest Rate (EIR) and the discount initially recognized as financial liability will be subsequently amortized.

Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in profit or loss except that it relates to items recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to offset the amounts and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the end of the reporting period and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax assets are recognized to the extent future recovery is probable. At each reporting period end, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

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2. MATERIAL ACCOUNTING POLICIES (Continued)

Share-based compensation

The Company has in effect a share option plan which allows Company employees, directors, and officers to acquire shares of the Company. The fair value of options granted is recognized as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and each tranche is recognized on a graded basis over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Loss per share information

The Company computes basic loss per share by dividing the net loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. Diluted earnings (loss) per share reflects the potential dilution that could occur if additional common shares are assumed to be issued under securities or contracts that entitle their holders to obtain common shares in the future and is calculated using the treasury stock method.

In calculating the diluted loss per share, the weighted average number of common shares outstanding assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. For the periods presented, this calculation proved to be anti-dilutive.

Financial instruments

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

Credit risk

Financial instruments that could expose the Company to credit risk are primarily cash and cash equivalents, accounts receivable, and loans receivable. The Company has deposited its cash in financial institutions with good reputations, and management considers the risk of losses to be negligible.

Cash consists of client deposits and accounts receivable consist of value added tax and management believes that credit risk concentration with respect these items is remote.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company currently has no significant exposure to interest rate risk.

Foreign exchange risk

The Company is exposed to currency risk as the Company has transactions through its United Kingdom, European, and Vietnam subsidiaries in Great British pounds (GBP), Euro (EUR), and Vietnamese Dong (VND) currencies. The Canadian dollar equivalent value of all cash held in foreign denominated currencies as at June 30, 2025 is \$103,237 (June 30, 2024 - \$25,046). Based upon the net exposure as at June 30, 2025, a 12% depreciation or appreciation of the UK pound sterling, Euro, and Vietnamese Dong relative to the Canadian dollar would result in approximately \$12,388 (2024 – \$3,006) change in the Company's consolidated net loss and comprehensive loss.

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2. MATERIAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Liquidity risk

Liquidity risk is the exposure of the Company to the risk of not being able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's future liquidity is dependent on factors such as the ability to generate cash from operations and to raise money through debt or equity financing. The Company had cash of \$860,881 as at June 30, 2025 (June 30, 2024 - \$57,464) to satisfy a portion of its current liabilities of \$3,557,910 (June 30, 2024 - \$3,709,428). As at June 30, 2025 and 2024, there is a deficit in the working capital as there was no sufficient cash to be able to meet the current liabilities that the entity holds.

As at June 30, 2025 the contractual maturities of financial liabilities were as follows:

	Carrying Amount	Contractual Cash Flows	Within 1 Year	1-2 Years	2-3 Years	3+ Years
	\$	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	460,016	460,016	460,016	-	-	-
Due to director	69	69	69	-	-	-
Unearned income	25,000	25,000	25,000			
SAFE Notes	6,397,256	7,160,072	3,072,825	3,324,431	-	-
Total	6,882,341	7,645,157	3,557,910	3,324,431	-	-

As at June 30, 2024 the contractual maturities of financial liabilities were as follows:

	Carrying Amount	Contractual Cash Flows	Within 1 Year	1-2 Years	2-3 Years	3+ Years
	\$	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	473,848	473,848	473,848	-	-	-
Due to director	63	63	63	-	-	-
SAFE Notes	3,235,517	3,509,660	-	3,235,517	-	-
Total	3,709,428	3,983,571	473,911	3,235,517	-	-

Financial assets

Non-derivative financial assets within the IFRS 9 are classified as "financial assets at fair value (either through other comprehensive income ("FVOCI"), or through profit or loss ("FVPL"))", and "financial assets at amortized cost" as appropriate. The Company determines the classification of its financial assets at initial recognition based on the Company's business model and contractual terms of cash flows.

All financial assets are recognized initially at fair value plus, in the case of investments not at FVPL, directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Where the fair values of financial assets recorded on the consolidated statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values.

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2. MATERIAL ACCOUNTING POLICIES (Continued)

Financial assets

Financial assets at FVPL

Financial assets measured at FVPL include financial assets management intends to sell and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVPL are carried at fair value in the consolidated statements of financial position with changes in fair value recognized in other income or expense in the consolidated statements of loss and comprehensive loss.

Financial assets at FVOCI

Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading. After initial measurement, investments measured at FVOCI are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive income or loss in the consolidated statements of comprehensive income (loss).

When the investment is sold, the cumulative gain or loss remains in accumulated other comprehensive income or loss and is not reclassified to profit or loss. The Company has investments of \$Nil (June 30, 2024 - \$Nil) as at FVOCI.

Financial Assets at Amortized Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses.

The following table shows financial assets measured at amortized cost:

Cash	Amortized Cost
Accounts Receivable	Amortized Cost
Loans Receivables	Amortized Cost

Due to the short-term maturity of the noted assets, amortized cost approximates fair value.

Impairment losses are presented as separate line item in the consolidated statement of loss and comprehensive loss.

Derecognition

A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company transfers substantially all the risks and rewards of ownership of the asset.

Impairment of financial assets

The Company's only financial assets subject to impairment are accounts receivable, which are measured at amortized cost. The Company has elected to apply the simplified approach to impairment as permitted by IFRS 9, which requires the expected lifetime loss to be recognized at the time of initial recognition of the receivable. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases, and the decrease can be objectively related to an event occurring after the initial impairment was recognized.

The expected lifetime loss of a financial asset at amortized cost, is estimated based on the expected credit loss ("ECL"). ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

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2. MATERIAL ACCOUNTING POLICIES (Continued)

Financial liabilities

Non-derivative financial liabilities are measured at amortized cost, unless they are required to be measured at FVPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at FVPL. The Company's financial liabilities include trade payable, accrued liabilities, due to directors, and SAFE notes are each measured at amortized cost.

All financial liabilities are recognized initially at fair value and in the case of loans and borrowings, net of directly attributable transaction costs.

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 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. The EIR amortization is included in finance cost, in the consolidated statements of loss and comprehensive loss.

The following table shows financial liabilities at amortized cost:

Accounts payable and accrued liabilities	Amortized Cost
Due to directors	Amortized Cost
SAFE notes	Amortized Cost

Due to the short-term maturity of the noted liabilities, the Company elected to use amortized cost.

Financial liabilities at FVPL

Financial liabilities measured at FVPL are carried at fair value in the consolidated statements of financial position with changes in fair value recognized in the consolidated statement of loss and comprehensive loss. The Company does not have any financial liabilities classified as at FVPL.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any associated gains or losses reported in other income or expense in the consolidated statements of loss and comprehensive loss.

IFRS 15 — Revenue from Contracts with Customers

The Company recognizes revenue when it transfers control of its services to the customer. This is achieved by applying the following five steps: i) identify the contract with a customer; ii) identify the performance obligations in the contract; iii) determine the transaction price; iv) allocate the transaction price to the performance obligations in the contract; and v) recognize revenue when (or as) the entity satisfies a performance obligation.

Revenue is recognized when the service provided to the customer is complete. Specifically:

Revenue is recognized once the Company receives funds, including the Company's fee, from the customer at which time pre matched foreign currency is released and transferred to the customers' beneficiary. It is at this point where the Company's performance obligation is met.

The below chart is for MPT UK which was sold and deconsolidated on March 31, 2024.

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2. MATERIAL ACCOUNTING POLICIES (Continued)

IFRS 15 — Revenue from Contracts with Customers (Continued)

When customers place an order, they are charged a fixed fee by the Company. The Company incorporates a band system to calculate fees on transactions as below:

Transaction value (in GBP)	Fees
£1 – 2,000	£10
£2,001 – 25,000	0.50%
£25,001 – 50,000	0.45%
£50,001 – 75,000	0.40%
£75,001 – 100,000	0.35%
£100,001+	0.30%

The percentage of the Midpoint fee decreases with every GBP 25,000.00 or equivalent currency transacted, up until 100,000.00 and the remainder is calculated at 0.30%.

On January 1, 2025, Hivello Holdings, a subsidiary, entered into a license agreement with an external party to receive 70% of the Token Sale Profit of the Licensee for two years with automatic renewal for successive one year period. In return, Hivello provides the Licensee a right to use its various technologies and intellectual property, including plans for a token economy based on a \$HVLO token and Hivello web2 application ("Application").

The Company is entitled to profit from token sales, calculated as Token Sale Proceeds less Reasonable Expenses.

- Token Sale Proceeds represent the total revenue generated by the Licensee from the sale of \$HVLO tokens.
- Reasonable Expenses include costs incurred by the Licensee in connection with the token sale, such as legal and administrative costs.

In applying IFRS 15, the Company determined that the license service granted to the Licensee constitutes a distinct performance obligation, with consideration based on usage-based royalties from token sales. A signed agreement establishes each party's rights and obligations, payment terms, and collectability of consideration. The transaction price, being variable, is directly tied to the net proceeds from token sales and is allocated entirely to the license service. Revenue is recognized when the Licensee obtains the right to use the application, which occurs upon grant of the license. For the year ended June 30, 2025, revenue recognized represents the Company's share of net token sale proceeds after deduction of reasonable expenses.

During the year ended June 30, 2025, the company received \$25,000 fee from First Nations to engage Blockmate Ventures on a consulting agreement. As at the year ended June 30, 2025, company has yet to provide substantial service on the consulting agreement; therefore, resulting to unearned revenue of \$25,000.

2. MATERIAL ACCOUNTING POLICIES (Continued)

IFRS 16 — Leases

The Company assesses whether a contract is, or contains, a lease by evaluating if the contract conveys the right to control the use of an identified asset. For contracts that contain a lease, the Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted by any initial direct costs, and costs to dismantle and remove the underlying asset less any lease incentives. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the underlying asset or the end of the lease term.

2. MATERIAL ACCOUNTING POLICIES (Continued)

IFRS 16 — Leases (Continued)

Under IFRS 16, right-of-use assets are tested for impairment in accordance with IAS 36, Impairment of Assets. The lease liability is initially measured at the present value of lease payments to be paid subsequent to the commencement date of the lease, discounted either at the interest rate implicit in the lease or the Group's incremental borrowing rate. The lease payments measured in the initial lease liability include payments for an optional renewal period, if any, if the Group is reasonably certain that it will exercise a renewal extension option. The liability is measured at amortized cost using the effective interest method and will be remeasured when there is a change in either the future lease payments or assessment of whether an extension or other option will be exercised. The lease liability is subsequently adjusted for lease payments and interest on the obligation. Interest expense on the lease obligation is included in the consolidated statements of loss and comprehensive loss.

The Company has elected not to recognize right-of-use assets and lease liabilities for leases with a lease term of less than 12 months and for low value leases and recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term, as permitted by IFRS 16.

New standards not yet adopted interpretations issued but not yet effective

The following new standards will not have an impact on the financial statements:

- On August 21, 2025, IASB has issued Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures which permits a subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements.

The objective of IFRS 19 is to specify the disclosure requirements an entity is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards. An entity electing to apply this Standard applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements. Instead, the entity applies the requirements in this Standard. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

The new standard and its amendment are effective for reporting periods beginning on or after 1 January 2027 with earlier application permitted.

- On May 2024, the IASB amended IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments to clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

2. MATERIAL ACCOUNTING POLICIES (Continued)

New standards not yet adopted interpretations issued but not yet effective (Continued)

These amendments are effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

The financial assets and liabilities of the company are measured at amortized cost and mostly has short-term maturity; thus, the management believes this amendment will have no impact on the financial statements.

- On April 9, 2024, the IASB issued a new standard on presentation and disclosure in financial statements. The key new concepts introduced in IFRS 18 relate to the structure of the statement of profit or loss, required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures), and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information.
- On June 2023 the ISSB issued Canada's Sustainability Disclosure Standards: IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures.
 - IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information for Disclosure of Sustainability-related Financial Information proposes general requirements for an entity to disclose sustainability-related financial information about its sustainability-related risks and opportunities. The objective of IFRS S1 is to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to users of general-purpose financial reports in making decisions relating to providing resources to the entity.
 - IFRS S2 Climate-related Disclosures to integrate and build on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and incorporating industry-based disclosure requirements derived from SASB Standards. The objective of IFRS S2 is to require an entity to disclose information about its climate-related risks and opportunities that is useful to users of general-purpose financial reports in making decisions relating to providing resources to the entity.

The proposed transition relief for disclosures beyond climate-related risks and opportunities has been extended from one year granted by the ISSB to two years. The entities that voluntarily adopt the CSSB standards on January 1, 2025, will be required to disclose information on all sustainability-related risks and opportunities from the reporting period beginning on or after January 1, 2027.

The proposed transition relief for disclosure of Scope 3 GHG emissions has been extended from one year granted by the ISSB to two years. The entities that voluntarily adopt the CSSB on January 1, 2025, will be required to disclose Scope 3 GHG emissions from the reporting period beginning on or after January 1, 2027.

- On August 15, 2023, the IASB issued the following amendments to IAS 21 that require companies to provide more useful information in their financial statements when a currency cannot be exchanged into another currency. The amendment includes requirements for assessing whether a currency is exchangeable into another currency, guidance on determining the exchange rate when such an exchange is not possible, and additional related disclosure requirements. The amendments are effective for annual periods beginning on or after 1 January 2025.

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3. CASH

At June 30, 2025, the Company had cash of \$860,881 (June 30, 2024 - \$57,464). The Company maintains cash in various banks in Canada, United Kingdom, Netherlands, and Vietnam.

4. PREPAID EXPENSES

As at June 30, 2025, the Company had an aggregate prepaid expense of \$248,720 (June 30, 2024 - \$354,665).

Prepaid expenses as at June 30, 2025 consist of the following:

Prepaid Expense	2025	2024
	\$	\$
Consulting and Professional fees	12,050	159,468
Filing and Listing Fees	28,244	35,354
Contractor fees	6,415	7,950
Marketing & Advertising	79,319	70,220
Rent	2,618	-
Subscriptions	1,140	-
Travel	10,496	-
General expenses	94,485	81,673
Deposit	13,953	-
Total prepayments held by continuing operations	248,720	354,665

During the year ended June 30, 2025, the company has received gross proceeds as an advance subscription for SAFE financing in form of service agreements amounting to \$440,000 USD (\$600,292 CAD) (June 30, 2024 - \$275,000 USD (\$375,183 CAD) (Note 11)); of which was excluded from the cashflow statement as a non-cash consideration for SAFE notes.

5. DISCONTINUED OPERATIONS

Midpoint & Transfer (MPNT) and Midpoint Hong Kong (MPT HK) met the criteria of a discontinued operation under IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations.

On September 21, 2023, the Company entered into a binding agreement to divest its Midpoint foreign exchange business. The parties agreed that all intercompany transactions will be forgiven, resulting to loss on debt forgiveness for continuing operations and income on debt forgiveness for discontinued operations amounting to \$1,459,139.

On November 21, 2023, the company completed the divestiture of MPT HK, and accordingly has not been consolidated subsequent to November 21, 2023. In consideration for the divestiture, the acquirer will assume responsibility for all liabilities and obligations associated with the business as well as operational expenses associated with maintaining its operations. The sale of MPT HK resulted to the loss in disposition of subsidiary from continuing operations for \$5,116.

On March 31, 2024, the company completed the previously announced divestiture of MPNT, and accordingly has not been consolidated subsequent to March 31, 2024. In consideration for the divestiture, the acquirer assumed the responsibility for all liabilities and obligations associated with the business as well as operational expenses associated with maintaining its operations. The sale of MPNT resulted to the gain in disposition of subsidiary from continuing operations for \$329,002.

There are no assets and liabilities associated with the discontinued operations included in the Consolidated Balance Sheet as at June 30, 2024.

The comparative Consolidated Statements of Operations and Comprehensive Loss shows the discontinued operation separately from continuing operations.

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5. DISCONTINUED OPERATIONS (Continued)

	2025	2024
	\$	\$
REVENUE	-	276,179
COST OF SALES	-	(197,408)
GROSS MARGIN FROM CONTINUING OPERATIONS	-	78,771
EXPENSES		
Amortization and depreciation (Note 7)	-	(9,002)
General and administrative	-	(178,953)
Marketing	-	(5,528)
Professional and consulting fees	-	(204,275)
Rent	-	(43,560)
Software development and website	-	(9,806)
Wages	-	(165,155)
	-	(616,279)
Net Income/(Loss) For the Period Before Other Income from Discontinued Operations	-	(537,508)
OTHER ITEMS		
Foreign exchange (loss)/gain	-	(1,907)
Grant income	-	855
Interest income	-	(63)
Expense recovery	-	1,238
Debt forgiven	-	1,538,637
Total other income	-	1,538,760
NET INCOME FROM DISCONTINUED OPERATIONS FOR THE PERIOD	-	1,001,252
OTHER COMPREHENSIVE LOSS		
Foreign currency translation	-	(68,399)
COMPREHENSIVE INCOME FROM DISCONTINUED OPERATIONS FOR THE PERIOD	-	932,853

The Consolidated Statements of Cash Flow shows the following cash provided by the discontinued operations:

	2025	2024
	\$	\$
Net cash provided from (used in) operating activities	-	(516,067)
Net cash provided from (used in) financing activities	-	102,606
Net cash provided from (used in) financing activities	-	(6,468)
NET DECREASE IN CASH	-	(419,929)
Cash, beginning of period	-	325,383
Effect of changes in foreign exchange rates	-	94,546
Cash, end of period	-	-

6. LOANS RECEIVABLE

On March 23, 2024, the Company entered an unsecured loan agreement totaling to \$1,200,000 USD (\$1,615,423 CAD). The unsecured loan agreement accrued an interest at the rate of 20% per annum and matured on March 22, 2025. As at June 30, 2024, total unpaid accrued interest amounted to \$46,392. During the year ended June 30, 2025, the company received \$37,931 as a payment of accrued interest of loan and the remaining \$8,461 has been written off resulting to other loss on debt forgiven of \$8,170. The difference is due to foreign currency conversion. The parties have considered the loan fully paid resulting to a carrying value of \$Nil (June 30, 2024 - \$46,392).

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6. LOANS RECEIVABLE (Continued)

During the year ended June 30, 2025, the company has advanced funds amounting to \$1,043,713 to an external party (June 30, 2024 - \$Nil). This loan is due on demand and interest-free. Due to the credit risk of loans receivable, the Company reviewed the collectability of the loans receivable and determined the need to recognize expected credit loss of \$1,007,879 due to significant doubt that the loans may not be fully recoverable. The difference is due to foreign currency conversion.

7. EQUIPMENT

The following table summarizes the Company's equipment transactions for the years ended June 30, 2025 and June 30, 2024:

	June 30, 2025	June 30, 2024
	\$	\$
Cost		
Balance, beginning of the period	1,963	-
Additions	4,999	8,431
Effect of changes in foreign exchange rates	44	-
Reclassification of MPT UK as asset held for sale	-	(6,468)
Balance, end of the period	7,006	1,963
Accumulated Depreciation		
Balance, beginning of the period	327	-
Depreciation – Continuing operations	1,673	258
Depreciation – Discontinued operations	-	9,002
Expense recovery – Discontinued operations	-	(1,234)
Effect of changes in foreign exchange rates	71	69
Reclassification of MPT UK as asset held for sale	-	(7,768)
Balance, at end of the period	2,071	327
Net Book Value	4,935	1,636
Comprised as follows:		
Computer Equipment	4,935	1,636
Total	4,935	1,636

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication those assets have suffered an impairment loss. If any such indication exists, it estimates the asset's recoverable amount to determine the extent of the impairment loss (if any). Where it is not possible to estimate an individual asset's recoverable amount, the Company estimates the recoverable amount of the cash-generating unit ('CGU') to which the asset belongs. Where it can identify a reasonable and consistent basis of allocation, it also allocates corporate assets to individual CGU's, or otherwise allocates them to the smallest group of CGU's for which it can identify a reasonable and consistent allocation basis.

If an asset or CGU's recoverable amount is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount, recognizing an impairment loss immediately in profit or loss. During the year ended June 30, 2025, the Company did not identify indicators of impairment with respect to its software and equipment (June 30, 2024 - \$Nil).

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8. Crypto assets

Cryptocurrencies owned by HVL consist of Tether (USDT), USD Coin (USDC), Nosana (NOS), Solana (SOL), and Helium Assets. Cryptocurrencies are initially measured at cost and subsequently measured using a revaluation model.

	June 30, 2025	June 30, 2024
	\$	\$
Tether (USDT)	7,496	820,000
USD Coin (USDC)	13,442	-
Solana (SOL)	89	-
Nosana (NOS)	7,464	-
Helium asset	13,236	18,212
Balance, end of the period	41,727	838,212

During the year ended June 30, 2025, the company has received total gross proceeds for SAFE notes financing in form of cryptocurrencies amounting to \$1,585,000 USD (\$2,301,014 CAD) (June 30, 2024 - \$1,415,000 USD (\$1,945,179 CAD) (Note 11)), of which was excluded from the cashflow statement as a non-cash consideration.

The cryptocurrency is presented as an intangible asset initially measured at cost of \$54,485 and subsequently measured using revaluation model. The fair value of the cryptocurrency as at June 30, 2025 is \$41,727 (June 30, 2024 - \$838,212). This resulted to a loss in revaluation of cryptocurrency amounting to \$12,758 for the year ended June 30, 2025 (2024 - gain of 17,523).

	Quantity	Value per unit	June 30, 2025
		\$	\$
Tether (USDT)	5,493	1.364573	7,496
USD Coin (USDC)	9,855	1.364027	13,442
Solana (SOL)	0.42	211.098139	89
Nosana (NOS)	10,035	0.743816	7,464
Helium HNT	3,115	3.078407	9,588
Helium IOT	7,813,233	0.000467	3,646
SPL Helium Token	0.49	3.078407	2
Balance, end of the period			41,727

The value per unit is based on the quoted market price per Tether (USDT), USD Coin (USDC), Nosana (NOS), Solana (SOL), and Helium assets in an active cryptocurrency market, as at June 30, 2025.

9. INTANGIBLES

The following table summarizes the Company's intangibles transactions for the years ended June 30, 2025 and 2024:

	June 30, 2025	June 30, 2024
	\$	\$
Cost		
Balance, beginning of the period	135,268	125,989
Additions	6,206	9,279
Effect of changes in foreign exchange rates	719	-
Balance, end of the period	142,193	135,268
Accumulated Depreciation		
Balance, beginning of the period	126,374	125,989
Impairment	587	385
Balance, at end of the period	126,961	126,374
Net Book Value	15,232	8,894

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9. INTANGIBLES (Continued)

Comprised as follows:		
Trademarks	15,232	8,894
Total	15,232	8,894

During the year ended June 30, 2025, and the year ended June 30, 2024, the management determined that the Company does not have a plan to promote the websites related to domains acquired during the year in the near future. This resulted to recognition of impairment of intangible assets for \$587 and \$385, respectively.

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

As at June 30, 2025, the Company had an aggregate accounts payable and accrued liabilities of \$460,016 (June 30, 2024 - \$473,848) all held by entities with continuing operations.

Accounts payable and accrued liabilities as at June 30, 2025 consist of the following:

Accounts payable and accrued liabilities	June 30, 2025	June 30, 2024
	\$	\$
Total Accounts Payable	143,828	114,685
Total Accruals	264,617	331,975
Other Payables	51,571	27,188
Total accounts payable and accrued liabilities	460,016	473,848

Accruals as at June 30, 2024 consist of the following:

Accruals	June 30, 2025	June 30, 2024
	\$	\$
Professional fees	181,867	245,636
Wages payable	81,250	81,250
General expenses	1,500	5,089
Total accruals	264,617	331,975

11. SAFE NOTES

In December 2023, the Company entered into an advanced subscription agreement that allows the investors to convert the principal amount to shares of Hivello (a subsidiary). On December 14, 2023, the company successfully completed a \$1,000,000 USD capital raise. This SAFE (Simple Agreement for Future Equity) instrument fundraising round places a pre-money valuation cap on Hivello at \$5,000,000 USD. Additionally, in January 2024, the Company closed another \$1,500,000 USD capital raise at a pre-money valuation cap of \$9,000,000 USD.

In December 2023, the Company has completed tranche 1 financing and has issued an aggregate of \$1,484,229 USD (\$2,024,934 CAD) SAFE notes in relation to the agreement. Of the issued SAFE notes include 484,229 USD (\$660,634 CAD) advance payments from investors for the second round of capital raise closed in January 2024.

In January 2024, the Company has completed tranche 2 financing and has issued an aggregate of \$1,080,000 USD (\$1,473,444 CAD) Simple Agreement for Future Equity (SAFE) notes.

During the year June 30, 2024, and pursuant to the capital raise, the company received gross proceeds of:

- Cash and cash equivalents amounting to \$800,500 USD (\$1,092,122 CAD)
- Cryptocurrencies amounting to \$1,415,000 USD (\$1,930,485 CAD) (Note 8)
- Service agreements equivalent to \$275,000 USD (\$375,183 CAD) (Note 4)
- Converted previously issued SAFE Notes, amounting to \$73,729 USD (\$100,588 CAD)

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11. SAFE NOTES (Continued)

In April 2025, the Company has completed tranche 3 financing and has issued an aggregate of \$2,683,937 USD (\$3,661,695 CAD) Simple Agreement for Future Equity (SAFE) notes. As at June 30, 2025, the total SAFE notes issued by the Company amounts to \$5,248,166 USD (\$7,160,072 CAD).

During the year June 30, 2025, and pursuant to the capital raise, the company received gross proceeds of:

- Cash and cash equivalents amounting to \$658,937 USD (\$898,988 CAD)
- Service agreements equivalent to \$440,000 USD (\$600,292 CAD) (Note 4)
- Cryptocurrencies amounting to \$1,585,000 USD (\$2,162,416 CAD) (Note 8)

From the components of the agreement below:

- The convertible notes have no maturity date.
- The Company will issue a variable number of shares upon conversion and ultimate settlement of the debt.
- The holder is entitled to receive cash or other financial assets from the Company (IFRS 9, paragraph 4.2.1).
- The first and second tranche of SAFE Notes has a total principal amount of \$3,498,377 CAD (\$2,564,229 USD) and total carrying value of \$3,072,825 CAD (\$2,252,309 USD) as at June 30, 2025 (June 30, 2024 - \$3,235,517 CAD (1,534,228.63 USD)). The SAFE notes were discounted using the 6.7% and a new estimated maturity date on June 30, 2027.
- The third tranche of SAFE Notes has a total principal amount of \$3,661,695 CAD (\$2,683,937 USD) and total carrying value of \$3,324,431 CAD (\$2,436,730 USD) as at June 30, 2025 (June 30, 2024 - \$Nil). The SAFE notes were discounted using a rate of 4.95% with an estimated maturity date on June 30, 2027.
- If the Company has any Future Token* Offerings, then the Investor shall be entitled to receive, at no cost, a portion of the Tokens being distributed in Future Token Offerings on a pro-rata basis.
*Coin or Token means any form of sale, grant, distribution, private sale or the public sale of cryptographic coins or tokens via a private placement, initial coin offering, blockchain or otherwise.
- No interest is payable on the Advance Subscription in any circumstance. No amount of the Advance Subscription is repayable by the Company in any circumstance, but such amount may be converted into shares.

The instruments are classified as financial liabilities until conversion takes place in line with IFRS 9, financial instruments.

Conversion terms:

- The Advance Subscription shall automatically convert into Conversion Shares at the Conversion Price, and the Company shall issue and allot to the Subscriber (or as the Subscriber shall direct) the number of fully paid Conversion Shares to which it is entitled in event of financing round, liquidation event, long stop date, and insolvency.
- The Conversion Shares so allotted and issued shall be in full satisfaction and discharge of all obligations of the Company under this agreement to the Subscriber and this agreement shall terminate automatically and immediately on completion of such conversion.

Interest and Discount rate:

- SAFE notes bear no interest and is therefore discounted using a discount rate of 6.7% for tranche 1 and 2 and 4.95% for tranche 3. The carrying value of SAFE notes is \$6,397,256 CAD (June 30, 2024 - \$3,235,517 CAD) and is estimated to be converted September 30, 2027.

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11. SAFE NOTES (Continued)

The following table summarizes the Company's SAFE notes transactions as at June 30, 2025, and the year ended June 30, 2024. The table below is expressed in CAD:

	June 30, 2025	June 30, 2024
	\$	\$
Balance, beginning of the period	3,235,517	97,617
Additions	3,661,695	3,405,710
Interest	261,304	102,865
Discount	(762,459)	(373,485)
Effect of exchange rate	1,199	2,810
Balance, end of the period	6,397,256	3,235,517

As at June 30, 2025, no SAFE note was converted, and no equity was issued by the Company in relation to this note.

12. SHARE CAPITAL

Authorized

As at June 30, 2025, the Company had authorized unlimited common shares and has 143,297,258 common shares outstanding (June 30, 2024 - 110,797,758).

Equity Activity

A summary of share transactions is as follows:

- i) As at June 30, 2025, the Company issued 17,479,500 upon the exercise of warrants and options. A total of 17,292,000 warrants and 187,500 options were exercised at a price of \$0.075 and \$0.05 per share, with the aggregate proceeds of \$1,296,900 and \$9,375. The transaction also resulted in a decrease in warrant and options value \$466,662 and \$6,316, respectively.
- ii) On February 07, 2025, the Company issued 1,020,000 shares upon vesting of restricted share units granted to certain directors and officers of the company (Note 14).
- iii) On December 23, 2024, the Company completed a non-brokered private placement for gross proceeds of \$1,400,000, which will support Blockmate's pursuit of industry leadership in blockchain innovation and underscores its commitment to sustainable and transformative technology. In connection with completion of the offering, the company has issued 14,000,000 units at a price of \$0.10 per unit. Each unit consists of one common share, and one common share purchase warrant exercisable to acquire a further common share at a price of \$0.50 until December 23, 2027.
- iv) On July 14, 2023, the Company issued 2,830,761 shares to settle outstanding debt related to the wages payable (Note 18) amounting to \$141,538. The Company reached agreements with directors, officers of the company, and two arm's-length creditors to settle outstanding indebtedness totaling \$141,538 through the issuance of 2,830,761 common shares at a deemed price of \$0.05 per share. On the date of issuance, the shares issued had a fair market value of \$0.05 per share.

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13. WARRANTS AND OPTIONS RESERVES

Warrants

The following table summarizes the Company's warrant activities during the year ended June 30, 2025 and 2024:

	Number	Weighted Average Exercise Price
		\$
Outstanding, June 30, 2023	34,465,337	0.075
Granted	-	-
Expired	-	-
Outstanding, June 30, 2024	34,465,337	0.075
Granted	14,000,000	0.500
Expired	-	-
Exercised	(17,292,000)	0.075
Outstanding, June 30, 2025	31,173,337	

Outstanding share warrants as at June 30, 2025 are summarized below:

Grant date	Number of warrants	Exercise price	Warrants Value	Expiry date
		\$	\$	
22-Nov-2022	8,773,337	0.075	0.02	17-Nov-2025
20-Jun-2023	8,400,000	0.075	0.03	20-Jun-2026
23-Dec-2024	14,000,000	0.500	0.05	23-Dec-2027
Total	31,173,337			

During the year ended June 30, 2025, 14,000,000 warrants were granted in connection to private placement (Note 12), 17,292,000 warrants were exercised, and no warrants expired. The exercise of warrants resulted to recognition of decrease warrant value amounting to \$466,662 (June 30, 2024 - no warrants were granted, exercised or expired).

As at June 30, 2025, the total outstanding warrants of 31,173,337 has a weighted average exercise price of \$0.27 and average remaining 1.48 years to exercise before expiry date (June 30, 2024 - total outstanding warrants of 34,465,337 has a weighted average exercise price of \$0.075 and average remaining 1.63 years to exercise before expiry date.)

The fair value of the warrants was estimated using the Black Scholes option pricing model and the following assumptions:

Grant date	December 23, 2024	June 15, 2023	January 9, 2023	November 17, 2022
Share Price as at date of grant	\$0.210	\$0.060	\$0.030	\$0.050
Exercise Price	\$0.500	\$0.075	\$0.075	\$0.075
Risk-Free Annual Interest	2.97%	3.88%	3.38%	3.70%
Annualized Volatility	219.27%	364.94%	339.10%	330.21%
Expected Life of Option	36 months	36 months	36 months	36 months
Expected Annual Dividend	0%	0%	0%	0%

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13. WARRANTS AND OPTIONS RESERVES (Continued)

Warrants (Continued)

A summary of share warrants transactions is as follows:

On December 23, 2024, the Company completed a non-brokered private placement and issued 14,000,000 units at a price of \$0.10 per unit. Each unit consists of one common share, and one common share purchase warrant exercisable to acquire a further common share at a price of \$0.50 until December 23, 2027.

The gross proceeds of \$1,400,000 were allocated to common shares and share warrants based on the relative fair value. The Company recognized \$730,580 common shares and \$669,420 share warrants in relation to this transaction. No finder's fees or commissions were paid by the company in connection with completion of the offering.

Options

The Company has a stock option plan (the "Plan") in place under which it is authorized to grant options to acquire common shares of the Company to directors, officers, consultants and other key employees of the Company. The number of common shares subject to options granted under the Plan are limited to 10% in the aggregate, and 5% with respect to any one optionee, of the number of issued and outstanding common shares of the Company at the date of the grant of the option.

The following table summarizes the Company's option activities during the year ended June 30, 2025 and June 30, 2024:

	Number	Exercise Price
		\$
Outstanding, June 30, 2023	-	-
Granted	7,550,000	0.050
Expired	-	-
Outstanding, June 30, 2024	7,550,000	0.050
Granted	5,625,000	0.210
Expired	-	-
Exercised	(187,500)	0.050
Outstanding, June 30, 2025	12,987,500	

Outstanding share options as at June 30, 2025 are summarized below:

Grant date	Number of options	Exercise price	Expiry date
		\$	
27-Oct-2023	7,362,500	0.05	27-Oct-2028
23-Dec-2024	25,000	0.21	23-Dec-2029
23-Dec-2024	5,000,000	0.21	23-Dec-2028
23-Dec-2024	600,000	0.21	23-Dec-2027
Total	12,987,500		

A summary of options transactions is as follows:

- i) On December 23, 2024, the Company granted a total is 5,625,000 share options exercisable at \$0.21 per share to certain directors, officers and consultants to the company. Options for 625,000 shares vest immediately, of which 25,000 is exercisable within 5 years and 600,000 is exercisable within 3 years. The remaining 5,000,000 options vest quarterly over a 24-month period and are exercisable for a period of 4 years of which 2,725,000 pending ratification of omnibus plan from shareholders at the next annual general and special meeting. Subsequent to June 30, 2025, on July 23, 2025, the shareholder has approved the share options grant.

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13. WARRANTS AND OPTIONS RESERVES (Continued)

Options (Continued)

As at June 30, 2025, 3,451,984 options vested resulting to recognition of share-based compensation amounting to \$693,282 (June 30, 2024 - \$Nil) (Note 17).

The fair value of the options was estimated using the Black Scholes option pricing model and the following assumptions:

	25,000 options	600,000 options	2,275,000 options	2,725,000 options
Share Price	\$0.21	\$0.21	\$0.21	\$0.115
Exercise Price	\$0.21	\$0.21	\$0.21	\$0.21
Risk-Free Annual Interest	2.97%	2.97%	2.97%	2.97%
Annualized Volatility	194.71%	219.27%	201.52%	201.52%
Expected Life of Option	5 years	3 years	4 years	4 years
Expected Annual Dividend	0%	0%	0%	0%
Vesting	immediately	immediately	24 months	24 months
Fair Value	\$0.20	\$0.20	\$0.20	\$0.11

- ii) On October 27, 2023, the Company granted 7,550,000 incentive stock options to certain directors, officers and consultants to the company. With 146,938,374 securities on issue after issue of these options, these incentive options will represent 5.5% of the fully diluted capital. The options vest quarterly over a 24-month period and are exercisable at a price of \$0.50 until Oct. 27, 2028.

As at June 30, 2025, 7,356,490 options vested with a total fair value of \$247,796 resulting to recognition of share-based compensation amounting to \$79,606 during the year ended June 30, 2025 (June 30, 2024 - \$168,190). 187,500 of these options were exercised at a price of \$0.05 per share valued at \$6,316 (Note 12).

The fair value of the options was estimated using the Black Scholes option pricing model and the following assumptions:

	As at October 27, 2023
Share Price	\$0.035
Risk-Free Annual Interest	4.05%
Annualized Volatility	188.79%
Expected Life of Option	5 years
Expected Annual Dividend	0%
Fair Value	\$0.03

In relation to the 2,363,307 vesting of the options during the period ended June 30, 2025 (June 30, 2024 - 4,993,182), the company recognize a share-based compensation expense of \$79,606 (June 30, 2024 - \$168,189) (Note 18).

During the year ended June 30, 2025, 187,500 options were exercised. The exercise of options resulted to recognition of decrease option value amounting to \$6,316 (June 30, 2024 - no warrants were granted, exercised or expired).

As at June 30, 2025, the total outstanding warrants of 12,987,500 has a weighted average exercise price of \$0.12 and remaining 3.35 years to exercise before expiry date (June 30, 2024 - total outstanding warrants of 7,550,000 has a weighted average exercise price of \$0.05 and remaining 4.33 years to exercise before expiry date).

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14. RSU RESERVES

The following table summarizes the Company's RSU activities during the year ended June 30, 2025 and June 30, 2024:

	Number	Weighted Average Share Price
		\$
Outstanding, June 30, 2023	-	-
Granted	2,520,000	0.450
Outstanding, June 30, 2024	2,520,000	0.450
Granted	1,200,000	0.210
Vested and issued	(1,020,000)	0.450
Outstanding, June 30, 2025	2,700,000	0.210

Outstanding RSU as at June 30, 2025 are summarized below:

Grant date	Number of RSU	Share price	Vest date
7-Feb-24	1,500,000	\$0.450	7-Feb-2025
23-Dec-24	1,200,000	\$0.115	23-Dec-2025
Total	2,700,000		

A summary of RSU transactions is as follows:

- i) On December 23, 2024, the Company granted 1,200,000 restricted share units to certain directors and officers of the company. RSUs were granted but is pending ratification of omnibus plan from shareholders at the next annual general and special meeting. Subsequent to June 30, 2025, on July 23, 2025, the shareholder has approved the RSU grant.

The RSU has a fair value of \$138,000 and vest after 12 months. The vesting portion of 621,370 RSU results to recognition of share-based compensation of \$72,024 for the year ended June 30, 2025 (Note 17).

The fair value of the RSU was estimated using the following:

As at December 23, 2024	
Share price – based on the share value closest date to approval date	\$0.115
RSU Granted	1,200,000
Vesting period	12 months
Fair Value	\$138,000

- ii) On February 07, 2024, the Company granted 2,520,000 restricted share units to certain directors and officers of the company in lieu of the wages payable amounting to \$93,324. The RSUs were granted in accordance with the omnibus incentive plan adopted by the company and has vested and converted into common shares on February 07, 2025 (Note 12). The share price as at date of grant is \$0.045 and is valued \$113,400, resulting to a loss on debt settlement of \$20,076.

The fair value of the RSU was estimated using the following:

As at February 07, 2024	
Share price	\$0.045
RSU Granted	2,520,000
Vesting period	12 months
Fair Value	\$113,400

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14. RSU RESERVES (Continued)

On February 07, 2025, the Company issued 1,020,000 shares upon vesting of restricted share units granted to certain directors and officers of the company (Note 12). Certain officers elected to defer conversion of 1,500,000 restricted share units.

As at June 30, 2025, the total outstanding RSU of 2,700,000 has a vesting portion of 2,121,370 value at \$139,524 (June 30, 2024 - \$113,400) which includes 1,500,000 fully vested RSU deferred for conversion.

15. DSU RESERVES

On December 23, 2024, the Company granted 5,000,000 deferred share units to certain directors and officers of the company. DSUs were granted but is pending ratification of omnibus plan from shareholders at the next annual general and special meeting. Subsequent to June 30, 2025, on July 23, the shareholder has approved the DSU grant.

DSU vest after 12 months but will only be settled in common shares of the company upon the departure of the holder from the company. The DSU has a fair value of \$575,000 of which 2,589,041 has vested resulting to recognition of share-based compensation of \$297,740 as at year ended June 30, 2025 (Note 17).

The fair value of the DSU was estimated using the following:

	As at December 23, 2024
Share price – based on the share value closest date to approval date	\$0.115
DSU Granted	5,000,000
Vesting period	12 months
Fair Value	\$575,000

16. NON-CONTROLLING INTEREST

On November 14, 2024, HVL, a subsidiary, entered into a stock purchase agreement and issued 465 of its common stock to unrelated parties, resulting in 4% of the ownership interest held by non-controlling shareholders.

Reconciliation of non-controlling interest as follows:

	June 30, 2025	June 30, 2024
Beginning Balance	(63,050)	-
Non-controlling interest share in net loss	(217,136)	(63,050)
Ending Balance	(280,186)	(63,050)

17. KEY MANAGEMENT COMPENSATION AND RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel:

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

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17. KEY MANAGEMENT COMPENSATION AND RELATED PARTY TRANSACTIONS (Continued)

Remuneration attributed to key management personnel can be summarized as follows:

	For the year ended June 30, 2025	For the year ended June 30, 2024
	\$	\$
Salaries and benefits (Included in professional & consulting fees, and wages)	120,833	79,167
Consulting fees (Included in professional & consulting fees)	248,848	410,870
Share-based compensation (Note 13, 14, and 15)	875,647	168,189
Total	1,245,328	658,226

The due to directors and related parties in the statements of financial position is \$69 as of June 30, 2025 (June 30, 2024 - \$63).

As at June 30, 2025, the Company has \$147,864 (June 30, 2024 - \$112,422) outstanding accounts payable due to related parties. Out of these payables \$6,250 (June 30, 2024 - \$6,250) is due to a former director of the Company and a company the former director controls.

18. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and development of its intangible assets. The capital of the Company consists of shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company has not generated significant revenues and is in the process of executing and developing its marketing plan; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned budget, the Company will spend its existing working capital and raise additional amounts as needed.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the years ended June 30, 2025 and 2024. The Company is not subject to externally imposed capital requirements.

19. FAIR VALUE MEASUREMENT

The Company measures certain financial and non-financial assets and liabilities at fair value on a recurring basis. The Company uses a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, essentially an exit price, based on the highest and best use of the asset or liability.

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19. FAIR VALUE MEASUREMENT (Continued)

The levels of the fair value hierarchy are:

- Level 1: Observable inputs such as quoted market prices in active markets for identical assets or liabilities
- Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data
- Level 3: Unobservable inputs for which there is little or no market data, which require the use of the reporting entity's own assumptions

Financial assets and liabilities are classified in their entirety within the fair value hierarchy based on the lowest level of input that is significant to their fair value measurement.

Recurring measurement of fair value

The following tables present information about the Company's assets measured at fair value on a recurring basis and the Company's estimated level within the fair value hierarchy of those assets as at June 30, 2025 and 2024, respectively:

	Total carrying value	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	\$	\$	\$	\$
USDT	28,491	28,491	-	-
Helium	13,236	-	13,236	-
Total	41,727	28,491	13,236	-

The Company includes the above assets as crypto assets in the Consolidated Balance Sheets. Refer to Note 8 for the valuation of the crypto asset.

20. INCOME TAX

The reconciliation of the combined Canadian federal and provincial statutory income tax rate of 27% (2024 – 27%) to the effective tax rate is as follows:

	June 30, 2025	June 30, 2024
	\$	\$
Net loss for the year	(7,177,641)	(2,603,324)
Expected income tax (recovery) expense	(1,937,963)	(702,897)
Difference in foreign tax rates	421,342	(127,452)
Non-deductible expenses	376,520	(356,520)
Change in tax benefits not recognized	1,140,102	1,186,869
Income tax (recovery)	-	-

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20. INCOME TAX (Continued)

Deferred Tax

Unrecognized Deferred Tax Assets

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	June 30, 2025	June 30, 2024
	\$	\$
Non-capital losses carried forward - Canada	2,298,473	2,058,948
Capital loss carry forward – Canada	572,379	391,656
Non-capital losses carried forward – UK and Netherlands	1,708,202	807,625
Equipment	373	93,992
Intangibles	29,941	23,528
Investments	-	9,450
Share issuance costs	8,989	8,989
Totals	4,618,358	3,394,188

The Canadian non-capital losses forwards expire as noted in the table below.
Share issue and financing costs will be fully amortized in 2027.
The remaining deductible temporary differences may be carried forward indefinitely.

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the group can utilize the benefits therefrom.

The Company's Canadian non-capital losses expire as follows:

	\$
2031	175,225
2032	316,335
2033	194,731
2034	160,486
2035	335,757
2036	791,846
2037	948,019
2038	476,593
2039	83,830
2040	655,137
2041	521,363
2042	1,263,804
2043	921,018
2044	781,589
2045	887,129
	8,512,862