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U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ Quarterly Report under Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended June 30, 2026

or

☐ Transition Report under Section 13 or 15(d) of the Exchange Act

For the Transition Period from _____ to _____

Commission File Number: 000-55818

BioCrude Technologies USA, Inc.

(Exact Name of Registrant as Specified in its Charter)

Nevada
(State of incorporation)

81-2924160
(I.R.S. Employer Identification No.)

1255 Phillips Square, Suite 605
Montreal, Quebec, Canada H3B 3G5
(Address of principal executive offices)

514-840-9719
(Registrant’s telephone number including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Class	Trading Symbol	Name of each exchange on which registered
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Indicate by check mark whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act of 1934 during the past 12 months (or such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer”, “an accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☐	Accelerated Filer	☐
Non-Accelerated Filer	☐	Smaller Reporting Company	☒
Emerging Growth Company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

As of June 30, 2026, the issuer had 50,876,159 shares of common stock issued and outstanding. As of August 11, 2026, the issuer had 50,876,159 shares of common stock issued and outstanding.

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS - UNAUDITED

BIOCRUDE TECHNOLOGIES USA, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(EXPRESSED IN US DOLLARS)

	June 30, 2026 (Unaudited)	December 31, 2025
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,238	\$ 1,946
TOTAL CURRENT ASSETS	1,238	1,946
Property, plant and equipment	6,611	9,037
TOTAL ASSETS	\$ 7,849	\$ 10,983
LIABILITIES AND STOCKHOLDERS’ DEFICIT		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 58,367	\$ 72,443
Accounts payable and accrued liabilities - related parties	250,530	251,736
Related party debt	19,240	21,008
Related party debt - interest	10,848	—
Debt	131,656	137,243
Debt - interest	14,664	—
TOTAL CURRENT LIABILITIES	485,305	482,430
TOTAL LIABILITIES	485,305	482,430
Commitments and contingencies	—	—
STOCKHOLDERS’ DEFICIT		
Common stock, \$0.001 par value, 75,000,000 shares authorized, and 50,876,159 and 50,861,976 shares issued and outstanding at June 30, 2026, and December 31, 2025, respectively.	50,877	50,862
Additional paid-in capital	9,186,695	9,129,965
Accumulated other comprehensive income	28,719	28,648
Accumulated deficit	(9,743,747)	(9,676,929)
TOTAL STOCKHOLDERS’ DEFICIT ATTRIBUTALBLE TO EQUITY STOCKHOLDERS OF THE COMPANY	(477,456)	(467,454)
NON-CONTROLLING INTEREST	—	(3,993)
TOTAL LIABILITIES AND STOCKHOLDERS’ DEFICIT	\$ 7,849	\$ 10,983

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

**BIOCRUDE TECHNOLOGIES USA, INC.
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
 (EXPRESSED IN US DOLLARS)
 (UNAUDITED)**

	For the three months ended		For the six months ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
REVENUE	\$ —	\$ —	\$ —	\$ —
OPERATING EXPENSES				
General and administrative	2 6,706	41,480	61,138	99,223
LOSS FROM OPERATIONS	(26,706)	(41,480)	(61,138)	(99,223)
Interest expense	(855)	(5,561)	(1,717)	(6,464)
Income tax expense	—	—	—	—
NET LOSS	\$ (27,561)	\$ (47,041)	\$ (62,855)	\$ (105,687)
OTHER COMPREHENSIVE LOSS				
Translation to reporting currency	5	(182)	101	(1,117)
TOTAL COMPREHENSIVE LOSS	\$ (27,556)	\$ (47,223)	\$ (62,756)	\$ (106,804)
NET LOSS ATTRIBUTABLE TO				
Equity shareholders of the Company	\$ (27,561)	\$ (47,041)	\$ (62,855)	\$ (105,687)
Non-controlling interest	—	—	—	—
NET LOSS	\$ (27,561)	\$ (47,041)	\$ (62,855)	\$ (105,687)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO				
Equity shareholders of the Company	\$ (27,556)	\$ (47,249)	\$ (62,785)	\$ (107,187)
Non-controlling interest	—	26	29	383
TOTAL COMPREHENSIVE LOSS	\$ (27,556)	\$ (47,223)	\$ (62,756)	\$ (106,804)
Net loss per common share basic and diluted	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding basic and diluted	50,872,213	50,798,915	50,869,726	50,798,915

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

**BIOCRUDE TECHNOLOGIES USA, INC.
 CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
 (EXPRESSED IN US DOLLARS)
 (UNAUDITED)**

	Number of shares	Par Value	Additional Paid-in Capital	Subscription Receivable	Accumulated Other Comprehensive Income	Deficit	Total equity attributable to equity shareholders of the Company	Non- controlling interest	Total
Balance at Dec. 31, 2024	50,854,726	\$50,855	\$9,100,972		\$ 28,627	\$(9,479,487)	\$ (299,033)	\$ (4,002)	\$(303,035)
Foreign currency translation loss	—	—	—	—	(1,292)	—	(1,292)	357	(935)
Net loss	—	—	—	—	—	(58,646)	(58,646)	—	(58,646)
Balance at March 31, 2025	<u>50,854,726</u>	<u>\$50,855</u>	<u>\$9,100,972</u>	<u>\$ —</u>	<u>\$ 27,335</u>	<u>\$(9,538,133)</u>	<u>\$ (358,971)</u>	<u>\$ (3,645)</u>	<u>\$(362,616)</u>
Foreign currency translation loss	—	—	—	—	(208)	—	(208)	26	(182)
Net loss	—	—	—	—	—	(47,041)	(47,041)	—	(47,041)
Balance at June 30, 2025	<u>50,854,726</u>	<u>\$50,855</u>	<u>\$9,100,972</u>	<u>\$ —</u>	<u>\$ 27,127</u>	<u>\$(9,585,174)</u>	<u>\$ (406,220)</u>	<u>\$ (3,619)</u>	<u>\$(409,839)</u>
Balance at Dec. 31, 2025	50,861,976	\$50,862	\$9,129,965	\$ —	\$ 28,648	\$(9,676,929)	\$ (467,454)	\$ (3,993)	\$(471,447)
Stock issued for services	5,500	6	21,994	—	—	—	22,000	—	22,000
Stock issued for cash	3,750	4	15,016	—	—	—	15,020	—	15,020
Foreign currency translation loss	—	—	—	—	67	—	67	29	96
Net loss	—	—	—	—	—	(35,294)	(35,294)	—	(35,294)
Balance at March 31, 2026	<u>50,871,226</u>	<u>\$50,872</u>	<u>\$9,166,975</u>	<u>\$ —</u>	<u>\$ 28,715</u>	<u>\$(9,712,223)</u>	<u>\$ (465,661)</u>	<u>\$ (3,964)</u>	<u>\$(469,625)</u>
Stock issued for services	1,358	1	5,431	—	—	—	5,432	—	5,432
Stock issued for cash	3,575	4	14,289	—	—	—	14,293	—	14,293
Foreign currency translation loss	—	—	—	—	5	—	5	—	5
Elimination of non- controlling interest	—	—	—	—	—	(3,964)	(3,964)	3,964	—
Net loss	—	—	—	—	—	(27,561)	(27,561)	—	(27,561)
Balance at June 30, 2026	<u>50,876,159</u>	<u>\$50,877</u>	<u>\$9,186,695</u>	<u>\$ —</u>	<u>\$ 28,719</u>	<u>\$(9,743,747)</u>	<u>\$ (477,456)</u>	<u>\$ —</u>	<u>\$(477,456)</u>

The accompanying notes to unaudited condensed consolidated financial statements

BIOCRUDE TECHNOLOGIES USA, INC.
 CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
 FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025
 (EXPRESSED IN US DOLLARS)
 (UNAUDITED)

	June 30, 2026	June 30, 2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (62,855)	\$ (105,687)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation	2,426	2,427
Stock issued for services	27,432	—
Unrealized foreign exchange (gain) loss	(29,142)	4,492
Prepaid expenses	—	5,200
Accounts payable and accruals	(14,076)	14,130
Accounts payable and accrued liabilities - related party	7,340	20,744
Accrued interest and interest expenses	1,515	754
Accrued interest - related party	11,048	101
Net cash used in operating activities	(56,311)	(57,839)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net cash used in investing activities	—	—
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from related party advances	3,857	58,529
Proceeds of loans payable	34,836	(498)
Repayments of related party debt	(12,402)	—
Proceeds from private placement(s)	29,313	—
Net cash provided by financing activities	55,603	58,031
CHANGE IN CASH DURING THE PERIOD	(708)	192
CASH BEGINNING	1,946	4
CASH ENDING	\$ 1,238	\$ 196
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Stock issued for services	\$ 27,432	\$ —
Non-cash Investing & Financing Activities:		
Common Stock issued for subscription receivable	\$ —	\$ —

See accompanying notes to unaudited condensed consolidated financial statements.

BIOCRUDE TECHNOLOGIES USA, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1 – ORGANIZATION AND GOING CONCERN

Nature of Operations

BioCrude Technologies USA, Inc. (the “Company”) was formed on August 4, 2015, under the laws of the State of Nevada, originally under the name of BioCrude Technologies, Inc. until it changed its name on November 8, 2016. The Company’s principal business objective is to provide resource management expertise and services, catering to commercial, municipal, and industrial customers, primarily in the areas of solid waste management and recycling services.

Interim Financial Statements

The unaudited interim consolidated financial statements of the Company have been prepared in accordance with United States generally accepted accounting principles (“GAAP”) for interim financial information and the rules and regulations of the Securities and Exchange Commission (“SEC”). They do not include all information and footnotes required by GAAP for complete financial statements. Except as disclosed herein, there have been no material changes in the information disclosed in the notes to the financial statements for the year ended December 31, 2025, included in the Company’s 2025 annual report on Form 10-K, filed with the SEC. The unaudited interim consolidated financial statements should be read in conjunction with those financial statements included in Form 10-K. In the opinion of management, all adjustments considered necessary for fair presentation, consisting solely of normal recurring adjustments, have been made. Operating results for the six months ended June 30, 2026, are not necessarily indicative of the results that may be expected for the year ending December 31, 2026.

Going Concern

The Company’s consolidated financial statements are prepared on a going concern basis in accordance with United States generally accepted accounting principles (“US GAAP”) which contemplate the realization of assets and discharge of liabilities and commitments in the normal course of business. The Company has not generated operating revenues to date and has accumulated losses of \$ 9,743,747 since inception. The Company has funded its operations through the issuance of capital stock, convertible debt, loans, and advances from related parties. Management plans to raise additional funds through equity and/or debt financing. There is no certainty that further funding will be available as needed. These factors raise substantial doubt about the ability of the Company to continue operating as a going concern. The Company’s ability to continue its operations as a going concern, realize the carrying value of its assets, and discharge its liabilities in the normal course of business is dependent upon its ability to raise new capital sufficient to fund its commitments and ongoing losses, and ultimately on generating profitable operations.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

These consolidated financial statements and related notes are presented in accordance with US GAAP and are presented in United States dollars.

The accompanying consolidated financial statements include the accounts of its 100% owned subsidiary, Biocrude Technologies (Hong Kong) Limited (“Biocrude HK”). All significant inter-company transactions and balances have been eliminated upon consolidation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring management’s estimates and assumptions include determining the fair value of transactions involving shares in common stock. Actual results could differ from those estimates.

Fair Value Measurements

The Company adopted the provisions of ASC Topic 820, “*Fair Value Measurements*”, which defines fair value as used in numerous accounting pronouncements, establishes a framework for measuring fair value and expands disclosure of fair value measurements.

The estimated fair value of certain financial instruments, including cash and cash equivalents, payables to related parties, and accounts payable and accrued expenses are carried out at historical cost basis, which approximates their fair values because of the short-term nature of these instruments.

ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 describes three levels of input that are used to measure fair value:

Level 1 - quoted prices in active markets for identical assets or

Level 2 - quoted prices for similar assets and liabilities in active markets or inputs that are observable

Level 3 - inputs that are unobservable (for example cash flow modeling inputs based on assumptions)

The Company’s financial assets and liabilities are subsequently measured at amortized cost, but their carrying amount approximates their fair value due to the short period of time until maturity.

Foreign Currency Translation and Transaction

The Company’s functional and reporting currency is the U.S. dollar. BioCrude HK maintains its accounting records in its local functional currency, the Hong Kong dollar.

Foreign exchange gains and losses on the settlement of foreign currency transactions are included in general and administration expenses. Except for translations of intercompany balances, all translations of monetary balances to the functional currency at the year-end exchange rate are included in the foreign exchange expense. The translations of intercompany balances to the functional currency at the year-end exchange rate are included in accumulated other comprehensive income or loss.

The Company has not, to the date of these consolidated financial statements, entered into derivative instruments to offset the impact of foreign currency fluctuations.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash balances and highly liquid instruments with an original maturity of six months or less. As of June 30, 2026, and 2025, the Company does not have cash equivalents.

Property, Plant and Equipment

Property, plant, and equipment are recorded at cost and depreciated to its estimated residual values using the straight-line method over its estimated useful lives of 8 years. Property, plant, and equipment consisted of the following:

	Server	Web Design	TOTAL
COST			
Balance, December 31, 2025 and June 30, 2026	\$ 30,048	\$ 7,326	\$ 37,374
ACCUMULATED DEPRECIATION			
Balance, December 31, 2025	\$ 24,512	\$ 3,825	\$ 28,337
Depreciation Expense	987	226	1,213
Balance, March 31, 2026	25,499	4,051	29,550
Depreciation Expense	987	226	1,213
Balance, June 30, 2026	\$ 26,486	\$ 4,277	\$ 30,763
PROPERTY, PLANT AND EQUIPMENT, NET			
Balance, December 31, 2025	\$ 5,536	\$ 3,501	\$ 9,037
Balance, June 30, 2026	\$ 3,562	\$ 3,049	\$ 6,611

Share-based Expense

ASC 718, “*Compensation – Stock Compensation*”, prescribes accounting and reporting standards for all share-based payment transactions in which employee services are acquired. Transactions include incurring liabilities, or issuing or offering to issue shares, options, and other equity instruments such as employee stock ownership plans and stock appreciation rights. Share-based payments to employees, including grants of employee stock options, are recognized as compensation expense in the financial statements based on their fair values. That expense is recognized over the period during which an employee is required to provide services in exchange for the award, known as the requisite service period (usually the vesting period).

The Company accounts for stock-based compensation issued to non-employees and consultants in accordance with the provisions of ASC 505-50, “*Equity – Based Payments to Non-Employees*.” Measurement of share-based payment transactions with non-employees is based on the fair value of whichever is more reliably measurable: (a) the goods or services received; or (b) the equity instruments issued. The fair value of the share-based payment transaction is determined at the earlier of performance commitment date or performance completion date.

Advertising Costs

Advertising costs are expensed as incurred. The Company incurred \$ nil in advertising cost during the six months ended June 30, 2026, and 2025, respectively.

Segment Reporting

The Company operates as a single operating and reportable segment as a provider of resource-management expertise and services. The Chief Executive Officer is the Company’s chief operating decision maker (“CODM”) and evaluates performance and allocates resources on a consolidated basis (see Note 7).

Income Taxes

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income for the years in which those differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the income statement in the period that includes the date of enactment. Additionally, ASC 740, “*Income Taxes*”, requires the Company to recognize in its financial statements the impact of a tax position that is more likely than not to be sustained upon examination based on the technical merits of the position.

Earnings Per Share Information

FASB ASC 260, “*Earnings Per Share*” provides for calculation of “*basic*” and “*diluted*” earnings per share. Basic earnings per share include no dilution and is computed by dividing the net loss available to common shareholders by the weighted average common shares outstanding for the period. Diluted earnings per share reflect the potential dilution of securities that could share in the earnings of an entity similar to fully diluted earnings per share. Basic and diluted loss per share were the same, at the reporting dates, as there were no common stock equivalents outstanding.

Recent Accounting Pronouncements Not Yet Effective

In November 2024, the FASB issued ASU No. 2024-03 “Disaggregation of Income Statement Expenses (“ASU 2024-03”). The amendments in ASU 2024-03 aim to the improvement of the decision usefulness of expense information on public business entities’ income statement through the disaggregation of relevant expense captions in the notes to the financial statements. ASU 2024-03 will be effective for the Company’s Annual Report on Form 10-K for the year ending December 31, 2027, with early adoption permitted. The Company is currently evaluating the impact of this update on its consolidated financial statements.

NOTE 3 – STOCKHOLDER’S DEFICIT

Common stock

The authorized common stock of the Company consists of 75,000,000 shares with a \$0.001 par value.

During the six months ended June 30, 2026, the Company issued 1,358 shares of the Company’s common stock, with a fair value of \$5,432 for services rendered. The Company also issued 3,575 shares of the Company’s common stock for cash proceeds of \$14,293.

During the six months ended June 30, 2025, the Company did not issue any of the Company’s common stock.

As of June 30, 2026, there were 50,876,159 shares of common stock issued and outstanding.

NOTE 4 – DEBT

As of June 30, 2026, the Company has loans payable of \$121,852 (December 31, 2025 – \$103,443) in principal and accrued interest of \$35,316 (December 31, 2025 - \$33,800) outstanding. Included in the balance of debt, \$50,473 (December 31, 2025 - \$29,439) was cash advanced with no interest bearing and due on demand and \$71,379 (December 31, 2025 - \$74,004) was loans that bear interest at a rate of 4% per annum, are unsecured, and are due on demand.

NOTE 5 - RELATED PARTY DEBT

As of June 30, 2026, the Company has debt of \$8,392 (December 31, 2025 - \$10,360) in principal and accrued interest of \$10,848 (December 31, 2025 - \$10,648) due to a director of the Company, that bears interest at a rate of 4% per annum, is unsecured, and is due on demand.

NOTE 6 – RELATED PARTY TRANSACTIONS

During the six months ended June 30, 2025, the CEO of the Company had earned compensation and advanced the Company of \$78,161 and was repaid \$498 which resulted in an accounts payable and accrued liabilities – related parties of \$181,323 as of June 30, 2025. These amounts are unsecured, without interest, and payable on demand.

During the six months ended June 30, 2025, the CEO’s brother in-law (and shareholder), had advanced the Company \$917 resulting in an accounts payable and accrued liabilities – related parties balance of \$7,780 as of June 30, 2025. These amounts are unsecured, without interest, and payable on demand.

During the six months ended June 30, 2025, the CEO’s brother (and shareholder), had advanced the Company \$195 resulting in an accounts payable and accrued liabilities – related parties balance of \$2,055 as of June 30, 2025. These amounts are unsecured, without interest, and payable on demand.

During the six months ended June 30, 2025, a director of the Company had advanced the Company \$ nil resulting in an accounts payable and accrued liabilities – related parties balance of \$1,043 as of June 30, 2025. These amounts are unsecured, without interest, and payable on demand.

During the six months ended June 30, 2026, the CEO of the Company had earned compensation and advanced the Company of \$13,025 and was repaid \$14,230 which resulted in an accounts payable and accrued liabilities – related parties of \$239,652 as of June 30, 2026 (December 31, 2025 - \$240,858). These amounts are unsecured, without interest, and payable on demand.

During the six months ended June 30, 2026, the CEO’s brother in-law (and shareholder), had advanced the Company \$nil resulting in an accounts payable and accrued liabilities – related parties balance of \$7,780 as of June 30, 2026 (December 31, 2025 - \$7,780). These amounts are unsecured, without interest, and payable on demand.

During the six months ended June 30, 2026, the CEO’s brother (and shareholder), had advanced the Company \$1,022 and was repaid \$1,022 resulting in an accounts payable and accrued liabilities – related parties balance of \$2,055 as of June 30, 2026 (December 31, 2025 - \$2,055). These amounts are unsecured, without interest, and payable on demand.

During the six months ended June 30, 2026, a director of the Company had advanced the Company \$ nil resulting in an accounts payable and accrued liabilities – related parties balance of \$1,043 as of June 30, 2026 (December 31, 2025 - \$1,043). These amounts are unsecured, without interest, and payable on demand.

The total of all activity discussed above equated to all related parties advancing the Company \$14,047 (December 31, 2025 - \$160,376) and being repaid \$15,252 (December 31, 2025 - \$22,066) during the six months ending June 30, 2026, and resulted in an ending accounts payable and accrued liabilities - related party balance of \$250,530 at June 30, 2026 (December 31, 2025 - \$251,736)

NOTE 7 – SEGMENT REPORTING

The Company operates as one operating segment. The Company’s chief executive officer, who is the CODM, evaluates the Company’s financial information and resources and assesses the performance of these resources on a consolidated basis. The measure of segment profit and loss for the Company’s single segment is net income (loss), which can be found in the consolidated statement of operations.

Geographic Information

The Company’s long-lived assets, comprising property, plant and equipment are all in one geographical location.

Segment Revenue and Loss

The following table sets forth significant expense categories and other specific amounts included in consolidated net loss that are otherwise regularly provided to the CODM for the six months ended June 30, 2026, and 2025.

	June 30, 2026	June 30, 2025
Revenue	\$ —	\$ —
Segment operating expenses:		
Business fees & licenses	38	1,684
Courier & postage	69	52
Office supplies	749	62
Motor vehicle expenses	1,261	1,020
Office expense	157	26
Telephone	1,273	1,012
Travel & entertainment	—	8,146
Food expense	1,094	1,254
Other ¹	(31)	1,134
Amortization expense	2,426	2,426
Accounting & legal	35,407	25,171
Professional fees	11,355	36,493
Wages & benefits	7,340	20,744
Total segment operations expense	61,138	99,224
Loss from operations	61,138	99,224
Interest expense	1,717	6,464
Segment net loss	\$ 62,855	\$ 105,688

¹ Other segment expense items included in Segment net loss include realized and unrealized (gain) loss on foreign exchange and bank fees.

NOTE 8 – SUBSEQUENT EVENTS

Management has evaluated subsequent events from June 30, 2026, through the date whereupon the financial statements were issued and has determined that there are no material events that need to be disclosed except as follows:

Subsequent to June 30, 2026, related parties made payments on the Company’s behalf of CAD \$172 and USD \$nil.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**Forward-Looking Statements**

This Form 10-Q includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included or incorporated by reference in this Form 10-Q which address activities, events or developments which the Company expects or anticipates will or may occur in the future, including such things as future capital expenditures (including the amount and nature thereof); finding suitable merger or acquisition candidates; expansion and growth of the Company's business and operations; and other such matters are forward-looking statements. These statements are based on certain assumptions and analyses made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate under the circumstances. However, whether actual results or developments will conform with the Company's expectations and predictions is subject to a number of risks and uncertainties, including general economic, market and business conditions; the business opportunities (or lack thereof) that may be presented to and pursued by the Company; changes in laws or regulation; and other factors, most of which are beyond the control of the Company.

These forward-looking statements can be identified by the use of predictive, future-tense or forward-looking terminology, such as "believes," "anticipates," "expects," "estimates," "plans," "may," "will," or similar terms. These statements appear in a number of places in this Filing and include statements regarding the intent, belief or current expectations of the Company, and its directors or its officers with respect to, among other things: (i) trends affecting the Company's financial condition or results of operations for its limited history; (ii) the Company's business and growth strategies; and (iii) the Company's financing plans. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve significant risks and uncertainties, and that actual results may differ materially from those projected in the forward-looking statements as a result of various factors. Such factors that could adversely affect actual results and performance include, but are not limited to, the Company's limited operating history, potential fluctuations in quarterly operating results and expenses, government regulation, technological change, and competition.

Consequently, all the forward-looking statements made in this Form 10-Q are qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated by the Company will be realized or, even if substantially realized, that they will have the expected consequence to or effects on the Company or its business or operations. The Company assumes no obligations to update any such forward-looking statements.

General Business Development

The Company was incorporated in Nevada on August 4, 2015, under the name BioCrude Technologies, Inc. On November 8, 2016, the Company amended its Articles of Incorporation to change its legal name to BioCrude Technologies USA, Inc. The relevant corporate documents were filed with the SEC as exhibits to the Company's registration statements on Form S-1 and related amendments.

Business Strategy

The Company is a resource management expertise and services provider, catering to commercial, municipal, and industrial customers, primarily in the areas of solid waste management and recycling services.

BioCrude Technologies USA, Inc. has developed processes and systems intended to support waste management, resource recovery and the production of renewable energy and marketable by-products.

The Company's research and development activities have focused on methods intended to improve composting and biomethanation yields, decomposition rates and end-product quality. Areas of focus include treatment protocols for municipal solid waste ("MSW"), cellulose, organic waste and manure; the production of renewable fuels such as biogas, ethanol and biodiesel; wastewater treatment; and other environmental applications.

A principal area of the Company’s business strategy is the conversion of MSW into renewable energy and marketable by-products through proposed integrated municipal solid-waste-to-energy complexes. Because MSW is heterogeneous, the Company’s proposed systems use separate processing pathways for organics, combustible fractions, recyclables, inert materials and other waste categories following segregation through a materials recovery facility (“MRF”). The Company currently relies primarily on proprietary know-how and intends to seek patents, trademarks and other intellectual-property protection where appropriate; however, no assurance can be given that such protection will be obtained or, if obtained, will be sufficient.

The Company’s long-term objective is to develop a sustainable resource-management business that converts solid-waste streams into renewable energy and marketable by-products. The proposed business model may generate revenue from waste-treatment or tipping fees, energy sales and the sale of recovered materials or other by-products. Management believes that increasing competition for finite resources may create opportunities to recover value from materials historically treated solely as waste. The Company seeks to create long-term value for customers, employees, communities and shareholders by helping municipalities and other customers manage resources in an environmentally responsible and financially sustainable manner.

The Company intends to pursue municipal solid-waste-to-energy opportunities in selected international markets, including Africa, Asia, the Balkans and North America, and may consider opportunities in Latin America. Potential project structures may include concessions, licensing arrangements, joint ventures and other public-private or commercial structures. The Company’s ability to implement any project will depend on, among other matters, obtaining definitive agreements, governmental approvals, financing and suitable counterparties.

Municipal solid waste management includes the collection, transportation, treatment, recycling, recovery and disposal of waste generated principally by households and commercial activities, with the objective of protecting public health and the environment.

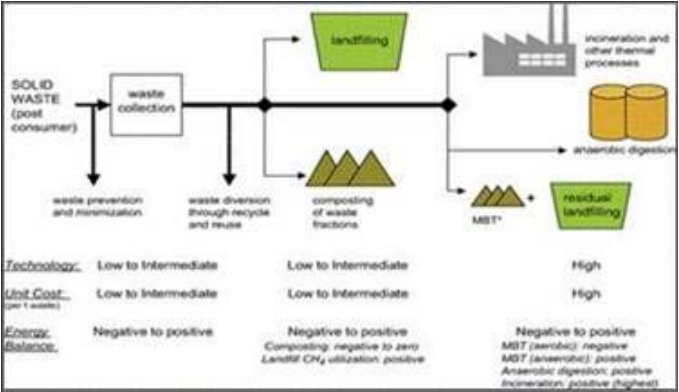
Municipal solid waste management (“MSWM”) is a significant responsibility of local governments and requires organizational capacity and coordination among public- and private-sector stakeholders.

The principal objectives of MSWM are to protect public health, improve environmental quality and sustainability, support economic productivity and create employment opportunities.

Waste-to-energy (“W2E”), also referred to as energy-from-waste (“EfW”), generally refers to processes that recover energy, including electricity, heat or fuel, from waste materials.

Conventional Municipal Solid Waste Management employs one or more of the following processes:

- Waste prevention, including reuse of products
- Recycling, including composting
- Combustion with energy recovery
- Disposal through landfilling



Landfilling is one of the most common ways of municipal solid waste disposal in developing countries. Air pollutants emitted from landfills contribute to the emission in the atmosphere of greenhouse gases and cause serious problems to human health.

Methane emissions from landfills are a serious environmental global concern, as it accounts for approximately 15% of current greenhouse gas emissions. Landfilling is a significant contributor to greenhouse gas emissions (GHG) accountable for approximately 5% of total GHG releases which consists of methane from anaerobic decomposition of solid waste and carbon dioxide from wastewater decomposition.

The past 20 years have seen a change in how we look at our environment. There has been a greater understanding of the economic, social, and environmental risks of not managing waste.

The main drivers of the W2E market are environmental factors, regulations and legislation and economic factors.

Environmental Factors

The Stern report, published in 2006, created an authoritative and eye-opening scientific report on the challenges of climate change. The report highlighted the need to decarbonize the power sector by 60% and reduce CO₂ emissions by 80% of current levels to ensure increases in global temperature do not exceed two degrees Celsius.

Regulations and Legislation

Scientific evidence, public awareness and increased levels of participation in environmental campaigning have led to governments worldwide implementing regulations and legislation. Examples include:

- EU Landfill Diversion Directive
- recycling targets
- climate change regulations

Nota Bene: It is only in the last two decades that governments worldwide have been working together to come to a consensus of standardized, environmentally friendly waste management directives, in order to become recognized and implemented practices.

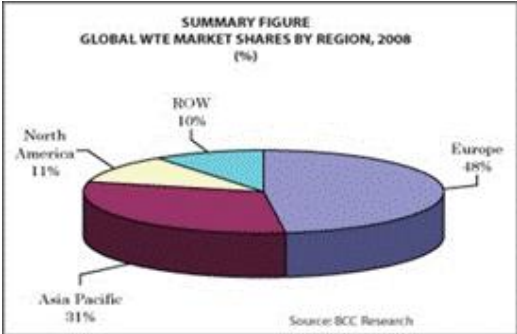
Economics

Economic drivers to developing the waste and renewable energy sector have included:

- waste disposal and landfill gate fees/landfill tax
- penalties/avoidance schemes (e.g., landfill allowance schemes and fines, carbon trading)
- energy prices

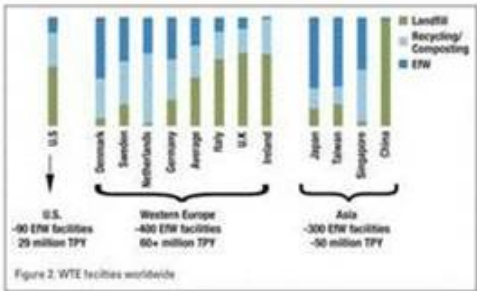
Waste to Energy Market Size and Trend

Renewable Energy: According to the most recent data available from the International Energy Agency, global waste to energy power production from municipal and industrial wastes increased from 283 terawatt hours to 383 terawatt hours, a 35% increase over that period. In-depth analysis of the global market, forecasts the market will increase from approximately \$27 billion in 2018 to \$450 billion by 2030.



MSW Management (Tipping/Gate fees): As long as there are people in our world, there will be waste generation. Depending on the demographics of people clusters (nations), the amount of waste generated on a per capita (person) basis can vary from 0.6 kg (persons in destitute third world countries (e.g., Niamey [Niger], Juba [South Sudan], Freetown [Sierra Leone], Port-au-Prince [Haiti])) to 1.8 kg (advanced societies with flourishing economies (e.g., New York City [US], Toronto [Canada], Paris [France], Dubai [UAE]) per person per day. With an approximate current world population (census 2020) of 7.8 billion persons, there is a minimum quantum (weighted average) of about 6,000,000 tons of waste generated on a per day basis. Depending on the national budget for the level of waste management treatment implemented by a certain nation, analysis of the global market forecasts the market will increase from approximately \$45 billion in 2020 to \$60 billion by 2030.

Nota Bene: The Market potential for Waste Management is not only “HUGE”, but at its infancy stage, ready to “EXPLODE”, with few credible corporations capable of servicing the same!



Source : <http://www.waste-management-world.com>

Competition

The market for Waste-to-Energy is dominated mainly by German, French, American and British companies. Ex.: AE&E Group GmbH, Axpo Kompogas AG, Babcock & Wilcox Volund A/S, Bedminster International Ltd., BiogenGreenfinch, BTA International GmbH, Community Power Corporation, CNIM, Covanta Holding Corporation, EcoCorp Inc., Keppel Integrated Engineering Ltd., North American Power Group Ltd., Organic Waste Systems NV, STRABAG Umwelthanlagen GmbH, Veolia Environmental Services, Waste Management Inc., and Wheelabrator Technologies Inc., among others.

Nota Bene: If you compare the technology of the **Competition** in juxtaposition to **BioCrude’s** (further elaborated upon, hereinunder, you will be able see why “**BioCrude is the logical choice for the present and the future**”.

Defining Waste Management for Municipal Applications

The provision of municipal solid waste services is a costly and troubling problem for local authorities everywhere. In many cities, service coverage is low, resources are insufficient, and uncontrolled dumping is widespread, resulting in environmental and health related problems, which are recognized worldwide, and cannot be neglected! Moreover, substantial inefficiencies are typically observed. Typically, worldwide, governmental waste management ordinance, surprisingly enough, encompasses inefficient waste collection, landfilling until over exhaustion, and incineration.

Out of concern for the quality of life of their residents, local municipalities bear primary responsibility for waste management. Municipalities will work with other municipal levels to identify the best collection, transportation, treatment and disposal methods for their respective jurisdictions. This includes identifying suitable sites for municipal, or regional waste management facilities, and managing and operating collection, transportation and treatment systems. To increase the environmental and economic efficiency of waste management, local municipalities will be responsible for planning waste management infrastructure and systems at the urban community and regional county municipality levels.

Biocrude, with its upgraded technologically advanced systems, can improve the quality of environment, ergo, life.

Waste management planning, as well as the production of renewable energy resources, are vital issues facing any city or municipality today. We are at a time where all levels of government recognize the importance and need for waste management. Be it for financial, environmental, or health issues. Room for improvement exists for the following:

1. Reduction, and eventually, the elimination of landfilling, as opposed to over exhausting (substituting proposed landfill sites with other forms of development (commercial, industrial, residential, agricultural, and community developments, amongst others – real estate value).
2. Reduction of Greenhouse Gases, and environmental pollutants with reference to ground and surface water contamination (**percolation of contaminated leachate**) alongside with the elimination of odors.
3. Further enhanced separation process for MSW, which could prelude to a more optimal recycling program.

Nota Bene: Landfilling is NOT a solution (contaminates the land forever, cost of construction, waste creation), but a deferral of a problem for future generations to handle. In essence, it is what it is; a PRACTICE that has been utilized for the longest period of time! Nothing more!

The myth that landfilling is a cost-effective solution is what it is, a myth. There are long term ramifications, especially when the landfills are not proper “Scientific Landfills” (environmental implications; rainfall, leachate, percolation, contamination (soil and water table). Even the fact that, if a Scientific Landfill is deployed (with membrane linings) at an astronomical cost (the cost of construction of a Scientific landfill, which could host approximately 2,000 TPD of waste for 25 years could costs approximately 100 MUS\$), after a few earth tremors or shifting of land, the membrane could crack, or over time, the membrane will deteriorate, thus yielding the same negative environmental impacts, only deferred in time.

Another issue to address is the continual use of landfills. As time goes on, and waste is continuously generated by the populous and its activities, more and more landfills have to be created, to a point where a good part of the country will become a cemetery for garbage. Municipalities/governments must plan to integrate their waste management from a strategic and financial perspective.

BioCrude, having set as its objective the “PROFITABILITY” of the activities inherent within the realms of this sector, whilst building business relationships and addressing social implications within the collectivity’s / communities that BioCrude is called upon to serve, beyond the environmental and social implications, and beyond the business imperatives, has set as one of its priorities, the optimization of waste management and, treatment thereof, all in conformity to the boundaries of economies, efficiency and adherence to environmental wellbeing initiatives. BioCrude has been involved in the R&D of Environmental Technologies, both process and product based, whereby it has enhanced and optimized conventional technology, thus giving credence to environmental, economic, social and technological well-beings too numerous to mention (all can be referenced, in its entirety, within BioCrude’s Integrated MSW-Energy Proposal. Shortlists of the aforesaid well-beings are summarized herein below:

1. Secure, cost-effective long-term processing capacity for recyclables and organics.
2. Improvement of effectiveness and efficiency of current waste systems/practices.
3. Elimination of MSW from going to landfills.
4. Procurement of Renewable Energy and Marketable by-products (fertilizer, primary feedstock for building materials, etc....) from the exploitation of the calorific value inherent within the realms of the MSW
5. Reduction of Greenhouse Gases and other environmental pollutants emitted into the atmosphere.
6. Municipalities do not have to undergo the cost of implementation; privatized via BOOT (Build, Own, Operate & Transfer), whereby BioCrude Technologies USA, Inc. will be lobbying to get the MSW, Land, Sewage treated Effluent and Resale of Electricity Concessions (with Sovereign Guaranties from the Ministry of Finance of the Government in question).
7. Due to the profitability of the proposal, significant savings could be passed onto the Municipalities, to reduce their day to day on going expenses for Municipal Waste Management, for the duration of the BOOT (30 years), by approximately 50% per annum, via MSW Tipping (Gate) Fees (favorably outbidding the competition and still having better bottom lines than same) and the Transport of the MSW to neighboring cities/provinces (states), without forgetting to mention the reduced GHG emissions from the substitution effect of BioCrude’s Integrated MSW to Energy proposal from landfilling and/or incineration. This surplus in savings can be used for other municipal social and infrastructural programs.
8. Employment opportunities are created during the EPC (Engineering, Procurement & Construction) phase of the project (a few hundred jobs) and for the day-to-day operations of the project (approximately 86 jobs per shift per 2,000 TPD Plant plus 11 people for administration X 3 shifts per day, equating to a total quantum of 269 persons).
9. The proposed solution is an integrated MSW management system based on energy recovery that respects the norms of a Clean Design Mechanism (“CDM”) inherent within the realms of article 12 of the Kyoto Protocol (“UNFCCC”) or any future proposed legislation regarding same and qualifies for Carbon Emissions Reduction Credits (“CER’s”).

Municipal Solid Waste

Municipal solid waste, in essence, is all solid waste generated in an area, except industrial and agricultural waste, typically from residences, commercial or retail establishments. Sometimes it includes construction and demolition debris and other special waste that may enter the municipal waste stream. The EPA (1998c) defined municipal solid waste as “a subset of solid waste and as durable goods (e.g., appliances, tires, and batteries), non-durable goods (e.g., newspapers, books, and magazines), containers and packaging, food wastes, yard trimmings, and miscellaneous organic wastes from residential, commercial and industrial non-process sources.

The MSW can be classified in the following categories:

- a) Organics
- b) Fuels
- c) Recyclables
- d) Inerts
- e) Miscellaneous

Each category has its own distinct composite classification. To achieve an optimal Waste to Energy procurement, one has to analyze separately the inherent category contributions to energy yield and its correlated technological process of extraction in obtaining same in the most economical sense available; thus, the importance of segregating the MSW into the appropriate categories of distinct feedstock is of principal importance for optimal performance in the appropriate technological processes.

In BioCrude’s MSW-Energy initiative, BioCrude Technologies USA, Inc. incorporated the following technologies in the Integrated Municipal Waste Processing (Waste to Energy) Complex in order to optimize the treatment process in an environmentally friendly manner by whilst optimizing the Revenue Model of same, and in turn, pass some of the savings back to the municipalities while still earning an impressive bottom line in juxtaposition to what the competition has to offer with regards to landfilling and incineration:

1. Separation of Waste Facility (Materials Recovery Facility)
2. Refuse Derived Fuel (“RDF”) Plant in order to handle the fuels of the MSW and produce Energy with an ash by-product
3. Bio-Methanation Plant in order to handle the organic fraction of the MSW (OFMSW) to produce Energy with a fertilizer by-product
4. Composting Facility (maximum 50 TPD) to handle a percentage of the OFMSW alongside with the small particles (plastics, ceramics...) that could not be efficiently separated within the separation process of the MSW (fuels in the Bio Methanation plant (plug flow digester) inhibit the process). The economies are no longer apparent in Composting facilities surpassing the 50 TPD capacities.
5. Power Plant

With BioCrude’s Integrated MSW to Energy proposal/initiative, BioCrude attempts to service each category of MSW in order to optimally utilize all renewable resources from same to procure renewable energy and marketable by-products (fertilizer, ash, etc.).

It is very important to note that the Separation Process of the MSW into the appropriate feedstock categories for each distinct process (organics for biomethanation (as well as for composting), and polymer-based hydrocarbons and cellulose-based products for RDF process) is of the utmost importance. Failure to do so can lead to complications and inevitable failure of each process in question. Evidence of Success and failure stories (especially with biomethanation plants, whereby the feedstock generated from MSW (organic fraction) had traces of more than 10% of polymer based products and/or inerts, thus inhibiting and/or limiting the viability of same) as can be found all over the world, and each outcome, in essence, can be summarized by Plant Technology Implementation and Feedstock Preparation (do not mix up technology viability with technology implementation and operation).

Nota Bene: With gasification and/or incineration (mass burn), MSW is dumped into the boiler “as is” and combusted at temperatures ranging from 800 – 12000C (minimum; plasma arc gasification temperatures range from 7,000 – 10,0000C). All waste is burned yielding an approximate net yield of energy for reuse (after self-consumption) of 30 – 40%. The organic fraction of the MSW (OFMSW) is burned, whereby the fertilizer potential via a biomethanation process (cooking) is substituted for an ash from the gasification/incineration process (es). Let us not even entertain what happens to the methane potential of same via gasification/incineration in lieu of biomethanation; LOST! Bottom line, “**Potential Revenues**” lost and operational costs of gasification/incineration processes are increased dramatically, up to the point where one has to substitute more energy (fuel) in order to sustain continuity of operation and/or to substitute the self-consumption energy requirements of the processes when the varying calorific value of a sample of the waste is deficient for same. One can do their own sensitivity analysis to evaluate the same and come to their own conclusions! BioCrude’s Integrated MSW-Energy Solution evolves from first principles of Science, Chemistry, Engineering, Economics and Common Sense!

The **Organics** portion of the MSW is treated via a **biomethanation** process, whereby all methane gas is extracted for the eventual realization of renewable energy creation, and a fertilizer procured as an additional by-product, which can be marketed to the agricultural industry.

The **polymer-based** (hydro-carbon chain), cellulose and textiles portion of the MSW will be treated via an **RDF** process (a derivative of gasification, but with the incorporation of a Materials Recovery Facility (MRF) [Separation process], where we have the luxury of operating at lower temperatures (350 – 400⁰C) because of the separation of the MSW, i.e. lower temperatures reflects less operational self-consumption, hence more outputs (energy) for resale), whereby the thermal combustion will generate renewable energy and the by-product of ash can be marketed to the construction industry for the following purposes:

- Concrete production, as a substitute material for Portland cement and sand
- Embankments and other structural fills (usually for road construction)
- Grout and Flowable fill production
- Waste stabilization and solidification
- Cement clinkers production - (as a substitute material for clay)
- Mine reclamation
- Stabilization of soft soils
- Road subbase construction
- As Aggregate substitute material (e.g. for brick production)
- Mineral filler in asphaltic concrete
- Agricultural uses: soil amendment, fertilizer, cattle feeders, soil stabilization in stock feed yards, and agricultural stakes
- Loose application on rivers to melt ice
- Loose application on roads and parking lots for ice control
- Other applications include cosmetics, toothpaste, kitchen counter tops, floor and ceiling tiles, bowling balls, flotation devices, stucco, utensils, tool handles, picture frames, auto bodies and boat hulls, cellular concrete, geopolymers, roofing tiles, roofing granules, decking, fireplace mantles, cinder block, PVC pipe, Structural Insulated Panels, house siding and trim, running tracks, blasting grit, recycled plastic lumber, utility poles and cross arms, railway sleepers, highway sound barriers, marine pilings, doors, window frames, scaffolding, sign posts, crypts, columns, railroad ties, vinyl flooring, paving stones, shower stalls, garage doors, park benches,

The fly ash can also be marketed to the agricultural industry for the following purposes:

- It improves the permeability status of soil
- Improves fertility status of soil (soil health) / crop yield
- Improves soil texture
- Reduces bulk density of soil
- Improves water holding capacity / porosity
- Optimizes pH value
- Improves soil aeration and reduces crust formation
- Provides micro nutrients like Fe, Zn, Cu, Mo, B, Mn, etc.
- Provides macro nutrients like K, P, Ca, Mg, S etc.
- Works as a part substitute of gypsum for reclamation of saline alkali soil and lime for reclamation of acidic soils
- Surface cover of bio reclaimed vegetated ash pond get stabilized and can be used as recreational park
- Ash ponds provide suitable conditions and essential nutrients for plant growth, help improve the economic condition of local inhabitants
- Works as a liming agent
- Helps in early maturity of crops & improves the nutritional quality of food crop
- Reduces pest incidence

There is a definite market for the fly ash by-product; the industry players in the global marketplace have to be clearly identified for the realization of commercialization. BioCrude can even offer these ash by-products pro-bono to industry or landfill, for there is no environmental hazard of same.

Recyclables can be easily sold to the recyclable industry milieu (metals, glass, ceramics, etc.)

The balance of the inerts (Construction and Demolition Debris, gravel, sand, bricks, etc.) can either be landfilled with no negative environmental impacts or crushed and given to companies specializing in the fabrication of construction materials (if a market is identified, BioCrude can offer them these by-products (crushed or uncrushed).

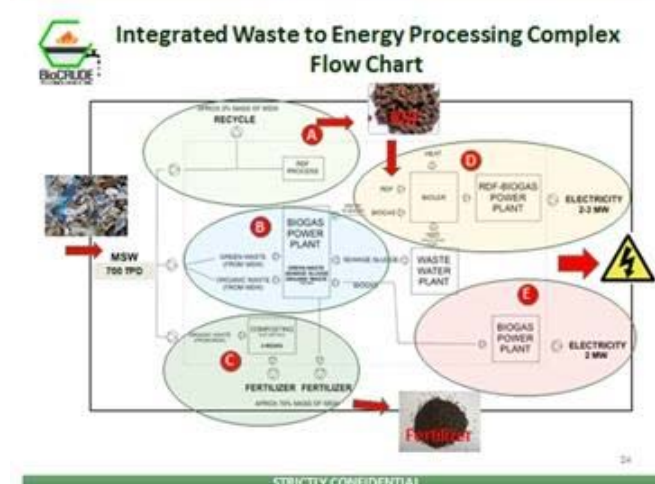
BioCrude’s Integrated MSW to Energy Complex for Municipal Applications

BioCrude’s solution of an Integrated Municipal Solid Waste to Energy complex is in line with the present trends in the Municipal Solid Waste (“MSW”) industry and the main advantage of same is that it is comprised of a Materials Recovery Facility (“MRF”) and different modular waste treatment processes (Composting, Bio-methanation and Refuse Derived Fuel (“RDF”)) and a power station, in order to treat the MSW and procure renewable energy and other marketable by-products (compost, ash and certain recyclables) with the added implication of practically zero-landfill policy (less certain inerts which have zero negative environmental impact, if landfilled).

The material components (modules) of an Integrated Municipal Solid Waste to Energy Complex are detailed as follows:

1. **Entrance to complex:** Kiosk and weighbridge (reception/departure and weighing of garbage trucks (pre-and-post deposit of MSW at the MSW Storage facility).
2. **MSW Storage facility:** Closed and properly ventilated warehouse facility for receiving and storing just in time (JIT) 3 days’ inventory of MSW. MSW is moved from the storage facility and moved via machinery and conveyor belts to the Materials Recovery facility.

- 3. **Materials Recovery facility (MRF):** a properly ventilated facility that houses different types of machinery/equipment (either procured from suppliers or built in-situ according to plan specifications) requisite for different facets of the separation process of the MSW into the distinct categories of the waste (organics, hydro-carbon polymer based, cellulose, inerts, miscellaneous (batteries, cadavers, etc....)) and prepare same as the distinct feedstock for the different waste treatment processes (Composting, Biomethanation and Refuse Derived Fuel (RDF)), as well as separate the recyclables for resale and the inerts (elements of construction and demolition debris that are not recyclable) for landfilling or to be crushed and given/sold (negligible in nature in comparison to the revenue model established by the tipping fees, and resale of electricity and compost) to the secondary markets for the manufacturing of building materials.
- 4. **Composting facility:** A portion of the land concession will host a type of composting system (Windrow [with procured mechanical mixing machinery (trucks) like compost turners or tub/horizontal grinders] or Static Aerated Piles [aeration system such as installed perforated piping to ensure steady oxygen supply (forced air) for the microorganisms and to reduce moisture content]), depending on BioCrude’s evaluation of the waste analysis. A fertilizer will be procured, dried and stored in a warehousing facility for by-products.
- 5. **Biomethanation facility:** Modular digesters are constructed in series and synchronized in operation to receive organics and process same to extract and capture the methane gas which will be piped to the Biogas – RDF power plant (will be combusted for the procurement of renewable energy) and in addition, yield a cured fertilizer which will be dried and stored in the warehousing facility for by-products.
- 6. **RDF facility:** A refuse derived fuel system (gasification derivative) will be procured and installed. The RDF facility will receive the hydro-carbon polymer and cellulose based waste products that will be used to make RDF pellets (compressed and dried) that will be used as the feedstock for combustion within same to generate renewable energy within the Biogas – RDF power plant.
- 7. **RDF – Biogas power plant:** will be procured and installed within a certain section of the Complex with a dedicated Distributed Control System (DCS) for the MSW-Energy (RDF & Biogas based) power plant & fuel processing plant (controls & instrumentation for the boiler and turbine, instrumentation for the balance of the power plant and control room).
- 8. **Internal roads:** will be constructed within the complex for vehicle/truck transport/passage within the complex.
- 9. **Green Belt:** will be developed for aesthetic purposes and municipal environmental conformities.



Business Model

The Company's business model is designed to create a profitable revenue stream through the direct acquisition of Concession Agreements from different Governments for the implementation of BioCrude's integrated MSW-Energy Complexes. Our products, processes and services marketed to the relevant target audience, enable us, to generate multiple revenue streams and consistent profitability derived from the high gross profit inherent within the realms of our proprietary products, services and applications.

By acquiring the necessary Concession (MSW, Land and Supply of Treated Effluent) and Power Purchase Agreements (PPA), from the respective governmental authorities of a certain country, with Sovereign Guarantees (with right of subrogation), the Company will develop its Integrated Municipal Solid Waste to Energy Complex, under “**BOOT**” (Build, Own, Operate & Transfer) basis.

The following contractual understandings are the key prerequisite elements for establishing a mutual meeting of the minds, by and between BioCrude Technologies USA, Inc., and the governmental authorities of a municipality / country, for the successful realization of BioCrude’s MSW-Energy Complexes:

1. **MSW Concession** for the guaranteed delivery of MSW to the Complex with an implied base tipping fee per ton (“Put or Pay”) with annual escalations for the term (30 years) of the project with an option of renewal for an additional term (30 years) and Sovereign Guarantees from the Minister of Finance endorsing same.
2. **Land Lease Concession** for the delivery of the required amount of land for project term (30 years), at an annual symbolic lease rate of \$1/amount of land delivered/annum, with an option of renewal for an additional term (30 years).
3. **Supply of Treated Effluent Concession** whereby the governmental authorities will supply the necessary treated water in order to fulfill the operational requirements of the MSW to Energy complex at a negligible symbolic annual rate for the term of the project with an option of renewal for an additional term (30 years).
4. **Power Purchase Agreement (PPA)** [resale of procured electricity to the Power Corporation of the country in question], whereby the Power Corporation of a certain country will buy back the electricity produced by the MSW to Energy Complex at a base rate per kW-hr (“Take or Pay”), with annual escalations for the term (30 years) of the project with an option of renewal for an additional term (30 years) and Sovereign Guarantees from the Minister of Finance endorsing same.
5. Assistance from the Appropriate Governmental Ministries and Municipalities in obtaining all necessary permits and clearances for the Construction and Operation of the MSW-Energy Complex (stipulations in contracts).

Nota Bene: Depending on a country’s policy on foreign investment, the Company may request or be granted an exemption of taxes, levies, duties, and all other relevant taxes applicable to the importation of all plant, materials, equipment and rolling stock for the Construction of the MSW-Energy complex, from the appropriate Ministries, related thereto.

All of the aforesaid Concession agreements must be granted at the same time in order for BioCrude to successfully realize the development (Engineering, Procurement and Construction) and operation of the MSW to Energy complex (the “Sovereign Guarantees” and right of subrogation are critical and paramount for the funding requirements of the MSW to Energy complex).

Target Market

BioCrude’s target market is the global waste-to-energy segment of the broader waste-management industry. The Company seeks to develop and implement integrated systems and processes for the conversion of municipal solid waste into renewable energy and other marketable by-products.

Management believes that the Company’s technology and project-development model may be suitable for deployment across Africa, Asia, the Balkans, the Gulf region and North America, with the potential for future expansion into other international markets, including Latin America.

The Company’s initial market-development strategy has focused on direct engagement, sustained governmental outreach and project-development activities with public authorities in selected jurisdictions. These efforts are intended to secure the concessions, approvals, governmental support and contractual frameworks required for the development of proposed waste-management and waste-to-energy projects.

The Company has conducted discussions and project-development activities with governmental authorities in the Republic of Côte d’Ivoire, the Union of the Comoros, the Republic of Guinea, Ghana, Senegal, Uganda, the Central African Republic, the Democratic Republic of the Congo, Tunisia and North Macedonia.

In Côte d’Ivoire, the Company’s activities included progressive engagement with the relevant governmental authorities concerning proposed concession and project-development arrangements for municipal solid-waste-to-energy complexes in Bouaké, within the District of Vallée du Bandama, and Dabou, within the District of Lagunes.

Strategies of the Company through Projected Renewable Energy Production

Strategies of the Company

BioCrude Technologies USA, Inc. (the “Company” or “BioCrude”) seeks to develop commercially viable revenue streams through the acquisition and implementation of long-term governmental concession agreements for integrated municipal solid-waste-to-energy complexes. The Company may also pursue licensing arrangements, strategic alliances, joint ventures and other public-private or commercial structures with governments, municipalities, utilities, engineering firms and qualified industry participants.

The Company’s direct-marketing strategy is focused principally on governmental and institutional decision-makers responsible for solid-waste management, environmental protection, land, water, energy and public finance. BioCrude prepares project-specific presentations, preliminary studies and technical materials and may deploy representatives to engage relevant authorities. Although management believes this approach has created a broad pipeline of governmental contacts and potential projects, there can be no assurance that such contacts will result in definitive agreements, financing, construction or operating revenue.

BioCrude’s long-term strategy is to convert waste streams into renewable energy and marketable by-products rather than rely principally on disposal through landfilling or conventional incineration. Potential outputs include renewable electricity, fertilizer or soil products, recyclables, feedstock for construction materials and other recoverable commodities. The Company believes that environmental regulation, landfill constraints, carbon-reduction initiatives and demand for renewable energy and recovered materials may improve the economics of this model over time. These expectations remain subject to commodity prices, operating costs, project performance, governmental policy and market demand.

The Company’s operating strategy is organized around four principal areas:

- structured pricing and revenue protection;
- cost control and operating efficiency;
- development of integrated waste-to-energy projects supported by long-term concession and power-purchase agreements; and
- asset and project management.

Pricing and Revenue Protection

BioCrude has developed standardized business-development and solicitation procedures and contemplates contractual pricing structures that may include minimum volume, put-or-pay and take-or-pay provisions. Under these structures, governmental or municipal counterparties may be required to provide a minimum quantity of waste or pay the corresponding minimum processing charge, while utilities or other off-takers may be required to purchase defined project outputs under long-term agreements.

The Company expects that project revenue, if generated, may be derived from a combination of waste-treatment, tipping, gate and material-processing fees; sales of renewable electricity and other marketable by-products; technology-license and joint-venture fees; engineering, procurement and construction management fees; and, where available, carbon or emissions-reduction credits. The Company may seek annual escalation provisions linked to inflation, an agreed index or a fixed contractual percentage.

Potential exposure to fluctuations in commodity prices, interest rates and foreign exchange rates may be managed, where commercially available, through floor-price arrangements, forward sales contracts, index-linked pricing, sovereign or governmental guarantees, financial hedging instruments and other contractual protections. No assurance can be given that such protections will be obtained or will fully mitigate the relevant risks.

Cost Controls and Operating Efficiencies

The Company intends to apply continuous-improvement programs throughout its operations and proposed projects. These initiatives are intended to enhance customer service and employee safety while reducing operating and administrative costs. Areas of focus include productivity, preventive maintenance, procurement, environmental compliance, quality control, project scheduling and operating performance.

Integrated Waste-to-Energy Development and Long-Term Concessions

BioCrude’s proposed projects are designed as integrated municipal solid-waste-to-energy complexes using multiple processing pathways for separated waste fractions. The Company’s business model generally requires several interdependent agreements to be executed or become effective concurrently, including:

- a long-term municipal solid-waste supply or concession agreement;
- land-use, lease or assignment rights;
- an agreement for the supply of treated effluent or other process water, where required;
- a power-purchase or energy off-take agreement;
- governmental permits, approvals and environmental authorizations; and
- payment-security arrangements, which may include sovereign or governmental guarantees.

Because these agreements are interdependent, the absence or delay of any material agreement may prevent a project from reaching financial close or construction. The Company expects that project development will require coordinated engagement with ministries responsible for environment, energy, finance, industry and local government, as well as municipalities, utilities and other governmental agencies.

Prior Commercialization Activities

Since 2008, BioCrude and its predecessor or affiliated Canadian operations have marketed waste-management and renewable-energy concepts in numerous jurisdictions. These activities have included direct presentations to governmental authorities, municipalities and major industry participants; participation in tenders; preparation of preliminary project materials; and discussions concerning concessions, licenses and joint ventures.

Historical activities included the establishment of a preliminary Romanian presence in anticipation of potential concession opportunities. Those efforts did not result in a project, and the Romanian entity subsequently became dormant. In India, BioCrude Canada and Jaipuria Advanced Technologies, Inc. formed a division to pursue waste-reformation and energy opportunities and participated in tenders relating to proposed projects in Okhla, Timarpur and Indore. BioCrude also discussed a proposed 50 metric-ton-per-day prototype in Panipat with PepsiCo India. These initiatives did not proceed to commercial implementation, and BioCrude later discontinued its Indian development efforts.

The Company states that its commercialization efforts have resulted in contacts with governments and ministries in more than 70 countries across North America, Latin America, Asia, the Middle East, Europe and Africa, together with letters of interest and preliminary discussions in certain jurisdictions. Such contacts and letters are preliminary and do not constitute binding project commitments or assurances of future revenue.

Company Milestones and Plan of Execution

BioCrude has devoted substantial time and resources to research, development and optimization of environmental technologies and project concepts relating to solid-waste treatment, organics processing, resource recovery and renewable-energy production. The Company’s proposed integrated approach combines materials recovery, organics treatment, energy production and recovery of marketable by-products.

For each project, management expects to proceed through a staged development process that generally includes governmental engagement, project definition, preliminary and detailed technical studies, negotiation of definitive agreements, financing, engineering and procurement, construction, commissioning and operations. The timing of each stage will depend on governmental approvals, counterparties, financing, engineering requirements and site conditions and may vary materially from management’s preliminary estimates.

BioCrude also evaluates financing alternatives involving capital markets, commercial and development-finance institutions, engineering and contracting firms, pension funds, strategic investors and hybrid or structured-finance arrangements. The Company has initiated discussions regarding certain alternatives, but no assurance can be given that financing will be available on acceptable terms or at all.

The Company has received a term sheet relating to proposed financing for a municipal solid-waste-to-energy project in the Union of the Comoros. Any financing and project commencement remain subject to definitive documentation, satisfaction of conditions precedent, governmental and contractual approvals and the lender’s disbursement requirements. If the project proceeds, the Company expects that engineering, procurement and construction management fees could become payable in accordance with agreed milestones and funding disbursements. The term sheet is not, by itself, assurance that the financing will close or that revenue will be recognized.

Competitive Positioning and Corporate Objectives

BioCrude intends to compete through its integrated engineering approach, technical expertise, service quality, cost effectiveness, technology platform and ability to coordinate multiple governmental and commercial arrangements. The Company seeks to develop constructive relationships with governments, municipalities and communities and to generate environmental, social and economic benefits in addition to financial returns.

The waste-treatment and resource-recovery industry is highly competitive and often regional. Competitors may have substantially greater financial, technical, operating and governmental-relations resources. BioCrude’s ability to compete will depend on its ability to secure projects, financing, qualified personnel, equipment suppliers and reliable counterparties and to deliver projects within required budgets and schedules.

Liquidity and Capital Requirements

The Company will require additional capital to fund corporate operations, maintain its reporting status, continue project-development activities and implement its business plan. Anticipated expenditures may include professional fees, governmental and project-development costs, travel, technical studies, engineering, due diligence, personnel, working capital and costs associated with proposed financings or offerings.

Management believes that the Company may have some flexibility in the timing of certain expenditures because its business plan is not dependent upon the completion of a single acquisition or concession on a fixed schedule. Nevertheless, delays in financing could require the Company to defer or reduce expenditures, delay project activities, seek strategic alternatives or discontinue selected initiatives.

The Company may seek capital through public or private equity offerings, debt, convertible securities, strategic investments, joint ventures or other financing instruments. Any financing may include preferential rights, conversion features, security interests, restrictive covenants or other terms that could dilute existing stockholders or adversely affect the Company. There can be no assurance that additional financing will be available when required, on acceptable terms or at all.

Management previously estimated that approximately US\$14 million in equity capital could be required to commence implementation of its business plan through development of an initial project and that at least approximately US\$1 million in corporate working capital could be required to support ongoing operations and project-development activities. These estimates are preliminary and may change materially based on project structure, contractor participation, financing conditions, schedule, scope and governmental requirements.

Revenue Model

BioCrude’s proposed revenue model is based principally on the following sources:

- 1. Project operating revenue. Project companies may generate revenue from waste-treatment and tipping fees, sales of renewable electricity, recovered materials, fertilizer or other marketable by-products, and qualifying carbon or emissions-reduction credits.
- 2. Joint-venture and technology-license fees. Under certain structures, a governmental, municipal, strategic or private-sector partner may acquire a license to participate in a project and contribute its agreed share of project equity.
- 3. Engineering, procurement and construction management fees. BioCrude may receive management or general-contracting fees, potentially calculated as a percentage of project capital cost, subject to definitive agreements and achievement of milestones.
- 4. Project-management, operating and maintenance fees. BioCrude or its affiliates may provide management, technical, operating or maintenance services to project companies under separate agreements.

No operating or project revenue has been generated to date. The amount and timing of any future revenue will depend on the execution and enforceability of definitive agreements, financing, construction, commissioning, plant performance, counterparty payment, applicable accounting requirements and other factors.

Project Development and Implementation Framework

A. Contract Conclusion, Engineering, Procurement and Construction

Following execution of the required concession, land, water-supply, power-purchase and governmental-support agreements, BioCrude expects to coordinate the transition from preliminary development to detailed engineering and project implementation. Early-stage activities may include confirmation of project scope, site and waste data; appointment of engineering, environmental, legal and financial advisers; development of a project schedule and budget; and satisfaction of financing conditions precedent.

B. Organizational Structure for Construction, Management, Operations and Maintenance

The Company expects each project to be implemented through a project-level special-purpose vehicle or other approved structure. Responsibilities may be allocated among BioCrude, governmental or municipal partners, engineering and construction contractors, equipment suppliers, lenders, utilities, operators and other service providers. The final organizational structure will depend on the project agreements and financing documents.

C. Project Implementation Plan

A project implementation plan would ordinarily address detailed engineering, procurement, construction, quality assurance, environmental and social compliance, health and safety, schedule control, commissioning, acceptance testing and transition to operations. Preliminary implementation periods are estimates only and may be affected by permitting, financing, supply-chain conditions, civil works, equipment delivery, weather, labor availability and governmental action.

D. Human Resources

Project implementation is expected to require personnel with experience in engineering, project finance, procurement, construction management, environmental compliance, commissioning, operations and maintenance. Recruitment and deployment will be phased according to project needs and available financing.

E. Project Management and Control

The Company expects to use project-management and reporting systems to monitor cost, schedule, procurement, construction progress, contractor performance, quality, risk, change orders and compliance with financing and governmental requirements.

F. Environmental and Social Review

Each project is expected to require environmental and social studies and approvals appropriate to its jurisdiction. The review process may include baseline studies, waste characterization, air and water analyses, traffic and community assessments, mitigation measures, stakeholder consultation, monitoring and regulatory reporting. No project may proceed unless the required approvals are obtained and maintained.

Material Agreements and Strategic Relationships

BioCrude’s proposed projects depend on the negotiation and execution of definitive concession, waste-supply, land, water, power-purchase, financing, engineering, construction, operating and governmental-support agreements. Preliminary memoranda, protocols, letters of interest, term sheets and similar documents may be non-binding and may expire, be amended or be terminated before definitive agreements are executed.

On April 4, 2017, China Machinery Industry Construction Group Inc. (“SINOCONST”) and BioCrude Technologies, Inc. entered into a Strategic Partnership and Joint Venture Agreement that contemplated an exclusive relationship for present and future waste-to-energy projects acquired by either party worldwide. The scope, continuing effect and applicability of this relationship to any specific project depend on the terms of the agreement, subsequent amendments, project-specific arrangements and the parties’ continuing performance.

The Company has also discussed potential project-financing and insurance structures with Chinese and other financial institutions. Any references to prospective lenders, insurers or contractors represent contemplated relationships only unless and until definitive project-specific agreements have been executed and all conditions precedent have been satisfied.

Status of Corporate Activities and Key Milestones

The Company continues to pursue governmental and strategic relationships, evaluate project opportunities and seek financing. Management’s near-term priorities include maintaining the Company’s corporate and SEC-reporting status, advancing the most viable project opportunities, negotiating definitive project documents, strengthening technical and financial partnerships and raising sufficient working capital.

The Company’s activities remain subject to substantial uncertainty. Governmental projects may be delayed, modified or cancelled; counterparties may not execute definitive agreements; financing may not be available; and project-development expenditures may not be recoverable. Investors should not assume that a project described as proposed, contemplated or under discussion will proceed to construction or generate revenue.

Proposed Côte d’Ivoire Projects—Development History, Current Status, Agreements and Conditions

Project Origin and Governmental Engagement

In May 2023, BioCrude formally submitted proposals for integrated municipal solid-waste-to-energy projects serving Dabou, in the Autonomous District of Lagunes, and Bouaké, in the District of Vallée du Bandama. The proposals contemplated the conversion of municipal solid waste into renewable electricity and other marketable by-products, with the objective of materially reducing or eliminating reliance on landfilling. The submissions were delivered to the principal ministries, agencies, investment and public-private-partnership authorities, regional governments and municipalities having responsibility for environmental protection, sanitation, waste management, energy, finance, investment promotion, industrial land and local administration.

On May 25, 2023, the Ministry responsible for environment and sustainable development circulated internal memoranda advising other governmental authorities that it supported the proposed projects and requesting their observations. On August 22, 2023, the Centre de Promotion des Investissements en Côte d’Ivoire (“CEPICI”) confirmed the projects’ eligibility for investment incentives and identified potential fiscal, customs and contractual support measures, subject to the applicable approval processes and definitive documentation. CEPICI also encouraged the relevant governmental authorities to commence technical discussions and negotiations with BioCrude.

Beginning September 6, 2023, the Ministry of Mines, Petroleum and Energy and Côte d’Ivoire Énergies (“CI-ENERGIES”) held a series of work sessions with BioCrude concerning the proposed projects. On October 3, 2023, BioCrude submitted a request to the Société de Gestion et de Développement des Infrastructures Industrielles (“SOGEDI”) for industrial land under an emphyteutic or comparable long-term arrangement. A proposed parcel having the requested zoning and site characteristics was subsequently identified, subject to further governmental, technical and legal approvals.

February 2024 Protocol of Agreement

On February 5, 2024, the Government of Côte d’Ivoire, acting through the Director General of Energy, and BioCrude executed a Protocol of Agreement for the proposed development, financing, construction and operation of two hybrid biomass and municipal solid-waste thermal power plants, each with a contemplated capacity of approximately 16 megawatts, at Dabou and Bouaké. The protocol contemplated a build-own-operate structure, interconnection to the national electricity system and the development of associated infrastructure. The protocol also identified CI-ENERGIES as the entity responsible for validating the studies and proposed electricity off-take arrangements.

Under the protocol, BioCrude was expected to prepare or coordinate the technical, financial and environmental studies required for project evaluation; develop an implementation schedule; collect and analyze legal, fiscal, customs, technical, commercial and operational information; prepare preliminary environmental work; undertake studies for the electricity-evacuation network; and develop a project financial model. The contemplated technical work included topographic, geological, geotechnical and hydrological studies; access, transport and logistics assessments; grid-interconnection and network-impact studies; biomass-supply and waste-characterization work; plant-sizing analysis; operating and maintenance planning; and preliminary environmental and social-impact studies.

The governmental authorities, in turn, were expected to facilitate access to available information, assist with permits and approvals, identify and support the required plant and electricity-evacuation sites, coordinate with CI-ENERGIES and other agencies, and negotiate definitive concession and off-take documentation if the projects satisfied the applicable technical, environmental and financial requirements. The protocol contemplated further negotiations concerning land, fuel or waste supply, electricity pricing, financing, construction, commissioning, operation and the transfer of certain associated electricity infrastructure. It was initially stated to have a 12-month duration, subject to extension by agreement of the parties and to its termination provisions.

On March 4, 2024, BioCrude commissioned the required feasibility-study work for both projects through the engineering firm designated for the process. On March 5, 2024, the Governor-Minister of the Autonomous District of Lagunes executed concession documentation and a deed of assignment under a proposed public-private-partnership structure for the Dabou project. On March 8, 2024, the Governor-Minister of the District of Vallée du Bandama executed corresponding documentation for the Bouaké project. The legal effectiveness, enforceability and implementation of those instruments remained dependent on the satisfaction of conditions, coordination with national authorities, completion of the required studies, and execution or effectiveness of the additional project agreements and governmental approvals described below.

Waste-Characterization Dispute and Prime Ministerial Review

During the subsequent project-development and technical-review process, LABEX, an independent engineering and laboratory firm and an approved governmental supplier in Côte d’Ivoire, completed waste-characterization work for the proposed projects. LABEX issued both a waste-characterization report and a certification report confirming the work performed and the results presented. Management believes that the study was properly conducted, that its findings are accurate and reliable, and that the report satisfied the technical requirements communicated to the Company for the applicable stage of project development.

A disagreement subsequently arose between the Company and the technical division of the Ministry of Mines, Petroleum and Energy concerning the acceptance, treatment and use of the LABEX report and accompanying certification. The technical division raised additional objections and requirements notwithstanding the completion and certification of the work. Management believes that certain objections were inconsistent with the previously established technical process and had the effect of delaying and complicating advancement of the projects.

Management further believes that the treatment of the LABEX report and the additional procedural obstacles may have been influenced, in part, by tensions that arose between the Company and certain technical officials during the review process. The Company cannot independently establish the motives of any governmental official, however, and no governmental authority has formally determined that retaliatory considerations affected the technical review.

In response to the continuing disagreement, administrative delays and uncertainty concerning the approval process, the Company delivered notices withdrawing from the proposed projects and related negotiations. Management viewed the withdrawal as a strategic measure intended to protect the Company's interests, preserve its negotiating position and avoid further expenditures in the absence of a clear and reliable path toward governmental approval and implementation.

The dispute concerning the LABEX report, its certification and the technical-review process has been submitted to the Office of the Prime Minister of the Republic of Côte d'Ivoire for review and possible intervention. As of the date of this report, the Company is awaiting feedback from the Office of the Prime Minister and a resolution of the matter, whether through renewed discussions, clarification of the governmental technical position, confirmation that the projects will not proceed, or another outcome.

Although the Company communicated its withdrawal, management believes that the projects continue to address significant waste-management, sanitation, environmental and energy needs in Côte d'Ivoire and that governmental authorities may seek to reopen discussions if the technical and institutional disagreements are resolved. There can be no assurance, however, that the Office of the Prime Minister will intervene in the Company's favor, that the LABEX report will be accepted, that negotiations will resume, or that either project will proceed.

As of the date of this report:

- the Company is awaiting a response from the Office of the Prime Minister concerning the dispute;
- the disagreement concerning the LABEX waste-characterization report and certification has not been formally resolved;
- the Company has not received a binding commitment that negotiations or active project-development activities will resume;
- certain regional concession and assignment instruments were executed in March 2024, but their effectiveness and implementation remain subject to unresolved conditions, national-level approvals and the completion or effectiveness of other material project agreements;
- no binding power-purchase agreement, sovereign or governmental guarantee, final land grant, financing agreement or complete project implementation package is in effect; and
- the Company cannot predict the timing, nature or outcome of the Prime Minister's review or whether the projects will be reactivated.

Any resumption would require, among other matters, an acceptable resolution of the technical-review dispute; recognition or mutually acceptable treatment of the LABEX report and certification; confirmation of project sites, waste quantities and characteristics; renewed governmental engagement; and the negotiation, validation or effectiveness of all required technical, commercial, financing and governmental arrangements.

1. Public-Private Partnership, Concessions and Protocol of Engagement

The February 2024 Protocol of Agreement established a preliminary framework for cooperation between the Government of Côte d’Ivoire and BioCrude concerning two proposed 16-megawatt facilities at Dabou and Bouaké. In March 2024, the respective Governor-Ministers executed proposed concession agreements and deeds of assignment under public-private-partnership structures. These instruments contemplated rights necessary to develop and operate the projects, but their practical implementation remained dependent on national governmental coordination, completion and acceptance of the required studies, negotiation of definitive commercial terms, and satisfaction of applicable conditions and approvals. No assurance can be given that the protocol or the regional concession and assignment instruments will be reinstated, validated, implemented or supplemented by all agreements necessary to commence construction or operations.

The Company previously estimated that Côte d’Ivoire had a population of approximately 26.4 million, generated approximately 0.9 kilograms of municipal solid waste per person per day and collected approximately 65% of generated waste. Based on those preliminary assumptions, management estimated that the country could generate or collect at least approximately 16,000 metric tons of municipal solid waste per day and potentially support six to eight waste-to-energy complexes, including centralized facilities serving multiple municipalities. These estimates are preliminary and remain subject to updated demographic, collection, waste-characterization, engineering, environmental, feasibility and governmental review.

2. Sovereign or Governmental Guarantees

The contemplated project structure included governmental support for obligations arising under waste-supply, land, treated-effluent, power-purchase, concession and related agreements. Potential obligations could include tipping or treatment fees, electricity and by-product payments, termination amounts and other sums payable following a governmental default or compensable breach. The scope and enforceability of any governmental guarantee would depend on definitive instruments, approval by the Ministry responsible for economy and finance, and compliance with applicable law. No sovereign or governmental guarantee is presently in effect.

3. Site Identification and Land Rights

Potential sites for the Dabou and Bouaké projects were identified, and BioCrude received a proposed industrial parcel following its October 2023 request to SOGEDI. The contemplated land arrangements included governmental assignment of state or industrial-development land or an emphyteutic or other long-term lease. Final land rights would require surveys, site descriptions, title or occupancy documentation, environmental and technical confirmation, and completion of the applicable governmental and contractual procedures. No final, unconditional land right is presently effective for construction of either project.

4. Assignment, Change of Control and Financing Rights

The proposed project arrangements were intended to permit BioCrude, subject to governmental consent and definitive documentation, to assign project rights to an affiliate, project-level special-purpose vehicle, financing party or other permitted entity, and to pledge or otherwise provide project rights as security for financing. BioCrude contemplated the possible participation of BioCrude Technologies (Hong Kong) Limited. Any assignment, change of control, subrogation or security interest would remain subject to the governing agreements, financing documents, governmental approvals and Côte d’Ivoire law. The Company presently has no fully effective project-financing or security rights relating to the proposed projects.

5. Tax, Customs and Investment Incentives

CEPICI’s August 2023 correspondence confirmed preliminary eligibility for investment incentives that could include fiscal, customs and import-duty relief, subject to applicable investment-code procedures, governmental approvals and definitive documentation. The contemplated incentives included potential relief from value-added tax; customs and import duties on machinery, vehicles, materials and equipment; and certain corporate taxes applicable to project companies. The availability, duration and scope of any incentive remain conditional, and no complete incentive package is presently effective for either project.

Preliminary Financial Metrics

The Company previously prepared preliminary financial projections for a proposed facility in the Autonomous District of Lagunes and anticipated that the Bouaké facility could have substantially similar characteristics because the two plants were contemplated as projects of comparable capacity and design. The financial model requirements attached to the February 2024 protocol contemplated detailed assumptions concerning capital and operating costs, financing structure, electricity pricing, waste or biomass supply, taxation, debt service, investment returns, sensitivity analysis and financial statements.

All projections remain preliminary and are subject to resolution of the LABEX dispute; confirmation of waste quantities and composition; governmental acceptance of the technical studies; site and geotechnical conditions; final engineering and environmental requirements; capital and operating costs; electricity tariffs and power-purchase terms; waste-treatment fees; financing availability; tax and customs treatment; governmental support; construction schedules; and the execution or effectiveness of definitive project agreements. Because the Company withdrew from the active governmental process, the matter remains under review by the Office of the Prime Minister and the complete project agreement package is not in effect, the Company cannot determine whether the projects will proceed or whether prior projections would remain applicable if discussions resume.

Côte d’Ivoire Risk Factor

The proposed Côte d’Ivoire projects are subject to an unresolved technical and governmental dispute and may never be reactivated. Although management believes that the LABEX report is accurate, reliable, properly certified and sufficient for the applicable stage of project development, the relevant technical division has not accepted or acted upon it in a manner satisfactory to the Company. The matter is under review by the Office of the Prime Minister, and the Company cannot predict whether the dispute will be resolved in its favor, whether further work will be required, or whether project discussions will resume.

Although the February 2024 protocol and certain March 2024 regional concession and assignment instruments were executed, material conditions, national approvals and related agreements remain outstanding or unresolved. Governmental authorities could reject or require revisions to the technical work, impose additional commercial or technical conditions, decline to implement the existing instruments, select another developer or determine that the projects will not proceed. The Company may incur additional costs if discussions resume, and there can be no assurance that such expenditures would result in effective agreements, financing, construction or revenue. Investors should not attribute value to the proposed projects as completed, financed or revenue-generating assets.

Technical Data and Financial Metrics for One Proposed Complex

The following assumptions are illustrative and relate to a proposed complex designed to process approximately 2,000 metric tons of municipal solid waste per day. They are preliminary and subject to definitive agreements, final engineering, waste characterization, financing, construction and operating performance.

Minimum Feedstock Supply and Put-or-Pay Provisions

The contemplated project agreements would require the applicable governmental or municipal authority to deliver a minimum contracted quantity of municipal solid waste. For a facility designed to process approximately 2,000 metric tons per day, the public authority would be obligated to make that minimum quantity available in accordance with the applicable put-or-pay provisions.

Under a put-or-pay arrangement, the public authority would remain responsible for the minimum contracted waste treatment or processing charges even if actual deliveries were below the agreed minimum. Subject to definitive terms, the project company would therefore be entitled to payment based on the contracted minimum rather than solely on the quantity physically delivered.

Revenue from Marketable By-Products

For illustrative purposes, projected annual processing volume would be calculated as 2,000 metric tons per day multiplied by 365 days per year, or approximately 730,000 metric tons annually. Applying an illustrative contractual rate of US\$60.50 per metric ton would produce an illustrative first-year amount of approximately US\$44.165 million attributable to the applicable by-product or processing revenue category. This calculation is not a forecast of recognized revenue.

Under the contemplated structure, the applicable rate could increase by 4.5% annually, compounded during the initial contract term and any renewal period. Actual revenue would depend on definitive contractual terms, facility availability, performance, production volume and quality, market demand, counterparty payment and applicable accounting requirements.

Minimum Billing Quantity

The minimum billable quantity for marketable derivative by-products would be based on the facility’s contracted minimum processing capacity and the applicable put-or-pay provisions. This mechanism could apply independently of fluctuations in the actual number or quantity of by-products produced, except as otherwise provided in definitive agreements. Renewable-electricity revenue and any carbon or emissions-reduction credits would be calculated separately.

Renewable Electricity Tariff

The proposed power-purchase agreement would establish an initial tariff for electricity generated by the facility. During the first year following commercial operation, electricity would be sold to the applicable utility or authorized off-taker at the contractual tariff. Thereafter, the tariff could be adjusted annually under an agreed escalation or indexation formula linked to inflation, another economic index, a fixed percentage or another negotiated methodology. The actual tariff, indexation, payment security and adjustment provisions would be established in the definitive power-purchase agreement.

Projected Renewable Energy Production

For a facility receiving a minimum guaranteed supply of approximately 2,000 metric tons of municipal solid waste per day and assuming an average calorific value of approximately 2,200 kilocalories per kilogram, management has projected gross renewable-electricity generation of approximately 16 megawatts. After accounting for electricity required to operate the facility and its ancillary systems, projected net electricity available for sale would be approximately 13.4 megawatts.

These figures are preliminary estimates and remain subject to confirmation through final waste-characterization studies, engineering design, equipment selection, plant efficiency, moisture content, calorific value, facility availability, parasitic load, operating conditions and other technical factors. They should not be interpreted as guarantees of output, revenue or project performance.

Summary of Illustrative Project Assumptions

Illustrative Assumption	Amount / Description
Minimum contracted waste supply	Approximately 2,000 metric tons per day
Illustrative annual processing volume	Approximately 730,000 metric tons
Illustrative by-product / processing rate	US\$60.50 per metric ton
Illustrative first-year amount at stated rate	Approximately US\$44.165 million
Illustrative annual escalation	4.5%, compounded, subject to definitive agreements
Assumed average calorific value	Approximately 2,200 kcal/kg
Projected gross generation	Approximately 16 MW
Projected net electricity available for sale	Approximately 13.4 MW

TECHNICAL DATA / FINANCIAL METRICS & PROJECTIONS FOR 1 COMPLEX

Project Development & Implementation

Project Capacity	2 000 tons /day
Electricity recovery	16.0 MW- h (gross) 13.4 MW-h (net)
Fertilizer production	320 tons/day
Construction material recovery	600 tons/day
Carbon Credits (CER's)	132,000 tons CO2/y
Tipping fee rates	\$ 0.00 US/ton
Resale electricity rates (PPA)	\$ 0.074 US/kW-h
Resale of marketable by-products rates **	\$ 60.50 US/ton
Carbon Emissions Reduction Credits (CER's) resale rates	\$ 0.00 US/ton (CO2) [BONUS]

Project Cost

Process engineering & technology (JV – License)	0.0 million USD
Construction cost	128.7 million USD
Working capital	6.8 million USD
Construction schedule (from groundbreaking)	18 - 20 months
Total Project Cost	135.5 million USD

Project Finance

Equity	13.3 million USD
Debt	115.0 million USD
Deferred debt (construction period)	7.2 million USD
Total Project Cost	135.5 million USD

Revenue*

Base Resale of marketable by-products (\$60.50 X 2,000 tons)	46.2 million USD
Electricity recovery	7.9 million USD
Carbon credits (CER's)	0.0 million USD
Construction material recovery	0.0 million USD
Total Revenue	54.1 million USD/year

Expenses	37.9 million USD/year
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Net Income	16.2 million USD/year
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Note Bene

*Official 1st full year of operation following construction, i.e. year 3

**** Minimum Feedstock Supply and Put-or-Pay Provisions**

Under the contemplated project agreements, the applicable governmental or municipal authorities would be required to deliver a minimum contracted quantity of municipal solid waste to each project facility. For a facility designed to process approximately 2,000 metric tons per day, the relevant public authority would be obligated to make available that minimum daily quantity in accordance with the applicable put-or-pay provisions.

Under a put-or-pay arrangement, the public authority would remain responsible for paying the minimum contracted waste-treatment or processing charges even if the quantity of waste actually delivered during a particular period is less than the agreed minimum. Accordingly, the project company would be entitled, subject to the terms of the definitive agreements, to receive payment based on the contracted minimum quantity rather than solely on the volume physically delivered.

Going Concern

The Company’s financial statements are prepared using accounting principles generally accepted in the United States of America applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has not generated operating revenues to date and has accumulated losses of \$9,740,520 since inception. The Company has funded its operations through the issuance of capital stock, convertible debt, loans, and advances from related parties. Management plans to raise additional funds through equity and/or debt financing. There is no certainty that further funding will be available as needed. These factors raise substantial doubt about the ability of the Company to continue operating as a going concern.

Under the going concern assumption, an entity is ordinarily viewed as continuing in business for the foreseeable future with neither the intention nor the necessity of liquidation, ceasing trading, or seeking protection from creditors pursuant to laws or regulations. Accordingly, assets and liabilities are recorded on the basis that the entity will be able to realize its assets and discharge its liabilities in the normal course of business.

The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish the plan described in the Business paragraph and eventually attain profitable operations. The completions of financial statements do not include any adjustments that may be necessary if the Company is unable to continue as a going concern.

During the next year, the Company’s foreseeable cash requirements will relate to continual development of the operations of its business, maintaining its good standing and making the requisite filings with the Securities and Exchange Commission, and the payment of expenses associated with research and development. The Company may experience a cash shortfall and be required to raise additional capital.

Historically, it has mostly relied upon internally generated funds and funds from the sale of shares of stock to finance its operations and growth. Management may raise additional capital through future public or private offerings of the Company’s stock or through loans from private investors, although there can be no assurance that it will be able to obtain such financing. The Company’s failure to do so could have a material and adverse effect upon it and its shareholders.

Plan of Operation

With the signing of the Concession Agreements with the country of the Republic of Côte d’Ivoire, the Company, during the next twelve months, will be able to aggressively implement the building of its corporate infrastructure by adding a few key senior managers to oversee the control of the management of the Complexes and the general management of the Company. In addition, technical staff experienced in the management of the Engineering, Procurement, and Construction (“EPC”) activities, a key component in controlling the successful creation of a Complex, will also be hired. The anticipated cost for accomplishing this is approximately twenty million United States dollars (20,000,000 USD), which includes the provisions for infrastructure development of the Company (construction, fixed assets and equipment procurement), human resource staffing and working capital. The anticipation of raising funds through a common share offering will further allow the Company to comfortably expand operations (with enhanced Research and Development), in sync, with the essence of BioCrude’s mission, as elaborated within these presents.

The crucial factor to financial success is the rapid successful signing of additional concession agreements. Each such agreement requires an immediate investment in the capital stock of the legal entity created for the purpose of building and subsequently operating the Complex. Additional investments in the capital stock of each Complex totaling ten percent (10%) of the capital expenditure for a given complex must be made in conjunction with the securing of long-term debt provided by financial institutions (made possible by the sovereign guarantees included in the Concession Agreements). The legal entities created for the Complexes in a given country take a wholly owned subsidiary of a joint venture owned fifty per cent (50%) each by the Company and the local government providing the sovereign guarantee. The Company anticipates the creation of a total of eight (8) subsidiaries and two (2) joint ventures requiring a total of approximately \$46 million (note: each joint venture entity requires the upfront payment of a licensing fee on the part of the Company’s joint venture partner, partially offsetting the Company’s investment in the Complex and providing a portion of the funds required to operate the Company and make further investments in additional Complexes).

Asset Management

BioCrude’s capital strategy will be focused in two main areas:

- Implementing operating programs that improve capital efficiency and asset utilization; and
- Pursuing selective strategic investment opportunities in waste transformation and resource optimization.

BioCrude seeks to selectively invest growth capital in high-return opportunities that will enhance its ability to support emerging customer and market needs in waste transformation and resource optimization. The investment strategy seeks to leverage core competencies in materials processing to create additional value from the waste stream.

Revenue Streams

The Company has identified five (5) main revenue streams. Revenues derived from each Complex (Plant Operating Revenue) are the largest and most secure as this relies on the long-term Concession Agreements.

Plant Operating Revenues

This revenue stream is comprised of the following elements:

Tipping Fees

In exchange for the provided environmental services, municipalities must pay a tipping fee per ton of waste delivered by the city to the MSW-Energy Complexes (“**Tipping Fees**”) based on the long-term Concession Agreement on a “**Put or Pay**” (for full face value) basis.

Sales of Power

In the W2E plant, the waste is processed in RDF (Refuse Derived Fuel) and Biomethanation processes to yield marketable by-products. RDF and biogas are used for power generation. The power is sold to the grid based on a long-term contract (Power Purchase Agreement) on a “**Take or Pay**” (for full face value) basis.

Sales of Carbon Credits

The carbon credits gained by reducing green gas emission and by producing power based on renewable energy (“**Clean Design Mechanism**” (CDM)) are sold on the carbon credit market.

Sales of By-Products

The by-products of recycled materials and fertilizer will be marketed and sold to third parties:

- Compost will be sold to the farming industry (which, in certain instances, is subsidized by the government), at spot market prices, less 15%. BioCrude may sell any excess product outside of the municipality and/or country.
- Ash can be sold to resellers of construction materials.
- Processed inerts (primary feedstock for building materials) can be sold to entities (local and foreign) engaged in that processing milieu.
- Recyclables can be sold to entities (local and foreign) engaged in that processing milieu.

In the unlikely event MSW feedstock is not delivered to the Complex, the MSW Agreement ensures that BioCrude is compensated for any shortfall in revenue derived from the sale of electricity and by-products of Compost, ash and recyclables produced by the complex.

Engineering, Procurement and Construction Fees

To ensure that the planned benefits contained in the design of each Complex is realized BioCrude undertakes to supervise the entire EPC process and is compensated accordingly, adhering to industry norms for such expertise.

Servicing Fees

Once the Complex is commercially operational, BioCrude is responsible for the ongoing operation and maintenance of the related facilities. The Company is compensated for supervising this activity in accordance with the terms of the contracts agreed to and signed prior to the commissioning of each Complex.

Licensing Fees

To accelerate the proliferation of the Company’s presence in the W2E market and at the same time reduce the demand on its cash resources, BioCrude is willing to license its technology, to selected third parties in the form of joint ventures, resulting in another potential source of revenue.

Results of Operations

For the six months ended June 30, 2026, and 2025

Revenue

We did not generate revenue during the six months ended June 30, 2026, and 2025.

Costs and Expenses

During the six months ended June 30, 2026, there were \$61,875 of operating expenses consisting of general and administrative expenses compared to \$99,223 of operating expenses for the same period in 2025. The decrease in operating expenses is mainly related to bonuses or commission fees paid through shares during the same period in 2025, with no similar expenses during the six months ended June 30, 2026.

Liquidity and Capital Resources

As of June 30, 2026, the Company had \$1,238 in cash and did not have any other cash equivalents. The following table provides detailed information about our net cash flow for the six months period ended June 30, 2026, and 2025. To date, we have financed our operations through the issuance of stock and borrowings.

In summary, our cash flows were as follows:

	For the six months period ended June 30, 2026	For the six months period ended June 30, 2025
Net cash used in operating activities	\$ (56,311)	\$ (57,839)
Net cash used in investing activities	—	—
Net cash provided by financing activities	55,603	58,031
Effect of exchange rate changes on cash	—	—
Net (decrease) increase in Cash	(708)	192
Cash, beginning of period	1,946	4
Cash, end of period	\$ 1,238	\$ 196

Due to the limited nature of the Company’s operations to date, the Company does not believe that past performance is any indication of future performance. The impact on the Company’s revenues of recognized trends and uncertainties in our market will not be recognized until such a time as the Company has had sufficient operations to provide a baseline.

Operating activities

Net cash used in operating activities was \$56,311 for the six months ended June 30, 2026, as a result of net loss of \$ 62,855, unrealized foreign exchange gain of \$29,142, and change in accounts payable and accruals of \$14,076 offset by change in amortization of \$2,426, stock issued for services of \$27,432, and change in accounts payable and accruals - related party of \$7,340, accrued interest of \$1,515, and accrued interest - related party of \$11,049.

Net cash used in operating activities was \$57,839 for the six months ended June 30, 2025, as a result of net loss of \$105,687, offset by unrealized foreign exchange loss of \$4,492, change in prepaid expenses of \$5,200, change in accounts payable and accruals of \$34,874, change in amortization of \$2,427 and accrued interest of \$855.

Investing activities

No cash was used in investing activities for the six months ended June 30, 2026 and 2025.

Financing activities

Net cash provided by financing activities was \$55,603 for the six months ended June 30, 2026, as a result of \$29,313 proceeds from a sale of stock in a private placement, \$3,857 proceeds from cash advanced from a related party, and \$34,836 proceeds of loans payable offset by \$12,402 repayments of related party advances..

Net cash provided by financing activities was \$58,031 for the six months ended June 30, 2025, as a result of \$58,529 proceeds from cash advanced from a related party offset by \$498 repayments of related party advances.

Since inception, the Company has financed its cash requirements principally through issuances of common stock, borrowings and related-party advances. The Company expects to continue to incur negative operating cash flows until it generates sufficient revenue from operations. Management intends to seek additional equity or debt financing to fund operations and working-capital requirements; however, there can be no assurance that financing will be available on acceptable terms, or at all, or that the Company will generate sufficient revenue to reduce its dependence on external financing

We anticipate that we will incur operating losses in the next twelve months. Our lack of operating history makes predictions of future operating results difficult to ascertain. Our prospects must be considered in light of the risks, expenses and difficulties frequently encountered by companies in their early stages of development, particularly companies in new and rapidly evolving markets. Such risks for us include, but are not limited to, an evolving and unpredictable business model and the management of growth.

To address these risks, the Company must, among other things, secure customers and project counterparties, execute its business and marketing strategy, respond to competitive and regulatory developments, obtain financing and attract and retain qualified personnel. Failure to address these risks could have a material adverse effect on the Company’s business, financial condition and results of operations.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

Critical Accounting Policies

The methods, estimates and judgments we use in applying our accounting policies have a significant impact on the results we report in our financial statements, which we discuss under the heading “Results of Operations” following this section of our MD&A. Some of our accounting policies require us to make difficult and subjective judgments, often as a result of the need to make estimates of matters that are inherently uncertain.

We set forth below those material accounting policies that we believe are the most critical to an investor’s understanding of our financial results and condition and that require complex management judgment.

Stock-Based Compensation

The Company accounts for all share-based payment awards given to employees and directors, based on their fair value. The Company measures share-based compensation to consultants by recognizing the fair value of the awards over the period when the services are rendered or goods are provided.

Critical Accounting Policies

In Financial Reporting Release No. 60, “*Cautionary Advice Regarding Disclosure About Critical Accounting Policies*” (“FRR 60”), the Securities and Exchange Commission suggested that companies provide additional disclosure and commentary on their most critical accounting policies. In FRR 60, the SEC defined the most critical accounting policies as the ones that are most important to the portrayal of a company’s financial condition and operating results and require management to make its most difficult and subjective judgments, often as a result of the need to make estimates of matters that are inherently uncertain. Based on this definition, our most critical accounting policies include non-cash compensation valuation that affects the total expenses reported in the current period and the valuation of shares and underlying mineral rights acquired with shares. The methods, estimates and judgments we use in applying these most critical accounting policies have a significant impact on the results we report in our financial statements.

Available Information

The Company is subject to the informational requirements of the Exchange Act. Reports and other information filed with the SEC are available free of charge through the SEC’s EDGAR database at www.sec.gov.

The Company intends to provide its stockholders with annual reports containing audited financial statements and quarterly reports containing reviewed unaudited interim financial statements, as applicable.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company has limited exposure to interest-rate risk because its interest-bearing obligations bear fixed rates or are payable on demand. The Company is exposed to foreign-currency translation and transaction risk through its operations and balances denominated in currencies other than the U.S. dollar; however, management does not currently consider this exposure to be material.

ITEM 4. CONTROLS AND PROCEDURES*Evaluation of Disclosure Controls and Procedures*

As required by Rule 13a-15 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), management evaluated, under the supervision and with the participation of the Company’s Chief Executive Officer, who also serves as the Company’s principal financial officer, the effectiveness of the design and operation of the Company’s disclosure controls and procedures as of June 30, 2026. Based on this evaluation, the Chief Executive Officer concluded that the Company’s disclosure controls and procedures were not effective as of June 30, 2026.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Securities Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and our principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

During the quarter ended June 30, 2026, there were no changes in the Company’s internal control over financial reporting that materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company is not a party to any legal proceedings.

ITEM 1A. RISK FACTORS

There have been no material changes in the risk factors set forth in the Company’s annual report Form 10-K for the year ended December 31, 2025. These risk factors should be carefully considered with the information provided elsewhere in this report, which could materially adversely affect our business, financial condition or results of operations.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

During the six months ended June 30, 2026, the Company issued 7,325 shares of the Company’s common stock for cash proceeds of \$29,313. The Company also issued 6,858 shares with a fair value of \$27,432 for referrals and services rendered.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

ITEM 5. OTHER INFORMATION

During the quarter ended June 30, 2026, no director or officer of the Company adopted or terminated a “Rule 10b-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement” as each term is defined in Item 408(a) of Regulation S-K.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) The following documents are included or incorporated by reference as exhibits to this report:

Exhibit No.	Description
31.1	Certification of Chief Executive Officer pursuant to Securities Exchange Act Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Securities Exchange Act Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(b) REPORTS ON FORM 8-K

None.

SIGNATURES

In accordance with Section 13 or 15 (d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: August 10, 2026

Biocrude Technologies USA, Inc.

Registrant

By: /s/ John Moukas
Chief Executive Officer

CERTIFICATION

I, John Moukas, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of BioCrude Technologies USA, Inc.
2. Based on my knowledge, this report does not contain any untrue statement of material facts or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in the report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 10, 2026

/s/ John Moukas

Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, John Moukas, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of BioCrude Technologies USA, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of material facts or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in the report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d) - 15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or person(s) performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 10, 2026

/s/ John Moukas

Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. 1350 AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to their knowledge, the Quarterly Report on Form 10-Q for the period ended June 30, 2025 of Biocrude Technologies USA, Inc. (the “Company”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and the information contained in such periodic report fairly presents, in all material respects, the financial condition and results of operations of the Company as of, and for, the periods presented in such report.

Very truly yours,

/s/ John Moukas

Chief Executive Officer

/s/ John Moukas

Chief Financial Officer

Dated: August 10, 2026

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to Biocrude Technologies USA, Inc. and will be furnished to the Securities and Exchange Commission or its staff upon request.