



Aisix Solutions Inc.

Management's Discussion and Analysis
of
Financial Position and Results of Operations
for the nine-month period ended September 30, 2025

This report is dated November 28, 2025. (The "Report Date")

Introduction

The following information should be read in conjunction with the condensed consolidated interim financial statements of Aisix Solutions Inc. (the “Company” or “Aisix”) for the nine-month period ended September 30, 2025 and the consolidated financial statements for the years ended December 31, 2024 and 2023.

The consolidated financial statements are prepared in accordance with IFRS Accounting Standards (“IFRS”).

Note 3 to the consolidated financial statements of the Company at December 31, 2024 describes the Company’s material accounting policies, as well as new accounting pronouncements not yet effective. During the nine-month period ended September 30, 2025, and the year ended December 31, 2024, the Company’s critical accounting estimates and material accounting policies have remained substantially unchanged, except as noted below.

All amounts presented in this document are stated in Canadian dollars, except where otherwise noted.

Forward-Looking Statements

This Management’s Discussion and Analysis (“MD&A”) is intended to supplement and complement the consolidated financial statements of the Company for the nine-month period ended September 30, 2025, and the notes thereto (the “Financial Statements”). Readers are encouraged to review these Financial Statements in conjunction with a review of this MD&A. Certain notes to the Financial Statements are specifically referred to herein, and such notes are incorporated by reference herein. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. These forward-looking statements are based on, but not limited to, material assumptions including: Company performance; the ability of the Company to successfully execute on its growth and new business strategies, including attracting new clients; the demand for its products continuing to increase; stable currency valuations; a sufficiently stable and healthy global economic environment; and other expectations, intentions and plans contained in this MD&A that are not historical fact. When used in this MD&A, the words “plan,” “expect,” “believe,” and similar expressions generally identify forward-looking statements. These statements reflect current expectations. They are subject to a number of risks and uncertainties, including, but not limited to, changes in technology and general market conditions. In light of the many risks and uncertainties, readers should understand that the Company cannot offer assurance that the forward-looking statements contained in this analysis will be realized. **Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks as set forth below.**

Corporate Overview and Description of the Business

Aisix Solutions Inc. (formerly Minerva Intelligence Inc.) (the “Company”) was incorporated on August 16, 2017 pursuant to the *Business Corporations Act* of British Columbia. On March 14, 2018, the Company completed its Initial Public Offering (“IPO”). On March 26, 2018, the Company’s shares commenced trading on the TSX-V. On August 15, 2023, the Company announced the name change to Aisix Solutions Inc. and on August 16, 2023, the Company commenced trading on the TSX-V under the symbol “AISX”.

Minerva Intelligence (Canada) Ltd. (“Minerva Canada”) was incorporated on May 17, 2017 pursuant to the *Business Corporations Act* of Ontario. On April 23, 2019, Minerva Canada changed its jurisdiction of incorporation from Ontario to British Columbia. During the year ended December 31, 2019, the Company acquired Minerva Canada. On February 28, 2025, Minerva Intelligence (Canada) Ltd. and Aisix Solutions Inc. amalgamated. Minerva Intelligence GmbH, a German subsidiary company, was incorporated on September 24, 2019. The subsidiary is inactive.

The mailing address and the registered office of the Company is located at 250 Howe Street, 20th floor, Vancouver, British Columbia V6C 3R8.

Description of the Business

Aisix is a software and data analytics company that brings innovative technology to the market. The Company provides decision-support tools that help our customers reach conclusions faster and with the rigour needed to trust the results. The focus is on helping businesses better understand climate risks.

Worldwide, regulatory bodies continue to provide guidance to businesses on how to provide climate risk disclosure in the context of ESG (environmental, social and governance) reporting. The EU has taken the lead and, since April 2019, has initiated the Non-Financial Reporting Directive (“NFRD”), which obligates companies to disclose climate-related information. Since 2021, the Corporate Sustainability Reporting Directive (“CSRD”) NFRD covers all large companies, and all companies listed on regulated markets. These new standards entered into force in January 2023, with all large companies and all listed companies now having to comply with the updated rules concerning environmental risks (including climate risk). Canada also continues to move forward with the Canadian Security Administrators (“CSA”), providing guidance on climate risk disclosure. In September 2023, the IFRS Foundation and the International Sustainability Standards Board released IFRS S1 and S2, which provided the general requirements for disclosure of sustainability related financial information and climate related disclosures. In December 2024, the Canadian Sustainability Standards Board (“CSSB”) published CSDS 1 (General requirements for Disclosure of Sustainability-related Financial Information) and CSDS 2 (Climate-related Disclosures). Companies may voluntarily adopt those requirements as of January 1, 2025, with required implementation still under discussion.

In the opinion of Management, these evolving regulations and guidelines represent a significant potential market opportunity for Aisix, as traditional businesses lack the necessary climate risk data and knowledge to properly assess and disclose the climate-related risks relevant to their operations. Voluntary adoption of climate risk disclosures appears to be increasing. The Company has developed unique expertise in physical climate and Management believes Aisix is well-positioned.

Aisix provides assistance to our clients as part of their overall consideration of the requirements regarding climate-related physical risk disclosure in the context of ESG reporting as noted above. The Company identifies material risks to be considered and disclosed, data sources which describe those risks, data analysis techniques, disclosable information describing the sources and techniques, and data interpretation and presentation to highlight the risks.

AISIX also intends to serve the following industries by providing wildfire data for insurance & reinsurance, financial services, government and municipal agencies, engineering & infrastructure and mining & exploration.

Artificial Intelligence (“AI”) and Machine Learning (“ML”) are tools that we use to analyze and develop our data sets and products.

With respect to AI and ML used to produce heat, precipitation and wind risk data, we derive estimates of climate change perturbed temperature and precipitation fields using a combination of existing numerical model datasets and regression-based downscaling (that is ML) to obtain high spatial resolution data products. For wind data we additionally incorporate multi-variate regression algorithms (that is ML) to transfer extremes present in synoptic wind patterns into more damaging fine-scale instantaneous gust data.

"Enterprise-level AI solution" refers to AI-driven models designed for large-scale implementation across industries, ensuring explainability of processing and results. More specifically this refers to the use AI framework defined in the Patent “Methods, systems, and apparatus for probabilistic reasoning”.

"Proven AI tools" denotes AI methodologies and ML models that have undergone extensive validation, including back testing against historical data, ensuring accuracy and reliability in risk assessments. An example of this is Cell2Fire2. Our software allows us to analyze and present relevant data, or alternatively to verify data and results prepared by other analysts. The Company's approach produces a predictive score. However, the true value lies in the ability to provide an audit trail that explains how that the score was determined. The methodology also flags missing data that could improve the accuracy of the score, with the capability of incorporating any new data to recalculate the score.

The company has two ongoing projects: Wildfire and Climate Genius. In addition, the Company periodically provides consulting services, including corporate and government contracts if and as when awarded. These include projects in such areas as national-scale flood hazard data and hydrological network, and volcanology.

The two projects are as follows:

Wildfire

1. Wildfire 3.0 (successor to Wildfire 2.0); and
2. MineSafe (which is Wildfire 3.0 tailored to the mining industry).

Climate Genius

1. Climate Genius (the application programming interface ("API") and Dashboard to access current and future climate risk datasets).

On January 15, 2025, the Company outlined Wildfire 3.0 as a dataset which includes the following features:

- current and future burn probability according to different possible climate change scenarios;
- current and future fire intensity according to different possible climate change scenarios;
- weather conditions and fire size for each simulated fire; and
- number of historical small (<200 hectares) and large (>200 hectares) fires.

On March 26, 2025, the Company announced the first API of the Climate Genius platform, the Wildfire 3.0 API, which provides direct access to advanced wildfire risk data for businesses, governments, and researchers. The API offers high-resolution wildfire probability, intensity, and fire footprint data, enabling users to integrate wildfire risk intelligence into their operations for enhanced decision-making and preparedness. The Wildfire 3.0 API is built on the AISIX Wildfire 3.0 dataset, which leverages climate change projections, fire modeling, and historical data to provide insights into current and future burn probability, fire intensity, and ignition patterns.

The API provides:

- current and future (bi-decadel until 2100) burn probability data based on historical records and climate change scenarios (SSP1, 2 & 5);
- current and future (bi-decadel until 2100) fire intensity based on historical records and climate change scenarios (SSP1, 2 & 5);
- current and future (bi-decadel until 2100 for SSP 1,2 &5 climate change scenarios) local and regional wildfire risk scores; and
- the Number of historical fires.

The Company has not, to date, registered patents, copyrights or trademarks regarding these products.

Future Applications

The Company believes that there are opportunities in other industries affected by climate risk as government and other regulators mandate companies across the globe to evaluate and disclose their climate risks. These industries include but are not limited to agriculture, carbon credit trading, forestry, real estate, insurance, engineering and banking.

The Company's proprietary software is applicable to a wide range of problem domains and industries; far too many for Aisix to pursue on its own. In this regard, the Company continues to actively identify partners and develop relationships with external organizations who could benefit from using Aisix's tools while building applications in a variety of industries. Aisix sees this opportunity to license its tools for the development of new applications as a potentially much larger market than climate risk disclosures are on its own.

While management intends to pursue this strategy, there is no assurance that additional products will be developed and marketed through the means of software licensing.

Operations

The Company conducts its operations using a combination of independent contractors as required.

Effective September 30, 2025, the Company closed its corporate office in favour of a virtual office, as the development and support teams, while somewhat centered around Vancouver, British Columbia, are increasingly geographically disbursed. Aisix uses its technology base to conduct operations, and as such is not materially directly affected by climate risks, as our operations are largely diversified. However, the Company may be affected by general downturns in technology markets or material changes in the underlying technology itself.

Marketing Plans and Strategies

The Company's software and data products are being marketed around the world. Aisix is seeking partnerships with businesses and organizations to bring its service offerings to new markets. The Company also uses key leading industry tools to assist with our growth, insights, and projections. Aisix's efforts include direct digital marketing, content marketing and advertising, conference attendance, trade publications, media engagement, and active communication with various media outlets.

The Company continues to expand its network and establish mutually beneficial strategic relationships which will also allow Aisix to expand by future acquisition and/or partnership opportunities, including new technologies that may complement its business.

Intellectual Property

In accordance with industry practice, Aisix seeks to protect its proprietary rights through the use of all legal defences available to protect our rights, such as a combination of copyright, trademark, trade secret laws and contractual provisions. However, the cost of such activities is often prohibitive. Aisix does not have any registered copyrights and trademarks at this time.

The source code for its Software is protected under Canadian and applicable international copyright laws. Aisix licenses its Software pursuant to agreements that impose restrictions on customers' ability to use the technology, such as prohibiting reverse engineering, limiting the use of software copies and restricting access and use of source code. Aisix also seeks to avoid disclosure of intellectual property and proprietary information by requiring consultants to execute non-disclosure and assignment of intellectual property agreements. Such agreements require consultants to assign to Aisix all intellectual property developed in the course of their engagement. Aisix utilizes non-disclosure agreements to govern interaction with business partners and prospective business partners and other relationships where disclosure of proprietary information may be necessary.

The Company has applied for one patent on its intellectual property related to diagnosticity. The patent was filed February 18, 2021 NATDOCS\85001319\V-4 (Canada – Application No. CA3072901; US - Application No. US20230085044; International Application – Application No. WO/2021/163805) The patent is pending revision and will be reviewed as per business needs following the final development of Climate Genius. The patent is valid for 20 years after the day on which the patent application was filed.

<https://patents.google.com/patent/CA3109301A1/en>

Changes in Operations and Activities during the period

On January 2, 2025, the Company released a report highlighting the top 10 Canadian Small Population Centres (< 30,000 people) most at risk of wildfires given historical conditions and top 10 Canadian Small Population Centres (< 30,000 people) with highest increase in wildfire probability given Share Socioeconomic Pathways (SSP) 5 climate change scenario by 2050. The analysis considers burn probabilities within 10 km from the population centre and Aisix's wildfire dataset, produced with an advancement of BurnP3+ and simulates wildfire behaviour at the country scale according to historic and projected change in climate patterns. This comprehensive dataset utilizes advanced machine learning, physical based-modeling and climate change projections to pinpoint communities facing the highest wildfire probability. The analysis shows concentration of population centres with high burn probabilities given historical conditions in western Canada, with hotspots in southeastern British Columbia (Clearwater, Sicamous, Sorrento, Chase, Nakusp, Grindrod, Castlegar), western and central Alberta (Swan Hills) and Northwest Territories (Hay River, Fort Smith). When considering SSP5 climate change scenario in 2050, communities in eastern Canada are experiencing high increase in wildfire probability. According to the analysis, the communities with highest increase of wildfire probability are William Lakes, One Hundred Mule House, Jasper, Grande Cache in the West, Plaster Rock, Southesk, Saint Marys, Minto and Maugeville in the East. AISIX's wildfire data, is not only designed to identify high-risk areas given past wildfire behaviour but also provides insights into future wildfire patterns given climate change. It is especially important to understand change in fire patterns because more communities will be at risk, also in regions that were not experiencing extreme fire behaviour in the past. This is especially important to help more proactive fire management strategies and community preparedness plans.

On January 10, 2025, Aisix announced its plan to accelerate its expansion to its wildfire data and analytics offerings to the US, starting in California, in response to the devastating Los Angeles wildfires.

On January 15, 2025, the Company announced the upcoming launch of Wildfire 3.0, the latest evolution in its suite of wildfire prediction and risk management tools. Wildfire 3.0 is was released on February 1st. Building upon the success of Wildfire 2.0, Wildfire 3.0 integrates advanced artificial intelligence, machine learning, probabilistic and physically based modeling algorithms to deliver wildfire probability, intensity and expected losses according to current and future climatic conditions. Aisix has significantly reduced computational time for delivering Wildfire 3.0 making use of advanced cloud computing resources and integrating Aisix's new fire growth software Cell2Fire2 an advancement in fire modeling that better simulates the spread of large fires. Wildfire 3.0 empowers governments, businesses, and communities to proactively manage wildfire risks, safeguarding lives, property, and natural resources. The insurance sector can especially benefit from Wildfire 3.0, due to its capability of delivering expected losses according to different scenarios. Furthermore, Wildfire 3.0 includes an intuitive platform accessible to both technical experts and non-specialists, and the dataset is scalable to support expansion to geographic regions beyond Canada.

On January 16, 2025, the Company announced the appointment of Mr. Christopher Lambert as Chief Technology Officer.

On January 19, 2025, Aisix released a report highlighting popular Canadian National Parks at risk of wildfires given historical conditions and with the highest increase in wildfire probability given Share Socioeconomic Pathways (SSP) 1 and 5 climate change scenarios by 2050. The Top 10 are ranked by Aisix as follows: 1. Kootenay National Park / British Columbia 2. Mount Revelstoke National Park / British Columbia 3. Yoho National Park / British Columbia 4. Glacier National Park / British Columbia 5. La Mauricie National Park / Quebec 6. Banff National Park / Alberta 7. Jasper National Park / Alberta 8. Waterton Lakes National Park / Alberta 9. Pacific Rim National Park Reserve / British Columbia 10. Kluane National Park and Reserve / Yukon. The analysis considers aggregated 30-year burn probabilities within the parks' boundary as portrayed by Aisix's Wildfire dataset. Aisix utilizes advanced machine learning, physical based-modeling and climate change projections to pinpoint locations facing the highest wildfire probability. Aisix's wildfire data workflow includes the application of Cell2Fire2, an advancement of BurnP3+, and simulates wildfire behaviour at the country scale according to historic and projected change in climate patterns. The analysis shows long term trends rather than year-to-year specific conditions and highlights burn probability hotspots in B.C [Kootenay, Mount Revelstoke, Yoho, Pacific Rim, and Glacier], in Quebec [La Mauricie], Alberta [Banff, Jasper, and Waterton Lakes] and the Yukon [Kluane]. (Figure 1). The report also highlights wildfire risk in Eastern Canada. While the highest burn probabilities are concentrated in Western Canada, the location that will experience the most increase of wildfire probability is in the eastern part of the country. In fact, when considering burn probability increase according to SSP5 climate change scenario in 2050, Aisix found that La Mauricie had the highest increase in this list, followed by Jasper, Mount Revelstoke, Glacier, Yoho, Kootenay, Waterton Lakes, Kluane and Pacific Rim.

On January 22, 2025, Aisix announced the launch of a 12-month online marketing campaign through AGORACOM to target new potential investors specifically interested in the Company's business model, as well as engage current shareholders. The Company will utilize AGORACOM's cashless, fully compliant shares-for-services program. Total fees of \$125,000 + HST will be paid by the issue of \$25,000 worth of shares (+HST) in 5 instalments: · \$25,000 + HST at commencement · \$25,000 + HST shares for services at the end of the third month: April 15, 2025 · \$25,000 + HST shares for services at the end of the sixth month: July 15, 2025 · \$25,000 + HST shares for services at the end of the ninth month: October 15, 2025 · \$25,000 + HST shares for services at the end of the term: January 30, 2026 The deemed price of the securities to be issued will be determined after the date services are provided to the advertiser in each period, calculated using the closing price on the TSX Venture Exchange on each of the dates as stated above. The agreement was signed effective as of January 15, 2025. The Company is also announcing the launch of the Aisix HUB and a "CEO Verified" Discussion Forum on AGORACOM. The Aisix HUB will receive significant exposure through continuous brand impressions, content marketing, search engine marketing, and social media engagement across the entire AGORACOM network. The Aisix HUB, containing multiple landing pages, videos, photos, and other helpful information updated in real-time, can be found at:

<https://agoracom.com/ir/AisixSolutions>

The "CEO Verified" Discussion Forum on AGORACOM will serve as the Company's primary social media platform for interacting with both current and prospective shareholders in a fully moderated environment. The Aisix discussion forum can be found at:

<https://agoracom.com/ir/AisixSolutions/forums/discussion>

AGORACOM is an arm's length service provider to the Company and, to the knowledge of the Company does not own, directly or indirectly, any shares of the Company.

On January 23, 2025, the Company announced the launch of MineSafe Wildfire, an advanced wildfire risk intelligence solution tailored specifically for mining and exploration companies. As climate change increase wildfire activity, the mining sector faces escalating risks to operations, assets, and workforce safety. MineSafe Wildfire, powered by Wildfire 3.0, delivers proactive risk intelligence, leveraging advanced artificial intelligence, machine learning, probabilistic and physically based modeling algorithms to deliver wildfire probability, intensity and expected losses according to current and future climatic conditioning to help mining operations mitigate and prepare for wildfire threats. Wildfire 3.0 is developed using advanced cloud computing and integrating Aisix's new fire growth software

Cell2Fire2 an advancement in fire modeling that better simulates the spread of large fires. Specifically, MineSafe delivers using Wildfire 3.0:

- Current and future burn probability according to different possible climate change scenarios
- Current and future fire intensity according to different possible climate change scenarios
- Weather conditions and fire size for each simulated fire
- Number of historical small (200 hectares) fires
- Expected damage to structures
- Partial and total losses, including loss of asset and business interruption.

Using Wildfire 3.0, the comprehensive MineSafe wildfire report, evaluates historical wildfire patterns, current risk levels, and future projections. It provides tailored insights into how wildfire hazards impact both active and prospective mining properties identifying fire-prone areas and key risk factors. Additionally, the MineSafe report supports compliance with environmental, social, and governance (ESG) standards by offering actionable wildfire risk management data.

On January 27, 2025, the Company announced that it had entered into a loan agreement dated January 24, 2025 with respect to a short-term loan in principal amount of \$430,000 (the "Loan") with 1821 Capital Corp. (the "Lender"). The Loan has first priority over all assets of the Company. The Loan has a maturity date of six (6) months from the date of advance (the "Term") and will bear an interest rate of 10% per annum payable at the end of the Term. The Loan has been issued with an original issue discount of 5% of the principal amount. As consideration for the advance of the Loan, the Company has issued common share purchase warrants (the "Warrants"), entitling the Lender to purchase up to an aggregate of up to 6,000,000 common shares of the Company at a price of \$0.05 per common share for a period of twelve (12) months from the date of the Loan. The Warrants and the underlying common shares are subject to a maximum hold period under applicable securities laws of four months and one day from their date of issue. The Warrants are not transferrable. The Lender is considered a related party for the purposes of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"), as Mihalis Belantis, a director and Chief Executive Officer of the Company is the principal of the Lender. The Loan constitutes a "related party transaction" within the meaning of MI 61-101. The Company is relying upon exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 pursuant to sections 5.5(a) and 5.7(1)(a), respectively, on the basis that at the time the transactions were agreed to, neither the fair market value of the Warrants to be distributed to the Lender, nor the value of the Loan, exceeds 25 per cent of the Company's market capitalization. The board of directors of the Company has, subject to the appropriate recusal of the interested director, unanimously approved the issuance and no material contrary view or abstention was expressed or made by any director in relation to the Loan or the issuance of the Warrants. The Company did not file this material change report more than 21 days before the expected closing date of the Loan as the details of the Loan were not settled until shortly prior to the execution of the Loan.

On January 29, 2025, the Company announced the appointment of Mr. Edward Olson, National Lead, Climate Risk & Adaptation at MNP, to its Board of Directors. Mr. Olson's deep expertise in climate risk and adaptation, corporate sustainability, and financial advisory will enhance Aisix Solutions' leadership in delivering advanced climate risk solutions to businesses, governments, and financial institutions. As the National Lead, Climate Risk & Adaptation at MNP, one of Canada's largest professional services firms, Mr. Olson has been instrumental in guiding organizations through the evolving landscape of climate risk, sustainable finance, and corporate responsibility. With a strong background in risk management, impact investing, and strategic consulting, he brings invaluable insight to Aisix as it continues to develop innovative AI-driven tools for climate resilience and adaptation.

Dr. David Poole resigned as a director effective January 31, 2025. The Company thanked Dr. Poole for his invaluable contributions as a founder and director of Aisix Solutions over the past seven years. His leadership, vision, and dedication have been instrumental in shaping the company's success and advancing its mission in climate resilience. He has transitioned into an advisory role, where his expertise will undoubtedly help drive innovation and impact.

On January 31, 2025, the Company announced it had officially generated its first revenue of 2025, marking a key milestone in the company's growth. The first invoice of the year has been issued to Eli Report, an AI-powered platform developed by OctoAI Technologies Corp. ("OctoAI") that automates the review of condominium and homeowners' association (HOA) documents. As part of Aisix's previously announced strategic partnership with OctoAI, Aisix's climate risk assessments are now incorporated into Eli Report, equipping users with detailed climate risk scores that enhance property evaluations.

On February 12, 2025, Aisix released an analysis highlighting the top ten small Ontario municipalities Aisix's Wildfire data is essential for identifying high-risk areas by analyzing historical wildfire behavior and projecting future patterns shaped by climate change. Recognizing these shifts is crucial, as changing fire dynamics are placing more regions—including those once considered less vulnerable to severe wildfires—at greater risk. The Top Ten small Ontario municipalities are ranked by Aisix as follows: 1. Red Lake 2. Sioux Lookout 3. Kirkland Lake 4. Greenstone 5. Markstay 6. Chapleau 7. Carling 8. Kenora 9. Cobalt 10. Espanola. The Top Ten small Ontario municipalities with highest increase in wildfire probability given Shared Socioeconomic Pathways (SSP) 5 climate change scenarios by 2050 ranked by Aisix are: 1. Assiginack 2. South River 3. Huron Shores 4. Trent Lakes 5. Central Manitoulin 6. Elliot Lake 7. North Kawartha 8. Gravenhurst 9. Carling 10. McDougall. The analysis considers aggregated 30-year burn probabilities within the municipality boundary as portrayed by Aisix Wildfire dataset, and shows long term trends rather than year-to-year specific conditions and highlights burn probability hotspots given historical conditions in Western Ontario with Red Lake, Sioux Lookout, Kirkland Lake, Greenstone, Markstay, Chapleau, and in Eastern Ontario with Carling, Kenora, Cobalt, and Espanola.

On February 25, 2025 the Company announced it had entered into a contract dated February 17, 2025 with the Climate Risk division of an S&P 500 company to provide wildfire modeling data. This marks a major milestone in Aisix's revenue and roadmap to expand its climate risk solutions for global organizations. Aisix will provide its wildfire modeling data that delivers burn probabilities, fire footprints and weather conditions for each modelled fire. The project, designed in two phases, will initially focus on Alberta's wildfire conditions before scaling to provide national coverage across Canada.

On February 27, 2025 the Company announced a strategic partnership with Stessa Real Estate, integrating Aisix's Climate Genius platform to provide climate risk insights to real estate investors. Through this collaboration, every property assessed by Stessa Real Estate will now include a Climate Genius Climate Score, empowering investors with insights to make informed, climate-resilient purchasing decisions.

On March 4, 2025 Aisix announced that it had retained ClimateDoor, pursuant to a Partnership Advisory Agreement (the "Partnership Advisory Agreement") dated February 28, 2025, to drive its business development strategy. The Partnership Advisory Agreement has an initial term of four months, under which the Company will pay ClimateDoor a fee of CAD \$10,000 per month, unless terminated earlier in accordance with the Partnership Advisory Agreement. This engagement will focus on expanding Aisix Solutions' presence among municipalities and Indigenous communities in Canada and facilitating its growth into European markets.

On March 26, 2025, the Company announced the first API of the Climate Genius platform, the Wildfire 3.0 API, which provides direct access to advanced wildfire risk data for businesses, governments, and researchers. The API offers high-resolution wildfire probability, intensity, and fire footprint data, enabling users to integrate wildfire risk intelligence into their operations for enhanced decision-making and preparedness. The Wildfire 3.0 API is built on the AISIX Wildfire 3.0 dataset, which leverages climate change projections, fire modeling, and historical data to provide insights into current and future burn probability, fire intensity, and ignition patterns.

The API provides:

- current and future (bi-decadel until 2100) burn probability data based on historical records and climate change scenarios (SSP1, 2 & 5);
- current and future (bi-decadel until 2100) fire intensity based on historical records and climate change scenarios (SSP1, 2 & 5);
- current and future (bi-decadel until 2100 for SSP 1,2 &5 climate change scenarios) local and regional wildfire risk scores; and
- the Number of historical fires.

On April 9, 2025, the Company announced that it was selected by MNP to support wildfire risk modeling services to MNP clients, contributing to the firm's broader climate risk and adaptation advisory offerings, commencing March 27, 2025. Aisix will support wildfire risk analysis needs for MNP clients by assisting with assessments using its Wildfire 3.0 dataset.

On April 30, 2025, the Company announced the April 21, 2025 signing of a data licensing agreement with RedZone Software LLC, a U.S.-based provider of wildfire and natural disaster risk modelling technology. RedZone allows underwriters and insurers to analyze up-to-date disaster intelligence data, alerting clients of the potential wildfire threat that a property or portfolio may face. This contract marks a strategic step in expanding Aisix's market presence within the growing climate intelligence sector. Under the agreement, Aisix will provide RedZone with proprietary climate risk data-sets-specifically burn probability and fire intensity data for Alberta and British Columbia. The data will be integrated into RedZone's fire risk analytics platform to power actionable insights for enterprise and government clients across Canada. The deal also includes provisions for future geographic and product line expansion. RedZone may extend access to data for additional Canadian provinces and climate scenarios, further increasing Aisix's addressable market.

On May 20, 2025, Aisix announced a partnership with Cytora, an AI-powered platform that enables commercial insurers to process risks with greater efficiency and accuracy. Cytora digitizes every incoming risk, augments it with external data sources, evaluates it against multiple rules, including appetite and priority rules, and routes it to downstream systems for automated or manual underwriting. The partnership incorporates Aisix's wildfire data into the Cytora platform as of April 30, 2025. Aisix provides wildfire data through its model, Wildfire 3.0. This model offers wildfire risk information based on geographic inputs and historical fire activity. The data are delivered via API (application programming interface), enabling real-time access and integration into underwriting systems, and aligns with regulatory climate disclosure frameworks such as TCFD and ISSB. This integration will equip underwriters with insights to evaluate risk across both individual submissions and entire portfolios, improving speed, accuracy and transparency in underwriting decisions. The partnership follows a period of significant growth for Cytora including agreeing to a major collaboration with Chubb, and the launch of the latest version of its platform earlier this month, which leverages agentic AI to bring a new level of performance and explainability to risk assessment and underwriting processes.

On May 28, 2025 the Company unveiled its newly redesigned website at www.aisix.ca. AISIX's wildfire intelligence tools are now accessible through a simplified and intuitive digital experience.

On September 10, 2025, the Company announced it has entered a new collaboration with Carmanah Wildfire, a wildfire suppression, mitigation and emergency response company. The partnership, commenced on June 4, 2025, is aimed at strengthening wildfire resilience for residential and commercial properties across Canada. Mr. Nick Hill, chief executive officer of Carmanah Wildfire, agreed to join the company's advisory board. As part of this appointment, Aisix Solutions has issued 500,000 common shares to Mr. Hill at a price of five cents per share, subject to regulatory approval.

This partnership will bring together Aisix's wildfire risk assessment tools with Carmanah Wildfire's experienced field teams to help communities identify, assess and mitigate wildfire risks. Together, the organizations will deliver practical solutions that directly support property owners, businesses and local governments in reducing wildfire exposure. Key elements of the partnership:

- Wildfire risk assessments: The collaboration will offer property-level and community-level wildfire risk assessments to help prioritize areas of concern and recommend effective mitigation actions.
- On-site mitigation support: Carmanah Wildfire will deploy experienced teams to provide boots-on-the-ground services, including site inspections, fuel management, structural hardening recommendations and hands-on support to help property owners implement mitigation measures.
- Community programs: The partnership will also support community education programs, helping raise awareness about wildfire risks and building local capacity for long-term wildfire resilience.
- The partnership will initially focus on wildfire-prone regions of British Columbia, Alberta and Ontario, with services available to both public sector and private sector clients.

The company also announced the anticipated settlement of an aggregate \$70,919 in debt by way of a share issuance, subject to the approval of the TSX Venture Exchange. The company intends to issue a total of 1,418,380 common shares at a price of five cents per share to certain of its contractors who have agreed to the terms of the settlement. The contractors are not directors or officers of the company.

On June 25, 2025, Aisix released an analysis highlighting the top 10 oil and gas fields at risk of wildfires given historical conditions and the top 10 oil and gas fields with highest increase in wildfire probability given the fifth Shared Socioeconomic Pathway (SSP5) climate change scenario by 2050. The top 10 oil and gas fields are ranked by Aisix as follows:

1. Cameron Hills;
2. Thetlaandoa;
3. Firebag;
4. Long Lake;
5. Rainbow south;
6. Cranberry;
7. Christina Lake;*
8. Helmet;
9. Jackfish;*
10. Judy Creek.

* These sites were impacted by wildfires at the time of the release.

The top 10 oil and gas fields with highest increase in regional wildfire probability given the fifth Shared Socioeconomic Pathway (SSP5) climate change scenario by 2050 ranked by Aisix Solutions.

1. Bighorn;
2. Lovett River;
3. Ferrybank;
4. Acheson;
5. Medicine Lodge;
6. Sundance;
7. Kaybob South;
8. Fox Creek;
9. Bellshill Lake;
10. Christina Lake.

The analysis considers aggregated 30-year burn probabilities within 25 km of oil and gas fields as portrayed by Aisix Wildfire data set. Aisix utilizes machine learning, physical-based modelling and climate change projections to pinpoint locations facing the highest wildfire probability. Aisix's wildfire data workflow includes the application of Cell2Fire2, an advancement of BurnP3+, and simulates wildfire behaviour at the country scale according to historic and projected change in climate patterns. The analysis shows long term trends rather than year-to-year specific conditions and highlights burn probability hot spots given historical conditions, as well as the oil and gas fields impacted and nearby wildfires, based on actively burning fires at the time of the release.

On June 26, 2025 the TSX Venture Exchange has accepted for filing the company's proposal to issue 1,418,380 common shares of the company at a deemed price of five cents per share to settle trade payable debts to arm's-length creditors for an aggregate amount of \$70,919.02.

On July 3, 2025, the Company announced that the data licensing agreement with OctoAI Technologies Corp., the developers of the Eli Report, had been extended for another year. The renewed agreement, signed on June 26, 2025, continuing the integration of Aisix proprietary climate risk scores into Eli's real estate intelligence platform. Aisix will continue to provide climate risk data, including wildfire, heat, precipitation and wind scores, for incorporation into Eli's reports for strata and condominium properties across Canada. These insights support transparency and informed decision-making for home buyers, real estate professionals, strata councils and insurers. The original agreement, effective June 1, 2024, outlined the integration of Aisix's climate risk content into Eli's automated reports for multifamily residential buildings. This renewal ensures uninterrupted service and reflects the growing importance of environmental data in Canada's property market.

On July 8, 2025, the Company announced a non-brokered private placement of up to 71,428,571 units of the company at a price per unit of 3.5 cents for gross proceeds of up to \$2.5-million. The units will consist of: (i) one common share of the company; and (ii) one common share purchase warrant. Each warrant shall entitle the holder to acquire one additional common share of the company at an exercise price of 6.5 cents for a period of two years from the date of issuance thereof, subject to the option of the company to accelerate the expiry date in the event that its shares trade at 10 cents for 10 consecutive trading days. In connection with the offering, the company may pay a finder's fee to eligible finders consisting of: (i) a cash commission of up to 7 per cent of the gross proceeds raised from investors introduced by such finders; and/or (ii) non-transferable finder warrants equal to up to 7 per cent of the number of units sold to such investors. The company intends to use the net proceeds from the offering for general working capital, sales and marketing infrastructure, potential acquisitions, product enhancement, and general corporate purposes. The first tranche of the financing closed August 27, 2025. Please see the disclosure below.

On August 27, 2025, the Company announced the closing of its first-tranche of the non-brokered private placement. The company issued 37,041,942 units of the corporation at a price per unit of 3.5 cents for aggregate proceeds of \$1,296,468. The units consist of (i) one common share of the company; and (ii) one common share purchase warrant. Each warrant shall entitle the holder to acquire one additional common share at an exercise price of 6.5 cents for a period of two years from the date of issuance thereof, subject to the option of the company to accelerate the expiry date in the event that its shares trade at 10 cents for 10 consecutive trading days. In connection with the offering, the company paid a finders' fee of (i) \$42,323.75 in cash, and (ii) 1,209,250 non-transferrable finder warrants.

Chief executive officer Mihalis Belantis subscribed, directly or indirectly, for 5,758,571 units. Mr. Belantis is considered a related party for the purposes of Multilateral Instrument 61-101 -- Protection of Minority Security Holders in Special Transactions, and his purchase of units constitutes a related party transaction within the meaning of MI 61-101. Prior to the offering, Mr. Belantis owned, or had control or direction over 14.8 million common shares, and two million options to purchase common shares and six million warrants, representing approximately 18.4 per cent of issued and outstanding common shares on a partially diluted basis. After the closing of the offering, Mr. Belantis owns, or has control over 20,558,571 common shares, two million options and 11,758,571 warrants, representing approximately 20.6 per cent of the issued and outstanding common shares on a partially diluted basis. This disclosure is being included pursuant National Instrument 62-103 -- The Early Warning System and Related Take-Over Bid and Insider Reporting Issues which requires a report to be filed under the company's profile on SEDAR+ containing additional information respecting the foregoing matters.

On September 9, 2025, the Company announced it had entered into an amendment to the previously announced loan agreement on Jan. 24, 2025, with respect to a short-term loan in principal amount of \$430,000 with 1821 Capital Corp. The loan has first priority over all assets of the company. The maturity date of the loan was originally July 24, 2025, and pursuant to the amending agreement, the loan has been extended for an additional six months. The loan will continue to bear an interest rate of 10 per cent per annum payable at the end of the term. In consideration for the extension of the loan, the company paid a cash extension fee of \$21,500 to the lender. The lender is considered a related party for the purposes of Multilateral Instrument 61-101 (Protection of Minority Security Holders in Special Transactions) as Mihalis Belantis, a director and chief executive officer of the company, is the principal of the lender. The loan constitutes a related-party transaction within the meaning of MI 61-101. The board of directors of the company has, subject to the appropriate recusal of the interested director, unanimously approved the transaction hereunder, and no material contrary view or abstention was expressed or made by any director in relation to the extension of the loan. Mr. Mihalis owns, or has control or direction over, 20,903,000 common shares, two million options to purchase common shares and 11,758,571 common share purchase warrants, representing approximately 20.6 per cent of issued and outstanding common shares on a partially diluted basis.

On October 28, 2025, Aisix appointed Dr. Gio Roberti as chief executive officer and director, effective immediately. Dr. Roberti previously served as head of product at Aisix and has led the company's wildfire product development initiatives since their inception. Dr. Roberti succeeds Mihalis Belantis, who has stepped down as CEO and will continue to serve Aisix as chairman of the board of directors. The board also announced that Mr. Scott Davis has resigned as director and thanked him for his services and support for the company.

On October 29, 2025, the Company announced it had entered into a memorandum of understanding (MOU) with a leading Canadian insurance brokerage to conduct a 30-day pilot program evaluating Climate Genius, Aisix's wildfire risk intelligence platform. The MOU was signed Monday, Oct. 27, 2025. Under the terms of the pilot, the brokerage's operations and data analytics teams will be granted full access to Aisix's wildfire dashboard to assess its data quality, operational utility and potential for broader enterprise deployment. The program will include up to six users and the evaluation of up to 500 insured properties to test property-level wildfire risk and burn probability scoring. The pilot will measure the performance of Aisix's wildfire analytics platform across seven key areas, including:

- Data relevance and operational value for underwriting and risk assessment;
- Compatibility with internal analytics systems;
- User experience and satisfaction;
- Customer support responsiveness;
- Overall fit and confidence in future adoption potential.

If the pilot meets success thresholds, both parties intend to advance discussions toward a paid engagement under Aisix's scalable, volume-based pricing model.

On November 4, 2025, the Company announced it had entered into another memorandum of understanding (MOU) with a global provider of specialty insurance, engineering and risk management solutions, to conduct a 30-day pilot program evaluating Climate Genius, Aisix's wildfire risk intelligence platform. The MOU was signed Tuesday, Oct. 28, 2025. The insurance company is part of an international reinsurance group with the mission of preventing business losses and increasing resilience. It specializes in safeguarding infrastructure and critical systems. Under the terms of the pilot, the insurance team will be granted full access to Aisix's wildfire dashboard to assess its data quality, operational utility and potential for broader enterprise deployment. The program will include up to six users and the evaluation of up to 500 locations to test property-level wildfire risk and burn probability scoring. The pilot will measure the performance of Aisix's wildfire analytics platform across seven key areas, using the same criteria noted in the above news release.

On November 12, 2025, the Company announced it had signed Memorandum of Understanding (MOU) agreement for a 30-day pilot program with a global insurance, reinsurance and risk advisory firm to evaluate [Climate Genius](#), AISIX's wildfire risk intelligence platform. The MOU was signed Thursday, November 6, 2025. The firm is a global professional services company offering advice and solutions in the areas of risk, strategy, and people. The pilot will assess how AISIX's advanced [wildfire risk scoring](#) and data visualization tools can support the insurance firm in understanding and managing wildfire risk across Canada. Participants from the insurance firm teams will be given full access to AISIX's wildfire dashboard to evaluate data accuracy, model integration, and operational relevance for underwriting and risk decision-making. Over a 30-day evaluation period, users from different teams will test the AISIX [Climate Genius](#) wildfire dashboard using key property records. AISIX will provide full onboarding, support, and weekly check-ins to ensure smooth implementation. The pilot will measure criteria such as property upload success, risk-score generation, analytics compatibility, and user satisfaction. The initiative's success will be determined by meeting or exceeding key evaluation criteria, including operational relevance and user confidence in the system. If successful, the pilot may transition into a long-term service agreement.

On November 26, 2025 the Company, pursuant to the previously announced agreement with AGORACOM announced the issue of common shares in the capital of the Company (the "**Common Shares**") as follows:

- February 7, 2025: 470,833 Common Shares
- April 15, 2025: 565,000 Common Shares
- July 15, 2025: 565,000 Common Shares
- October 15, 2025: 565,000 Common Shares

The February 7, 2025 Common Shares were issued at a closing price of C\$0.06 per share, while for the remaining issuances, the Common Shares were issued at a closing price of C\$0.05.

Results of Operations

Results for the nine-month period ended September 30, 2025

During the three and nine-month periods ended September 30, 2025, the Company recorded revenues of \$68,600 (Year-to-date: \$276,212 (September 30, 2024 - \$Nil)). Expenses from operations for the three and nine-month periods ended September 30, 2025 were \$539,933 (YTD: \$1,571,229) (2024: \$417,767 and \$1,136,729), and the comprehensive loss for the three and nine-month periods was \$547,773 (YTD: \$1,539,787) (2024: \$420,228 and \$1,142,327).

The increase in expenses was the result of a continued and enhanced emphasis on product development and finalization, and marketing, which was minimal in the comparable 2024 quarter. Q1 2024 was still a period of restructuring as opposed to Q1 2025 which reflects ongoing operations and marketing.

Management expects the emphasis on marketing the Company's products to continue to escalate while product development enters a period of ongoing maintenance and specific client driven project development.

The Company's expenses were as follows:

- Advertising and promotion of \$57,944 (YTD: \$341,209) (2024: \$3,856 and \$106,845) reflects increased expenditure on both investor relations and sponsorship and attendance at conferences to promote the Company and products:

	Three-month period ended September 30,		Nine-month period ended September 30,	
	2025	2024	2025	2024
Marketing and investor relations	\$ 54,319	\$ 3,000	\$ 259,077	\$ 63,135
News releases and regulatory filings	3,625	856	14,164	14,985
Trade Show and conferences	-	-	67,968	28,725
	<u>\$ 57,944</u>	<u>\$ 3,856</u>	<u>\$ 341,209</u>	<u>\$ 106,845</u>

- Amortization of \$982 (YTD: \$36,317) (2024: \$17,399 and \$51,876) was significantly reduced due to the closing of the corporate office and the corresponding reduction in the amortization of the right of use asset and other assets related to the leased premises.
- Consulting – corporate development of \$30,000 (YTD: \$60,000) (2024: \$20,000 and \$54,950) reflects activity related to advancing the Company's profile and opportunities.
- Consulting – product development of \$244,167 (YTD: \$561,667) (2024: \$176,250 and \$450,164) reflects the emphasis on refining the Company's databases and API in preparation for future sales. The increase was as a result of contractual payments to certain staff.
- Management fees of \$55,000 (YTD: \$205,000) (2024: \$108,333 and \$208,133) are the fees paid or accrued for consultants not associated with product development or marketing, and reflect a reduction in CEO compensation.
- General and administrative expenses of \$53,331 (YTD: \$102,583) (2024: \$41,109 and \$122,064) reflects the cost of diverse items such as insurance, internet and telephone and other general office expenses.
- Professional fees were \$34,851 (YTD: \$88,795) (2024: \$13,853 and \$34,585) consisting of legal, accounting, tax, and other professional advisory expenses. Expenses are influenced by the timing of corporate legal activities and the timing of billing by professional advisors. During the quarter legal fees in particular were higher in the current year due to increased corporate legal activities.

- Regulatory and filing fees of \$195 (YTD: \$14,978) (2024: \$nil and \$32,445) consist of corporate filings, and the renewal of annual listing fees and are affected by the timing of such activities.
- Share-based compensation expense varies based on the timing of option grants and vesting. \$nil (YTD: \$36,662) recorded in the nine-month period relates to the grant of options to various parties which vested in the period. In 2024 no options were granted or vested, and the expense was \$nil.
- Software application subscriptions of \$32,566 (YTD: \$73,012) (2024: \$23,334 and \$41,049) reflect the pricing and timing of licensed software renewals and subscriptions used by the Company, and in particular the extensive processing work required for product development and delivery to clients.
- Transfer agent fees of \$29,745 (YTD: \$34,326) (2024: \$4,419 and \$8,454) are incurred as a result of administering a public Company, holding annual general meetings, and making appropriate filings. The increase in the quarter was primarily due to the cost of the annual general meeting.
- Travel of \$1,152 (YTD: \$16,680) (2024: \$9,214 and \$26,064) reflects the activity with prospective clients and investors as well as attending trade shows.
- Interest and other income of \$2,073 (2024: \$2,287) was a result of interest on deposit balances.
- A foreign exchange loss of \$1,880 (YTD: \$10,173) (2024: a gain of \$125 and \$509) was recorded, reflecting normal variations in exchange rates, expenses paid in USD thus incurring FX expense, and variations in FX related to intercompany balances. Future results will be subject to fluctuation based on balances held and converted to Canadian funds.
- Interest expense of \$59,805 (YTD: \$100,363) (2024: \$2,586 and \$8,394) includes interest paid and accrued on the loans and advances from the Chief Executive Officer of the company in 2025, as well as the interest recognized on the lease liability of the Company. See Related Party transactions below.
- Warrant Financing expense of \$14,755 (YTD: \$111,891) (2024: \$Nil) results from the amortization of the value of the warrants issued by the Company to secure the loan in the quarter. See Related Party Transactions below.
- Loss on disposal of assets of \$24,416 relates to the closing of the physical corporate office and was calculated as follows:

Right of use asset loss	\$ (108,594)
Lease liability gain	98,965
Net lease loss	<u>(9,629)</u>
Leasehold improvements	(6,081)
Furniture	(5,066)
Computer equipment	(3,738)
Net deposit adjustment	98
Write down of assets	<u>(14,787)</u>
Total loss	<u>\$ (24,416)</u>

Quarterly Summary

The following table summarizes selected financial information of the Company for the last eight periods.

	Fiscal 2025			Fiscal 2024
	9/30/2025 Q33 (Unaudited) \$	6/30/2025 Q2 (Unaudited) \$	3/31/2025 Q1 (Unaudited) \$	12/31/2024 Q4 (Unaudited) \$
Revenue	68,600	69,902	137,710	44,520
Operating expenses	(539,933)	(396,457)	(634,839)	(439,382)
Other items	(76,440)	(111,330)	(57,000)	5,014
Comprehensive loss	(547,773)	(437,855)	(554,129)	(389,848)
Current Assets	436,920	103,710	216,738	203,543
Total Assets	441,124	108,896	363,181	367,541
Total Liabilities	828,630	1,201,273	1,115,702	715,625
Shareholders' Equity	(387,506)	(1,092,377)	(752,521)	(348,084)

	Fiscal 2024			Fiscal 2023
	9/30/2024 Q3 (Unaudited) \$	6/30/2024 Q2 (Unaudited) \$	3/31/2024 Q1 (Unaudited) \$	12/31/2023 Q4 (Unaudited) \$
Revenue	-	-	-	-
Operating expenses	(417,767)	(348,736)	(370,326)	(328,983)
Other items	(2,461)	(2,782)	(355)	(32,285)
Comprehensive income (loss)	(420,228)	(351,518)	(370,681)	(361,268)
Current Assets	145,858	134,496	433,306	770,596
Total Assets	325,573	331,610	647,675	1,002,813
Total Liabilities	759,494	345,303	309,850	294,307
Shareholders' Equity	(433,921)	(13,693)	337,825	708,506

The revenue recorded in 2024 was related to government contracts which were completed and billed in Q4, 2024. Revenues recorded in 2025 reflect non-governmental client sales.

The Company has incurred significant expenses primarily in the areas of staffing and software costs to develop these projects and has recorded revenues and project specific expenses.

For the nine-month periods ended September 30, 2025 and 2024, the revenues and expenses by project were as follows:

Direct Project Costs Nine Months ended September 30, 2024 and 2025

	Projects and Products			Total
	Wildfire 2.0 (Dataset)	Wildfire 3.0 (Dataset)	Climate Genius (API)	
2025				
Revenues	\$ -	\$ -	\$ 276,212	\$ 276,212
Expenses				
Staffing	-	-	561,667	561,667
Software	-	-	61,658	61,658
	-	-	623,325	623,325
	\$ -	\$ -	\$ (347,113)	\$ (347,113)

	Projects and Products			Total
	Wildfire 2.0 (Dataset)	Wildfire 3.0 (Dataset)	Climate Genius (API)	
2024				
Revenues	\$ -	\$ -	\$ -	\$ -
Expenses				
Staffing	119,085	100,004	231,075	450,164
Software	4,660	1,178	12,881	18,719
	123,745	101,182	243,956	468,883
	\$ (123,745)	\$ (101,182)	\$ (243,956)	\$ (468,883)

The comparative results for the year ended December 31, 2024 were:

	Projects and Products					Total
	Wildfire 2.0 (Dataset)	Wildfire 3.0 (Dataset)	Minesafe (Dataset)	Climate Genius (API)	Consulting Services and Other	
2024						
Revenues	\$ -	\$ -	\$ -	\$ -	\$ 44,520	\$ 44,520
Expenses						
Staffing	119,085	150,005	11,111	277,593	66,667	624,461
Software	-	5,909	-	22,751	-	28,660
	119,085	155,914	11,111	300,344	66,667	653,121
Loss	\$ (119,085)	\$ (155,914)	\$ (11,111)	\$ (300,344)	\$ (22,147)	\$ (608,601)

The Company believes that its existing projects and data sets have reached the point of commercial viability, as demonstrated by 2025 sales and continuing well-advanced discussions with potential clients. However, it is likely that ongoing development with expenses at the levels noted above will be required or even increased as a result of advances in AI (and other changes in the technology used), revisions to data sets over time (including new formats and enhanced features), and client expectations. Aisix has adapted and will continue to adapt its products and presentation to specific client needs and requests. The Company has a demonstrated history of client consulting utilizing its technologies.

Product development has entered a period of ongoing maintenance together with specific client driven projects. It is, however, possible that further development with expenses at the levels noted above will be required or even increased as a result of advances in AI (and other changes in the technology used), revisions to data sets over time (including new formats and enhanced features), and client expectations.

Aisix has adapted and will continue to adapt its products and presentation to specific client needs and requests. The Company has a demonstrated history of client consulting utilizing its technologies.

Selected Annual Information

	Year ended December 31,		
	2024	2023	2022
	(Audited)	(Audited)	(Audited)
	\$	\$	\$
Revenue	44,520	52,920	104,892
Operating expenses	(1,576,211)	(1,720,486)	(2,223,281)
Other items	(584)	47,059	66,761
Loss from continuing operations	(1,532,275)	(1,620,507)	(2,051,628)
Loss from discontinued operations	-	-	(428,117)
Loss and comprehensive loss	(1,532,275)	(1,620,507)	(2,479,745)
Current assets	203,543	770,596	1,228,426
Total assets	367,541	1,002,813	1,519,864
Total liabilities	715,625	294,307	474,686
Shareholders' equity	(348,084)	708,506	1,045,178

During 2022, the Company completed the sale of its geology division for \$1 million. Upon closing, the operations of the geology division were classified as a discontinued operation in the statement of loss and comprehensive loss for the years ended December 31, 2022 and 2021

The Company focused on and restructured its Climate related operations and products in 2023 and 2024 away from government contracts to commercial products.

In 2022 the Company completed one federal government contract for revenue of \$104,892, primarily as a result of a reduction in available government contracts and the re-evaluation of the focus of the Company as a result of the reduced number of available government contracts. In 2023 and 2024 the Company completed phases 1 and 2 of a government contract which resulted in revenues of \$52,920 and \$44,520 respectively.

The expenses incurred in continuing operations for those years were as follows:

- 2022 \$2,223,281
- 2023 \$1,720,486
- 2024 \$1,576,211

The reduction in the expenses incurred in continuing operations in 2022 of \$174,255 was primarily related to a reduction in advertising and promotion expenses, software subscriptions and stock-based compensation. In 2023, the reduction in the expenses of continuing operations was \$502,795. This was as a result of reductions in staffing in 2023 from 2022. As a result of the sale of the geology division near the end of 2022, marketing staff were terminated, and geology division related personnel were either acquired by the purchaser or were terminated. In 2024 the reduction was \$144,275 as expenses stabilized with the increased activity of the Company in developing and advancing its projects.

Over the periods above total assets reduced primarily as a result of cash used in operations as follows:

	2021	2022	2023	2024
Cash	3,177,392	1,140,192	648,497	83,261
Assets	3,736,260	1,519,864	1,002,813	367,541
Cash used in operations	-	2,939,765	1,406,311	1,148,603

Financing Activities

As of September 30, 2025, the Company had 152,555,858 shares issued and outstanding (December 31, 2024 - 113,624,703).

During the nine-month period ended September 30, 2025, the Company:

- entered into a loan agreement with respect to a short-term loan in principal amount of \$430,000 with a related party (the "lender"). The loan has a maturity date of six months from the date of advance and will bear an interest rate of 10% per annum payable at the end of the term. As consideration for the advance of the loan, the company has issued 6,000,000 common share purchase warrants, entitling the lender to purchase up to an aggregate of up to 6,000,000 common shares of the company at a price of \$0.05 per common share for a period of 12 months from the date of the loan. Each warrant will be exercisable into one common share in the capital of the company at an exercise price of \$0.05 for a one-year term. See Related Party Transactions below.
- entered into a one-year agreement with AGORA Internet Relations Corp., the owner of Agoracom, a Web online marketplace and forum for the small-cap investment community, to enhance the Company's online presence. As compensation, the Company agreed to issue common shares in settlement of fees as follows: (i) \$25,000+HST for services upon commencement on or about the date hereof (issued); (ii) \$25,000+HST for Services at end of April 15, 2025; (iii) \$25,000+HST for Services at the end of July 15, 2025; (iv) \$25,000+HST for services at the end of October 15, 2025; and (v) \$25,000+HST for services at the end of January 30, 2026. Accordingly, 470,833 common shares were issued on February 4, 2025, subject to a hold period expiring May 16, 2025.
- issued 1,418,380 common shares at a deemed price of \$0.05 per share in settlement of \$70,919 of debt owed to certain contractors. None of the contractors were insiders, directors or officers of the Company.
- 1821 Capital Corp. and the Company agreed to a six-month extension on the loan of \$430,000, due on July 24, 2025, and bearing an interest rate of 10% plus an original issue discount of 5%. Subject to regulatory approval, the parties will enter into an amendment to the loan agreement on the same terms and conditions. 1821 Capital Corp. is controlled by the Chief Executive Officer of the Company, In consideration for the extension of the loan, the Company has agreed to provide the lender a one-time cash extension fee in the amount of \$21,500.00 (paid). Additionally, and in accordance with regulatory policies, the previously issued non-transferable warrant for 6,000,000 common shares at \$0.05 per share will expire concurrently with the extension of the Loan. A non-transferable warrant for 8,600,000 common shares at a price of \$0.05 per share for a term of one year from the extension date will be issued in its stead.

- announced a non-brokered private placement of up to 71,428,571 units of the company at a price per unit of 3.5 cents for gross proceeds of up to \$2.5-million. The units consisted of: (i) one common share of the company; and (ii) one common share purchase warrant. Each warrant entitled the holder to acquire one additional common share of the company at an exercise price of 6.5 cents for a period of two years from the date of issuance thereof, subject to the option of the company to accelerate the expiry date in the event that its shares trade at 10 cents for 10 consecutive trading days. On August 27, 2025, the Company closed the first tranche of the private placement, issuing 37,041,942 units of the corporation at a price per unit of 3.5 cents for aggregate proceeds of \$1,296,468. In connection with the offering, the company paid a finders' fee of (i) \$42,323.75 in cash, and (ii) 1,209,250 non-transferrable finder warrants. The securities issued pursuant to the offering will be subject to a four-month-and-one-day hold period in accordance with applicable Canadian securities laws and TSX Venture Exchange policies. In connection with the offering, the company paid a finders' fee of (i) \$42,323.75 in cash, and (ii) 1,209,250 non-transferrable finder warrants.

Private placement offering date	August 2025	
	Proposed (Total)	Actual (1st Tranche)
Units	71,428,571	37,041,942
Price	\$ 0.035	\$ 0.035
Gross Proceeds	\$ 2,500,000	\$ 1,296,468
Ongoing product development and working capital	\$ 2,500,000	\$ 1,244,420
Commission and finders fees	-	42,324
Regulatory fees	-	1,224
Legal fees	-	8,500
Other offering costs	-	-
	\$ 2,500,000	\$ 1,296,468

The above table does not present a variance as a second closing is still contemplated.

On October 16, 2024, the Company closed its non-brokered private placement of 16,666,666 common shares at a price per share of \$0.03 for aggregate proceeds of \$500,000. The shares issued are subject to a four-month and one-day hold period expiring February 16, 2025. The Chief Executive Officer of the Company subscribed for 4,100,000 shares. No commissions or fees were paid in connection with the offering. Proceeds of financings were as follows:

Private placement offering date	October 2024		
	Proposed	Actual	Variance
Shares	16,666,666	16,666,666	-
Price	\$0.03	\$0.03	-
Gross Proceeds	\$500,000	\$500,000	-
Ongoing product development	\$ 500,000	\$ 475,685	-\$ 24,315
Commissions	-	-	-
Regulatory fees	-	3,500	3,500
Legal fees	-	20,733	20,733
Other offering costs	-	82	82
	\$ 500,000	\$ 500,000	\$ -

Liquidity and Capital Resources

The Company's aggregate operating, investing, and financing activities for the nine-month period ended September 30, 2025 resulted in a cash and cash equivalents increase of \$259,836 (September 30, 2024 – a decrease of \$585,086). As at September 30, 2025, the Company's cash and cash equivalents balance was \$343,097 (December 31, 2024- \$83,261), and the Company had working capital of \$117,354 (December 31, 2023 – working capital deficit of \$445,494).

During the nine-month period ended September 30, 2025, the Company paid \$Nil to acquire equipment (December 31, 2023 - \$1,749) to acquire furniture and equipment). No other material capital expenditures were incurred.

Transactions with Related Parties

Related parties include key management personnel, who are those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. The remuneration of key management personnel during the nine-month periods ended September 30, 2025 and 2024 were as follows:

	Three-month period ended September 30,		Nine-month period ended September 30,	
	2025	2024	2025	2024
Director's fees	\$ -	\$ -	\$ -	\$ -
Salaries and wages	-	-	-	-
Management fees	\$ 55,000	\$ 99,998	\$ 205,000	\$ 199,998
Professional fees & Consulting	90,000	-	230,834	-
Share-based compensation	-	-	-	-
	<u>\$ 145,000</u>	<u>\$ 99,998</u>	<u>\$ 435,834</u>	<u>\$ 199,998</u>

Amounts due to related parties at September 30, 2025 and December 31, 2024 are unsecured, interest free and due on demand. As at September 30, 2025 December 31, 2024, accounts payable and accrued liabilities include the following amounts due to related parties or companies owned or controlled in whole or in part on their behalf:

- \$99,750 (December 31, 2024 - \$176,511) owing to Mihalis Belantis, the Chief Executive Officer for management fees and expenses,
- \$nil (December 31, 2024 - \$22,886) owing to Chris Lambert, the Chief Technical Officer for consulting fees,
- \$5,250 (December 31, 2024 - \$nil) owing to Gio Roberti, the Head of Product for consulting fees, and
- \$5,250 (December 31, 2024 - \$nil) owing to Charles Jenkins, the Chief Financial Officer of the Company for management fees.

During the year ended December 31, 2024, \$21,000 of directors' fees accrued in 2023 and 2022 were written down with the agreement of departing directors to whom the fees were owed. No directors' fees were paid or accrued in 2025.

During the year ended December 31, 2024, the Chief Executive Officer of the Company advanced net proceeds of \$189,000 (2023: \$nil) as a shareholder's loan. Repayment of \$47,000 resulted in \$142,000 of principal and \$19,080 of accrued interest being outstanding as of December 31, 2024. Interest accrues at the rate of 2% per month until repaid, with no fixed terms of repayment.

During the nine-month period ended September 30, 2025, the Company entered into a short-term loan in principal amount of \$430,000 (Net advance of \$408,000 after allowing for prepaid interest) with a company related to the Chief Executive Officer. The loan has a maturity date of six months from the date of advance and will bear an interest rate of 10% per annum payable at the end of the term. As consideration for the advance of the loan, the company

issued 6,000,000 common share purchase warrants, entitling the lender to purchase up to an aggregate of up to 6,000,000 common shares of the company at a price of \$0.05 per common share for a period of 12 months from the date of the loan. Each warrant will be exercisable into one common share in the capital of the company at an exercise price of \$0.05 for a one-year term. The warrants were fair-valued at \$111,891, calculated using the Black-Scholes option pricing model. The fair value was applied to the loan balance as of the period end and is expensed over the life of the loan.

Subsequent to the term of the loan, 1821 Capital Corp. and the Company agreed to a six-month extension on the loan of \$430,000, due on July 24, 2025, and bearing an interest rate of 10% plus an original issue discount of 5%. Subject to regulatory approval, the parties will enter into an amendment to the loan agreement on the same terms and conditions. 1821 Capital Corp. is controlled by the Chief Executive Officer of the Company, In consideration for the extension of the loan, the Company has agreed to provide the lender a one-time cash extension fee in the amount of \$21,500.00 (paid). The warrants were extended by mutual agreement.

The advances and loan balances are as follows:

	September 30, 2025	December 31, 2024
Advances		
Balance, beginning of the period	\$ 161,080	\$ -
Advances in the period	-	189,000
Repayments during the period	(72,000)	(47,000)
Accrued interest	24,120	19,080
Interest paid	(40,380)	-
Balance, end of the period	<u>\$ 72,820</u>	<u>\$ 161,080</u>
Loans		
Balance, beginning of the period	\$ -	\$ -
Loan	430,000	-
Prepaid interest to be amortized	(21,500)	-
Loan advanced, net of prepaid interest	408,500	-
Fair value of warrants issued for financing	(111,891)	-
Financing expense related to warrants	111,891	-
Accrued prepaid interest amortized	21,500	-
Balance, end of the period	<u>\$ 430,000</u>	<u>\$ -</u>
Accrued interest August 9th to September 30	\$ 6,244	
Balance, end of the period	<u>\$ 436,244</u>	<u>\$ -</u>
Total	<u>\$ 509,064</u>	<u>\$ 161,080</u>

Off Balance Sheet Arrangements

To the best of management's knowledge, there are no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company.

Critical Accounting Estimates

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The effect of a change in an accounting estimate is recognized prospectively by including it in profit or loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both. Material estimates and judgments are:

Share-based Payment Transactions

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the stock options, volatility and dividend yield and making assumptions about them.

Determination of functional currency

The functional currency of the Company is the currency of the primary economic environment in which it operates. Determination of the functional currency may involve certain judgments to determine the primary economic environment. The functional currency may change if there is a change in events and conditions which determine the primary economic environment.

Changes in Accounting Policies

The accounting policies applied in these unaudited condensed consolidated interim financial statements are the same as those applied in the Company's annual audited financial statements for the year ended December 31, 2024. The reader is referred to Note 3 of December 31, 2024 audited financial statements for a description of the policies.

During the year ended December 31, 2024, the Company changed its accounting policy for the treatment of expired and cancelled stock options and share purchase warrants, to reclassify the fair value of those instruments from the respective option reserve or warrant reserve to deficit. Under the updated policy, these reserves now comprise the fair values of the instruments outstanding at each period end, which is in management's view both a reliable and more relevant basis of presentation. In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the change in accounting policy has been applied retrospectively.

The reader is referred to Note 2 of the December 31, 2024 audited financial statements for a description of the changed policy.

There was no impact on basic or diluted loss per share as a result of the adjustments.

Financial Instruments

The fair values of the Company's financial instruments approximate the carrying values, due to their short terms to maturity. The Company is exposed to various financial risks resulting from its operations. The Company's management manages financial risks. The Company has not entered into financial instruments agreements, including derivative financial instruments for speculative purposes.

The Company's main financial risk exposures and its financial policies are as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash and cash equivalents and accounts receivable are exposed to credit risk, with the carrying values being the Company's maximum exposure. The Company's cash and cash equivalents consists of deposit accounts with chartered banks. The Company's accounts receivable consists of contract payments due from governments and companies, with the carrying amounts also being the Company's maximum exposure. Management believes the Company's exposure to credit risk is not material. The Company's exposure to and management of credit risk has not changed materially from that of the prior year.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash and cash equivalents or another financial asset. The Company seeks to ensure that it has sufficient capital to meet short-term financial obligations after taking into account its operating obligations and cash on hand. The Company's exposure to and management of liquidity risk has not changed materially from that of the prior year.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Management believes that the interest rate risk is nominal. The Company is not exposed to any other material interest rate risk. The Company's exposure to and management of interest rate risk has not changed materially from that of the prior year.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk as it engages in transactions in other foreign currencies, from time to time. As of March 31, 2025 and December 31, 2024, the carrying values of the financial assets and liabilities denominated in US dollars were converted to CAD at a rate of 1.3546 (2024 - 1.4240) and Euros converted to CAD at the rate of 1.5041 (2024 - 1.4916).

A 10% change in the foreign exchange rate would have an impact on profit or loss of \$1,769 (2024 - \$1,298):

	September 30, 2025		December 31, 2024
Cash (US dollar)	\$ 95	\$	263
Cash (Euro)	304		511
Accounts payable and deposits (US dollar)	(523)		-
Accounts payable (Euro)	(5,976)		(13,752)
Total	<u>\$ (6,100)</u>	\$	<u>(12,978)</u>
10% change in the exchange rate impact	<u>\$ (610)</u>	\$	<u>(1,298)</u>

The Company's exposure to and management of foreign exchange risk has not changed materially from that of the prior year.

Other Price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Company is not exposed to significant other price risk. The Company's exposure to other price risk has not changed materially from that of the prior year.

Outstanding Share Data

As at September 30, 2025 and the date of this MD&A the following table summarizes the outstanding share capital of the Company:

	September 30, 2025	Report Date
Common Shares	152,555,858	154,250,858
Stock Options	12,350,000	12,350,000
Warrants	44,251,192	44,251,192
Total, Fully Diluted	<u>209,157,050</u>	<u>210,852,050</u>

During the nine-month period ended September 30, 2025, the Company:

- Issued 5,350,000 stock options exercisable at a price of \$0.05 per share, 500,000 expiring on January 15, 2030, 4,500,000 expiring on January 20, 2030 and 350,000 expiring on February 6, 2030.
- Issued 470,833 common shares in settlement of fees to Agoracomand 1,418,380 common shares at a deemed price of \$0.05 per share in settlement of \$70,919 of debt. See financing activities above.
- Issued 6,000,000 common share purchase warrants as consideration for a loan facility. See financing activities above.
- closed the first tranche of the private placement, issuing 37,041,942 units of the corporation at a price per unit of 3.5 cents for aggregate proceeds of \$1,296,468. The company expects to close the second tranche of the offering on or before Sept. 30, 2025. In connection with the offering, the company paid a finders' fee of (i) \$42,323.75 in cash, and (ii) 1,209,250 non-transferrable finder warrants. The securities issued pursuant to the offering will be subject to a four-month-and-one-day hold period in accordance with applicable Canadian securities laws and TSX Venture Exchange policies

Subsequent to the quarter end, the Company issued 1,695,000 shares to Agoracom in settlement of \$84,750 in fees and taxes.

Risks and Uncertainties

An investment in the Company's common shares should be considered highly speculative due to the nature of the Company's business and the present stage of its development. In evaluating the Company and its business, the reader should carefully consider the following risk factors in addition to the other information contained in this MD&A. These risk factors are not a definitive list of all risk factors associated with the Company. It is believed that these are the factors that could cause actual results to be different from expected and historical results. Investors should not rely upon forward-looking statements as a prediction of future results.

Business Model

The industry in which the Company operates is characterized by evolving industry conditions and standards, and changing user and client demands. Any evaluation of the Company's business and its prospects must be considered in light of these factors and the risks and uncertainties often encountered by companies in an evolving industry.

Some of these risks and uncertainties relate to the Company's ability to maintain and expand client relationships and respond effectively to competition and potential negative effects of competition on operating margins. If the Company is unable to address these risks, its business, results of operations and prospects could suffer.

Significant future capital requirements, future financing risk and dilution

No assurances can be provided that the Company's financial resources will be sufficient for its future needs. Revenues from current operations are insufficient to meet the Company's expected capital requirements. As such, the Company may be required to undertake future financings which may be in the form of a sale of equity or debt secured by assets. No assurances can be made that the Company will be able to complete any financing arrangements or that the Company will be able to obtain the capital that it requires. In addition, the Company cannot provide any assurances that any future financings will be obtained on terms that are commercially favourable to the Company. Any such sale of Company shares, or other securities will lead to further dilution of the equity ownership of existing shareholders. Additionally, options and warrants or other conversion rights issued or granted by the Company may adversely affect future equity offerings, and the exercise of those options and warrants may have an adverse effect on the value of the Company shares. If any such options, warrants or conversion rights are exercised at a price below the then current market price, if any, then (i) the market price of the Company shares could decrease, and (ii) shareholders may experience dilution of his or her investment. The issuance of Company shares in the future will result in a reduction of the book value and market price of the then outstanding Company shares. If any such additional Company shares are issued such issuances will result in a reduction in the proportionate ownership and voting power of all current shareholders. Further, such issuance may result in a change of control of the Company. A prolonged decline in the price of the Company shares could result in a reduction in the liquidity of the Company shares and a reduction in the Company's ability to raise capital. As a significant portion of the Company's operations will probably be financed through the sale of equity securities a decline in the price of the Company shares could be especially detrimental to liquidity.

Technological Change

The Company operates in a business environment that is entirely dependent on technology. As such, technological change will impact the ability of the Company to expand and grow its business and will also affect the costs and expenses incurred by the Company, including capital requirements. The artificial intelligence and climate risk market continues to experience rapid technological change. There is a risk that new technologies and standards may render the Company's software applications obsolete. The Company may be required to invest significant capital in new technology and software development to remain competitive. Failure to do so may adversely affect demand for the Company's products and services.

Share price volatility and liquidity

There is a limited market for the Company's shares, and the trading price may increase or decrease in response to a number of events and factors, both known and unknown. In addition, the market price of the Company shares will be affected by many variables not directly related to the Company's success and will therefore not be within the Company's control, including other developments that affect the market for all software and/or AI sector securities, the breadth of the public market for the common shares, and the attractiveness of alternative investments. The effect of these and other factors could cause the Company's share price to be volatile in the future.

The market price for the Company shares may also be affected by the Company's ability to meet or exceed expectations of analysts or investors. Any failure to meet these expectations, even if minor, may have a material adverse effect on the market price of the Company shares.

Limited Operating History

Aisix is in the early stage of development and has a limited history of operations. The Company will be subject to many risks common to start-up enterprises and its viability must be viewed against the background of the risks, expenses and problems frequently encountered by companies in the early stages of development in new and rapidly evolving markets such as the AI industry. This includes under-capitalization, cash shortages, limitations with respect to personnel, lack of revenues and financial and other resources. There is no assurance that the Company will develop its business profitably, and the likelihood of success of the Company must be considered in light of its early stage of operations. There is no assurance that the Company will be successful in achieving a return on shareholders' investment.

Management of Growth

The Company may be subject to growth-related risks including pressure on its internal systems and controls. The Company's ability to manage its growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its consultants. The inability of the Company to deal with this growth could have a material adverse impact on its business, operations, and prospects. While management believes that the Company has made the necessary investments in infrastructure to process anticipated volume increases in the short term, the Company anticipates it may experience growth in the number of its consultants and the scope of its operating and financial systems, resulting in increased responsibilities for the Company's consultants and, in general, higher levels of operating expenses. In order to manage its current operations and any future growth effectively, the Company will also need to continue to implement and improve its operational, financial and management information systems and to hire, train, motivate, manage, and retain its consultants. There can be no assurance that the Company will be able to manage such growth effectively, that its management, personnel, or systems will be adequate to support the Company's operations or that the Company will be able to achieve the increased levels of revenue commensurate with the levels of operating expenses associated with this growth.

Negative cash flow and absence of profits

Aisix has not earned any profits to date and there is no assurance that it will earn any profits in the future, or that profitability, if achieved, will be sustained. The success of the Company will ultimately depend on its ability to generate revenues from operations. There is no assurance that any future revenues will be sufficient to generate the required funds to develop the Company's business.

Protection of intellectual property rights

The future success of the Company's business will be dependent upon the intellectual property rights surrounding certain technology held by Aisix, including trade secrets, know-how and technological innovation. The Company's failure to protect its intellectual property could harm its ability to compete effectively. The Company is highly dependent on its ability to protect its proprietary technology. It intends to protect its rights vigorously; however, there can be no assurance that these measures will, in all cases, be successful. Enforcement of its intellectual property rights may be difficult. Also, competitors could independently develop technologies that are perceived to be substantially equivalent or superior to the Company's technologies. The Company may be subject to claims of intellectual property infringement. Other companies may claim that Aisix infringes their intellectual property, which could materially increase costs and materially harm the Company's ability to generate future revenue. Although the Company does not believe that its products infringe on the rights of third parties, third parties may assert infringement claims against it in the future. Although most of Aisix's technology is proprietary in nature, it does rely to a limited extent on third party software.

Regulatory requirements

The Company may be affected in varying degrees by government policies and regulations. Changes in government, regulations and policies and practices, beyond the control of the Company, could have an adverse impact on its future cash flows, earnings, results of operations and financial condition.

Product liability exposure

The Company faces an inherent business risk of exposure to product liability and other claims in the event that the development or use of its technology or prospective products is alleged to have resulted in adverse effects. While the Company has taken, and will continue to take, what it believes are appropriate precautions, there can be no assurance that it will avoid significant liability exposure. A product liability claim could have a material adverse effect on the Company's business, financial condition, and results of operations.

Management experience and dependence on key personnel and consultants

The Company's success is currently largely dependent on the performance of the Company's directors and officers. The experience of these individuals is a factor which will contribute to the Company's continued success and growth. The Company will initially be relying on its board members and executive officers, as well as independent consultants and advisors, for most aspects of its business. The amount of time and expertise expended on the Company's affairs by each of the Company's management team and the Company's directors will vary according to the Company's needs. The loss of any of these individuals could have a material detrimental impact on the Company's business. The Company does not intend to acquire any key man insurance policies and there is, therefore, a risk that the death or departure of any key member of management, a director, or consultant, could have a material adverse effect on the Company's business, operations, and financial condition. Investors who are not prepared to rely on the Company's management team should not invest in the Company's securities. The management of the Company has limited history of past performance in managing a software and AI company, and the past performances of management in other positions are no indication of their ability to successfully manage the Company. If the experience of management is inadequate or unsuitable to manage the Company, the operations of the Company may be adversely affected.

Competition

The Company will face competition from other companies, some of which can be expected to have longer operating histories and more financial resources and experience than the Company. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition, and results of operations of the Company. There are other entities investing in the AI technology space and the Company expects this sector to grow. These companies may have an advantage and may have developed a more efficient operational or investment model. The Company may not have sufficient resources to continue on a competitive basis which could materially and adversely affect the business, financial condition, and results of operations of the Company. To remain competitive, the Company will continue to invest in software development. Should competitors introduce new services/software embodying new technologies, the Company's technology may become obsolete and require substantial resources to compete successfully in the market for software and technology services.

Exchange Rate

The reporting and functional currency of the Company is the Canadian Dollar. A significant portion of the Company's anticipated future revenues and expenses may be in foreign currencies, such as the United States Dollar or the Euro. Future fluctuations in the value of the Canadian Dollar relative to these currencies will likely have a material impact on the Company's overall financial results. Appreciation of the Canadian dollar will potentially affect revenues and expenses.

Uninsured or uninsurable risks

The Company insures its operations in accordance with technology industry practice. However, given the novelty of the proposed business, such insurance may not be available, uneconomical for the Company, or the nature or level may be insufficient to provide adequate insurance cover. The Company may become subject to liability for hazards against which the Company cannot insure or against which the Company may elect not to insure because of high premium costs or for other reasons. The payment of any such liabilities would reduce or eliminate the funds available for operations. Payments of liabilities for which the Company does not carry insurance may have a material adverse effect on the Company's results of operations and financial position.

Litigation

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company's ability to continue operating and the market price for the common shares and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant resources. Litigation may also create a negative perception of the Company's brand.