



# **EnWave Corporation**

## **Annual Information Form**

For the financial year ended September 30, 2025

**Dated December 12, 2025**

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## PRELIMINARY NOTES

This annual information form (“**AIF**”) contains information which describes EnWave Corporation (collectively with its subsidiaries, unless the context requires otherwise, “**we**”, “**our**”, “**us**”, “**EnWave**”, the “**Corporation**”, or the “**Company**”) and its operations, risks and other factors which affect its businesses.

### *Date of Information*

This AIF is dated as of December 12, 2025. Except where otherwise indicated, all information in this AIF is given as of September 30, 2025.

### *Currency and Exchange Rate*

Except where otherwise indicated, all references to currency in this AIF are to Canadian dollars.

The following table sets forth, for each period indicated, the exchange rates of the US dollar to the Canadian dollar at the end of such period and the high, low, and average (calculated as an average of the daily noon rates, and as an average of the daily indicative rate) exchange rates for such period. Such rates, which are expressed in Canadian dollars, are based on the exchange rate for one US dollar, as reported by the Bank of Canada.

<b>Fiscal Year</b>	<b>High</b>	<b>Low</b>	<b>Average</b>	<b>End of Period</b>
2025	\$1.4603	\$1.3491	\$1.3986	\$1.3921
2024	\$1.3875	\$1.3205	\$1.3546	\$1.3499
2023	\$1.3856	\$1.3128	\$1.3486	\$1.3520

### *Forward-Looking Information*

Certain statements contained in this AIF constitute forward-looking information. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking information. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. We believe the expectations reflected in forward-looking information are based on reasonable assumptions, but no assurance can be given that these expectations will prove to be correct and the forward-looking information included in this AIF should not be unduly relied upon. These statements speak only as of the date of this AIF.

In particular, this AIF may contain forward-looking information pertaining to the following: growth and future prospects of our business; our market positions and market conditions for our products; expectations relating to our license agreements and machine orders; benefits that may accrue to the Company as a result of growth strategies; ongoing research and development programs and technology evaluation by third parties; expected operational performance; expected expenditures and availability of funds; market acceptance and performance of our products; the Company's intended focus for the future; and our perceptions of the industries and markets in which we or our royalty partners operate.

Forward-looking information reflects our current views with respect to expectations, beliefs, assumptions, estimates and forecasts about our business and the industries and markets in which we or our royalty partners operate. Statements constituting forward-looking information are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Assumptions underlying our expectations regarding forward-looking information contained in this AIF include, among others: that we will be able to effectively market our products and advance our royalty-bearing license business; that demand for our products and technology will continue to grow; the general stability of the economic, political and regulatory environments within the countries where we conduct business; that we will be able to successfully protect and preserve our intellectual property; that we will be able to successfully compete against competitors that manufacture products utilizing similar technology; our ability to obtain financing (if necessary) on acceptable terms; that interest and foreign exchange rates will not vary materially from current levels; and that our equipment will operate at expected levels. The foregoing list of assumptions is not exhaustive.

Forward-looking information is inherently uncertain, and actual achievements of the Company and other results and occurrences may differ materially from those reflected in the forward-looking information due to a variety of risks, uncertainties and other factors described in this AIF, including, without limitation:

- Dependence on core technology and Royalty Partners;
- Lengthy sales cycle and variable results;
- Economic and political conditions and international trade;
- Negative operating cash flow;
- Additional funding requirements;
- Intellectual property risks;
- Dependence on major customers;
- Reliance upon key Management personnel;
- Competition risks;
- Dependence on third party suppliers;
- Equipment risk;
- Current and future indebtedness risk;
- Credit and liquidity risk;
- Foreign exchange risk;
- Changes in consumer preferences and demand;
- Future sales or issuances of securities;
- Market price volatility on securities;
- Food safety, warranty claims, product liability and product recalls;
- Regulatory risks;
- Research and development;
- Taxes and accounting rules;
- Environmental and safety regulations and permits;
- Insurance and uninsured risks;
- Cyber security, information technology systems, and electronic commerce;
- Litigation;

- Facilities;
- Risks related to the cannabis industry;
- Risks related to US cannabis laws;
- Adverse impacts of health crises including epidemics, pandemics and the emergence or re-emergence of infectious diseases;
- Corruption and bribery;
- Reputation;
- Dividends; and
- Conflicts of interest.

See “*Risk Factors*” section of this document.

Although EnWave has attempted to identify factors that may cause actual actions, events or results to differ materially from those disclosed in the forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, predicted, estimated or intended. Also, many of the factors are beyond the control of EnWave. EnWave undertakes no obligation to reissue or update any forward-looking information as a result of new information or events after the date hereof except as may be required by law. All forward-looking information contained in this AIF are qualified by this cautionary statement.

### ***Industry and Market Data***

Information contained in this AIF concerning the industry and the markets in which EnWave operates, including EnWave’s perceived trends, market position, market opportunity, market share, and competitive advantages within the food, cannabis and pharmaceutical dehydration technology markets, is based on information from independent industry analysts and third-party sources (including industry publications, surveys, and forecasts), EnWave’s internal research, and Management estimates. Management estimates are derived from publicly available information released by independent industry analysts and other third-party sources, as well as data from EnWave’s internal research, and are based on assumptions made by EnWave based on such data and its knowledge of its industry and markets, which Management believes to be reasonable. EnWave’s internal research has not been verified by any independent source, and EnWave has not independently verified any third-party information. While EnWave believes the market opportunity and market share information included in this AIF is generally reliable, such information is inherently imprecise. In addition, projections, assumptions, and estimates of EnWave’s future performance and the future performance of the industry and the markets in which EnWave operates constitute forward-looking statements herein and are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the “Risk Factors” and other sections of this AIF.

### ***Trademarks***

EnWave, the EnWave logo, *FREEZEREV*<sup>®</sup>, *NutraREV*<sup>®</sup>, *POWDERREV*<sup>®</sup>, *QUANTAREV*<sup>®</sup>, *REV*<sup>™</sup>, *REVworx*<sup>™</sup> and *FRUIT STAND*<sup>®</sup> are trademarks owned directly or indirectly by EnWave. *SNACLABS*<sup>™</sup> is a trademark that has been filed by the Company and is pending registration. Other product names mentioned herein may be the trademarks of their respective owners. The absence of the symbols <sup>™</sup> and <sup>®</sup> in proximity to each trademark in this AIF is not a disclaimer of ownership of the related trademark.

## GLOSSARY OF TERMS

The following is a glossary of certain terms used in this AIF:

“**Articles**” means the articles of incorporation of the Corporation;

“**BCIT**” means British Columbia Institute of Technology;

“**Board**” means EnWave’s Board of Directors;

“**BranchOut**” means BranchOut Food Inc.;

“**CBCA**” means the *Canada Business Corporations Act*;

“**CLA**” means a royalty-bearing commercial license agreement;

“**CNTA**” means the Spanish National Centre for Food Technology and Safety;

“**Common Share**” means a common share in the capital of EnWave;

“**Creations Foods**” means Creations Foods U.S. Incorporated;

“**CSA**” means the Canadian Securities Administrators;

“**Desjardins**” means Desjardins Tech & Innovation Banking of the Desjardins Group;

“**Director**” means a director of the Company and member of the Board;

“**Dole**” means Dole Worldwide Food and Beverage Group;

“**ELA**” means an Equipment Leasing Agreement;

“**ELEA**” means ELEA Technology GmbH;

“**EPA**” means an Equipment Purchase Agreement;

“**EU**” means the European Union;

“**FDA**” means the United States Food and Drug Administration;

“**GEA**” means GEA Lyophil GmbH;

“**GMP**” means Good Manufacturing Practices;

“**IT**” means information technology;

“**Management**” means the management of the Company;

“**NutraDried**” means NutraDried Food Company, LLC, which is a non-material US subsidiary of EnWave;

“**PCT**” means Patent Cooperation Treaty;

“**PIP International**” means Protein Isolate Plant International;

“**PLC**” means programmable logic control;

“**PwC**” means PricewaterhouseCoopers LLP;

“**R&D**” means research and development;

“**REV™**” means Radiant Energy Vacuum;

“**RDLA**” means a Research and Development License Agreement;

“**Royalty Partner**” means a business entity holding a license under a CLA;

“**RSR**” means a Restricted Share Right issued pursuant to the Company’s Restricted Share Rights Plan;

“**SEDAR+**” means System for Electronic Document Analysis and Retrieval in Canada, found online at [www.sedarplus.ca](http://www.sedarplus.ca);

“**TELOA**” means a Technology Evaluation and License Option Agreement;

“**TSX**” means the Toronto Stock Exchange;

“**TSXV**” means the TSX Venture Exchange;

“**US**” means the United States of America;

“**USD**” means US dollars; and

“**USMCA**” means United States-Mexico-Canada Agreement.

## **CORPORATE STRUCTURE**

The Company is a reporting issuer in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador and its Common Shares trade on both the TSXV (trading symbol: ENW) and the Frankfurt Stock Exchange (trading symbol: E4U).

The Company was formed pursuant to the provisions of the CBCA on July 14, 1999 as a result of the amalgamation of Commonwealth Assisted Living Inc., a “junior capital pool”, and DRI Dehydration Research Inc. Prior to this amalgamation, Commonwealth Assisted Living Inc. had not conducted operations of any kind.

The registered office of the Company is located at 1100 One Bentall Centre - 505 Burrard Street, Box 11, Vancouver, BC, V7X 1M5. The head office of the Company is located at #1 – 1668 Derwent Way, Delta, B.C., V3M 6R9, Canada.

## **RECENT DEVELOPMENTS**

The following recent developments of the Company took place before the date of this report and subsequent to the year ended September 30, 2025:

- On November 12, 2025, the Company signed a CLA with Shinyway International Limited.
- On November 10, 2025, the Company signed a CLA and sold a 10kW REV™ machine to a U.S. snack company.

## GENERAL DEVELOPMENT OF THE BUSINESS

### *Three Year History*

Over the past three years ended September 30, 2025, EnWave has made significant progress in the commercialization of its REV™ technology in the food and cannabis industries. EnWave's strategy is to propagate the use of REV™ dehydration technology globally in countries that respect intellectual property law. As of the date hereof, EnWave has 51 CLAs across 24 countries. Our revenues generated from sales of REV™ machinery represent expansion of the royalty-bearing potential of our Royalty Partners. The Company has completed a number of significant other corporate events over the past three years as described below.

### **Fiscal Year 2025**

- On September 29, 2025, the Company signed a CLA and sold a 10kW REV™ machine to Solve Solutions Ltda.
- On September 18, 2025, the Company signed an EPA for a 120kW REV™ machine with BranchOut.
- On August 21, 2025, the Company closed its fully subscribed private placement offering of 7,500,000 Common Shares of the Company at a price per Common Share of \$0.40 and raised aggregate gross proceeds of \$3,000,000 (the "**2025 Offering**"). Clarus Securities Inc. ("**Clarus**") acted as lead agent and sole bookrunner pursuant to an agency agreement dated as of August 21, 2025 (the "**Agency Agreement**"), in respect of the brokered component of the 2025 Offering. Clarus received a cash commission of \$134,750 and 336,875 non-transferable compensation options, with each compensation option entitling Clarus to acquire one Common Share at a price of \$0.40 for a period of 24 months from the closing date.
- On July 30, 2025, the Company signed EPAs for two 10kW REV™ machines to Dairy Concepts IRL.
- On July 3, 2025, the Company signed an additional CLA and sold two 10kW and one 60kW REV™ machines to MicroDried®.
- On June 11, 2025, the Company signed a CLA amendment and sold auxiliary support equipment to Procescir S.A. de C.V.
- On May 20, 2025, the Company signed a CLA amendment with Creations Foods that grants an additional right to produce dried cheese snacks for pet treat applications on a non-exclusive basis in the United States.
- On April 29, 2025, the Company received the second progress payment pursuant to a previously announced EPA signed with Procescir S.A. de C.V. for a 120kW REV™ machine.

- On April 22, 2025, the Company signed a CLA amendment and an EPA for a 60kW REV™ machine with MicroDried®.
- On March 27, 2025, the Company signed a master service agreement with BioTechnique. This master service agreement outlines the terms for the continued evaluation by EnWave's REV™ technology as a suitable replacement for lyophilization in the biopharmaceutical industry.
- On March 26, 2025, the Company signed a CLA and sold a 10kW REV™ machine to Hokkai Yamato Foods Japan.
- On February 19, 2025, the Company signed a CLA amendment, sold a 10kW REV™ machine and leased a second 10kW REV™ machine to Sprouted Proteins SAC.
- On February 17, 2025, the Company signed a CLA amendment with Patatas Fritas Torres S.L. of Spain.
- On February 12, 2025, the Company signed a CLA amendment with BranchOut. The amendment grants BranchOut the exclusive right to produce dried blueberry products using EnWave's REV™ technology in Peru.
- On January 07, 2025, the Company signed a TELOA with Solve Solutions Ltda.
- On December 12, 2024, the Company signed a RDLA and lease agreement for a 10kW REV™ machine with ELEA.
- On October 23, 2024, the Company signed a RDLA, EPA for a 10kW REV™ machine and a referral agreement with CNTA.

#### **Fiscal Year 2024**

- On September 23, 2024, the Company reached global settlements of its civil claim in the Supreme Court of British Columbia against EnWave's former CEO, Timothy Durance, as well as three other former EnWave employees: Gary Sandberg, Bino Anand and Reihaneh Noorbakhsh. Pursuant to the settlement, Mr. Durance, Mr. Sandberg and Mr. Anand, together with three companies associated with Mr. Durance, including Dehydration Research, LLC and Durance Technologies. Inc. are permanently restrained and enjoined from, directly or indirectly, selling, attempting to sell, supplying, delivering or installing vacuum microwave dryers. Additionally, all issued and pending patents in the name of the aforementioned parties were required to be assigned to EnWave.
- On July 23, 2024, the Company signed a CLA with an existing royalty partner for the right to use EnWave's proprietary vacuum-microwave dehydration technology in an unspecified Central American country.
- On June 24, 2024, the Company signed a CLA and sold a 10kW REV™ machine to Bounty Specialty Foods Inc.
- On May 24, 2024, the Company signed an EPA with BranchOut for a refurbished 100kW nutraREV® machine.
- On May 22, 2024, the Company signed an EPA for a 120kW REV™ machine with an existing royalty partner.

- On April 2, 2024, the Company signed a TELOA and leased a pilot-scale REV™ machine to a North American food company led by a chef with multiple Michelin Stars.
- On February 28, 2024, the Company signed a CLA and leased two 10kW REV™ machines to an established South American food manufacturer.
- On February 6, 2024, the Company signed a toll manufacturing agreement with BranchOut to produce vegetable snack products on an interim basis.
- On February 2, 2024, the Company signed a TELOA with a North American multi-state cannabis company to lease a 10kW REV™ machine.
- On October 25, 2023, the Company signed a RDLA and sold a 10kW REV™ machine to a major university in Australia.

### **Fiscal Year 2023**

- On September 28, 2023, the Company signed an EPA with BranchOut, an existing licence royalty partner, for a 120kW REV™ machine.
- On September 27, 2023, the Company leased a 10kW REV™ machine to a major pet treat company in the United States.
- On September 26, 2023, the Company signed a CLA with Michael Foods, a subsidiary of Post Holdings, and signed an EPA for a 10kW REV™ machine.
- On August 16, 2023, the Company signed a TELOA with Moleciwl Cyf.
- On June 22, 2023, the Company signed a CLA with Bridgford Foods Corporation and signed an EPA for a 120kW REV™ machine. Funding for this machine purchase came primarily from the U.S. Army.
- On May 17, 2023, the Company signed a RDLA with PIP International and signed an EPA for a 10kW REV™ machine.
- On March 16, 2023, the Company signed a RDLA with the Danish Technological Institute, a leading research and technology company.
- On March 15, 2023, the Company announced the sale of NutraDried assets which included the Moon Cheese® brand, NutraDried trademarks, auxiliary equipment, and saleable inventory to Creations Foods. The Company also signed a CLA and an EPA for a 100kW REV™ machine.
- On February 24, 2023, the Company sold two 10kW REV™ machines to an existing licensed royalty partner.
- On January 23, 2023, the Company announced it would commence an orderly wind-down and value maximization process for its operating subsidiary, NutraDried.
- On January 18, 2023, the Company signed a CLA with a major Canadian cannabis company and signed an EPA for a 120kW REV™ machine.
- On December 6, 2022, the Company signed a TELOA with a major North American egg processing company.
- On October 4, 2022, the Company leased two additional 10kW REV™ machines to Dole.

## ENWAVE'S BUSINESS

### *Business Overview*

EnWave is a Delta, British Columbia-based industrial technology company that licences, builds and installs commercial-scale dehydration machinery for applications predominantly in the food sector. EnWave also has a commercial-scale toll drying facility in Delta, British Columbia that offers paid drying services for commercial volumes of REV-dried products for third-party food companies.

EnWave's proprietary REV™ dehydration platforms apply microwave energy under vacuum to offer flexible, efficient, low temperature processing suitable for food products, cannabis products and certain biomaterials. The Company currently has two commercial-scale technologies, *nutraREV*® and *quantaREV*®. EnWave's mission is to establish its REV™ technology as a new global dehydration standard. The Company is developing markets for its REV™ technology by selectively collaborating with strategic partners focused on creating new or improved product applications, increasing throughputs compared to alternative drying methods and/or reducing processing costs. Management believes that REV™ technology can produce products with better quality than air-drying, spray-drying and freeze-drying in certain market sectors. REV™ technology also typically dries products faster and more economically than freeze-drying.

The Company aims to grow revenues by selling more REV™ machines, securing material toll manufacturing contracts through REVworx™, and by growing a diversified portfolio of royalty streams through the licensing of its technology for specific market applications with a variety of Royalty Partners. Each CLA defines the royalty terms based either on a percentage of gross revenue generated, units produced or time-based usage payments by the Royalty Partner from the use of the REV™ technology. These agreements also restrict the Royalty Partner's use of the technology to specific applications and production using the REV™ technology to a limited geographical area. The Company's strategy with respect to existing Royalty Partners is to work closely with them to develop and commercialize products using REV™ technology and build future royalty streams by building production capacity.

EnWave has prospective Royalty Partners evaluating the REV™ technology under TELOAs. The strategy under these arrangements is to co-develop product applications using the REV™ technology for specific partner opportunities and to ultimately convert them into commercial licences. EnWave earns revenues under TELOAs from short-term REV™ machine rentals as well as fees for access to EnWave's R&D facilities and product development expertise. EnWave has active TELOAs with prospective Royalty Partner companies that are evaluating REV™ technology for potential commercial adoption.

As of the date hereof, EnWave has 51 royalty-bearing CLAs with various food processing, cannabis and pharmaceutical companies. The table below outlines EnWave's CLAs that are currently in effect:

<b>Royalty Partner</b>	<b>Licensed Territory</b>	<b>Licensed Product Category</b>	<b>REV™ Machine Capacity</b>
Alpina	Colombia	Dairy Products	10kW REV®
Andean Fruits and Veggies S.A.C.	Peru	Fruits and Vegetables	10kW REV® 100kW REV®
Arla Foods	Denmark, Sweden, Finland and Norway	Dairy Products	10kW REV®
Ashgrove Cheese	Australia	Cheese Snacks	2 x 10kW REV®
Australian Cannabis Company	Australia	Cannabis Products	10kW GMP REV®(1)
Ballantyne Pty Ltd.	Australia, excluding the State of Tasmania	Dairy Products	10kW REV®
Bare Foods (PepsiCo)	Thailand, Canada and United States	Fruits Snacks	3 x 10kW REV®
Bonduelle Group	North America	Dehydro-frozen Vegetables	120kW REV®
Bounty Farms	Philippines	Protein products	10kW REV®
BranchOut Food	North, South and Central America	Fruits and Vegetables	60kW REV® 120kW REV®(1) 100kW REV® 10kW REV® 120kW REV®
Bridgford Meat Company	United States	Military rations and select food products	120kW REV®
Calbee	Japan	Premium Snack Products	3 x 10kW REV® 60kW REV®
Canadian Cannabis Company	Canada	Cannabis Products	120kW REV®
Cann Group	Australia	Cannabis Products	10kW REV®
Cannaponics Pty Ltd	Australia	Cannabis Products	10kW GMP REV®(1)
Creations Foods	United States	Cheese Snack Products	100kW REV®
Dairy Concepts	Ireland and United Kingdom	Cheese Snack Products	4 x 10kW REV® 2 x 10kW REV®(1)
Dole	Asia	Fruits and Vegetable Products	10kW REV® 120kW REV®
Electric Farms	United States	Hemp Products	10kW REV®
Ereğli Agrosan /Alarko Holdings	Turkey	Fruits and Vegetables, Cheese	100kW REV® 2 x 10kW REV® 2kW REV®

European Cannabis Company	Europe	Cannabis Products	10kW GMP REV <sup>®</sup>
Food Revolution Lda	Angola	Fruits and Vegetables	10kW REV <sup>®</sup>
Fungaria	Hungary	Fruits and Vegetables	10kW REV <sup>®</sup>
Gay Lea Foods	Canada	Cheese Snacks	100kW REV <sup>®</sup> 10kW REV <sup>®</sup>
Hokkai Yamato	Japan	Fruits and Vegetables	10kW REV <sup>®</sup>
Howe Foods	Australia	Banana Products	10kW REV <sup>®</sup>
Kameya Foods	Japan	Seafood, Wasabi and Fruit	10kW REV <sup>®</sup>
Kesito (Air Cheese)	Greece	Cheese Snacks	10kW REV <sup>®</sup>
Lake Blue (Intakt Snacks)	Chile	Cheese Snacks	2 x 10kW REV <sup>®</sup>
Merck, Sharp & Dohme	Worldwide	Pharmaceuticals	freezeREV <sup>®</sup>
Merom Farms	British Columbia	Wasabi Products	20kW REV <sup>®</sup>
Metamount Schweiz AG	Switzerland	Hemp Products	10kW REV <sup>®</sup>
Michael Foods	United States	Food products	10kW REV <sup>®</sup>
Milne MicroDried	State of Idaho and the United States	Fruits and Vegetables, Blueberries and Strawberries exclusive in the United States	114kW MIVAP 2 x 120kW REV <sup>®</sup> 2 x 10kW REV <sup>®</sup> 2 x 60kW REV <sup>®(1)</sup>
Nanuva Ingredients	Chile	Fruits & Vegetables	5 x 10kW REV <sup>™</sup>
Nippon Trends Food	Canada	Ramen Noodles	10kW REV <sup>™</sup>
Nomad Nutrition	Canada	Specific Ready-to-Eat Meals	2 x 10kW REV <sup>®</sup>
Orto Al Sole	Italy	Fruits and Vegetables	10kW REV <sup>®</sup> 120kW REV <sup>®</sup>
Pacifico Snacks	Colombia	Fruit Snack Products	10kW REV <sup>®</sup>
Patatas Fritas Torres	Spain	Cheese Snacks	10kW REV <sup>®</sup> 100kW REV <sup>®</sup>
Perdue Farms	United States	Pet Food and Pet Treats	10kW REV <sup>®</sup>
Procescir S.A. de C.V./ Pick-One	Mexico	Cheese Snack Products, Fruit and Vegetable Products	10kW REV <sup>®</sup> 120kW <sup>®</sup>
Pitalia	Central America	Fruits and Vegetables, Cheese Snacks	100kW REV <sup>®</sup> 2 x 10kW REV <sup>®</sup>
Responsible Foods	Iceland	Dairy, Seafood, Meat, Eggs, Herbs,	2 x 10kW REV <sup>®</sup>

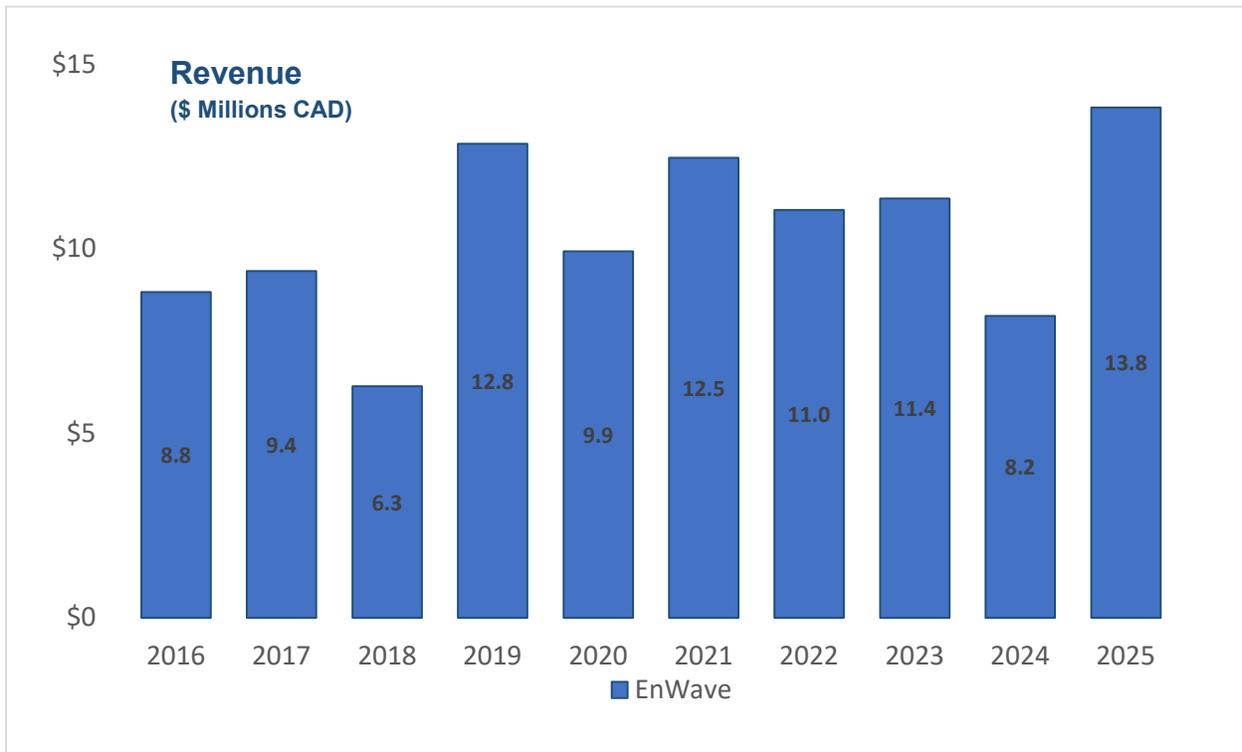
		Berries and Hemp products	
Shinyway International	New Zealand	Cannabis	10kW REV <sup>®</sup>
Solve Solutions Ltda	Brazil	Fruits and Vegetables	10kW REV <sup>®</sup>
South American Food Manufacturer	Undisclosed	Undisclosed	10kW REV <sup>®</sup>
Umland Pure Dry	United States	Cheese Snacks	2 x 10kW REV <sup>®</sup> 1 x 10kW REV <sup>®(1)</sup>
U.S. Snacking Company	Mexico	Fruits and Vegetables	10kW REV <sup>®(1)</sup>
Van Dyk Specialty Products	Worldwide	Wild Blueberries	60kW REV <sup>®</sup>
		<b>Total REV<sup>®</sup> Capacity</b>	<b>2,986 kW</b>

EnWave has signed eight RDLAs to enable advanced R&D and demonstration of the technology's capabilities with SciTek (Australia), Cornell University (US), US Army (US), Moore Park Technology (Ireland), Danish Institute of Technology (Denmark), PIP International (Canada), Queensland University of Technology (Australia) and CNTA (Spain). Under each RDLA the Company places REV<sup>™</sup> machines strategically at these locations to enable easier geographical access for companies to experience first-hand the capabilities of REV<sup>™</sup> technology.

EnWave also has also developed *freezeREV<sup>®</sup>*, a pilot-scale technology for dehydration of pharmaceutical products and ingredients. The Company has entered a Joint Development Agreement with GEA, a major German GMP pharmaceutical equipment manufacturer, to advance the design and scale-up of *freezeREV<sup>®</sup>* into the pharmaceutical vertical. EnWave delivered a pilot-scale pharmaceutical machine to GEA to enable demonstration and evaluation of the technology to prospective customers. In addition to the GEA relationship, EnWave signed a master service agreement with Biotechnique, an American pharmaceutical contract manufacturer, to evaluate the merits of using REV<sup>®</sup> technology to dry several biopharmaceutical materials supplied by Biotechnique's clients. Trials have taken place at EnWave's innovation center in Delta, B.C.

## Revenue Trend

The chart below depicts the company's revenue over the past ten years.



## Products and Technologies

### ***nutraREV® Continuous, Low-Temperature Dehydration***

Designed for the dehydration of fruits, vegetables, herbs, dairy products, meats and seafood, *nutraREV®* machinery is currently available at scales up to 100kW in rated microwave power. *nutraREV®* is modular in design, allowing EnWave to provide its partners with customized machine scale to suit their specific production needs. *nutraREV®* machinery tumbles the product in large drums as they pass through the vacuum-microwave chamber. Total processing times can range from forty-five to ninety minutes on average, depending on the individual product and desired end moisture content. *nutraREV®* is continuous and is controlled by a PLC operating system. *nutraREV®* units are available at varying scales: 2kW for product development, 10kW for pilot-scale production and 60kW to 100kW for continuous, commercial production.

### ***quantaREV® Continuous, Low-Temperature Tray-based Dehydration***

Designed for low-temperature dehydration of solid, semi-solid material, granular or encapsulated food or cannabis products, *quantaREV®* implements either a tray-based or belt-based system to move the product load through the vacuum-microwave chamber. *quantaREV®* is highly scalable and provides an appropriate method to dry fragile solid products and semi-solid material. *quantaREV®* units are available at varying scales: 10kW for pilot-scale production, and 60kW or 120kW for continuous, commercial production.

### ***freezeREV® In-vial High Speed Dehydration for Biopharmaceuticals***

Designed for the dehydration of biomaterial and pharmaceutical products below the freezing point in vials, *freezeREV*<sup>®</sup> is currently available as a multi-vial prototype for partner research and development and as a continuous GMP design. In 2019, EnWave installed the first scaled-up GMP *freezeREV*<sup>®</sup> machine for Merck Pharmaceuticals.

In 2020, EnWave signed a technology license and joint development agreement with GEA where the collaboration will leverage EnWave's *freezeREV*<sup>®</sup> technology and intellectual property alongside GEA's expertise and intellectual property in the manufacturing of GMP-pharma equipment to scale-up and refine EnWave's GMP-pharma REV<sup>™</sup> machinery. Both parties have agreed to a series of development related milestones under a joint project, and, if met, will extend the term of the agreement into the commercial equipment manufacturing phase, where EnWave could earn a royalty from the sale of any future GMP-pharma REV<sup>™</sup> machinery.

EnWave has delivered a pilot-scale *freezeREV*<sup>®</sup> to GEA's facility in Germany for further development and to conduct trials with prospective pharmaceutical customers.

### **REVworx<sup>™</sup> Toll Manufacturing Services**

REVworx<sup>™</sup> offers toll manufacturing services for a wide range of food products that are processed using the Company's patented dehydration technology. The toll manufacturing division is intended to complement the Company's global royalty-licensing business model as a low-barrier first step for launching new REV<sup>™</sup> products. Additionally, REVworx<sup>™</sup> functions as a marketing tool by providing an opportunity for prospective purchasers to see EnWave's technology in operation. The REVworx<sup>™</sup> facility houses both a batch 10kW and 60kW continuous vacuum-microwave line.

The Company built a 9,300 square foot food processing facility at its corporate headquarters on Annacis Island in Delta, British Columbia. The facility has been granted Safe Quality Food (SQF) certification and was designed to meet the necessary quality standards and food safety requirements for commercial food processing.

### **Proprietary Trademarks**

<b>Trademark</b>	<b>Registration Number</b>	<b>Registration Date</b>	<b>Renewal Date</b>	<b>Status</b>
<b>Canada</b>				
ENWAVE	1,873,089 TMA1,055,396	12/14/2017 09/19/2019	09/19/2029	Registered
EnWave Logo 	1,511,940 TMA829,481	01/19/2011 08/08/2012	08/08/2027	Registered
FREEZEREV	1,410,356 TMA833,981	09/11/2008 10/09/2012	10/09/2027	Registered
FRUIT STAND	1,821,912 TMA997,984	02/08/2017 06/01/2018	06/01/2033	Registered
nutraREV	1,347,949 TMA710,134	05/11/2007 03/25/2008	03/25/2033	Registered
POWDERREV	1,410,355 TMA797,852	09/11/2008 05/17/2011	05/17/2026	Registered
QUANTAREV	1,504,830 TMA827,524	11/22/2010 07/04/2012	07/04/2027	Registered

Trademark	Registration Number	Registration Date	Renewal Date	Status
REV	1,581,706 TMA863,459	06/12/2012 10/23/2013	10/23/2028	Registered
REVworx	2,052,717 TMA1282110	01/10/2025	01/10/2035	Registered
<b>United States</b>				
ENWAVE	77227153 3801522	01/04/2018 09/08/2020	09/08/2030	Registered
NUTRAREV	77/227,153 3,801,522	07/11/2007 06/15/2010	06/15/2030	Registered
QUANTAREV	85/184,857 4,330,089	11/24/2010 05/07/2013	05/07/2033	Registered
REV	85/650,912 4,496,847	06/13/2012 03/18/2014	03/18/2034	Registered

### Proprietary Patents

Patent Family	Title	Country	Status	Patent No. (Application No.)	Application/ Expiration Date
1	Crispy Banana Snack Products	Canada USA	Published Published	3233948 18/713066	Jan 19, 2022
2	Method and Apparatus for Pasteurizing and Dehydrating Marijuana (Cannabis)	Australia Canada Chile Costa Rica European Patent Office Israel New Zealand Thailand USA Unitary Patent	Registered Registered Registered Registered EP Granted Registered Registered Published Registered	2017430185 3070605 68.642 4722 3675914 272004 761019 2001000907 11278635 3675914	Aug 30, 2037
3	Condensate separator system for vacuum microwave dehydrators	USA	Registered	11717772	Jan 18, 2042
4	Apparatus and Method for Dehydrating Biological Materials with Freezing and Microwaving ( <b>freezeREV</b> )	Canada USA USA (Continuation)	Registered Registered Registered	2736317 10023857 10844366	Sep 11, 2029 Jan 26, 2031 Jan 29, 2030
5	Method of Making Dried Porous Food Products ( <b>Frozen-In</b> )	Australia Canada Chile Japan Republic of Korea	Registered Registered Registered Registered Registered	2017408828 3043779 66.152 6840256 10-2478489	Apr 13, 2037





Patent Family	Title	Country	Status	Patent No. (Application No.)	Application/ Expiration Date
		Switzerland United Kingdom United Kingdom USA USA USA USA	Registered Registered Registered Registered Registered Registered Registered	2526776 2525675 2526776 9316437 9958203 10139160 10139161	
12	Microwave Vacuum Dehydration Apparatus with Fractionally Rotating Container ( <b>Rocking Basket</b> )	Patent Cooperation Treaty	Pending	PCT/CA2025/051262	Oct 17, 2024
13	Vacuum Chamber Apparatus with Single Roller for Rotating Container ( <b>Single Roller</b> )	Australia Brazil Canada Chile Colombia European Patent Office Indonesia India Japan Mexico New Zealand Philippines Republic of Korea Thailand United States of America	Pending Registered Registered Registered Published EP Granted Registered Published Registered Published Registered Registered Registered Registered Registered Registered Registered	2020432224 1120220154089 3163617 68.821 NC2022/0008724 4111117 IDP000099948 202227048430 7520133 MX/a/2022/010281 789606 12022552226 10-2022-7032874 113223 12357001	Feb 28, 2020
14	Method and Apparatus for Drying Cannabis ( <b>Terpene Max</b> )	Canada European Patent Office Mexico United States of America	Published	3222928 21953617.4 MX/a/2024/001919 18//570749	Aug 25, 2021
15	Method of Making Dried Food Products ( <b>Tofu</b> )	United States of America	Registered	11547131	Jan 5, 2038
16	Washable Microwave Vacuum Drying Machine ( <b>Washable dryer</b> )	Patent Cooperation Treaty (PCT)	Published	PCT/CA2023/051413	Oct 24, 2023
17	Angle-paired waveguide vacuum microwave dehydrator ( <b>Waveguide</b> )	Canada	Published	3078044	April 14, 2020

### Research and Development

EnWave continues to develop intellectual property and advancements in its dehydration technology to further improve EnWave's competitive advantage. The Company's R&D team is

composed of engineers and scientists with expertise in a broad range of technical competencies, including: food science, microbiology, electrical engineering, and mechanical engineering. EnWave's R&D team works to improve its technology platforms by introducing new innovations, and the latest advancements in cutting-edge technologies.

### ***Intellectual Property***

Utility and design patents, trademarks, copyrights, and trade secrets support a multi-faceted approach to help protect EnWave against third-party infringement of its dehydration solutions. EnWave continues to develop and extend its patents by constantly improving its technology. EnWave has several trademarks in use in Canada and the US. EnWave seeks and maintains what Management considers appropriate protection for its trademarks and intellectual property.

EnWave maintains appropriate copyright notices, assignments of copyright, and waivers of moral rights with respect to EnWave's suppliers, employees and sub-contractors who create or develop or who have created or developed proprietary material for EnWave, as well as with respect to resellers who use such proprietary material.

### ***Competitive Conditions***

The Company's REV™ technology competes primarily against freeze drying and air drying, as well as other microwave drying processes in the food, legal cannabis and pharmaceutical industries.

For many years, companies experimenting with vacuum-microwave dehydration technology have been trying to establish broader commercial success with a variety of machine designs. To date, the major obstacle blocking their success has been their failure to harness and direct microwave energy within a vacuum environment in order to deliver scalable commercial technology with consistent output quality. There are many technical challenges to overcoming these hurdles; EnWave has overcome these technical challenges through extensive R&D investment and has sought to protect its innovations with pending or granted patents and strict protection of confidential information.

The Company's competitive analysis has identified a number of potentially competitive technologies in Europe, China and North America. However, to EnWave's knowledge, there are no companies with technology comparable to REV™ that pose a direct material threat to EnWave in terms of being both operational at commercial-scale, reliable in production and strongly protected by a portfolio of patents.

In some cases, companies appear to be developing vacuum-microwave designs that EnWave has already experimented with but has discarded for reasons such as non-scalability or inconsistent quality of output. Furthermore, patent searches conducted by EnWave's personnel and by its patent agents have found a variety of food-related vacuum-microwave patents dating back as much as 30 years (most of which are now in the public domain), but very little in the biomaterials sector.

Several small-scale vacuum-microwave systems are currently available in the market. The Company's REV™ technology operates under high-power density with a much smaller volumetric chamber which greatly increases system efficiencies. The high-power density approach requires a sophisticated PLC to counteract the problems others have resolved with size, lower power and resulting higher cost. Having design control of the REV™ equipment and the process controller

provides the user with the flexibility to customize products. The Company believes that its REV™ technology is competitive because of the combination of product development, process control, patented products and economically priced equipment.

REV™ technology competes with incumbent dehydration technologies including spray, air and freeze drying, amongst others. REV™ technology is designed to offer a commercial dehydration process that is high-speed and economical considering the value of the end products, while maintaining high levels of nutrition, colour, flavour and creating attractive texture in dried food materials. For cannabis and hemp products, REV™ maintains high levels of cannabinoids and terpenes. The Company has conducted a wide array of tests on all of its platforms to determine their competitive advantages over the three aforementioned main forms of dehydration used in the identified target markets and the general results are presented in the following table:

Method	Process	Economics	Product Quality
Spray & Air Drying	High heat using hot air into a chamber or on continuous belt	Low cost High speed	Heat & oxygen generally damage nutrients, flavour, colour, texture, bioactivity
Freeze Drying	Freeze and slowly remove moisture through sublimation in large batches	Very slow Capital intensive Energy intensive	High quality preservation of nutrients, flavour, colour, texture, bioactivity
REV™ Technology	Microwave energy applied under vacuum in a low temperature environment above or below freezing	Low cost High speed	High quality preservation of nutrients, flavour, colour, texture, bioactivity

There are many current companies that produce spray, air and freeze-drying machinery. Dominant air, spray and freeze dryer producers include SMC Corporation, Parker Air Dryers, Buhler Group, GEA, and GEA Niro, among others.

There are other technologies and methods available in the market for the dehydration of cannabis and hemp products. These other technologies include dehumidified air-drying rooms, heat pump dehumidification systems, industrial rack air driers, paddle driers and belt-air driers. The producers of these cannabis drying systems include Cann Systems LLC, Harter GmbH, Bepex International, LLC, and Vulcan Drying Systems, among others.

Based on information and comparisons obtained from analysis presented in industry reports, information from certain companies and the Company's own cost comparisons, and as the result of EnWave's strong patent position and the technological advances that the Company has made over the past 15 years, EnWave is comfortable in continuing to present REV™ as an advanced drying technology that can create value for global and regional food and cannabis processors. Our patented technology will allow us to pursue revenues from both equipment sales and royalty payments. Management believes that the processing of food and other products as detailed in this AIF utilizing the Company's REV™ technology is faster and more economical than freeze drying, producing a better-quality end product than the utilization of traditional hot air drying or spray drying methods.

### **Target Market Verticals**

EnWave's goal is to assist its partners in meeting the evolving consumer demands for convenient, nutritious food applications while also cutting costs to improve margins and establish higher

production efficiencies. EnWave's technology conveys that high product quality and low processing costs are no longer mutually exclusive. Partners in different market verticals have different dehydration needs depending on the nature of their business and raw materials used. EnWave's dehydration platforms are designed to provide features such as high-speed processing, reduced energy usage, continuous processing, flexible moisture content, enhanced product attributes, and new product innovations.

EnWave targets long-term partnerships with companies seeking to bring new, improved and/or innovative products, through the use of our proprietary REV™ technology, into their respective marketplace. These attributes appeal to a range of vertical markets, including:

- Dairy
- Meat production and processing
- Fruits and vegetables
- Spices and herbs
- Pulse crops
- Cannabis
- Hemp
- Pet treats
- Baked goods
- Protein-based products
- Starch-based products
- Nutraceuticals
- Biopharmaceutical products
- Vaccines
- Seafood
- Ready-to-eat meals
- Shelf stable noodles

EnWave has a patent covering a method for rapidly drying and decontaminating cannabis. The cannabis patent has been registered in the EU, Australia, Canada, Chile, Costa Rica, Israel, New Zealand and the USA. This patent expands the application of EnWave's technology to the rapidly growing global medicinal and recreational cannabis market sectors in legal jurisdictions. EnWave's patented technology has the ability to uniformly dry and pasteurize cannabis in a few hours, which dramatically shortens the time from harvest to yielding marketable products while circumventing the need to transport medicinal and recreational cannabis to highly specialized and expensive off-site gamma irradiation facilities.

### ***Sales and Distribution***

EnWave relies primarily on internal efforts to market, distribute, and sell its products. EnWave has also established several international third-party sale representatives with cooperation agreements to establish communication with potential Royalty Partners. EnWave is currently commercializing its REV™ dehydration technology through the formation of partnerships with food, pharmaceutical and licensed cannabis companies. Currently, EnWave has third-party representation in the following territories: Australia, New Zealand, Japan, and Europe. EnWave's proactive sales effort involves two main phases that are explained below. EnWave typically pays third parties a commission on the purchase price of successful REV™ machine sales. Also, in certain circumstances where it is warranted, EnWave has also agreed to include a small share of ongoing royalties generated from licensees in markets where it relies on the cultural and business expertise of the channel partner to address the market. Additionally, EnWave has a business development manager, who is an employee of the Company, domiciled in the Netherlands. EnWave continues to evaluate whether additional business development managers are needed to support its international growth and strategic objectives.

EnWave vigorously pursues new partnerships through targeted outreach and strategic business development efforts. Companies that confirm tangible interest in REV™ technology may first enter into a TELOA if more due diligence is deemed necessary. A TELOA is an agreement that provides a prospective partner with an option, for a defined period of time, to license a product application

within a specific geography for processing. The purpose of the TELOA is to provide optionality on a licensing arrangement during the time the prospective company is evaluating the adoption and investment case in REV™. During the TELOA term, each company either works collaboratively with our food science and sales teams to conduct an economic analysis and product development at our Innovation Centre in Canada or they can choose to rent REV™ machinery for use on their premises. We provide enhanced value to these prospective Royalty Partners during this stage by identifying the appropriate REV™ machinery as well as teaching integral processing know-how that has been developed over our many years of vacuum-microwave experience. Our R&D team works closely with the prospective Royalty Partner to co-develop the desired product application, resulting in new, innovative product ideas through the use of REV™. Other Royalty Partners have moved directly from preliminary trials to royalty-bearing commercial licenses.

Once the value proposition of REV™ has been clearly identified by a prospective Royalty Partner, we typically enter into a royalty-bearing licensing agreement referred to as a CLA. The CLA grants our partner a non-exclusive or exclusive right to use REV™ technology in a defined geographic region to process a defined product or list of defined products, thus creating, in many cases, a competitive advantage for them in their marketplace. Exclusive CLAs specify minimum annual royalty payments needed to maintain the granted exclusivity and typically require a simultaneous purchase order of EnWave's machinery upon signing. It also may stipulate any future machine purchase order requirements by the Royalty Partner. A future commercialization option for prospective Royalty Partners includes leveraging REVworx™ to conduct significant market trials or longer-term tolling contracts with EnWave.

### ***Manufacturing and Production***

EnWave's machinery is assembled and tested at its manufacturing facility located in Delta, British Columbia, Canada. A large amount of the electronic and mechanical components are purchased from third party suppliers; the steel is sourced typically from Canadian suppliers. EnWave regularly and carefully monitors demand, supply, and stock of higher risk, expensive components and sub-assemblies that have longer lead-times for production, are custom made, or are manufactured by a small number of suppliers. EnWave employs a team of skilled mechanical and electrical engineers and technicians that manage the fabrication, assembly and installation of the REV™ machinery on a global basis.

### ***Components***

EnWave uses a number of third-party suppliers to produce the various parts and components used to build REV™ machinery. The primary components used to build REV™ machinery include stainless steel chambers and mechanical components, microwave generators, electrical components, vacuum pumps and PLCs. All key components are widely available from a number of potential suppliers and the Company believes it is in a favourable position to negotiate terms and purchase prices. EnWave's engineering and technical services division currently uses suppliers based in both North America, Europe and China to maximize efficiencies and lower overall machine costs, while maintaining high quality.

EnWave currently sources microwave magnetron generators from suppliers in Europe and North America. PLCs and control systems are purchased from several major sources internationally. Sensors and conventional stainless-steel parts are purchased from a number of specialist firms depending on the component. Vacuum chambers are built to EnWave's design and specifications by British Columbia machine fabrication shops. REV™-specific machine parts are made in EnWave's own machine shop or by specialty manufacturers.

## ***Facilities***

EnWave leases two facilities in Delta, British Columbia, Canada. The first location houses its corporate services, customer service, sales, finance, R&D and REVworx™ toll manufacturing facility. The second location houses electrical engineering, mechanical engineering, technical services and manufacturing teams.

## ***Employees***

EnWave had 27 full-time personnel employed or retained as at September 30, 2025.

## ***Foreign Operations***

EnWave's operations, facilities and employees are all located within Canada. EnWave often derives revenues from machine sales and royalties generated outside of Canada. It also is serving the domestic market and has many commercial licenses with Canadian companies. Outside of Canada, the US is currently both EnWave's largest market and source of revenue by geographic area. In addition to Canada and the US, EnWave has entered into CLAs with companies operating globally.

## **RISK FACTORS**

The Company is subject to a number of risk factors and uncertainties related to its business. These risk factors could materially affect the Company's future operating results and financial position and could cause actual events to differ materially from those described in forward-looking information relating to the Company.

The Board has the overall responsibility and oversight of the Company's risk management practices. Management is responsible for developing and monitoring the Company's risk strategy, and reports to the Board on its activities. Risk management is incorporated in all levels of strategic and operational planning and is reviewed regularly to reflect changes in market conditions and the Company's activities. The risks described below are not the only risks facing the Company. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems immaterial, may also materially and adversely affect its business. The reader is urged to review these risk factors.

### ***Dependence on Core Technology and Royalty Partners***

The Company may face delays, difficulties or unanticipated costs in establishing licensing fees, royalties, sales, distribution and manufacturing capabilities or partnerships for its technologies which could adversely affect the Company's business, financial condition and results of operations. The Company's ultimate success in selling, licensing or generating a sustainable royalty stream from its *nutraREV*®, *quantaREV*® and *freezeREV*® technologies in the food, pharmaceutical and cannabis industries will depend, in a large part, on whether these targeted markets view these technologies as safe, effective and economically beneficial. Market acceptance will also depend on the Company's continuing ability to demonstrate that its technologies are attractive alternatives to existing options and the most suitable vacuum-microwave option. If the Company fails to demonstrate feasibility, commercially viable scale within acceptable product quality and equipment performance standards, or compete successfully against existing or potential competitors, its operating results may be adversely affected. Additionally, EnWave's business development efforts may not result in increased vertical and

market penetration in the global dehydration industry. EnWave may also be exposed to material unexpected costs related to liability or warranty claims related to EnWave's technology.

The Company has entered into commercial licenses and equipment supply agreements with several Royalty Partners in the food and cannabis processing industries. There is no guarantee that these Royalty Partners will successfully launch products that are sustainable in the marketplace or ultimately pay royalties to the Company. There is no guarantee these Royalty Partners will place future commercial machine orders with the Company or continue doing business with EnWave on favourable terms or at all.

The Company has entered into a commercial license and equipment supply agreement with Merck, Sharpe & Dohme pursuant to which it was contracted to provide a *freezeREV*<sup>®</sup> machine in accordance with customer specifications. The Company has also entered into a joint development agreement with GEA pursuant to which the parties intend to jointly develop and commercialize *freezeREV*<sup>®</sup> equipment for pharmaceutical applications. There may be significant costs required to develop the *freezeREV*<sup>®</sup> equipment designs to the point where they are technically viable for commercial processing, and with such costs being unknown, the project related to *freezeREV*<sup>®</sup> could be economically impractical to complete. There is no guarantee that a *freezeREV*<sup>®</sup> machine will meet the output and product standards expectations of the recipient. There is no guarantee that GEA will commercialize *freezeREV*<sup>®</sup> or invest and dedicate resources into the development of *freezeREV*<sup>®</sup> technology. The Company's *freezeREV*<sup>®</sup> technologies have not been established in the market and there is no guarantee that there will be any commercial acceptance of *freezeREV*<sup>®</sup> in the pharmaceutical industry.

### ***Lengthy Sales Cycle and Variable Results***

The Company's revenue model is dependent on joint product development projects with prospective Royalty Partners. The Company is unable to predict when and if the time and economic investment made during the sales cycle will convert into a CLA and revenue from the sale of equipment and royalty payments. This sales cycle can be long and does not necessarily translate into revenues, and there is no guarantee that companies evaluating the adoption of REV<sup>™</sup> under TEOAs or R&D agreements will convert into CLAs. As a result, the Company cannot accurately predict the length of its sales cycle, which results in periodic fluctuations in revenues, profitability and cash flow.

### ***Economic and Political Conditions and International Trade***

Customer demand for EnWave's systems and products may be affected by economic and political conditions on an international, regional, country, or local level. Because a significant portion of the Company's purchases and sales are made in foreign jurisdictions, the Company is subject to numerous risks including, but not limited to, shipping delays, political instability, conflict, labour strikes, import duties and trade restrictions.

EnWave's operations may require importing and exporting goods and technology across international borders on a regular basis. The Company may be subject to various duties applicable to materials manufactured in foreign countries and may be affected by various other import and export restrictions, as well as other considerations or developments impacting upon international trade, including economic or political instability, shipping delays, and product quotas. As of the date of this AIF, the Company's products exported to the United States are exempt from tariffs, as they qualify under the USMCA. However, trade policies and agreements are subject to change, and there can be no assurance that such tariff exemptions will continue in the future.

Although the Company mandates strict compliance with Canadian, US, and other applicable international trade laws, there are no assurances that the Company's policies and procedures will prevent violations of such laws. Failure to comply with applicable trade laws may subject the Company to civil or criminal penalties, including material monetary fines, or other adverse consequences including denial of import or export privileges, and could damage the Company's reputation and business prospects.

Furthermore, general market, political and economic conditions, including, for example, volatility of the global economy, economic slowdowns, inflation, interest and currency exchange rates, structural changes in the industry in which the Company operates, global supply and demand for the Company's production inputs and products (including, but not limited to, machine componentry pricing fluctuations) and supply chain disruptions, political developments, trade wars, legislative or regulatory changes, social or labour unrest and stock market trends will affect the Company's and its Royalty Partners' operating environments and the Company's operating costs, profit margins and share price. Rising inflation may negatively impact our business, raise costs and reduce profitability. Uncertainty or adverse changes relating to government regulation, economic and foreign policy matters, and other world events have the potential to adversely affect the performance of and outlook for the Canadian and global economies, which in turn may affect the ability of the Company to access financing on favourable terms or at all. The Company is exposed to potential supply chain disruptions due to foreign supplier failures, pandemics, extreme weather events, geopolitical risk, raw material and component shortages, labour disruption or insufficient capacity at ports, and risks of delays or loss of inventory in transit. Rising costs associated with inbound freight and related services may also adversely impact the business. Additionally, uncertainty about the trading relationship between the US and China, as well as other jurisdictions, has created uncertainty and volatility in global markets. The occurrence of negative sentiment or events in the Canadian and broader global economy could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Global financial conditions remain subject to sudden and rapid destabilizations in response to future events, as government authorities may have limited resources to respond to future crises. A slowdown in the financial markets or other economic conditions, including but not limited to consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect our growth and profitability. Future crises may be precipitated by any number of causes, including but not limited to, domestic or global trade disruptions, natural disasters, national emergencies, geopolitical instability, public health crises including epidemics, pandemics or outbreaks of new infectious diseases or viruses, infrastructure disruptions, technological attacks, changes to energy prices or sovereign defaults. Increased levels of volatility or a rapid destabilization of global economic conditions may result in a material adverse effect on commodity prices, demand for our or our Royalty Partners' products, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect our operations (or those of our Royalty Partners, which in turn would affect our operations) and the trading price of our securities.

### ***Negative Operating Cash Flow***

Operating cash flow may decline in certain circumstances, many of which are beyond the Company's control. Because the Company continues to incur significant expenditures for research and development, sales and marketing, and general and administrative expenses, the Company may experience negative operating cash flow until it reaches a sufficient level of sales

and royalty earnings to achieve stable year-over-year positive operating cash flow. An inability to generate positive cash flow for sustained periods may adversely affect the Company's viability as an operating business. Fluctuations in EnWave's operating and capital expenses may cause fluctuations in quarterly operating results and may have a materially negative impact on our financial condition.

### ***Additional Funding Requirements***

EnWave's business success and progress could become dependent upon securing additional funding to expand its business and develop new technologies. If the Company cannot raise capital from investors, secure grants, or generate sustained positive operating cash flow, it may limit the Company's research and development, ongoing testing programs and ultimately impact its ability to commercialize its technologies. If our revenues decline, we may have limited ability to expend the capital necessary to undertake or complete future projects. There can be no assurance that debt or equity financing or cash generated by operations will be available or sufficient to meet these requirements or for other corporate purposes or, if debt or equity financing is available, that it will be on terms acceptable to us. Moreover, future activities may require us to alter our capitalization significantly. Our inability to access sufficient capital for our operations could have a material adverse effect on our financial condition, results of operations or prospects. If we issue additional equity securities, existing shareholders may experience dilution or be subordinated to any rights, preferences or privileges granted to the new equity holders.

The Company's business may be impacted by its ability to obtain financing. Global economic conditions impact the general availability of financing through public and private debt and equity markets, as well as through other avenues. Significant political, market and economic events may have wide-reaching effects and, to the extent they are not accurately anticipated or priced into markets, may result in sudden periods of market volatility and correction. Periods of market volatility and correction may have an adverse impact on economic growth and outlook, as well as lending and capital markets activity, all of which may impact the Company's ability to secure adequate financing on favourable terms, or at all.

### ***Intellectual Property Risks***

To establish and protect our intellectual property rights, we rely on a combination of copyright, trade secret and trademark laws, patents, confidentiality procedures, contractual provisions, and other similar measures, all of which offer only limited protection.

The Company's future success and competitive position depends, in part, on its ability to obtain and maintain the proprietary nature of its technologies, products and manufacturing processes. There can be no assurance that we will not be subject to intellectual property infringement claims by others, or that any patent applications will result in patents being issued or that current or additional patents will afford protection against competitors. No guarantee can be given that others will not independently develop substantially equivalent proprietary information or techniques, or otherwise gain access to our proprietary technology. To protect its intellectual property against third party infringement or misappropriation, the Company may become involved in litigation (the outcome of which is uncertain), which could result in substantial expenses, divert the attention of the Company's technical and management personnel and materially disrupt the conduct of its business by adversely affecting the development of the Company's technology and products or sales. Some of the Company's competitors may be able to sustain the costs of complex patent litigation more effectively than the Company because they have substantially greater resources. Uncertainties resulting from the initiation and continuation of any litigation

could adversely affect the Company's revenue, financial position and results of operations. Our confidentiality agreements with our licensees and other parties may not provide us with adequate remedies for any breach or prevent other persons or institutions from asserting rights to intellectual property arising out of these relationships.

Additionally, certain jurisdictions may not offer intellectual property protection that is as effective or enforceable as other jurisdictions. The steps we have taken to protect our intellectual property may not prevent the misappropriation of proprietary rights or the reverse engineering of our technology. Moreover, others may independently develop technologies that are competitive with or superior to those of our Company or that infringe our intellectual property. The enforcement of our intellectual property rights in such jurisdictions may depend on us taking legal action against such infringing parties, and we cannot be sure that these actions will be successful, even when our rights have been infringed.

The Company's intellectual property includes trade secrets and know-how which may not be protected by its patents. There can be no assurance that the Company will be able to protect its trade secrets. To help protect the Company's rights, the Company requires its employees, consultants, advisors and collaborators to enter into confidentiality agreements. There can be no assurance that these agreements will not be breached, that the Company would have adequate remedies for any breach, or that the outcome of any claim, suit or proceeding that the Company may pursue in connection thereto will be favourable to the Company. Accordingly, these agreements may not adequately protect the Company's trade secrets, know-how or other proprietary information in the event of any unauthorized use or disclosure. In addition, non-Canadian courts are sometimes less willing than Canadian courts to protect trade secrets. If our competitors independently develop equivalent knowledge, methods and know-how, we may not be able to assert our trade secrets against them and consequently, our business could be harmed.

### ***Dependence on Major Customers***

A significant reduction of purchases, whether as a result of postponements or delays in orders for our machines, contractual disputes or otherwise, by any of our largest Royalty Partners, could have a material adverse effect on our business, financial condition, liquidity and results of operations.

### ***Reliance upon Key Management Personnel***

The Company's future success depends, to a large extent, upon the services of highly skilled and experienced management and technical personnel. The loss of the services of one or more of our Management and technical personnel could make us less competitive in certain areas, including sales and marketing, knowledge and expertise, prioritizing expenditures and maintaining employee relations, and cost management, that could have a material adverse effect on our business. In addition, as the Company's business grows, it will require additional qualified key administrative, scientific and technical personnel. The Company faces intense competition for qualified personnel, and there can be no assurance that the Company will be able to attract and retain such personnel. The Company does not have key man insurance in place in respect of any of its senior officers or personnel.

### ***Competition Risks***

New dehydration systems are being developed around the world and new advances may significantly reduce the value of the Company's technologies. The Company's technologies and

products compete against those of other more established companies, some of which have greater financial, marketing and other resources than that of the Company. Some of the products of the Company's competitors are already established in the food and cannabis processing industries and this provides those companies with advantages over the Company. In addition, these competitors may be able to institute and sustain price wars, or imitate the features of the Company's products, resulting in a reduction of the Company's market share and causing a downwards revision in pricing and profit margins. The introduction of competing dehydration systems to the marketplace could negatively impact the Company's ability to earn royalties. There can be no assurance that the Company will be successful in the face of increasing competition from new products and enhancements in existing products introduced by existing competitors or new companies.

### ***Dependence on Third Party Suppliers***

The Company is dependent upon the supply of microwave parts from key manufacturers for the successful operation of its business. A supplier's failure to supply materials or components in a timely manner, material defects and component quality of parts and raw materials sourced from suppliers, or the Company's inability to obtain substitute sources for these materials and components in a timely manner or on terms and prices acceptable to the Company, could harm the Company's ability to integrate and deliver its products to its customers. Although all key components are widely available from many suppliers, and the Company believes it could effectively source products from alternative suppliers in a timely manner, the loss of the services of any of these suppliers and a failure to obtain an acceptable alternative solution at a similar cost could have a material adverse effect on our relationships with our customers and Royalty Partners, and the business, operations and financial condition of the Company.

### ***Equipment Risk***

EnWave may not achieve its planned production level in respect of REV™ equipment, cost projections or quality/design benchmarks in respect of its operations. EnWave's technology may not function as intended or be suitable for the end users it is intended for. Cost overruns, equipment breakdowns, damage during shipment of equipment or failures to perform to design specifications in a manner that is not correctable in a timely or cost-effective fashion or at all, could have a material adverse effect on the Company's results of operations and financial performance.

### ***Current and Future Indebtedness Risk***

The Company is currently indebted pursuant to the credit facility and term loan with Desjardins, announced in October 2024 (the "**Desjardins Loan**"), which contains a floating interest rate, and the Company may also incur additional indebtedness in the future. The Company's levels of indebtedness and an increase in interest rates could have the following impacts:

- require deploying a substantial portion of cash flow from operations to service indebtedness, including in the event interest rates increase, thereby reducing the availability of cash flow to fund working capital and other growth initiatives and increasing the cost of capital;
- limit the Company's flexibility in planning for, or reacting to, changes in its business and otherwise restricting the Company from exploiting business opportunities; and

- require the consent of the Company's existing lender to incur additional indebtedness or limit the Company's ability to borrow additional funds in the future.

The Desjardins Loan contains customary financial and other restrictive covenants. These restrictions will affect, and may limit, the Company's ability to, among other things, incur or guarantee additional indebtedness, create liens and enter into transactions with affiliates. The Desjardins Loan includes financial covenants and borrowing base limitations, and failure to comply with such covenants could result in events of default and could have a material adverse effect on the Company's liquidity, results of operations and financial condition.

Additionally, the Company's ability to repay or refinance its indebtedness will depend on future financial and operating performance. The Company's ability to meet future debt service and other obligations may depend in significant part on the extent to which it can successfully implement its business strategy. There is no assurance that the Company will be able to implement its strategy fully or that the anticipated results of its strategy will be realized.

### ***Credit and Liquidity Risk***

The Company is exposed to counterparty risks and liquidity risks including but not limited to: (i) through the companies with which the Company has financial instruments and customer contracts; (ii) through financial institutions that hold the Company's cash and cash equivalents; (iii) through companies that have payables owing to the Company; and (iv) through the Company's insurance providers. The Company is also exposed to liquidity risks in meeting its operating expenditure requirements in instances where cash positions are unable to be maintained, or appropriate financing is unavailable. These factors may impact the ability of the Company to obtain loans and other credit facilities in the future and, if obtained, such facilities may not be on terms favourable to the Company. If these risks materialize, the Company's operations and the trading price of the Common Shares could be adversely affected.

### ***Foreign Exchange Risk***

Our profitability is subject to fluctuations in foreign currencies, particularly the US dollar. Fluctuations in foreign currencies and interest rates have become more volatile in recent periods and affect our competitive position in world markets. Our competitiveness in world markets is also affected by the relative strength of the currencies of other producing countries.

### ***Changes in Consumer Preferences and Demand***

The Company may be unable to anticipate changes in consumer preferences and trends, which may result in decreased demand for our technology. Our success depends in part on our Royalty Partners' ability to anticipate the tastes, habits and purchasing behaviours of consumers and to offer products that appeal to their preferences in channels where they shop. Consumer preferences and category-level consumption regarding our technology may change from time to time and can be affected by a number of different trends and other factors. If our partners fail to anticipate, identify or react to these changes and trends, such as adapting to emerging e-commerce channels, or to introduce new and improved products on a timely basis, our partners may experience reduced demand for these products, which in turn could have a material adverse impact on the Company's operating results and financial performance.

### ***Future Sales or Issuances of Securities***

The Company may issue additional equity or debt securities to finance future activities. The Company cannot predict the size of future issuances of securities or the effect, if any, that future issuances and sales of securities will have on the market price of the Common Shares. Sales or issuances of substantial numbers of Common Shares, or the perception that such sales could occur, may adversely affect the prevailing market prices of the Common Shares. With any additional sale of Common Shares, existing investors will suffer dilution to their voting power and the Company may experience dilution in its earnings, if any, per Common Share.

### ***Market Price Volatility on Securities***

The market price of the Common Shares and our other securities may be adversely affected by a variety of factors relating to EnWave's business, including fluctuations in the Company's operating and financial results, the impact or perception of any public announcements made by the Company or that may relate to the business or markets in which the Company operates in, and the Company's failure to meet analysts' expectations. In addition, from time to time, the stock market experiences significant price and volume volatility that may affect the market price of our securities for reasons unrelated to the Company's performance. Additionally, the value of our securities is subject to market value fluctuations based upon factors that influence the Company's operations, such as legislative or regulatory developments, competition, global capital market activity and changes in interest and currency rates. There can be no assurance that the market price of our securities will not experience significant fluctuations in the future, including fluctuations that are unrelated to the Company's performance. The value of the Common Shares will be affected by the general creditworthiness of the Company. The value of our securities may also be affected by the Company's financial results and political, economic, financial and other factors that can affect the capital markets generally, the stock exchanges on which our securities are traded and the market segment of which the Company is a part. Recent periods have seen generalized volatility in stock markets and significant declines in stock prices.

### ***Food Safety, Warranty Claims, Product Liability, and Product Recalls***

EnWave typically provides warranties on its products and the failure of its products to operate as described may cause loss of customers, damage to the Company's reputation, delay in or loss of market acceptance, additional warranty expenses, costs or disruptions associated with product replacement or recalls. From time to time, the Company may become subject to warranty or product liability claims that may require it to make significant expenditures to defend these claims or pay damage awards or make settlement payments.

The Company, through its toll processing operation REVworx™, is subject to a number of risks that affect the food industry in general, including the risk of accidental product contamination, food spoilage, product tampering, consumer product liability, and the potential expenses, costs or disruptions of a product recall. The Company actively attempts to mitigate these risks by adhering to its rigorous food safety protocols in its manufacturing facility. However, the Company cannot assure that strict adherence to its rigorous food safety protocols will eliminate the risks related to food safety. If the Company is required to recall certain of its products as a result of accidental product contamination, food spoilage, product tampering or otherwise, EnWave may suffer from a loss of customers, damage to its reputation, delay in or loss of market acceptance, additional expenses, costs or disruptions associated with product recalls, or become subject to product liability claims. The process of identifying recalled products that have been widely distributed may be lengthy, arduous and require significant resources. Any of these events could have a material adverse effect on the business, financial condition, and results of operations of the Company.

## ***Regulatory Risks***

The Company's technologies targeted for use in the pharmaceutical industry will be subject to regulatory approval by a number of government entities, including the FDA in the US and by comparable authorities in other countries. Technology development within this regulatory framework takes a number of years and may involve substantial expenditures. Any delays by the Company or our Royalty Partners in obtaining regulatory approval, unforeseen changes to food safety and compliance regulations in the food processing industry, or legal or regulatory regime changes, including changes to import and export requirements of foreign jurisdictions, could have an adverse impact on the Company's ability to earn future revenues from these technologies.

## ***Research and Development***

Research and development activities for new technologies are costly and may not result in the creation of new or enhanced products in a timely or cost-effective fashion or at all. There is no assurance that any or all of the Company's technologies for pharmaceutical products will be approved for marketing by the FDA or the equivalent regulatory agency of any other country. There is also no assurance that the Company will be able to generate additional technology candidates for its pipeline, either through internal research and development, or through the in-licensing or acquisition of other technologies. Even if a technology is approved for marketing by the applicable regulatory agency, there is no assurance that the Company will be able to ultimately deliver this technology on a commercial scale or obtain approvals for other technology candidates in the pipeline. Furthermore, technological developments by the Company's competitors may render the Company's technologies obsolete.

EnWave depends on third-party collaborators to license, co-develop and jointly commercialize some of its technologies. There is no guarantee these third parties will meet the Company's expectations or be able to find commercial opportunities with the technology to support successful commercialization of the EnWave technologies.

## ***Taxes and Accounting Rules***

The Company operates in Canada and has subsidiaries in the US that are not currently material to the Company. The Company earns royalties from companies domiciled in various other international jurisdictions. The introduction of new tax laws or regulations, or changes to, or differing interpretation of, or application of, existing tax laws or regulations in Canada, the US, or the countries of our Royalty Partners could result in an increase in the Company's taxes, or other governmental charges, duties or impositions. The Company's international transactions have not yet been reviewed by the Canada Revenue Agency or the Internal Revenue Service and, should such transactions be reviewed, no assurances can be given that the tax matters will be resolved favourably. No assurance can be given that new tax laws or regulations will not be enacted or that existing tax laws or regulations will not be changed, interpreted or applied in a manner which could have a material adverse effect on the Company, and unexpected tax liabilities may materially adversely affect the Company's financial condition.

## ***Environmental and Safety Regulations and Permits***

The Company's operations sometimes involve hazardous materials. The Company believes that it takes the necessary precautions to appropriately contain such hazardous materials in its operations. The Company is required to comply with applicable environmental and safety regulations. Changes to environmental and safety regulations may limit the Company's activities

or increase its costs. An environmental accident may have adverse consequences for the Company's operations and financial condition. To our knowledge, the Company has obtained all required permits, certifications, authorizations and approvals for its operations. However, failure to obtain or maintain any required permits, certifications, authorizations and approvals could have a material adverse effect on the Company's financial condition and results of operations.

EnWave's toll processing facility is required to comply with applicable food safety regulations in Canada, including the *Safe Food for Canadians Act*, and Health Canada regulations. There is no guarantee that EnWave will be able to maintain the required permits, certifications, authorizations and approvals for its operations, and failure to obtain and maintain those regulatory requirements could have a material adverse effect on the Company's financial condition and results of operations.

### ***Insurance and Uninsured Risks***

Our business is subject to a number of risks and hazards generally, including industrial accidents, product defects, changes in the regulatory environment and natural phenomena. Such occurrences could result in damage to our premises, equipment and products, personal injury or death, delays in operations, monetary losses and possible legal liability. Although we maintain insurance, and we require our Royalty Partners and other licensees to obtain applicable insurance coverage, including product liability insurance for their products, there can be no assurance that we will not incur losses beyond the limits of, or outside the coverage of, such insurance. There can be no assurance that in the future we will be able to maintain existing coverage or that premiums will not increase substantially. The Company may be subject to liability for risks against which we cannot insure or against which we may elect not to insure due to the high cost of insurance premiums or other factors. The payment of any such liabilities would reduce the funds available for our normal business activities. Payment of liabilities for which we do not carry insurance may have a material adverse effect on our business, financial condition and operations.

### ***Cyber Security, Information Technology Systems, and Electronic Commerce***

EnWave is dependent on IT networks and systems, including the internet, to process, transmit and store electronic information, to manage business operations and for the functioning of the Company's products and services. Although EnWave has implemented security systems and monitoring systems to prevent, detect and address potential security breaches, there are no assurances that such security and monitoring systems will be effective and computer hackers may be able to penetrate the Company's network security. Computer hackers may be able to create system disruptions or develop and deploy viruses, worms, and other malicious software programs that attack the Company's networks or otherwise exploit security vulnerabilities of the Company's products, services or software. It is also possible that computer hackers could penetrate the network security of customers using EnWave's products. Any of the foregoing could affect the Company's operations, products or services, harm EnWave's reputation, result in the unintended disclosure or misuse of confidential or proprietary information, result in a claim for damages against the Company, and require the Company to incur significant costs to eliminate or alleviate the problem. Additionally, the Company's ability to transact business may be affected. There are no assurances that advances in criminal capabilities, new discoveries in the field of cryptography, or other developments will not compromise or breach the technology protecting the Company's IT networks, systems, products, and software.

EnWave's IT systems are also subject to disruption, damage, or failure from natural disasters, power loss and defects in design. To date, EnWave has not experienced any material losses

relating to IT system disruptions, damage or failure, but there are no assurances that EnWave will not incur such losses in the future. Any of these and other events could result in IT systems failures, operational delays, production downtimes, destruction or corruption of data, security breaches, or other manipulation or improper use of the Company's systems and networks. If systems are damaged or cease to function properly, capital investment may be required.

Cyber threats continuously increase in sophistication, and may become more difficult to anticipate, and detect on a timely basis. A lapse in cybersecurity, or successful cyber attack, may defeat the Company's security measures or those of its service providers or third-party vendors. This includes the risk that the Company's websites and digital platforms may be subject to distributed denial of service (DDoS) attacks in the future, a technique used by hackers to take an Internet service offline by overloading its servers. Ransomware attacks are increasing exponentially while phishing attempts remain a constant industry threat. Since techniques used to obtain unauthorized access change frequently, the Company may be unable to implement adequate preventative measures or stop the attacks while they are occurring. A data loss or security breach stemming from one of these attacks could delay or interrupt service to the Company's customers. These collective risks are heightened as threat actors increasingly make concerted efforts to take advantage of unreported flaws in third-party software. As the cyber threat landscape evolves, the Company may be required to expend significant additional resources to modify or enhance its protective measures or to investigate and remediate any information security vulnerabilities.

### ***Litigation***

The Company may, from time to time, and in the ordinary course of conducting its business, be threatened with, or may be named as a defendant in various legal proceedings, including lawsuits based upon product liability, personal injury, breach of contract, lost profits, intellectual property infringement or other consequential damage claims which could exceed the Company's existing insurance coverage. A significant judgment against the Company, or the imposition of a significant fine or penalty, as a result of a finding that the Company failed to comply with laws or regulations, or being named as a defendant on multiple claims, could have a material adverse effect on the Company's business, financial condition, liquidity and results of operations. Even if the Company is not found liable for these claims, the cost of defending these actions may be material.

The Company, like other manufacturers and sellers of commercial processing equipment, is subject to potential liabilities connected with its business operations including potential liabilities and expenses associated with product defects, performance, reliability or delivery delays. A major product liability claim could have a material adverse effect on the Company's business, financial condition, liquidity and results of operations because of the size of any judgment awarded, the costs of defending against such claims, and diversion of key employees' time and attention from the business and potential damage to its reputation.

### ***Facilities***

As EnWave continues to grow its business and personnel, it will need to maintain, develop, and acquire adequate and modern real property facilities in various locations. Even if EnWave believes that its facilities are adequate for the Company's current needs and that suitable additional or substitute space may be available as needed, there are no assurances that EnWave will be able to renew these facilities' leases, as applicable, or find alternative facilities that meet its needs on favourable terms, or at all.

## ***Risks Related to the Cannabis Industry***

The Company sells its proprietary equipment and licenses its technology to certain end users for use in new and emerging industries or segments, including the cannabis industry, that may not grow or achieve market acceptance in a manner that we can predict. The demand for our technology in the cannabis industry depends on the uncertain growth of such industry. The legal cannabis industry is a relatively new industry, and the Company anticipates that associated regulations will be subject to change. For example, certain countries have adopted frameworks that authorize, regulate, and tax the cultivation, processing, sale, and use of cannabis for medicinal and/or non-medicinal use. The market for cannabis in Canada is now regulated under the *Cannabis Act*, the *Cannabis Regulations* and other applicable law. Health Canada is the primary regulator of the industry as a whole.

Provincial and territorial governments have taken different approaches to regulate the distribution and sale of cannabis for adult-use purposes. For example, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Northwest Territories have chosen government-regulated retail, whereas Alberta, Nunavut, Yukon, Manitoba and Saskatchewan have opted for a private sector approach. Ontario, British Columbia and Newfoundland & Labrador have chosen to pursue a hybrid approach of public and private sale and distribution.

Our Royalty Partners are and will be subject to a variety of laws, regulations, guidelines, and policies relating to the management, labelling, advertising, sale, storage, and disposal of cannabis, as well as laws and regulations relating to the health care industry, drugs, controlled substances, health and safety, labour standards, the conduct of operations, and the protection of the environment.

The Company's technology is applicable to a variety of industries and applications and has only recently been adopted by certain cannabis producers in jurisdictions where such activities have been legalized. The Company cannot predict the impact of the changes to the compliance regime for the international and domestic medical and recreational marijuana industries. Similarly, the Company cannot predict the time required for its Royalty Partners to secure all appropriate regulatory approvals for their products, or the extent of testing and documentation that may be required by governmental authorities. The impact on our Royalty Partners who operate or may in the future operate in this industry, whether in terms of opportunity or competition or otherwise, will impact the magnitude of EnWave's opportunity to earn royalty revenues in this particular industry and there is no assurance that EnWave will be successful in transforming its commercialization and patent development in the cannabis industry into material earnings.

## ***Risks Related to US Cannabis Laws***

In the US, cannabis is largely regulated at the State level. Multiple States have now legalized cannabis in some form, including California, Nevada, New York and Florida, among others. Notwithstanding the permissive regulatory environment of cannabis at the State level, cannabis is a Schedule I controlled substance under the *Controlled Substances Act*, with policies of enforcement that are subject to frequent change. Additionally, financial transactions involving proceeds generated by cannabis-related conduct can form the basis for prosecution under federal money laundering or other related statutes.

The Company licenses its technology to US cannabis producers and plans to supply machinery to US cannabis producers after having conducted thorough due diligence to determine that its business operates legally within the applicable State and US federal laws. The Company is not

aware of any non-compliance by the aforementioned US cannabis producers with applicable licensing requirements or State regulatory frameworks relating to cannabis, and relies on contractual representations relating to applicable US laws. However, such efforts by the Company do not guarantee compliance by such producers.

The expansion of the Company into the US cannabis industry is subject to risks relating to the varying, inconsistent and potentially conflicting, uncertain and rapidly evolving State and US federal laws, regulations, administrative practices, judicial interpretations, and enforcement approaches.

The Company is indirectly at risk through the US cannabis producers to which it licenses its technology or supplies machinery, as the producers' businesses may be affected by the changing legal, economic and social landscape of cannabis in the US. Such producers' businesses may be adversely affected by the enforcement or increased enforcement of US federal marijuana laws, including prosecution or seizure of their assets, by the failure to achieve the anticipated level of growth or market acceptance, or by evolving consumer perceptions and social perceptions generally of cannabis. Any of these events may adversely impact these producers' businesses and financial condition, including loss of sales or their ability to purchase or continue to purchase the Company's machinery, and consequently, impact EnWave's sales and opportunity to earn royalty revenues, and materially adversely impact the Company's business, financial condition, liquidity and results of operations.

The Company is also subject to direct risks relating to its expansion into the US cannabis industry, including risks of: accusations of violating US federal marijuana laws despite compliance with applicable State marijuana laws; applicable regulatory bodies imposing restrictions on the Company's ability to operate in the US; accusations of non-compliance with the requirements of applicable stock exchange(s) or recommendations of applicable securities administrator(s); third party suppliers suspending or withdrawing supplies; and the Company's personnel facing inadmissibility by U.S. Customs and Border Protection officers. Although the Company has assessed these risks following an extensive review and with external legal advice, there is no assurance that the aforementioned risks will not materialize, and any of the foregoing events and related enforcement action could have a material adverse effect on the business, financial condition, and results of operations of the Company.

US federal law prohibits, among other things, (i) the provision of services or products that are specifically designed for, or targeted at, entities engaging in activities related to the cultivation, distribution or possession of marijuana in the US ("**Subject Entities**"), or (ii) having commercial interests or arrangements with entities engaging in the business activities described in (i) above. The Company's products, which it licenses, builds, installs or sells to its customers or other end users, are multi-purpose products designed and intended for use in a wide range of applications in food, cannabis, pharmaceutical and other sectors, and therefore, the Company's services or products are not specifically designed for, or targeted at, Subject Entities. The Company is not, to its knowledge, in violation of any US federal laws relating to marijuana. However, as a result of the fluctuating US federal legal framework relating to marijuana, the Company's business activities in the US may be interpreted as being, or could become, in violation thereof. Any enforcement of US federal laws against the Company could have a material adverse effect on the business, financial condition, operations, and results of operations of the Company.

Any changes to the legality of the Company's business operations in the US may result in non-compliance with the TSXV requirements, which requirements essentially follow the US federal treatment of cannabis and cannabis-related businesses. Despite the Company's best efforts to

mitigate its risks of non-compliance with TSXV requirements to which it is subject, if the US federal marijuana laws change such that the Company's business activities in the US are held to be in violation thereof, then the Company may be at risk of the TSXV initiating at its discretion a delisting review or being delisted from the TSXV. Consequently, the Company may incur expenses and costs related to any such delisting review or delisting, and the market price of the Common Shares and our other securities may be adversely affected.

The CSA published on February 8, 2018, CSA Staff Notice 51-352 (Revised) – *Issuers With US Marijuana-Related Activities*, which outlined CSA staff's specific disclosure expectations of issuers that have, or are in the process of developing, marijuana-related activities in States where such activity has been authorized within a State regulatory framework. Although these are recommendations only, failing to provide disclosure as deemed appropriate by the CSA may result in regulatory action, including requests for restatements of non-compliant filings and referrals for appropriate enforcement action. The Company may incur expenses or costs related to any such requests or enforcement actions.

The evolving legal, economic and social landscape of marijuana in the US, or any enforcement of State or US federal marijuana laws against the Company or the US cannabis producers to which it licenses its technology or supplies machinery now or in the future, could result in third party suppliers suspending or withdrawing supplies, which could harm the Company's ability to integrate and deliver its products to its customers, and consequently have a material adverse effect on the Company's relationships with its customers and Royalty Partners, and the business, financial condition, operations and results of operations of the Company.

A foreign visitor who is involved either directly or indirectly in the cannabis industry may be subject to increased border scrutiny when attempting to enter the US. The U.S. Customs and Border Protection previously advised that border agents may deem a foreign visitor who is involved, either directly or indirectly, in a State-legal cannabis industry as inadmissible. While unassociated trips to the US may not result in problems entering the US, a foreign visitor attempting to enter the US to proliferate cannabis-associated business may be deemed inadmissible, at the discretion of the border agents. Inability of our employees or counterparties to enter the US could harm our ability to conduct our business.

The expansion by the Company into the US cannabis industry in the future would be subject to the foregoing risks, and therefore the success of such expansion initiatives cannot be assured, as any number of factors could slow or halt further progress in this industry.

### ***Adverse Impacts of Health Crises Including Epidemics, Pandemics and the Emergence or Re-Emergence of Infectious Diseases***

Going forward, the Company's results of operations could be materially adversely impacted by the emergence or outbreak of epidemics, pandemics, public health crises or the emergence of novel infectious diseases or viruses.

The extent of any future material adverse effect on the Company's business, operations, financial condition and cash flows, including the effect of governmental, private sector and consumer responses and domestic or global trade disruptions (including supply chain shortages and delivery disruptions or delays), cannot be predicted with confidence and will also be impacted by the severity and duration of any health crises and the amount of time required to develop and implement an effective method of treatment, if at all possible.

The Company's business is global and has customers and Royalty Partners operating globally. Any actions taken by authorities to address any public health crises have the potential to adversely affect the global economy and financial markets, generally, and such impacts will vary by country and be different depending on the level of spread of the relevant infectious agent(s) or variant(s) thereof and responses from government authorities. The Company's royalties are derived from a global network of Royalty Partners, and the outbreak of any health crises could materially impact the operations of our partners, and therefore impact the royalties generated by the Company. Furthermore, the Company's business is dependent on securing new royalty agreements with new Royalty Partners internationally, and any travel restrictions or requirements imposed by governmental authorities to contain the spread of any public health crises may impact our ability to send sales representatives and qualified technical personnel to secure licenses and install machinery, and thus impact our ability to generate new machine sale revenues.

### ***Corruption and Bribery***

EnWave's operations are governed by and involve interactions with many levels of government in various jurisdictions. EnWave is required to comply with anti-corruption and anti-bribery laws, including the Canadian *Corruption of Foreign Public Officials Act* and the US *Foreign Corrupt Practices Act*, as well as similar laws in the countries in which EnWave conducts business. In recent years, there has been a general increase in both the severity of penalties and frequency of enforcement under such laws, resulting in greater punishment and scrutiny to companies convicted of violating anti-bribery laws. Furthermore, a company may be found liable for violations by not only its employees, but also any of its third-party agents. Although EnWave has adopted policies and a risk-based approach to mitigate such risks, such measures are not always effective in ensuring that the Company and its employees or third-party agents will strictly comply with such laws. If the Company is subject to an enforcement action or is found to be in violation of such laws, this may result in significant penalties, fines or sanctions (including debarment) being imposed on EnWave.

### ***Reputation***

Damage to our reputation may arise from an incident or event which is in monetary terms not material. Matters which could affect our reputation include significant design or manufacturing defects of our machines or a contravention of law, such as environmental or health law, or a failure to maintain appropriate standards of corporate responsibility.

### ***Dividends***

The Company has not paid out any cash dividends to date and has no plans to do so in the immediate future. As a result, an investor's return on investment will be solely determined by his or her ability to sell Common Shares in the secondary market.

### ***Conflicts of Interest***

Certain of the directors and officers of the Company also serve as directors and/or officers of other public and private companies and consequently there exists the possibility for such directors and/or officers to be in a position of conflict. Any decision made by any of such directors and/or officers will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company. Conflicts, if any, will be subject to the procedures and remedies available under the CBCA, which provides that, in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his/her interest

in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the CBCA. In appropriate cases, we will establish a special committee of independent directors to review a matter in which directors or Management, may have a conflict. In accordance with the provisions of the CBCA, our directors and officers are required to act honestly and in good faith with a view to the best interests of our Company.

## DIVIDENDS AND DISTRIBUTIONS

EnWave has not declared or paid any dividends on Common Shares since incorporation, and it is not anticipated that any dividends will be declared or paid in the immediate or foreseeable future. Any decision to pay dividends will be made by the Board on the basis of earnings, financial requirements, and other relevant factors existing at such future time. See “*Risk Factors – Dividends*”.

## DESCRIPTION OF CAPITAL STRUCTURE

The authorized share capital of the Company consists of an unlimited number of voting Common Shares without par value as well as an unlimited number of voting preferred shares (“**Preferred Shares**”), issuable in series. As of the date of this AIF, **118,706,721** Common Shares were issued and outstanding and there were no Preferred Shares issued and outstanding.

Holders of Common Shares are entitled to receive notice of any meetings of shareholders of the Company, to attend and to cast one vote per Common Share at all such meetings. Holders of Common Shares do not have cumulative voting rights with respect to the election of directors and, accordingly, holders of a majority of the Common Shares are entitled to vote in any election of directors may elect all directors standing for election. Holders of Common Shares are entitled to receive on a pro rata basis such dividends, if any, as and when declared by the Board at its discretion from funds legally available therefor, and upon the liquidation, dissolution or winding up of the Company are entitled to receive on a pro rata basis the net assets of the Company after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series of class of shares ranking senior in priority to or on a pro rata basis with the holders of Common Shares with respect to dividends or liquidation. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

The Preferred Shares may, at any time and from time to time, be issued in one or more series, each series to consist of such number of shares as may be determined by the Board. Subject to the provisions of the CBCA, the Board may, prior to the issuance thereof, fix the designation, rights, privileges, restrictions and conditions attaching to each series of Preferred Shares.

## MARKET FOR SECURITIES

### *Trading Price and Volume*

The Common Shares are listed and posted for trading on the TSXV under the symbol “ENW” and on the Frankfurt Stock Exchange under the symbol “E4U”.

The following table sets forth information relating to the trading of the Common Shares on the TSXV for the most recently completed financial year ended September 30, 2025:

Month	High (\$)	Low (\$)	Trading Volume
October 2024	0.28	0.23	560,600
November 2024	0.26	0.19	855,800
December 2024	0.24	0.19	1,370,100
January 2025	0.26	0.21	1,741,000
February 2025	0.32	0.22	1,280,700
March 2025	0.26	0.23	783,200
April 2025	0.29	0.22	803,200
May 2025	0.40	0.27	1,304,500
June 2025	0.44	0.35	675,500
July 2025	0.55	0.35	814,200
August 2025	0.45	0.37	1,173,100
September 2025	0.41	0.35	1,070,400

### Prior Sales

During the year ended September 30, 2025, the following securities of the Company, which are not listed or quoted on a marketplace, were issued:

Date of Issuance	Type of Security	Number of Securities	Exercise Price or Conversion Price
October 8, 2024	Stock Options	3,100,000	\$0.23
October 8, 2024	RSR	40,000 <sup>(1)</sup>	N/A
December 13, 2025	Stock Options	150,000	\$0.19
January 21, 2025	Stock Options	10,000	\$0.22
May 22, 2025	Stock Options	10,000	\$0.33
August 8, 2025	Compensation Options	336,875 <sup>(2)</sup>	\$0.40
August 22, 2025	Stock Options	10,000	\$0.40

(1) Each RSR entitles the holder to one Common Share upon vesting.

(2) Each Compensation Option entitles the holder to one Common Share for a period of 24 months from its date of issuance.

### ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

To the knowledge of the Company, none of its securities are in escrow and the following securities of the Company are subject to a contractual restriction on transfer:

Designation of Class	Number of Securities Subject to a Contractual Restriction on Transfer	Percentage of Class
Common Shares	3,004,411 <sup>(1)</sup>	2.53% of the Common Shares

(1) Represents Common Shares subject to contractual lock-up agreements provided by officers and directors of the Company pursuant to the 2025 Offering. The transfer restriction expires on December 22, 2025. The lock-ups also cover 4,150,000 stock options and 150,000 RSRs. Compensation options issued to Clarus in connection with the 2025 Offering are non-transferable. See: "General Development of the Business – Three Year History – Fiscal Year 2025".

## DIRECTORS AND EXECUTIVE OFFICERS

### *Name, Occupation and Security Holding*

The following persons are the current Directors and executive officers of the Company as of the date hereof:

<b>Name, Province or State, Country of Residence</b>	<b>Principal Occupation or Employment and Occupation during the Past Five Years</b>	<b>Director Since</b>
<p><b>Brent Charleton</b> British Columbia, Canada</p> <p><i>President, Chief Executive Officer, and Director</i></p>	<p>Mr. Charleton has been employed by the Company in various senior roles since 2010, including Senior Vice President of Corporate Affairs and Senior Vice President of Sales and Business Development, prior to being appointed President and CEO in August 2018. Mr. Charleton is a graduate of the Marketing Management Diploma program with an Honours Distinction at BCIT, holds a Bachelor of Arts degree from Simon Fraser University, and holds a Chartered Financial Analyst designation. Mr. Charleton has also been a board member of the BCIT Foundation since September 2024 and was named the Investment Committee Chair in 2025.</p>	<p>August 29, 2018</p>
<p><b>John P.A. Budreski</b> British Columbia, Canada</p> <p><i>Executive Chairman and Director</i></p>	<p>Mr. Budreski has been the Executive Chairman of EnWave since June 2014. He is also the Executive Chairman of Morien Resources Corp. (TSXV:MOX), a mining development company, where he has been an executive since November 2012. He was a director of Sandstorm Gold Ltd. (TSX:SSL) from June 2009 to October 2025, a director of Input Capital Corp. (TSXV:INP) from February 2017 to July 2019 and a director of NuLegacy Gold (TSX: NUG) since April 2018. Mr. Budreski also served as a director of Alaris Royalty Corp. (TSX:AD) from July 2008 until May 2018. From 1987 to 2012, Mr. Budreski spent 25 years in the investment banking industry beginning as an associate with RBC Capital Markets in Calgary and New York, a Managing Director with Scotia Capital Markets in New York and Toronto and ultimately becoming the President and CEO of Orion Securities. He also served as Vice Chairman with Cormark Securities Inc. and completed multiple capital markets transactions as an independent advisor or as a principal. Mr. Budreski holds an MBA from the University of Calgary and a Bachelor of Engineering from TUNS/Dalhousie.</p>	<p>June 23, 2014</p>
<p><b>Louise Lalonde</b> British Columbia, Canada</p> <p><i>Chair of the Audit Committee and Director</i></p>	<p>Ms. Lalonde is a Certified Public Accountant with more than 30 years of experience in accounting, governance, risk consultancy and compliance. Ms. Lalonde was a partner at PwC and has executive experience in the manufacturing and service sectors. She also has extensive board member experience and was formally a director at Magna International, the</p>	<p>December 16, 2024</p>

Name, Province or State, Country of Residence	Principal Occupation or Employment and Occupation during the Past Five Years	Director Since
	Chief Risk Officer at ICBC, the Chair of the Audit Committee, Governance and Compensation committee member for Peterborough Utilities Group and is currently the Chair of the Audit Committee and a corporate director of CIMA+.	
<p><b>Patrick Turpin</b> Utah, USA</p> <p><i>Director</i></p>	Mr. Turpin is an accomplished senior executive who has successfully conceived and launched revenue-generating retail channel businesses and brands. Mr. Turpin is a veteran of the retail and consumer packaged goods industry and has close to 30 years of experience leading organizations in multiple areas of the value chain. Mr. Turpin was the co-founder of Popchips, Inc. (" <b>Popchips</b> "), one of the leading better-for-you snack brands in North America. Prior to Popchips, Mr. Turpin was a senior executive at Costco Wholesale.	February 11, 2020
<p><b>Pablo Cussatti</b> New York, USA</p> <p><i>Director</i></p>	Mr. Cussatti has been the Chief Supply Officer of Shearer's Foods since January 2024. He was the Chief Operating Officer of CH Guenther & Son LLC (a multinational food company) from February 2022 to December 2023. Mr. Cussatti was formerly the Chief Supply Chain Officer of Godiva Chocolatiers from June 2021 to February 2022. He has 28 years of food operations and manufacturing experience. Formerly, Mr. Cussatti was the Senior Vice President of Manufacturing for Ventura Foods from January 2018 to June 2021, Senior Vice President Operations and Fulfillment at Blue Apron from September 2016 to December 2017 and Senior Vice President Manufacturing at Pinnacle Foods from May 2012 to September 2016. Prior to 2012, Mr. Cussatti also held senior positions at Pepsi Bottling Group and Dean Foods. Mr. Cussatti obtained his Bachelor's Degree in Mechanical Engineering from Columbia University.	November 19, 2020
<p><b>Dylan Murray</b> British Columbia, Canada</p> <p><i>Chief Financial Officer and Corporate Secretary</i></p>	Mr. Murray has been Chief Financial Officer for the Company since December 2022. Mr. Murray was formally the Chief Financial Officer of Choom Holdings Inc. (" <b>Choom</b> ") from February 2021 to August 2022, and Vice President of Finance at Choom from October 2019 to February 2021. Mr. Murray was Director of Finance at FirstService Corporation from July 2017 to October 2019. Mr. Murray obtained a Bachelor of Commerce from the University of Calgary. Mr. Murray is also a Chartered Professional Accountant.	N/A

Each director's term of office expires at the next annual meeting of shareholders of the Company or when his or her successor is duly elected or appointed, unless his/her term ends earlier in

accordance with the Articles or by-laws of the Company, he/she resigns from office or he/she becomes disqualified to act as a director of the Company.

The Company currently has two committees of the Board, comprised of the following members:

- (a) Audit Committee: Ms. Louise Lalonde (Chair), Mr. Patrick Turpin, and Mr. Pablo Cussatti; and
- (b) Independence Committee: Ms. Louise Lalonde, Mr. Patrick Turpin, and Mr. Pablo Cussatti.

As of the date of this report, the directors and executive officers of the Company, as a group, beneficially owned, directly or indirectly, or exercised control or direction over, 3,004,411 Common Shares, representing approximately 2.53% of the total number of Common Shares outstanding before giving effect to the future exercise of options to purchase Common Shares held by such directors and executive officers which will result from an event that will occur while that person is acting in the capacity as director or executive officer.

Other than described below, no director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially control of the Company, (i) is, or within 10 years prior to the date of this AIF has been, a director or executive officer of any company (including EnWave) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (ii) has, within 10 years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Other than described below, no director or executive officer of the Company, as at the date of this AIF, or was within 10 years before the date of this AIF, a director, Chief Executive Officer ("**CEO**") or Chief Financial Officer ("**CFO**") of any company (including EnWave) that: (i) was the subject, while the director or executive officer was acting in the capacity as director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO of such company.

Mr. Budreski became a director of Colossus Minerals Inc. ("**Colossus**") in late March of 2014 pursuant to the terms of, and upon the completion of, a court supervised restructuring. Prior to Mr. Budreski joining the board of directors of Colossus, Colossus had failed to file its requisite disclosure materials with the applicable regulatory bodies and, on April 29, 2014, the Ontario Securities Commission issued a cease trade order against Colossus. As of the date hereof, the cease trade order remains in effect.

Mr. Murray was the Chief Financial Officer of Choom until July 31 2022, a company that operated a chain of retail cannabis outlets, when it obtained creditor protection under the *Companies'*

*Creditors Arrangement Act* (Canada) (“**CCAA**”) on April 22, 2022. After Choom obtained creditor protection under CCAA and while Mr. Murray was the Chief Financial Officer, the British Columbia Securities Commission issued a cease trade order against Choom on June 3, 2022. As of the date hereof, the cease trade order remains in effect.

No director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

### ***Conflicts of Interest***

To the best of the Company’s knowledge, and other than as disclosed in this AIF, there are no known existing or potential material conflicts of interest between the Company and any director or officer of the Company, except that certain of the directors and officers serve as directors and officers of other public companies and therefore it is possible that a conflict may arise between their duties as a director or officer of the Company and their duties as a director or officer of such other companies.

## **LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

### ***Legal Proceedings***

EnWave was not involved nor has been involved in any material legal or regulatory proceedings (including any such proceedings which are pending or threatened of which EnWave is aware) within the financial year ended September 30, 2025.

### ***Regulatory Actions***

There were no: (a) penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority during its most recently completed financial year; (b) other penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decision; or (c) settlement agreements that the Company entered into before a court relating to securities legislation or with a securities regulatory authority during its most recently completed financial year.

## **INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

The Company is not aware of any material interest, direct or indirect, of (i) a Director or executive officer of the Company, (ii) a person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Common Shares, or (iii) any associate or affiliate of any of the foregoing, in any transaction within the three most recently completed financial years or during the current financial year, that has materially affected or is reasonably expected to materially affect the Company.

## **AUDITORS, TRANSFER AGENT AND REGISTRAR**

The auditors of the Company are PwC, Chartered Professional Accountants, at their offices located at PricewaterhouseCoopers Place, 250 Howe Street, Suite 1400, Vancouver, British Columbia.

Computershare Trust Company of Canada is the Company's registrar and transfer agent at its principal offices located at 3<sup>rd</sup> Floor, 510 Burrard Street, Vancouver, British Columbia.

## MATERIAL CONTRACTS

The only material contracts entered into by the Company during the most recently completed financial year, or entered into by the Company prior to the most recently completed financial year, but which are still in effect, are as follows:

- (a) the Agency Agreement in respect of the 2025 Offering.

## AUDIT COMMITTEE

The Company's Audit Committee is a committee of the Board established for the purpose of monitoring the Company's systems and procedures for financial reporting and internal control, reviewing certain public disclosure documents and monitoring the performance and independence of the Company's external auditors. The Audit Committee is also responsible for reviewing the Company's annual audited financial statements, unaudited quarterly financial statements and Management's discussion and analysis of financial results of operations for both annual and interim financial statements and review of related operations prior to their approval by the full Board.

The Audit Committee's charter ("**Charter**") sets out its responsibilities and duties, qualifications for membership, procedures for committee member removal and appointment and reporting to the Board. A copy of the full text of the Charter is attached hereto as Schedule "A" to this AIF.

The following are the current members of the Audit Committee:

Louise Lalonde (Chair)	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Mr. Patrick Turpin	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Mr. Pablo Cussatti	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>

(1) As defined by National Instrument 52-110 *Audit Committees*

## Relevant Education and Experience

**Louise Lalonde** – Ms. Lalonde is a Certified Public Accountant with more than 30 years of experience in accounting, governance, risk consultancy and compliance. Ms. Lalonde was a partner at PwC and has executive experience in the manufacturing and service sectors. She also has extensive board member experience and was formally a director at Magna International, the Chief Risk Officer at ICBC, the Chair of the Audit Committee, Governance and Compensation committee member for Peterborough Utilities Group and is currently the Chair of the Audit Committee and a corporate director of CIMA+.

**Patrick Turpin** – Mr. Turpin is a seasoned consumer products executive with 30 years of consumer products experience. He was an investment banker with Donaldson Lufkin and Jenrette

before going into industry as an executive with Costco Wholesale Corp where he launched several billion-dollar businesses such as Costco’s gas station business, executive membership division and its vertically integrated snack food packaging and processing business. Mr. Turpin left Costco to launch a snack food brand called Popchips which he helped grow into a leading snack business North America and the United Kingdom. Today Mr. Turpin serves as a board member and advisor to numerous food and beverage related companies in North America. He holds a BA from Claremont McKenna college in Economics and History.

**Pablo Cussatti** – Mr. Cussatti is the Chief Supply Chain Officer of Shearer’s Foods, a private label salty snack and cookie manufacturer. Mr. Cussatti has over 25 years of experience holding senior executive roles with major food companies including PepsiCo, Pinnacle Foods, Ventura Foods and Godiva Chocolatier. Mr. Cussatti has developed and executed major capital and operating plans in the food industry and has been responsible for annual operating costs exceeding \$4 billion. Mr. Cussatti holds a B.S. in Mechanical Engineering from Columbia University.

### Reliance on Certain Exemptions

At no time since the commencement of the Company’s most recently completed financial year has the Company relied on any exemption from NI 52-110 other than the exemptions available in Section 5 (Reporting Obligations) of NI 52-110, as the Company is a venture issuer.

### Audit Committee Oversight

At no time since the commencement of the Company’s most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

### Pre-Approval Policies and Procedures

The Charter sets out responsibilities regarding the provision of non-audit services by the Company’s external auditors. This policy encourages consideration of whether the provision of services other than audit services is compatible with maintaining the auditor’s independence and all non-audit related services require Audit Committee pre-approval.

### External Auditor Service Fees

The aggregate fees billed by the Company’s external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ended September 30	Audit Fees	Audit-Related Fees <sup>(1)</sup>	Tax Fees <sup>(2)</sup>	All Other Fees <sup>(3)</sup>	Total
2025	\$150,549	Nil	Nil	\$Nil	\$150,549
2024	\$146,635	Nil	Nil	Nil	\$146,635

- (1) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements which are not included under the heading “Audit Fees”.
- (2) The aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning.
- (3) The aggregate fees billed for products and services other than as set out under the headings “Audit Fees”, “Audit Related Fees” and “Tax Fees”.

## **INTERESTS OF EXPERTS**

PwC, the Company's external auditors for the financial year ended September 30, 2025, have confirmed that they are independent of the Company in accordance with the Chartered Professional Accountants of British Columbia Code of Professional Conduct.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company may be found under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Additional information, including Directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, is contained in the Company's Management Information Circular dated as of February 14, 2025, which is available under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Additional financial information is provided in the Company's financial statements and Management's Discussion and Analysis for the year ended September 30, 2025 which may be found under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## SCHEDULE "A"

### AUDIT COMMITTEE CHARTER

#### **1. Mandate**

The audit committee will assist the board of directors (the "**Board**") in fulfilling its financial oversight responsibilities. The audit committee will review and consider in consultation with the auditors the financial reporting process, the system of internal control and the audit process. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership as well as the Corporation's business, operations and risks.

#### **2. Composition**

The Board will appoint from among their membership an audit committee after each annual general meeting of the shareholders of the Corporation. The audit committee will consist of a minimum of three directors.

##### *2.1 Independence*

A majority of the members of the audit committee must not be officers, employees or control persons of the Corporation.

##### *2.2 Expertise of Committee Members*

Each member of the audit committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the committee. At least one member of the committee must have accounting or related financial management expertise. The Board shall interpret the qualifications of financial literacy and financial management expertise in its business judgment and shall conclude whether a director meets these qualifications.

#### **3. Meetings**

The audit committee shall meet in accordance with a schedule established each year by the Board, and at other times that the audit committee may determine. The audit committee shall meet at least annually with the Corporation's Chief Financial Officer and external auditors in separate executive sessions.

#### **4. Roles and Responsibilities**

The audit committee shall fulfill the following roles and discharge the following responsibilities:

##### *4.1 External Audit*

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report, including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures. In carrying out this duty, the audit committee shall:

- (a) recommend to the Board the external auditor to be nominated by the shareholders for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation;
- (b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;
- (c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;
- (d) review and recommend to the Board the compensation to be paid to the external auditors; and
- (e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards.

#### 4.2 *Internal Control*

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Corporation. In carrying out this duty, the audit committee shall:

- (a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Corporation; and
- (b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

#### 4.3 *Financial Reporting*

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

##### *General*

- (a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and
- (b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

##### *Annual Financial Statements*

- (c) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;
- (d) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and

- (e) review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

#### *Interim Financial Statements*

- (f) review and approve the interim financial statements prior to their release to the public; and
- (g) review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

#### *Release of Financial Information*

- (h) where reasonably possible, review and approve all public disclosure, including news releases, containing financial information, prior to its release to the public.

### **4.4 Non-Audit Services**

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Corporation or any subsidiary of the Corporation shall be subject to the prior approval of the audit committee.

#### *Delegation of Authority*

- (a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

#### *De-Minimis Non-Audit Services*

- (b) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:
  - (i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Corporation and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or
  - (ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

#### *Pre-Approval Policies and Procedures*

- (c) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:

- (i) the pre-approval policies and procedures are detailed as to the particular service;
- (ii) the audit committee is informed of each non-audit service; and
- (iii) the procedures do not include delegation of the audit committee's responsibilities to management.

#### **4.5 Other Responsibilities**

The audit committee shall:

- (a) establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters;
- (b) establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters;
- (c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;
- (d) review the policies and procedures in effect for considering officers' expenses and perquisites;
- (e) perform other oversight functions as requested by the Board; and
- (f) review and update this Charter and receive approval of changes to this Charter from the Board.

#### **4.6 Reporting Responsibilities**

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

### **5. Resources and Authority of the Audit Committee**

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the audit committee; and
- (c) communicate directly with the internal and external auditors.

### **6. Guidance – Roles & Responsibilities**

The following guidance is intended to provide the Audit Committee members with additional guidance on fulfilment of their roles and responsibilities on the committee:

## 6.1 *Internal Control*

- (a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;
- (b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown; and
- (c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

## 6.2 *Financial Reporting*

### *General*

- (a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements; and
- (b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks; and
- (c) understand industry best practices and the Corporation's adoption of them.

### *Annual Financial Statements*

- (d) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Corporation reports or trades its shares;
- (e) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;
- (f) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;
- (g) consider management's handling of proposed audit adjustments identified by the external auditors; and
- (h) ensure that the external auditors communicate all required matters to the committee.

### *Interim Financial Statements*

- (i) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;
- (j) meet with management and the auditors, either telephonically or in person, to review the interim financial statements; and
- (k) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:
  - (i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;
  - (ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financial statements are consistent with changes in the Corporation's operations and financing practices;
  - (iii) generally accepted accounting principles have been consistently applied;
  - (iv) there are any actual or proposed changes in accounting or financial reporting practices;
  - (v) there are any significant or unusual events or transactions;
  - (vi) the Corporation's financial and operating controls are functioning effectively;
  - (vii) the Corporation has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and
  - (viii) the interim financial statements contain adequate and appropriate disclosures.

### *6.3 Compliance with Laws and Regulations*

- (a) periodically obtain updates from management regarding compliance with this policy and industry "best practices";
- (b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements; and
- (c) review the findings of any examinations by securities regulatory authorities and stock exchanges.

### *6.4 Other Responsibilities*

- (a) review, with the Corporation's counsel, any legal matters that could have a significant impact on the Corporation's financial statements.