

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this document. Any representation to the contrary is an offence. This Offering (as defined herein) may not be suitable for you and you should only invest in it if you are willing to risk the loss of your entire investment. In making this investment decision, you should seek the advice of a registered dealer.

These securities have not been registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any of the securities laws of any state of the United States, and may not be offered or sold within the United States or for the account or benefit of U.S. persons or persons in the United States except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This offering document does not constitute an offer to sell, or the solicitation of an offer to buy, any of these securities within the United States or to, or for the account or benefit of, U.S. persons or persons in the United States. “United States” and “U.S. person” have the meanings ascribed to them in Regulation S under the U.S. Securities Act.

Offering Document under the Listed Issuer Financing Exemption

July 14, 2025



FRNT Financial Inc.
(the “Company” or “FRNT”)

SUMMARY OF OFFERING

What are we offering?

Offering:	The Company is offering up to 5,000,000 common shares in the capital of the Company (each, an “ Offered Share ”) for gross proceeds of up to \$2,000,000 (the “ Offering ”). There is no minimum amount of securities that the Company may offer.
Offering Price:	\$0.40 per Offered Share.
Closing Date:	The Offering is expected to close on or about July 21, 2025 or such other date or date(s) that is within 45 days from July 14, 2025 as is determined by the Company (the “ Closing Date ”).
Exchange:	The common shares in the capital of the Company (“ Common Shares ”) are listed on the TSX Venture Exchange (the “ TSXV ”) under the symbol “FRNT”, on the OTCQB Venture Market under the symbol “FRFLF” and on the Frankfurt Stock Exchange under the symbol “XZ3”.
Last Closing Price:	The last closing price of the Common Shares on the TSXV on July 11, 2025 was \$0.455.

Description of Common Shares

Each Common Share entitles the holder thereof to one vote at meetings of shareholders. Subject to the prior rights of the holders of any class of shares ranking senior to the Common Shares with respect to the priority in the payment of dividends, the holders of Common Shares are entitled to receive dividends as and when declared by the board of

directors of the Company (the “**Board**”) out of monies properly applicable to the payment of dividends, in such amount and in such form as the Board may from time to time determine.

The Company is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 Prospectus Exemptions (“NI 45-106”). In connection with this Offering, the Company represents the following is true:

- **The Company has active operations and its principal asset is not cash, cash equivalents or its exchange listing.**
- **The Company has filed all periodic and timely disclosure documents that it is required to have filed.**
- **The total dollar amount of this Offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption in the 12 months immediately before the date of this offering document, will not exceed \$5,000,000.**
- **The Company will not close this Offering unless the Company reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.**
- **The Company will not allocate the available funds from this Offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the Company seeks security holder approval.**

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This offering document contains “forward-looking statements” and “forward-looking information” within the meaning of applicable Canadian securities laws. Such forward-looking information is for the purpose of explaining management’s current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes, such as making investment decisions. Generally, forward-looking statements and forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. The forward-looking statements and forward-looking information included in this offering document is made only as of the date of this offering document. Such forward-looking statements and forward-looking information include, but are not limited to, the Company’s expectations with respect to the use of proceeds and the use of the available funds following completion of the Offering; the Company’s expectations regarding the sufficiency of its capital resources and requirements for additional capital; the completion of the Offering; the number of securities the Company intends to issue; and the expected Closing Date.

All forward-looking statements and forward-looking information are based on reasonable assumptions that have been made by the Company as at the date of such information.

Forward-looking statements and forward-looking information are subject to significant known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements and forward-looking information, including but not limited to: the general risks associated with the speculative nature of the Company’s business; current global financial conditions; uncertainty of additional capital; price volatility; historical prices of cryptocurrencies; the emerging cryptocurrency and blockchain markets and sectors; the Company’s ability to maintain good business relationships; government regulation in the industries in which the Company operates; political and economic risk; absence of public trading market; arbitrary offering price; dilution to the Common Shares; dependence on key personnel; limited operating history; currency fluctuations and foreign exchange rates; insurance and uninsured risks; the disruption of the Company’s information technology systems; the protection of sensitive data used or stored by the Company; the Company has and may continue to have negative operating cash flow in future periods; competition; legal proceedings; conflicts of interest and lack of dividends.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements and forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward-looking statements or forward-looking information. The Company does not undertake to update any forward-looking statement or forward-looking information that is included herein, except in accordance with applicable securities laws. The forward-looking information contained in this offering document is expressly qualified by this cautionary statement.

Currency

All references to “\$” in this offering document are to lawful currency of Canada unless otherwise expressly stated.

SUMMARY DESCRIPTION OF BUSINESS

What is our business?

FRNT is a digital asset investment bank offering capital markets and advisory services to institutional investors participating in or entering the space. FRNT, through a technology-forward and compliant operation, aims to bridge the worlds of traditional and web-based finance. Partnering with both financial institutions and crypto-native firms, FRNT operates two primary business segments: Capital Markets and Advisory, each with four distinct sub-segments. Capital Markets hosts over-the-counter (“**OTC**”) spot trading, structured products, lending, and treasury management, while Advisory is comprised of merchant banking, asset management, consulting, and distressed asset (including claims resulting from bankruptcy of trading platforms) advisory.

The Company intends to fill the operational and expertise gap between traditional and web-based finance, including with respect to cryptocurrency. FRNT presents a new set of opportunities, often through synthetic exposure to cryptocurrency, targeted at institutional investors (non-retail), while maintaining a lean, technology-forward operation.

FRNT leverages different technologies in its business, including: (i) its Synthetic Exposure Mechanism (“**SEM**”) Trade user interface and chat interface, which is used to interact with clients and automatically deliver quotes for OTC derivatives; and (ii) front-end and back-end trading technology, which is marketed for licensing to third-party trading firms. FRNT’s technology further includes a fully integrated data-platform, analytical tools for traders and content-digestion and analysis powered by cutting edge AI-tools.

Recent developments

There are no material developments in respect of the Company in the 12 months preceding the date of this offering document that have not been disclosed herein.

Material facts

There are no material facts about the securities being distributed that have not been disclosed in this offering document or in any other document filed by FRNT on SEDAR+ in the 12 months preceding the date of this offering document.

What are the business objectives that we expect to accomplish using the available funds?

FRNT intends to issue up to 5,000,000 Offered Shares for gross proceeds of up to \$2,000,000 under the Offering, under the listed issuer financing exemption pursuant to section 5A.2 of NI 45-106.

Over the course of the next 12 months following the completion of the Offering, the Company primarily intends to use the net proceeds from the Offering (i) to invest in BTC treasury and (ii) for additional marketing related purposes.

The Company also intends to use approximately \$2,373,017 of the available funds after the completion of the Offering for working capital and general corporate purposes over a period of 12 months following the closing of the Offering.

USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the Offering?

The expected total available funds to FRNT following completion of the Offering is estimated to be approximately \$3,998,017.

		Assuming 100% Subscription of the Offering
A	Amount to be raised by this Offering	\$2,000,000
B	Selling commissions and fees ⁽¹⁾	\$140,000
C	Estimated Offering costs (e.g., legal, accounting, audit) ⁽²⁾	\$150,000
D	Net proceeds of Offering: $D = A - (B+C)$	\$1,710,000
E	Working capital as at most recent month end (deficiency)	\$2,288,017
F	Additional sources of funding	\$0
G	Total available funds: $G = D+E+F$	\$3,998,017

Notes:

- (1) The estimated selling commissions and fees assume that all subscribers to the Offering were introduced by a finder. For additional details, see "Fees and Commissions"
- (2) The estimated Offering costs includes estimated taxes applicable thereon.

There has been a decline in the Company's working capital since the most recently audited annual financial statements. This decline is primarily attributable to funding the Company's net loss during the period, offset by items not impacting working capital such as share-based compensation and depreciation.

How will we use the available funds?

Description of intended use of available funds listed in order of priority	Assuming 100% Subscription of the Offering
Investment in BTC treasury	\$1,250,000
General marketing / awareness initiatives	\$375,000
Working capital and general corporate purposes ⁽¹⁾	\$2,373,017
Total	\$3,998,017

Notes:

- (1) Working capital and general corporate purposes is expected to include salaries, professional fees and general and administration expenditures.

The above noted allocation of capital and anticipated timing represents the Company's current intentions based upon its present plans and business conditions, which could change in the future as its plans and business conditions evolve. Although the Company intends to spend the proceeds from the Offering as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary. This may result in the actual allocation varying materially from that which is set forth above, as the amounts actually allocated and spent will depend on a number of factors, including the Company's ability to execute on its business plan. See the "Cautionary Statement Regarding Forward-Looking Information" section above.

The Company has generated negative cash flows from operating activities since inception and anticipates that it will continue to have negative operating cash flow until it achieves profitability. As a result, certain of the net proceeds from this Offering may be used to fund such negative cash flow from operating activities in future periods.

How have we used the other funds we have raised in the past 12 months?

The Company has not raised other funds in the past 12 months.

FEES AND COMMISSIONS

Who are the dealers or finders that we have engaged in connection with this Offering, if any, and what are their fees?

The Company has not engaged any brokers or dealers that will be compensated in connection with the Offering. The Company may pay compensation to certain finders on terms agreeable to the Company and such finders, which the Company expects may consist of cash compensation in an amount of up to 7% of the gross proceeds of the Offering raised from purchasers sourced by such finders, or such other compensation in cash, securities or as otherwise permitted under TSXV policies.

Does the Agent have a conflict of interest?

To the knowledge of the Company, it is not a “related issuer” or “connected issuer” of any finder who would be compensated in connection with the Offering, as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*.

PURCHASERS’ RIGHTS

Rights of Action in the Event of a Misrepresentation

If there is a misrepresentation in this offering document, you have a right

- (a) to rescind your purchase of these securities with the Company, or**
- (b) to damages against the Company and may, in certain jurisdictions, have a statutory right to damages from other persons.**

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.

You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.

ADDITIONAL INFORMATION

Where can you find more information about us?

Security holders can access the Company's continuous disclosure filings on SEDAR+ at www.sedarplus.com under the Company's profile.

For further information regarding the Company, visit our website at: www.fnt.io.

Investors should read this offering document and consult their own professional advisors to assess the income tax consequences, legal risks, risk factors, and other aspects of their investment in the Offered Shares.

CERTIFICATE OF THE COMPANY

This offering document, together with any document filed under Canadian securities legislation on or after July 14, 2024, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

July 14, 2025

“Stéphane Ouellette”

Stéphane Ouellette
Chief Executive Officer

“Alex McAulay”

Alex McAulay
Chief Financial Officer