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#### OFFERING DOCUMENT UNDER THE LISTED ISSUER FINANCING EXEMPTION

DATED December 18, 2025



LEGEND POWER SYSTEMS INC.  
(the “Company” or “Legend”)

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SUBSCRIPTION PRICE: \$0.12 PER UNIT

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#### SUMMARY OF OFFERING

##### What are we offering?

- Offering:** A minimum of 11,111,111 units and a maximum of 14,186,000 units at a price of \$0.12 (the “Units”). Each Unit consists of one common share in the capital of the Company (a “Common Share”) and one Common Share purchase warrant (a “Warrant”). Each Warrant is exercisable to acquire one Common Share (a “Warrant Share”) at a price of \$0.12 per Warrant Share for a period of thirty-six (36) months following the date of issue.
- Offering Price:** \$0.12 per Unit.
- Offering Amount:** A minimum of 11,111,111 units and a maximum of 14,186,000 Units, for minimum gross proceeds of \$1,333,333 and maximum gross proceeds of \$1,702,320 (the “Offering”).
- Closing Date:** The Offering may close in multiple tranches, with the final closing to occur no later than January 31, 2026 (the “Closing Date”).

**Exchange:** The Common Shares are listed on the Exchange under the symbol “LPS” and quoted for trading on the OTCQB (U.S.) under the symbol “LPSIF”.

**Last Closing Price:** On December 17, 2025, the closing price of the Common Shares on the Exchange was \$0.115 and the closing price of the Common Shares on the OTCQB was USD\$0.084.

### **Description of Common Shares**

Each Common Share carries the right to attend and vote at all meetings of shareholders of the Company. Holders of Common Shares are entitled to receive on a pro rata basis such dividends, if any, as and when declared by the Company’s board of directors at its discretion from funds legally available for the payment of dividends 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 or 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.

### **Description of Warrants**

Each Warrant will entitle the holder thereof to acquire one additional Common Share at an exercise price of \$0.12 per Common Share for a period of 36 months from the date of issue.

The Warrants will be governed by the terms and conditions set out in the certificates representing the Warrants (the “**Warrant Certificates**”) delivered to each holder at the closing of the Offering. The Warrant Certificates will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain customary events. Notwithstanding the foregoing, the terms and conditions governing the Warrants may, at the election of the Company, be provided in an indenture entered into between the Company and a trustee, pursuant to which subscribers will be provided Warrant Certificates.

No fractional Warrants Shares will be issuable to any holder of Warrants upon the exercise thereof, and no cash or other consideration will be paid in lieu of fractional shares. The holding of Warrants will not make the holder thereof a shareholder of the Company or entitle such holder to any right or interest in respect of the Warrants except as expressly provided in the Warrant Certificate. Holders of Warrants will not have any voting or pre-emptive rights or any other rights of a holder of Warrant Shares.

**The Company is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 Prospectus Exemptions. 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 information which may constitute “forward-looking information” within the meaning of applicable Canadian securities legislation. Forward-looking information involves statements that are not based on historical information, but rather relate to future operations, strategies, financial results or other developments. Forward-looking information is necessarily based upon estimates and assumptions, which are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the Company’s control and many of which are subject to change. These uncertainties and contingencies can affect actual results and could cause actual results to differ materially from those expressed in any forward-looking information made by or on the Company’s behalf. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. All factors should be considered carefully and investors should not place undue reliance on the Company’s forward-looking information as actual results may vary. Examples of such forward-looking information within this Offering Document include: expected use of proceeds of the Offering; completion and timing of the Offering; obtaining all of the required stock exchange and other approvals in connection with the Offering; the Company’s expected future losses and accumulated deficit levels; the Company’s dependence on management; the Company’s plans in respect of development and operations; the Company’s risks associated with economic conditions; the Company’s expectations with respect to the decarbonisation of commercial buildings and the anticipated effects of that decarbonisation on the stability of the electric power grid; the anticipated size of the market for the Company’s products and services; the Company’s competitors and its anticipated market position; the Company’s expected treatment of conflicts of interest; the effects of improving the Company’s available working capital; competition; and demand for the Company’s product. Forward-looking information is made based on management’s beliefs, estimates and opinions and is given only as of the date of this Offering Document. The Company undertakes no obligation to update forward-looking information if these beliefs, estimates and opinions or other circumstances should change, except as may be required by applicable law.

Forward-looking information reflects the Company’s current views with respect to expectations, beliefs, assumptions, estimates and forecasts about the Company’s business and the industry and markets in which the Company operates. Forward-looking information is not a guarantee of future performance and involves risks, uncertainties and assumptions, which are difficult to predict. Assumptions underlying the Company’s expectations regarding forward-looking statements or information contained in this Offering Document include, among others: that the Company will obtain all necessary consents and approvals for the completion of the Offering on a timely basis; with respect to establish sales referral networks, and complete pilot plant projects; with respect to shared energy savings programs, that there will be enough energy savings created that will result in a profit for the Company; the ability of the Company to protect its intellectual property, the Company’s ability to generate revenue, success with the Company’s strategies and achieving its business objectives, the Company’s ability to raise sufficient funds from equity or other financings in the future to support its operations. The foregoing list of assumptions is not exhaustive.

Persons reading this Offering Document are cautioned that forward-looking information is only a prediction, and that the Company’s actual future results or performance are subject to certain risks and uncertainties including:

- that the Company does not receive all necessary approvals resulting in termination of the Offering;
- the extent of future losses;
- the ability to obtain the capital required to fund development and operations;
- the ability to capitalize on changes to the marketplace;
- the ability to comply with applicable governmental regulations and standards;
- the ability to attract and retain skilled and experienced personnel;
- the impact of changes in the business strategies and development priorities of strategic partners;
- stock market volatility;
- that regulatory changes with respect to decarbonisation do not result in an increase in the need for the Company’s products and services;
- the market for the Company’s products and services may not develop as anticipated; and

- other risks detailed from time-to-time in the Company's ongoing quarterly and annual filings with applicable securities regulators, under the Company's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca). This list is not exhaustive of the factors that may affect any of forward-looking statements or information of the Company. Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Company does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time-to-time, and it is not possible for management of the Company to predict all such factors and to assess in advance the impact of each such factor on the business of the Company or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. See "Risk Factors" in the Company's Annual Information Form for further discussion regarding risks of an investment in the Company. Although the Company believes that the expectations conveyed by the forward-looking statements are reasonable based on the information available to it on the date such statements were made, no assurances can be given as to future results, approvals or achievements. The forward-looking statements contained in this Offering Document are expressly qualified by this cautionary statement.

## **SUMMARY OF DESCRIPTION OF BUSINESS**

### **What is our business?**

Legend Power® Systems Inc. and its wholly-owned subsidiaries, 0809882 B.C. Ltd. - (Canada), Legend Power Systems Corp. - (USA) ("**Legend U.S.**") and LPSI (Barbados) Limited - (Barbados) is a global leader in onsite energy management technology. The Company markets a patented device (the "**SmartGATE™**") which, combined with SmartGATE Insights™ (a metering and analytics package) is a single-solution energy management platform that enables owners/operators of light-industrial and commercial buildings to both diagnose and then overcome the building-level impacts of electric grid volatility which results in a less-than-optimal power supply. This less-than-optimal power wastes energy and decreases the reliability and lifetime of critical building systems resulting in higher expenses and GHG emissions for building owners and operators. These power quality challenges are common to utilities around the world and are getting worse with increased renewable energy sources like wind and solar. Most buildings (80-90%) on a power grid receive inconsistent electrical voltage from their power utilities as a countermeasure to mitigate the challenges of line-loss across a feeder length and the variable nature of power supply and demand. That variability is further exacerbated by the inconsistent production and availability of renewable energy sources added to the electric supply. Voltage higher or lower than a building's equipment specifications negatively impact the lifespan or availability of electrical equipment, creates unnecessary power consumption, increases the potential for 'brown-outs', and can cause full or partial equipment failures. This results in higher monthly utility bills, premature equipment failure, a larger than necessary environmental footprint for the affected building, unpredictable power availability, and potential tenant/occupant issues. All of these issues represent increased expenses, lower profits, and lower valuations. Legend utilizes a proprietary and patented technology platform to first assess a building's inbound power, then regulate and optimize the building's voltage and manage its total power consumption. SmartGATE™'s modular and extensible design, particularly its software-driven controller, enables it to address power quality issues today, while being flexible to address growing issues projected for the future. By ensuring a consistent and optimized voltage level on each individual phase of service and managing or mitigating poor quality (including over/under voltage, voltage sags and swells, phase unbalance, and power factor) across all loads, SmartGATE™ Active Power Management is a grid interactive technology platform that ensures customers receive consistent power availability, reduce their electrical and maintenance costs, while maintaining and enhancing asset values and brand integrity. SmartGATE™'s intelligent controller captures constant, real-time data flow on up to 200 parameters aggregated every minute and made available to building management via the cloud. During initial assessments for prospective customers, this same data can be combined into an Energy Impact Report to inform and prioritize implementation decision-making.

### **Recent developments**

The continued growth of variable renewable generation, including wind and solar, has contributed to greater fluctuations in voltage and power quality across many regions in North America. As utilities manage a more

dynamic supply profile, building operators have experienced wider variability in the power delivered to their facilities, with corresponding effects on electrical and mechanical systems. This shift has increased interest among commercial and public-sector customers in understanding and mitigating power-quality impacts as part of broader resilience, reliability, and asset-management planning. The Company has observed a gradual but clear rise in customer awareness of these issues and an increased focus on technologies that can provide building-level protection from ongoing changes in grid conditions.

Over the past four years, the Company has completed the transition from its earlier-generation energy-optimization product to the Gen3 SmartGATE™ Active Power Management platform. Development began in 2020 and the system entered field deployment in 2022 in response to increasing customer focus on voltage stability, equipment reliability, and the operational effects of power-quality fluctuations. The Gen3 platform was designed to address these requirements through the ability to increase, decrease, and regulate voltage across all phases, enabling more comprehensive management of building-level power conditions.

Field installations since that transition have provided customers with data showing how power quality influences the performance and expected life of key building systems. Customers have reported reductions in repair activity, improved equipment-life expectations, and measurable energy savings attributable to more consistent voltage adherence. These results have generally aligned with reported ranges of 20–35% lower repair costs, 20–40% longer equipment-life expectations, and 3–5% reductions in energy consumption. Insights from these deployments continue to inform product design, assessment methodologies, and installation practices.

The Company's recent developments reflect continued advancement of SmartGATE™ Gen3 deployment, expansion of its U.S. federal-sector activities, and ongoing execution of its operational improvement initiatives.

### **U.S. General Services Administration (“GSA”) Technology Proving Ground Program**

The Company's participation in the GSA Technology Proving Ground (“TPG”) program has progressed into the installation and evaluation phase. SmartGATE™ systems have been deployed at designated federal sites, and performance data collection is underway under the direction of Oak Ridge National Laboratory (“ORNL”), the GSA's technical evaluator which is 100% funded by the US GSA. The scope of the evaluation includes measurement of voltage stability, power-quality parameters, and operational impacts at the building level. Findings from this program are expected to support the GSA's assessment of standards and specifications for future building-level power-quality technologies. The Company continues to provide technical support throughout the evaluation period. by Oak Ridge National Laboratory which is 100% funded by the US GSA. The scope of the evaluation includes measurement of voltage stability, power-quality parameters, and operational impacts at the building level. Findings from this program are expected to support the GSA's assessment of standards and specifications for future building-level power-quality technologies. The Company continues to provide technical support throughout the evaluation period.

### **Commercial deployment of Gen3 SmartGATE™ systems**

The Company has sold approximately 50 Gen3 SmartGATE™ systems, with roughly 40 units installed, commissioned, and operating in the field. These systems are deployed across commercial office, multifamily residential, education, and public-sector facilities. The installed fleet continues to generate data that aligns with the functional objectives of voltage regulation and power-quality management. Field insights from these deployments have informed incremental improvements to installation processes, software functionality, and data-analytics tools.

### **Sales pipeline activity**

Customer engagement remains active across North America, with continued focus on the operational impacts of voltage variability and the role of building-level power management in mitigating equipment stress and service interruptions. The Company is advancing a material pipeline of late-stage opportunities,

including approximately 200 SmartGATE™ systems that remain active but have extended decision timelines due to customer budgeting cycles, procurement processes, or competing capital priorities.

A number of customers are evaluating broader financial considerations beyond energy savings, including maintenance and repair trends, equipment-life expectations, and power-quality risk exposure. The Company is working to align field data, third-party evaluations, and industry-standard metrics to support customer assessment of these non-energy impacts. These activities continue to influence the pace of customer decision-making across commercial office, multifamily residential, institutional, and energy-services organizations.

### **Partner-channel development**

The Company continues to expand and support its network of resellers, engineering firms, and energy-services organizations in the United States and Canada. Certain partners have incorporated SmartGATE™ assessment outputs, including Power Impact Reports, voltage-adherence data, and documented installation parameters, into their evaluation and proposal processes.

Recent partner collaboration has also focused on the standardization of installation scope, documentation, and cost structures. This includes providing partners with installation models, consistent configuration guidelines, and updated technical materials to help reduce variability in installation estimates. In parallel, partners with access to large building portfolios and equipment-performance data have shown interest in the role of power-quality management within broader asset-reliability and cost-reduction programs, including components associated with non-energy operational metrics.

These efforts are intended to support more consistent deployment practices and to enable partners to evaluate SmartGATE™ within established building-performance frameworks.

### **Operational and Engineering updates**

The Company continues to focus on hardware and software design enhancements to reduction costs and improve operating efficiency. Work on automation of Insights and SmartGATE data collection, analyzing and reporting is well underway, expecting completion in early 2026. This initiative will shorten the sales process and improve portal experience. Supply chain management and material-requirements planning, inventory management, and factory processes are implemented and now routine. The factory is flexible, scalable and able to address changing product and demand requirements. We continue to complete cost-reduction initiatives through supplier negotiations, bill-of-materials optimization, and installation-standardization efforts.

### **Market conditions**

Across commercial and public-sector customers, power-quality considerations, including voltage variability and its effects on building systems, remain an area of focus. These conditions continue to shape customer interest in building-level power-management technologies. Although certain projects have been delayed due to budget availability or competing capital initiatives, most remain active in the Company's pipeline.

### **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 the Company in the 12 months preceding the date of this Offering Document.

**What is the business objective that the Company expects to accomplish using the available funds?**

The Company’s business objective is to support growing customer demand for grid volatility management and their electrification, decarbonization, ESG and associated financial objectives. Legend intends to use available funds for on-going operational, material, capacity and resource expenses associated with our growth trajectory. Funds required are based on our current budget and 3-year forecast. Spending will not increase for reasons other than customer demand, or as that demand changes from time-to-time.

<b>Business Objectives</b>	<b>Preceding significant event(s) (each, an “Event”)</b>	<b>Period in which Event is expected to occur</b>	<b>Cost Related to Event</b>
>\$6M Revenue	Sales funnel conversion of backlog	2026	\$400,000
Positive EBITDA	60 systems produced and delivered and 30 installed	2026	\$540,000
Technology Development Roadmap	SmartGATE function, cost and capacity improvements	2026 and 2027	\$200,000
Gross Margin >45%	Supplier management and design optimization	2026 and on-going	\$560,000
		<b><u>TOTAL</u></b>	<b>\$1,700,000</b>

**USE OF AVAILABLE FUNDS**

**What will our available funds be upon the closing of the offering?**

The expected availability of funds is \$1,300,000 for the minimum and \$1,700,000 for the maximum offering size.

		<b>Assuming Minimum Offering</b>	<b>Assuming 100% of the Offering</b>
<b>A</b>	Amount to be raised by this offering	\$1,333,333	\$1,702,320
<b>B</b>	Selling commissions and fees	\$0	\$0
<b>C</b>	Estimated offering costs (e.g. legal, accounting, audit)	\$20,000	\$20,000
<b>D</b>	Net proceeds of offering: D = A – (B+C)	\$1,313,320	\$1,682,320
<b>E</b>	Working capital as at June 30, 2025	\$156,292	\$156,292
<b>F</b>	Deposits from on-going sales	\$2,000,000 <sup>(1)</sup>	\$2,000,000 <sup>(1)</sup>
<b>G</b>	Total available funds: G = D+E+F	\$3,469,612	\$3,838,612

Notes:

Additional funding is estimate of deposits associated with new orders over the next year. Does not include receivables from product shipment and installation.

## How will we use the available funds?

Description of intended use of available funds listed in order of priority	Assuming Minimum Offering	Assuming 100% of the Offering
Fixed operating expenses, including increased fixed and variable for growth	\$1,457,522	\$1,611,574
Material purchase order deposits	\$867,410	\$959,120
Material invoices	\$520,446	\$575,472
Development expense	\$277,298	\$308,798
Expense for increased Legend factory capacity overhead	\$173,482	\$191,824
Sales commissions	\$103,816	\$114,842
Capital asset depreciation for capacity, in-house	\$69,638	\$76,982
Total: Equal to G in the available funds in the previous table	\$3,469,612	3,838,612

The Company's most recently filed audited financial statements and interim financial statements include a going concern note. The Company expects that the proceeds of the minimum Offering will be sufficient to cover the Company's operating costs for the next 12 months. However, the Offering is not expected to affect the decision of the Company to include a going concern note in the next audited financial statements and interim financial statements.

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

On December 30, 2024, the Company closed the first tranche (the "**2024 First Tranche**") of its non-brokered private placement (the "**2024 Offering**") of units of the Company (each, a "**2024 Unit**") at a price of \$0.18 per 2024 Unit. Under the 2024 First Tranche, the Company distributed 4,233,167 2024 Units for gross proceeds of \$761,970. Each 2024 Unit consisted of one Common Share and one Common Share purchase warrant (each, a "**2024 Warrant**"). Each 2024 Warrant issued under the 2024 First Tranche entitled the holder to acquire one additional Common Share at an exercise price of \$0.30 until December 30, 2026.

On January 24, 2025, the Company closed the second and final tranche (the "**2024 Second Tranche**") of its 2024 Offering. Under the 2024 Second Tranche, the Company distributed 4,728,443 2024 Units for gross proceeds of \$851,120, bringing the total 2024 Offering raise to \$1,613,090. Each 2024 Warrant issued under the 2024 Second Tranche entitled the holder to acquire one additional Common Share at an exercise price of \$0.30 until January 24, 2027.

## **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?**

In connection with the Offering, the Company may pay fees to those eligible and qualified under Canadian securities laws and in accordance with the policies of the Exchange, being up to a 5% cash commission on the total proceeds raised by eligible finders and up to 3% in non-transferable Common Share purchase warrants (each, a "**Finder's Warrant**") on total Units issued to subscribers in the Offering that were introduced to the Company by eligible finders. Each Finder's Warrant will entitle the holder to acquire one Common Share at an exercise price of \$0.12 per Common Share for a period of thirty-six (36) months following the date of issue.

## **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?**

You can access the Company's continuous disclosure under its profile at [www.sedarplus.ca](http://www.sedarplus.ca). In addition, further information about the Company is available at <https://legendpower.com>.

## **DATE OF CERTIFICATE**

**This Offering Document, together with any document filed under Canadian securities legislation on or after December 18, 2024, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.**

December 18, 2025.

By: "Randy Buchamer"  
Name: Randy Buchamer  
Title: CEO, President, and Director

By: "Paul Moffat"  
Name: Paul Moffat  
Title: COO and Interim CFO