MARSHALL TECHNOLOGIES CORP.

CSE FORM 2A
LISTING STATEMENT

January 30, 2026
(except as otherwise indicated)

This Listing Statement is intended to provide full, true and plain disclosure about the Issuer. It is not, and is not to be construed as, a prospectus. It has not been reviewed by a securities regulatory authority and no securities are being sold or qualified for distribution by the filing of this Listing Statement.

Please review "Risk Factors" in the attached prospectus

Documents Incorporated by Reference: The Issuer's final prospectus filed on SEDAR+ on January 30, 2026, dated January 30, 2026.

NOTE TO READER

This Listing Statement contains a copy of the long form prospectus of Marshall Technologies Corp. dated January 30, 2026 (the "**Prospectus**"). Certain sections of the Canadian Securities Exchange (the "**Exchange**") form of Listing Statement have been included following the Prospectuses to provide additional disclosure on the Issuer required by the Exchange, as well as updating certain information contained in the Prospectuses.

TABLE OF CONTENTS

SCHEDULE A

TABLE OF CONCORDANCE

Information Required by Exchange Form 2A Listing Statement	Corresponding Item(s) in the Prospectus	Prospectus Page Number
Financial Statement Disclosure for Issuers	Financial Statement Disclosure	89
Certificates	Certificate of the Corporation; Certificate of the Promoters; Certificate of the Underwriters	N/A

SCHEDULE B

FINAL LONG FORM PROSPECTUS DATED JANUARY 30, 2026

(See attached)

No securities regulatory authority has expressed an opinion about information contained herein and it is an offence to claim otherwise.

<u>PROSPECTUS DATED JANUARY 30, 2026</u>

NEW ISSUE January 30, 2026

MARSHALL TECHNOLOGIES CORP.
(the "Corporation")

(to be renamed Redwood AI Corp.)

20,515,000 Common Shares and 6,257,500 Warrants
upon exercise or deemed exercise of 32,515,000 previously issued Subscription Receipts
(for no additional consideration)

This prospectus (the "**Prospectus**") is being filed with the Alberta Securities Commission (the "**ASC**"), the British Columbia Securities Commission, and the Ontario Securities Commission, and qualifies the distribution of securities of Marshall Technologies Corp. (the "**Corporation**") issuable for no additional consideration or further action on part of the holder upon the automatic conversion of 32,515,000 Subscription Receipts (as defined herein).

Each Subscription Receipt converts either on Listing (as defined herein) or upon completion of the Acquisition (as defined herein), whereby the Acquisition and Listing are both intended to occur concurrently with final receipt being issued in connection with the Prospectus.

The Subscription Receipts are comprised of an aggregate of 20,515,000 common shares ("**Common Shares**") and 6,257,500 Common Share purchase warrants ("**Warrants**"). The Subscription Receipts were issued, on a non-brokered private placement basis, on three separate occasions (each, a "**Closing**"), with 8,515,000 Subscription Receipts issued on June 12, 2025 (the "**$0.50 Subscription Receipts**"), 18,000,000 Subscription Receipts issued on September 4, 2024 (the "**$0.01 Subscription Receipts**") and 6,000,000 Subscription Receipts issued on August 28, 2024 (the "**$0.0025 Subscription Receipts**", together with the $0.50 Subscription Receipts, and $0.01 Subscription Receipts, the "**Subscription Receipts**"), at a price of $0.50, $0.01, and $0.0025, respectively, to purchasers in certain provinces of Canada and in jurisdictions outside of Canada in accordance with applicable laws and pursuant to certain prospectus exemptions under applicable securities laws (collectively, the "**Subscription Receipt Financings**").

Each $0.0025 Subscription Receipt will automatically convert, immediately prior to the time of completion of the Listing (as defined herein) without any further action or payment of any additional consideration therefore, into one-half (1/2) of one unit of the Corporation (each whole unit, a "**$0.0025 Unit**"). Each whole $0.0025 Unit will consist of one Common Share and two-thirds (2/3) of one Common Share purchase warrant (each Common Share purchase warrant, a "**$0.0025 Warrant**"). Each whole $0.0025 Warrant will entitle the holder thereof to purchase one Common Share (each, a "**$0.0025 Warrant Share**") at a price of $0.25 per $0.0025 Warrant Share at any time prior to five (5) years from the date of the issuance of the $0.0025 Warrants. For clarity, 3,000,000 Common Shares and 2,000,000 $0.0025 Warrants shall be issued upon the automatic conversion of the $0.0025 Subscription Receipts. If the Listing does not complete by January 31, 2026, or such other date as the Corporation may determine, each $0.0025 Subscription Receipt will automatically convert, without further action or payment of any additional consideration therefore into 0.505 of a $0.0025 Unit.

Each $0.01 Subscription Receipt will automatically convert, without any further action or payment of any additional consideration therefore, into one-half (1/2) of one Common Share immediately prior to the time of completion of the Listing. For clarity, 9,000,000 Common Shares shall be issued upon the automatic conversion of the $0.01 Subscription Receipts. If the Listing does not complete by January 31, 2026, or such other date as the Corporation may determine, each $0.01 Subscription Receipt will automatically convert, without further action or payment of any additional consideration therefor into 0.505 of a Common Share.

Each $0.50 Subscription Receipt will automatically convert, without any further action or payment of any additional consideration therefore, into one unit (each, a **"$0.50 Unit**") immediately prior to the completion of the Acquisition, with each $0.50 Unit consisting of one (1) Common Share and one half of one (1/2) Common Share purchase warrant (each whole Common Share purchase warrant, a "**$0.50 Warrant**"). Each $0.50 Warrant will entitle the holder thereof to purchase one (1) Common Share (each, a "**$0.50 Warrant Share**") at a price of $0.70 per $0.50 Warrant Share at any time prior to 5:00 p.m. (Vancouver time) on the date that is five (5) years from the date of the issuance of the $0.50 Warrants (the "**Expiry Date**"). For clarity, 8,515,000 Common Shares and 4,257,500 $0.50 Warrants shall be issued upon the automatic conversion of the $0.50 Subscription Receipts. If the Acquisition is not completed by January 31, 2026, the Escrowed Funds (as defined below), together with accrued interest earned thereon, will be returned to the holders of the $0.50 Subscription Receipts (excluding the holders of the Non-Escrowed $0.50 Subscription Receipts (as defined below)) and such securities will be cancelled. If the Acquisition is not completed by January 31, 2026, each Non-Escrowed $0.50 Subscription Receipt will automatically convert, without further action or payment of any additional consideration therefor, into 1.05 $0.50 Unit.

The $0.0025 Units, the $0.50 Units, Common Shares, Warrants, and Warrant Shares are referred to herein as the "**Qualified Securities**". For further information on the Subscription Receipts, see "*Description of Outstanding Securities*" and "*Plan of Distribution*".

The $0.50 Subscription Receipts were sold to subscribers by Ventum Financial Corp. and Canaccord Genuity Corp. ("**Canaccord**"), acting as underwriters (collectively, the "**Underwriters**") in accordance with the terms and conditions of certain engagement letters entered into among the Corporation and the Underwriters, dated June 10, 2025, and June 2, 2025, respectively. The price and the other terms of the $0.50 Subscription Receipt Financing were determined by arm's length negotiations between the Corporation, the Underwriters, and the subscribers. See "*Plan of Distribution".*

The Subscription Receipts are not available for purchase under this Prospectus. The Corporation will not receive any additional proceeds upon the automatic exchange of any Subscription Receipts, and no commission or fee (except for the Underwriters Commission, the Work Fee and Underwriters Expenses) will be payable by the Corporation to the Underwriters, there upon.

	Price to Purchasers(1)	**Underwriters Commission and Fees**	**Proceeds to the Corporation**
Per $0.0025 Subscription Receipt	$0.0025	Nil	$0.0025
Total of $0.0025 Subscription Receipt Financing	$15,000	Nil	$15,000
Per $0.01 Subscription Receipt	$0.01	Nil	$0.01
Total of $0.01 Subscription Receipt Financing	$180,000	Nil	$180,000
Per $0.50 Subscription Receipt	$0.50	$0.045(2)	$0.46
Total of $0.50 Subscription Receipt Financing	$4,257,500	$458,400(3)	$3,999,100(4)

Notes:

(1) The price was determined by the Corporation.

(2) Represents Underwriters' commissions equal to 8% of the proceeds raised from subscribers introduced by the Underwriters (the "**Underwriters Commission**"). In addition, the Corporation issued 516,800 Underwriters Warrants ("**Underwriters Warrants**") to the Underwriters, equal to 8% of the number of $0.50 Subscription Receipts issued to subscribers for which Underwriters Commission is payable, each Underwriters Warrant having the same terms as the $0.50 Warrants. The Underwriters will also receive a work fee in the amount of $150,000, including GST (the "**Work Fee**") and expenses up to $50,000 ("**Underwriters Expenses**").

(3) Represents the aggregate amount to be paid to the Underwriters in satisfaction of the Underwriters Commission paid in respect of 6,460,000 of the $0.50 Subscription Receipts, the Work Fee, and Underwriters Expenses.

(4) After deducting the Underwriters Commission, but before deducting the remaining expenses of the Work Fee and the Underwriters Expenses which, together with the Underwriters Commission, will be paid by the Corporation out of the gross proceeds of $0.50 Subscription Receipt Financing. See "*Use of Proceeds*".

The following table sets out the number of securities issuable by the Corporation to, or at the option of, the Underwriters:

Underwriters' Position	Maximum Number of Securities Available	Exercise Period or Acquisition Date	Exercise Price or Acquisition Price
Underwriters Warrants(1)	516,800 Underwriters Warrants, entitling the Underwriters to purchase one Common Share	Five (5) years from the date of the issuance	$0.70

Note:

(1) This Prospectus qualifies the distribution of the Common Shares issuable upon exercise of the Underwriters Warrants. See "*Description of Securities Distributed*" and "*Plan of Distribution*".

An investment in the securities of Corporation is speculative due to various factors. The risk factors included in this Prospectus should be reviewed carefully and evaluated by prospective purchasers of securities. See "*Cautionary Statement Regarding Forward-Looking Information*" and "*Risk Factors*". Investments in technology, including AI technology, issuers involve a significant degree of risk. An investment in these securities should only be made by persons who can afford the total loss of their investment. See "*Risk Factors*".

The Corporation has received conditional approval to list (the "**Listing**") its common shares ("**Common Shares**") for trading on the Exchange (as defined herein). Listing is subject to the Corporation fulfilling all of the requirements of the Exchange. There is no guarantee that the Common Shares will be listed on the Exchange or on any exchange.

In connection with the filing of this Prospectus, and prior to the Listing, the Corporation will become the sole shareholder of Redwood AI Inc., a British Columbia company ("**Redwood**"). For further information on the Corporation's Transaction with Redwood AI Inc., see "*Summary of this Prospectus – The Corporation's Acquisition of Redwood*".

There is no market through which the securities of the Corporation may be sold and purchasers may not be able to resell securities purchased under this Prospectus. This may affect the pricing of the Corporation's securities in the secondary market, the transparency and availability of trading prices, the liquidity of the Corporation's securities and the extent of issuer regulation. See "*Risk Factors*". Listing will be subject to the Corporation fulfilling all of the listing requirements of the Exchange.

As at the date of this Prospectus, the Corporation does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the TSX (as defined herein)), Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

The Corporation is neither a "connected issuer" nor a "related issuer" of the Underwriters as defined in National Instrument 33-105 – *Underwriting Conflicts.*

Certain legal matters in connection with the Subscription Receipt Financings are being reviewed on behalf of the Corporation by Borden Ladner Gervais LLP and on behalf of the Underwriters by MLT Aikins LLP.

Readers are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding, or disposing of the Common Shares, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian corporation that acquires Common Shares.

Prospective purchasers should rely only on the information contained in this Prospectus. Neither the Underwriters nor the Corporation has authorized anyone to provide you with different information. Purchasers should not assume that the information contained in this Prospectus is accurate as of any date other than the date on the front of this Prospectus.

Mr. Matthew Mingay, a director of the Corporation, resides outside of Canada. Mr. Mingay has appointed the Corporation at 1309 – 7th Street SW, Calgary, Alberta, T2R 1A5 for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

The Corporation's head office is located 1309 – 7th Street SW, Calgary, Alberta, T2R 1A5 and its registered and records office is located at Suite 2300, Bentall 5, 550 Burrard Street, Vancouver BC V6C 2B5.

Securities legislation in some provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase the securities. In exchange for a waiver to, and a release of the Corporation from, the rights of revocation or withdrawal under applicable securities laws, the Corporation has granted the holders of the Subscription Receipts a contractual right of withdrawal. Information with respect to a purchaser's right to withdraw from or rescind an agreement to purchase securities is provided below. See "*Rights of Withdrawal and Rescission*".

TABLE OF CONTENTS

IMPORTANT INFORMATION ABOUT THIS PROSPECTUS

No person has been authorized to provide any information or to make any representation not contained in this Prospectus, and, if provided or made, such information or representation should not be relied upon. You should assume that the information contained in this Prospectus is accurate only as of the date of this Prospectus.

Capitalized terms, except as otherwise defined herein, are defined in the section entitled "*Glossary of Terms*".

Except as otherwise indicated or the context otherwise requires in this Prospectus, references to "the **Corporation**", "**we**", "**us**" and "**our**" refer to Marshall Technologies Corp.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Prospectus may contain certain forward-looking information and forward-looking statements (collectively, "**forward-looking information**") within the meaning of applicable securities laws in Canada. Forward looking information includes, but is not limited to, statements concerning expectations, beliefs, targets, plans, goals, objectives, assumptions and statements about possible future events, conditions, and results of operations or performance. Forward-looking information may contain statements with words or headings such as "financial expectations", "key assumptions", "anticipate", "believe", "expect", "targets", "plan", "will", "outlook", "guidance", "should" or similar words suggesting future outcomes. Forward-looking information in this Prospectus may include, but is not limited to: the Corporation's intention to complete the Listing and all transactions related thereto; future financial or operating performance of the Corporation and its business, operations, and conditions; and expansion of SythesAltzer (the "**Product**"); anticipated benefits and strategic synergies from the recent acquisition of all of the shares in Redwood, the holder of the Product; the timing and results of any research, development, or enhancement activities related to the Product; future plans regarding the Corporation's intellectual property strategy; the potential size of the market for the Product, including its applicability in the chemical, pharmaceutical, and broader scientific industries; anticipated partnerships, collaborations, or licensing agreements related to the Product; the conversion of the Subscription Receipts immediately prior to the time of Listing; financing activities and the intended use of proceeds resulting therefrom; the anticipated timing of maturity of certain loans; results and developments in the Corporation's activities in future periods, including further acquisitions or strategic investments; requirements for additional capital and the adequacy of the Corporation's financial resources; future operating and capital costs; project timelines and regulatory approvals, including the ability to obtain requisite approvals, licenses, and permits; technological viability of the Product; market demand for AI-driven solutions in the science industry; and general business and economic conditions.

Certain of the forward-looking statements and other information contained in this Prospectus concerning our industry and the markets in which we will operate, including our general expectations and market position, market opportunities and market share, are based on estimates prepared by the Corporation using data from publicly available governmental sources, as well as from market research and industry analyses, and on assumptions based on data and knowledge of the AI and health-technology industry which the Corporation believes to be reasonable. While the Corporation not aware of any misstatement regarding any industry or government data presented herein, it is noted that the AI and health-technology industry involves risks and uncertainties that are subject to change based on various factors and the Company has not independently verified such third-party information.

The forward-looking information that may be in this Prospectus is based on current expectations, estimates, projections and assumptions, having regard to the Corporation's experience and its perception of historical trends, and includes, but is not limited to, expectations, estimates, projections and assumptions relating to: the impact of competition; the ability to obtain and maintain existing financing on acceptable terms; the ability to retain skilled management and staff; currency, exchange and interest rates; the availability of financing opportunities, risks associated with economic conditions, dependence on management and conflicts of interest; the tax horizon of the Corporation; the Corporation's compensation policies and practices; treatment under or changes to governmental regulatory regimes and tax laws; the progress and success of product marketing; market competition in the Ai Industry and technology industries in general; expected Eritrean government policy, including reforms; and operating in a regulatory environment.

Although the Corporation's believes the expectations, estimates, projections and assumptions reflected in the forward-looking information presented herein are reasonable as of the date hereof, there can be no assurance that they will prove to be correct. Forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity and the development of the industry in which we operate may differ materially from the forward-looking statements contained in this Prospectus. In addition, even if our results of operations, financial condition and liquidity, and the development of the industry in which we operate are consistent with the forward-looking statements contained in this Prospectus, those results or developments may not be indicative of results or developments in subsequent periods.

Current conditions, economic and otherwise, render assumptions, although reasonable when made, subject to greater uncertainty. Undue reliance should not be placed on forward-looking information as actual results may differ materially from those expressed or implied by forward-looking information. By its nature, the Company's forward-looking information involves inherent risks and uncertainties that could cause actual results to differ materially from the forward-looking information, including, but not limited to, the following factors:

- the Corporation has a limited operating history and its negative operating cash flow;
- actual financial position and results of operations may differ from expectations of management;
- research and development risks including the ability of the Corporation to grow organically and achieve long-term success;
- the Corporation may fail to obtain all regulatory requirements for completion of the Listing;
- the Corporation has not been profitable to date and there is no assurance that it will be profitable in the future, or that profitability, if achieved, will be sustained;
- the Corporation may require additional financing in order to continue the development and growth of its business;
- the Corporation may be subject to growth-related risks including pressure on its internal systems;
- the profitability of the Corporation depends to a significant extent upon a number of factors relating to market acceptance of its software offerings;
- the Corporation's ability to meet demand is dependent on its ability to acquire obtain sufficient computing capacity from third-party services providers which may experience capacity constraints as the AI industry grows;
- the Corporation has a limited number of products and its business may be adversely affected if the AI software is not adopted by the target market industry participants;
- risks associated with the early stage of the Corporation's business and the development of the Product;
- risks related to the performance, scalability, and market acceptance of the Product in the chemical and pharmaceutical industries;
- competition in the AI and technology sectors, including the potential for new and disruptive technologies;
- potential negative consumer perception and market acceptance of the use of AI;
- the Corporation's continued success will depend, in part, upon its ability to develop, introduce and market new innovative products, and the Corporation cannot ensure its ability to do so;
- the Corporation not having adequate product liability insurance coverage;
- government regulation of the Corporation's AI software;
- reliance on key intellectual property, including risks associated with the protection of that intellectual property and the Corporation's ability to defend against infringement claims;
- the ability to integrate the acquired business and achieve the anticipated synergies or benefits from the acquisition;
- reliance on a finite number of key products, intellectual property and partnerships, and risks related to the commercial development and expansion of the Product;
- changes in technology trends, market conditions, and customer preferences, which could affect the demand for the Product;
- risks associated with attracting and retaining highly skilled personnel and key employees, especially in the competitive AI sector;
- economic and political condition uncertainty;
- general economic conditions, including fluctuations in interest rates and changes in consumer or business confidence;
- financing risks, including potential dilution of Common Shares and the ability to raise additional capital to support future growth and development activities;
- potential dilution of Common Shares; voting power or earnings per Common Share as a result of the exercise of Warrants;

- risks associated with cybersecurity, data privacy, and potential breaches or risks associated with data losses related to the Corporation's AI technologies and the handling of sensitive information;
- the adequacy of the Corporation's system of internal controls;
- uncertainty surrounding regulatory approvals and compliance with applicable laws, including intellectual property, privacy, and competition laws;
- reputational risks associated with the failure of the Product or the Corporation's ability to meet market expectations;
- uncertainties associated with potential future acquisitions and their integration with the Corporation's current business;
- competitive conditions in the AI and technology industries, including pressures from larger, more established firms;
- the ability to successfully commercialize the Product and penetrate new markets; and
- those general business, economic, competitive, political, regulatory, and social uncertainties, disruptions, or changes in credit or securities markets that may occur outside of management's control.

The foregoing list of factors is not exhaustive. See "*Risk Factors*" for additional risks relating to the Corporation and an investment in the securities of the Corporation. By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Those factors should not be construed as exhaustive and should be read with the other cautionary statements in this Prospectus. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results, performance, or achievements could vary materially from those expressed or implied by the forward-looking information contained in this Prospectus.

Any forward-looking statements which we make in this Prospectus speak only as of the date of such statement, and we do not undertake, except as required by applicable law, any obligation to update such statements or to publicly announce the results of any revisions to any such statements to reflect future events or developments. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data. **All the forward-looking statements made in this Prospectus are qualified by these cautionary statements.**

GENERAL DISCLOSURE INFORMATION

Certain Information

Aggregated figures in graphs, charts and tables contained in this Prospectus may not add due to rounding. Historical statistical data or historical returns do not necessarily indicate future performance. Unless otherwise indicated, the market and industry data contained in this Prospectus is based upon information from industry and other publications and the knowledge of management and experience of the Corporation in the markets in which it operates. While management of the Corporation believes this data is reliable, market and industry data is subject to variations and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. The Corporation has not independently verified any of the data from third-party sources referred to in this Prospectus or ascertained the underlying assumptions relied upon by such sources.

Words importing the singular number include the plural and vice versa, and words importing any gender include all genders.

Where numbers are reflected as "approximately", they have been rounded up or down, as applicable.

Market And Industry Data

This Prospectus includes market and industry data that has been obtained from third party sources, including industry publications. The Corporation believes that the industry data is accurate and that its estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, the

Company has not independently verified any of the data from third party sources referred to in this Prospectus or ascertained the underlying economic assumptions relied upon by such sources.

Unless otherwise indicated, information contained in this Prospectus concerning the Company's industry and the markets in which it operates, including general expectations and market position, market opportunities and market share, is based on information from independent industry organizations, other third-party sources (including industry publications, surveys and forecasts) and management studies and estimates.

The Corporation's estimates are derived from publicly available information released by independent industry analysts and third-party sources as well as data from the Corporation's internal research, and include assumptions made by the Company which management believes to be reasonable based on their knowledge of the Corporation's industry and markets. The Corporation's internal research and assumptions have not been verified by any independent source, and it has not independently verified any third-party information. While the Corporation believes the market position, market opportunity and market share information included in this Prospectus is generally reliable, such information is inherently imprecise. In addition, projections, assumptions and estimates of the Company's future performance and the future performance of the industry and markets in which it operates are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described under the headings "*Caution Regarding Forward Looking Statements*" and "*Risk Factors*".

Summary Descriptions Material Agreements

This Prospectus includes a summary description of certain material agreements of the Company. See "*Material Contracts*". The summary description discloses attributes material to an investor in the securities of the Corporation, but is not complete and is qualified by reference to the terms of the material agreements, which will be filed with the Canadian securities regulatory authorities and available on SEDAR+. Investors are encouraged to read the full text of such material agreements.

Currency Presentation

Unless otherwise indicated, all currency amounts in this Prospectus are stated in Canadian dollars and references to "$" are to Canadian dollars.

Date of Information

Except as otherwise indicated in this Prospectus, all information disclosed in this Prospectus is as of January 30, 2026 and the phrase "as of the date hereof" and equivalent phrases refer to January 30, 2026.

GLOSSARY OF TERMS

In this Prospectus, the following terms have the meanings set forth below, unless otherwise indicated. Terms and abbreviations appearing in the documents attached as appendices to this Prospectus may be defined separately and the terms and abbreviations defined below may not be used therein, except where otherwise indicated. Words importing the singular include the plural and vice versa and words importing any gender include all genders.

"$**0.0025 Subscription Receipts**" has the meaning ascribed thereto on the face page of this Prospectus.

"$**0.0025 Subscription Receipt Financing**" has the meaning ascribed thereto on the face page of this Prospectus.

"**$0.0025 Unit**" has the meaning ascribed thereto on the face page of this Prospectus.

"**$0.0025 Warrant**" has the meaning ascribed thereto on the face page of this Prospectus.

"**$0.0025 Warrant Share**" has the meaning ascribed thereto on the face page of this Prospectus.

"**$0.01 Subscription Receipts**" has the meaning ascribed thereto on the face page of this Prospectus.

"$**0.01 Subscription Receipt Financing**" has the meaning ascribed thereto on the face page of this Prospectus.

"$**0.50 Subscription Receipts**" has the meaning ascribed thereto on the face page of this Prospectus.

"$**0.50 Subscription Receipt Financing**" has the meaning ascribed thereto on the face page of this Prospectus, and unless otherwise indicated, includes the Non-Escrowed $0.50 Subscription Receipts.

"**$0.50 Unit**" has the meaning ascribed thereto on the face page of this Prospectus.

"**$0.50 Warrant**" has the meaning ascribed thereto on the face page of this Prospectus.

"**$0.50 Warrant Share**" has the meaning ascribed thereto on the face page of this Prospectus

"**18-month Escrow Agreement**" has the meaning ascribed thereto in the section of this Prospectus titled "*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer*".

"**24-month Escrowed Consideration Share Release Schedule**" has the meaning ascribed thereto in the section of this Prospectus titled "*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer*".

"**36-month NP 46-201 Escrow Release Schedule**" has the meaning ascribed thereto in the section of this Prospectus titled "*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer*".

"**36-month Escrow Agreement**" means the escrow agreement entered into among the Corporation, the Escrow Agent and certain members of the Corporation's management and directors, in accordance with NP 46-201.

"**Acquisition**" has the meaning ascribed thereto in the section of this Prospectus titled "*Acquisition Agreement – Redwood Acquisition Agreement*".

"**AI**" means artificial intelligence.

"**Amalfi**" means Amalfi Corporate Services Ltd.

"**Amended and Restated Promissory Note**" has the meaning ascribed thereto in the section of this Prospectus titled "*Description of the Business – History of the Corporation*".

"**Amended Share Purchase Agreement**" means the amendment to the Share Purchase Agreement among the Corporation, Redwood and its Vendors dated October 13, 2025.

“**ASC**” means the Alberta Securities Commission.

“**Audit Committee**” means the audit committee of the Corporation.

“**Award**” has the meaning ascribed thereto in the section of this Prospectus titled “*Options to Purchase Securities*”.

“**BCBCA**” means the *Business Corporations Act* (British Columbia) S.B.C. 2002, c.57, as amended, including the regulations promulgated thereunder.

“**Board**” means the board of directors of the Corporation.

“**CAGR**” means compound annual growth rate.

“**CEO**” means Chief Executive Officer.

“**CDMO**” means a contract development and manufacturing organization.

“**CFO**” means Chief Financial Officer.

“**CFO Agreement**” has the meaning ascribed thereto in the section of this Prospectus titled “*Employment, Consulting and Management Agreements*”.

“**Common Shares**” means the common shares in the authorized share structure of the Corporation.

“**Consideration Shares**” has the meaning ascribed thereto in the section of this Prospectus titled “*Description of the Business – Acquisition Agreement – Redwood Acquisition Agreement*”.

“**Consideration Share Escrow Agreement**” has the meaning ascribed thereto in the section of this Prospectus titled “*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer*”.

“**Corporate and Financial Advisory Agreement**” means the corporate administration and financial advisory services agreement between the Corporation and Amalfi dated November 1, 2022, for the provision by Amalfi to the Corporation of general corporate financial advice and consulting on an exclusive basis with respect to the Corporation’s strategic direction and corporate development.

“**Corporation**” means Marshall Technologies Corp.

“**CRO**” means a contract research organization.

“**DSU**” means a deferred share unit right issuable under the Equity Incentive Plan.

“**Equity Incentive Plan**” means the Corporation’s equity incentive plan dated July 15, 2024.

“**Escrow Agent**” means Endeavor Trust Corporation.

“**Escrow Agreement**” means the Escrow Agreement entered into between the Corporation and the Escrow Agent, on May 16, 2025, as amended on October 31, 2025, pursuant to which Escrowed Funds are to be delivered to the Escrow Agent to be release upon satisfaction of the Escrow Release Conditions or as otherwise set for the in the Escrow Agreement.

“**Escrowed Consideration Shares**” has the meaning ascribed thereto in the section of this Prospectus titled “*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer*”.

“**Escrowed Funds**” means the gross proceeds raised in connection with the $0.50 Subscription Receipt Financing, except for the proceeds raised in connection with the issuance of the Non-Escrowed $0.50 Subscription Receipts. The Escrowed Funds include the Underwriters Commission.

“**Escrow Release Conditions**” means the approval or waiver of the conditions precedent to the completion of the Redwood Acquisition by the Escrow Release Deadline as set out within the Redwood Acquisition Agreement, which along with the customary conditions to closing, include that the Corporation:

(a) has committed sufficient capital raised pursuant to the $0.50 Subscription Receipt Financing to satisfy conditions precedent relating to the Listing subject to the receipt of the final receipt for the Prospectus from securities authorities in each of the Qualifying Jurisdictions; and

(b) the Corporation has received the conditional approval of the Exchange for the Listing, with Listing subject to fulfilling the customary listing requirements of the Exchange.

“**Escrow Release Deadline**” means 5:00 p.m. (Toronto time) on January 31, 2026.

“**Escrowed Securities**” has the meaning ascribed thereto in the section of this Prospectus titled “*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer*”.

“**Exchange**” or “**CSE**” means the Canadian Securities Exchange.

“**Expiry Date**” means 5:00 p.m. (Vancouver time) on the date that is five (5) years from the date of the issuance of the $0.50 Warrants.

“**Health Logic**” means Health Logic Interactive Inc.

“**Listing**” means the proposed listing of the Common Shares for trading on the Exchange.

“**Listing Date**” means the date of the Listing.

“**Loan**” has the meaning ascribed thereto in the section of this Prospectus titled “*Description of the Business – History of the Corporation*”.

“**Locked-up Convertible Securities**” has the meaning ascribed thereto in the section of this Prospectus titled “*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer*”.

“**Locked-up Securities**” has the meaning ascribed thereto in the section of this Prospectus titled “*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer*”.

“**Locked-up Shares**” has the meaning ascribed thereto in the section of this Prospectus titled “*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer*”.

“**MD&A**” means management’s discussion and analysis as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations*, of the Canadian Securities Administrators.

“**NEO**” means each of the following individuals of an entity:

(a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;

(b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;

(c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than $150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*, for that financial year;

(d) each individual who would be a named executive officer under paragraph I but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

"**NI 52-110**" means National Instrument 52-110 – *Audit Committees*, of the Canadian Securities Administrators.

"**NI 58-101**" means National Instrument 58-101 – *Disclosure of Corporate Governance Practices,* of the Canadian Securities Administrators.

"**Non-Escrowed $0.50 Subscription Receipts**" means 240,000 $0.50 Subscription Receipts issued to certain subscribers in connection with the $0.50 Subscription Receipt Financing, the aggregate proceeds of which in the amount of $120,000, to be used by the Corporation for general working capital purposes and not subject to the Escrow Agreement.

"**NP 46-201**" means National Policy 46-201 – *Escrow for Initial Public Offerings* of the Canadian Securities Administrators.

"**Onco-Innovations**" means Onco-Innovations Limited.

"**Option**" means a stock option right issuable under the Equity Incentive Plan.

"**order**" has the meaning ascribed thereto in the section of this Prospectus titled "*Directors and Executive Officers – Cease Trade Orders or Bankruptcies*".

"**Participants**" has the meaning ascribed thereto in the section of this Prospectus titled "*Executive Compensation – Equity Incentive Plan*".

"**Person**" includes any natural person, partnership, limited partnership, joint venture, syndicate, sole proprietorship, body corporate with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative.

"**Principal Regulator**" means the ASC.

"**Principals**" means:

(a) a Person or company who acted as a promoter of the issuer within two years before the IPO prospectus;

(b) a director or senior officer of the issuer or any of its material operating subsidiaries at the time of the IPO prospectus;

(c) a **20% holder** means a Person or company that holds securities carrying more than 20% of the voting rights attached to the issuer's outstanding securities immediately before and immediately after the issuer's IPO;

(d) a **10% holder** means a Person or company that:

  (i) holds securities carrying more than 10% of the voting rights attached to the issuer's outstanding securities immediately before and immediately after the issuer's IPO and

  (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the issuer or any of its material operating subsidiaries.

"**Private Share Transfers**" the Consideration Shares privately transferred by some of the Vendors after entering into the Share Purchase Agreement.

"**Product**" or "**SythesAltzer**" means the AI-powered chemical synthesis prediction tool developed by Redwood.

“**Promissory Note**” has the meaning ascribed thereto in the section of this Prospectus titled “*Description of the Business – History of the Corporation*”.

“**Prospectus**” means this prospectus, prepared in accordance with NI 41-101, dated as of the date on the cover page.

“**PSU**” means a performance share unit issuable under the Equity Incentive Plan.

“**Qualifying Jurisdictions**” means the Provinces of Alberta, British Columbia and Ontario.

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

“**Redwood**” means Redwood AI Inc.

“**RSU**” means a restricted share unit right issuable under the Equity Incentive Plan.

“**SaaS**” means software-as a-Service.

“**Seed Shares**” has the meaning ascribed thereto in the section of this Prospectus titled “*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer*”.

“**SEDAR+**” means System for Electronic Document Analysis and Retrieval being the official website that provides access to most public securities documents and information filed by issuers and investment funds with the Canadian Securities Administrators at www.sedarplus.ca.

“**September 9, 2024 Financing**” has the meaning ascribed thereto in the section of this Prospectus titled “*Summary of Prospectus – Prior Financings”*.

“**Share Consolidation**” means the consolidation of the Corporation’s Common Shares on a two (old) for one (new) basis, completed on September 12, 2024.

“**Share Purchase Agreement**” or “**Redwood Acquisition Agreement**” means the share purchase agreement dated September 25, 2024 between the Corporation, Redwood and shareholders of Redwood on the date thereof.

“**SPA Finder’s Shares**” has the meaning ascribed thereto in the section of this Prospectus titled “*Description of the Business – Acquisition Agreement – Redwood Acquisition Agreement”*.

“**Subscription Receipt Financings**” has the meaning ascribed thereto on the face page of this Prospectus.

“**Subscription Receipts**” has the meaning ascribed thereto on the face page of this Prospectus.

“**The Back Office**” means The Back Office Inc.

“**The Back Office Corporate Administration and Financial Advisory Services Agreement**” means the corporate administration and financial advisory services agreement between the Corporation and The Back Office dated March 13, 2025.

“**Transfer Agent**” means Endeavor Trust Corporation.

“**TSX**” means Toronto Stock Exchange.

“**Underwriters Commission**” means $258,400, representing a fee of 8% of gross proceeds received by the corporation from subscribers introduced to the Corporation by the Underwriters in connection with the $0.50 Subscription Receipt Financing (excluding the Non-Escrowed $0.50 Subscription Receipts), to be held in escrow alongside the Escrowed Funds, payable upon Listing.

“**Underwriters Warrants**” means the 516,800 Underwriters Warrants issued to the Underwriters in connection with the $0.50 Subscription Receipt Financing, equal to Underwriters Commission of 8% of the number of $0.50

Subscription Receipts (excluding those Non-Escrowed $0.50 Subscription Receipts) issued to subscribers for which the Underwriters Commission is payable, each Underwriter Warrant having the same terms as the $0.50 Warrants.

"**Vendors**" has the meaning ascribed thereto in the section of this Prospectus titled "*Summary of Prospectus – The Corporation's Acquisition of Redwood*".

"**Warrants**" mean, collectively the $0.0025 Warrants, the $0.50 Unit Warrants and the Underwriters Warrants.

SUMMARY OF PROSPECTUS

The following is a summary of the principal features of this Prospectus and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus.

Corporation

The Corporation was incorporated under the BCBCA on September 6, 2022. The Corporation's head office is located 1309 – 7th Street SW, Calgary, Alberta, T2R 1A5 and its registered and records office is located at Suite 2300, Bentall 5, 550 Burrard Street, Vancouver, BC V6C 2B5.

On September 12, 2024, the Corporation consolidated its Common Shares on a two (old) for one (new) basis.

Following the completion of the Acquisition, the Corporation will become the sole shareholder of Redwood.

Redwood

Redwood was incorporated under the BCBCA on January 15, 2024 under the name NcellularAI Inc. On May 22, 2024, NcellularAI Inc. changed its name to Redwood AI Inc.

Redwood's head office is located at Suite 506-1505 West 2nd Avenue, Vancouver, British Columbia, V6J 1H2 and its registered and records office is located at Suite 602 – 777 Richards Street, Vancouver, BC V6B 0M9.

The Corporation's Acquisition of Redwood

On September 25, 2024, the Corporation entered into a share purchase agreement (the "**Share Purchase Agreement**") with Redwood and shareholders of Redwood (the "**Vendors**") pursuant to which the Corporation agreed to acquire (the "**Acquisition**") all of the issued and outstanding securities of Redwood from the Vendors in exchange of the issuance of 12,000,000 Common Shares (the "**Consideration Shares**"). The completion of Acquisition is expected to occur on the date following receipt of conditional approval by the Exchange for the Listing. Following the closing of the Acquisition, the principal business that will be carried on by the Corporation will be the business of Redwood.

On October 13, 2025, the Corporation entered into the Amended Share Purchase Agreement with Redwood and its Vendors. The amendments correct clerical errors in Schedule "A" of the Share Purchase Agreement, add Mark Dybul as a Vendor, and reflect the Private Share Transfers made by certain Vendors. These Private Share Transfers do not affect the aggregate number of Consideration Shares issued under the Share Purchase Agreement.

In connection with the Acquisition, on November 20, 2025, the Corporation entered into an advisory fee agreement with Canaccord pursuant to which Canaccord was engaged as financial advisor to the Corporation and in consideration of the services provided by Canaccord, the Corporation agreed to pay Canaccord a cash fee equal to $75,000 upon the earlier of (i) execution by Canaccord of a certificate page of a final prospectus; or (ii) completion of the Acquisition.

Principal Business

The Corporation's business is focused on identifying and evaluating businesses, assets and properties.

Following the completion of the Acquisition, the principal business of the Corporation will be the business of its wholly owned-subsidiary, Redwood. The Corporation entered into the Share Purchase Agreement on September 25, 2024 to acquire all of the shares of Redwood, which owns the proprietary SythesAltzer, a transformative technology designed to accelerate chemical synthesis predictions and innovation. The Corporation aims to continue acquiring and developing similar AI technologies to drive growth and establish itself as a leader in the AI-driven science sector. To date, equity financings have provided all of the Corporation's funds. The ultimate outcome of these operations cannot presently be determined because they are contingent on future events and matters.

See "*Description of the Business*" and "*Description of the Business – Redwood*".

Business Objectives and Milestones

Following the completion of the Acquisition, the Corporation intends to accomplish the following business objectives and milestones within the next 12 months:

Significant Events or Major Components	Estimated Cost ($)	Time Period
Advancement of AI Model		
Engagement of data scientists and chemists: To expand and enhance data sets and overall system capability, the Corporation will engage data scientists and chemists to expand the Corporation's data sets to be utilized in developing increasingly powerful AI models with enhanced capabilities in the field of chemical research.	$430,000	12 months
Compute, cloud storage and hosting. The Corporation utilizes a lean IT infrastructure which incorporates the use of cloud-based computation for training AI algorithms rather than purchasing capital intensive computer hardware. The Corporation also uses cloud-based storage and hosting services for the ongoing operation of its software infrastructure carrying on with the lean IT infrastructure model.	$122,000	3-12 months
File patent application: The Corporation intends to file patent applications for internally developed proprietary intellectual property and expects additional patent applications may be required subject to further assessment of the relevant patent landscape.	$35,000	3-9 months
Direct data acquisition fees: The Corporation's AI models require vast amounts of data inputs to allow for enhanced capabilities. To accelerate the Corporation's AI model development plans, the Corporation plans to purchase data from third party data providers.	$25,000	9-12 months
Total – Advancement of AI Model	**$612,000**	
Commercialization of AI Model		
Full stack software development: The Corporation will engage software developers to develop a commercial version of the Corporation's AI software with the intention of creating intuitive user experiences.	$240,000	6-12 months
Engagement of business development professionals: To increase industry awareness of the benefits of utilizing SythesAltzer for chemical synthesis and research processes, including showcasing how AI can enhance efficiency and accuracy in chemical research. The Corporation will engage in industry outreach to expand its presence in key markets, focusing on partnerships with academic institutions, research organizations, and chemical companies across North America and beyond.	$71,500	6-12 months
Conference attendance, advertisement, outreach, booths, travel, and related costs.	$85,000	3-12 months
Total – Commercialization of AI model	**$396,500**	
Total – All Business Objectives	**$1,008,500**	

While there is no particular event that must occur for these objectives to be achieved, the Corporation aims to reach significant milestones in connection with the development of its business, particularly regarding the advancement of its AI technologies.

The actual amount that the Corporation spends from its working capital may vary significantly from the amounts specified above, and will depend on a number of factors, including those listed under the heading "*Risk Factors*". The Corporation has not yet achieved positive operating cash flow and there are no assurances that the Corporation will not experience negative cash flow from operations in the future.

While the Corporation intends to pursue these milestones, there may be circumstances where, for valid business reasons or due to factors beyond the control of the Corporation, a re-allocation of efforts may be necessary or advisable.

See "*Business Objectives and Milestones*" for more information.

Directors and Officers

The following table sets out sets out the proposed directors and executive officers of the Corporation, assuming successful completion of the Acquisition pursuant to the terms of the Redwood Acquisition Agreement.

Name	Title
Louis Dron	Chief Executive Officer
Nico Mah	Chief Financial Officer and Corporate Secretary
Dr. Kristian Thorlund	President and Director
Zachary Stadnyk	Director
Graydon Bensler	Director
Matthew Mingay	Director
Masoud (Max) Darbandi	Director

See "*Directors and Executive Officers*" for more information.

Listing

The Corporation has received conditional approval for Listing on the Exchange. Listing is subject to the Corporation fulfilling all of the requirements of the Exchange. There is no guarantee that the Common Shares will be listed on the Exchange or on any exchange.

No Proceeds Raised

This is a new issue prospectus. No proceeds will be raised pursuant to this Prospectus.

The Subscription Receipt Offerings

On August 28, 2024, the Corporation closed the $0.0025 Subscription Receipt Financing and issued 6,000,000 $0.0025 Subscription Receipts for aggregate gross proceeds of $15,000. Each $0.0025 Subscription Receipt will automatically convert, immediately prior to the time of completion of the Listing without any further action or payment of any additional consideration therefore, into one-half (1/2) of one $0.0025 Unit. For clarity, 3,000,000 Common Shares and 2,000,000 $0.0025 Warrants shall be issued upon the automatic conversion of the $0.0025 Subscription Receipts. Each whole $0.0025 Warrant will entitle the holder thereof to purchase one $0.0025 Warrant Share at a price of $0.25 per $0.0025 Warrant Share at any time prior to five (5) years from the date of the issuance of the $0.0025 Warrants. If the Listing does not complete by January 31, 2026, or such other date as the Corporation may determine, each $0.0025 Subscription Receipt will automatically convert, without further action or payment of any additional consideration therefor into 0.505 of a $0.0025 Unit. Each whole $0.0025 Unit will consist of one Common Share and two-thirds (2/3) of one $0.0025 Warrant.

On September 4, 2024, the Corporation closed the $0.01 Subscription Receipt Financing and issued 18,000,000 $0.01 Subscription Receipts for aggregate gross proceeds of $180,000. Each $0.01 Subscription Receipt will automatically convert, without any further action or payment of any additional consideration therefore, into one-half (1/2) of one Common Share immediately prior to the time of completion of the Listing. For clarity, 9,000,000 Common Shares shall be issued upon the automatic conversion of the $0.01 Subscription Receipts. If the Listing does not complete by January 31, 2026, or such other date as the Corporation may determine, each $0.01 Subscription Receipt will automatically convert, without further action or payment of any additional consideration therefor into 0.505 of a Common Share.

On September 9, 2024, the Corporation closed the September 9, 2024 Financing and issued 93,750 Common Shares, on a post-Share Consolidation basis, at $0.20 per share for gross proceeds of $18,750, which was received during the period ended August 31, 2023.

On June 12, 2025, the Corporation closed the $0.50 Subscription Receipt Financing and issued 8,515,000 $0.50 Subscription Receipts for aggregate gross proceeds of $4,257,500. The Corporation received the funds in connection with the Non-Escrowed $0.50 Subscription Receipts on May 25, 2025. Each $0.50 Subscription Receipt will automatically convert, without any further action or payment of any additional consideration therefore, into one $0.50 Unit immediately prior to the completion of the Acquisition, each $0.50 Unit consisting of one (1) Common Share and one half of one (1/2) $0.50 Warrant. Each $0.50 Warrant will entitle the holder thereof to purchase one (1) $0.50 Warrant Share at a price of $0.70 per $0.50 Warrant Share at any time prior to the Expiry Date. If the Acquisition is not completed by January 31, 2026, the Escrowed Funds, together with accrued interest earned thereon, will be returned to the holders of the $0.50 Subscription Receipts (excluding the holders of the Non-Escrowed $0.50 Subscription Receipts) and such securities will be cancelled. If the Acquisition is not completed by January 31, 2026, each Non-Escrowed $0.50 Subscription Receipt will automatically convert, without further action or payment of any additional consideration therefor, into 1.05 $0.50 Unit.

Underwriters' Compensation

The Underwriters to the $0.50 Subscription Receipt Offering received the Underwriters Commission, equal to 8% of the proceeds raised from subscribers introduced by the Underwriters. In addition, the Corporation issued 516,800 Underwriters Warrants to the Underwriters, equal to 8% of the number of $0.50 Subscription Receipts issued to subscribers for which Underwriters Commission is payable, each Underwriters Warrant having the same terms as the $0.50 Warrants. The Underwriter will also receive the Work fee in the amount of $150,000 and reimbursement of the Underwriters Expenses up to $50,000.

Selected Financial Information

The table below summarizes the financial information for the periods or as at the dates indicated. The summary financial information should be read in conjunction with the Corporation's (i) audited financial statements for the period from incorporation on September 6, 2022 to the period ended August 31, 2023 and related MD&A; (ii) audited financial statements for the years ended August 31, 2024 and 2024 and related MD&A; and (iii) unaudited condensed interim financial statements for the three months ended November 30, 2025 and 2024 and related MD&A, all of which are included in this Prospectus under Appendix A, Appendix B and Appendix C, respectively. The selected financial information set out below may not be indicative of the Corporation's future performance.

The Corporation

Financial Positions	For the three months ended November 30, 2025	For the year ended August 31, 2025 ($)	For the year ended August 31, 2024 ($)	Financial Statements for the period from incorporation to the period ended August 31, 2023 ($)
Current assets	$4,531,239	$4,434,945	$35,017	$13,878
Total assets	$4,531,239	$4,434,945	$35,017	$13,878
Current liabilities	$5,040,822	$4,868,424	$131,847	$3,195
Share capital	$18,750	$18,750	$1	$1
Subscription receipts	$195,000	$195,000	$15,000	Nil
Deficit	($723,333)	($647,229)	($115,581)	($8,068)

Financial Results	For the three months ended November 30, 2025	For the year ended August 31, 2025 ($)	For the year ended August 31, 2024 ($)	Financial Statements for the period from incorporation to the period ended August 31, 2023 ($)
Revenue	Nil	Nil	Nil	Nil
Expenses	$78,559	($537,568)	($107,513)	($8,068)
Net loss	($76,104)	($531,648)	($107,513)	($8,068)
Net loss per share – basic and diluted	($0.81)	($5.81)	($107,513)	($8,068)

Redwood

The table below summarizes the financial information for Redwood for the periods or as at the dates indicated. The summary financial information should be read in conjunction with Redwood's (i) audited financial statements for the year ended August 31, 2025 and the period from incorporation (January 15, 2024) to August 31, 2024 and related MD&A; and (ii) unaudited condensed interim financial statements for the three months ended November 30, 2025 and 2024, all of which are included in this Prospectus under Appendix D and Appendix E, respectively.

Financial Positions	For the three months ended November 30, 2025	For the year ended August 31, 2025 ($)	For the period from incorporation (January 15, 2024) to August 31, 2024 ($)
Current assets	$44,108	$65,736	$29,605
Total assets	$44,108	$65,736	$29,605

Financial Positions	For the three months ended November 30, 2025	For the year ended August 31, 2025 ($)	For the period from incorporation (January 15, 2024) to August 31, 2024 ($)
Current liabilities	$835,015	$681,780	$325,491
Share capital	$240,000	$240,000	$1
Reserves	Nil	Nil	Nil
Deficit	($1,030,907)	($856,044)	($295,887)

Financial Results	For the three months ended November 30, 2025	For the year ended August 31, 2025 ($)	For the period from incorporation (January 15, 2024) to August 31, 2024 ($)
Revenue	Nil	Nil	Nil
Expenses	($211,169)	($647,488)	($295,887)
Net loss	($174,863)	($560,157)	($295,887)
Net loss per share – basic and diluted	($0.01)	($0.05)	($295,887)

Pro Forma

The table below sets out selected unaudited pro forma financial information at and for the periods indicated. The following is a summary only and must be read in conjunction with the pro forma financial statements set out in Appendix G to this Prospectus.

Financial Positions	Unaudited pro forma as at November 30, 2025 ($)
Current assets	$4,218,881
Total assets	$4,218,881
Total liabilities	$1,067,993

Available Funds and Principal Uses

Use of Proceeds

The Corporation is not raising any additional funds in conjunction with this Prospectus. Accordingly, there are no proceeds to the Corporation in connection with the filing of this Prospectus.

Notwithstanding, the Corporation completed the $0.50 Subscription Receipt Financing and holds the Escrowed Funds pending satisfaction of the Escrow Release Conditions, being $4,137,500 (which includes approximately $258,400 reserved to pay the Underwriters Commission).

Available Funds

As at December 31, 2025, being the most recent month end before the date of this Prospectus, the Corporation had a working capital deficit of approximately $1,131,600.

It is estimated that the Corporation has available working capital of approximately $2,747,500 as of December 31, 2025, including its unaudited working capital deficit of $1,131,600 and assuming the release of Escrowed Funds and payment of the Underwriters Commission.

Source of Funds	Amount ($)
Escrowed Funds(1)	$3,879,100(2)
Prospectus and Listing costs(3)	($260,000)
Working capital deficiency as at December 31, 2025	($1,131,600)
Additional Capital Contribution	$405,000(4)
Available funds	$2,892,500

Notes:

1) To be released on satisfaction of the Escrow Release Conditions.
2) This figure has deducted the $258,400 out of the Escrowed Funds reserved to pay the Underwriters Commission.
3) Comprised of remaining legal fees for filing the Prospectus and completing of the Listing of $40,000, transfer agent and filing fees of $20,000, and the Work Fee and Underwriter Expenses, in the amount of $200,000.
4) The holders of the $0.0025 Subscription Receipts and the $0.01 Subscription Receipts, respectively, contributed additional capital to the Corporation, in the aggregate amount of $405,000, in order to raise the average cost of each Common Share underlying such Subscription Receipts to $0.05.

The Corporation estimates that it will require the following funds to conduct its plan of operations over the next twelve months:

Principal Use	Amount ($)
Business Objectives	$1,008,500
Operating expenses for 12 months	$1,185,000
Unallocated working capital(1)	$699,000
Total	**$2,892,500**

Note:

1) Unallocated working capital will be reserved for uses which are currently unknown and may be applied towards unexpected cost overruns, new business opportunities, or for resolving unforeseen circumstances. See "*Risk Factors*".

The Corporation intends to fund its business using its available funds, as well as the proceeds of any future equity financing transactions it may complete following Listing. The Corporation intends to spend the funds available to it as stated in this Prospectus. However, there may be circumstances where, for sound business reasons, a reallocation of the funds may be necessary. The amounts set forth above may increase if we are required to carry out due diligence investigations in regard to any prospective investment or business opportunity or if the costs of the Prospectus or Listing, or negotiating an applicable transaction, are greater than anticipated. See "*Financial Statement Disclosure*" and "*Management Discussion & Analysis*".

The Corporation expects to incur approximately $1,185,000 in general and operating expenses over the next 12 months following completion of the Listing. A breakdown of the estimated operating expenses for that period is as follows:

Operating expenses for 12 months	**Amount ($)**
Executive and director compensation	$222,000
Legal	$84,000
Transfer agent and regulatory	$30,000
Audit and tax	$50,000
Corporate administration and accounting	$120,000
Investor relations	$600,000
Office and general corporate administration	$24,000
Office rent	$55,000
Total	**$1,185,000**

The Corporation anticipates that it will have sufficient cash available to execute its business plan and to pay its operating and administrative costs for at least twelve months after Listing.

See "*Available Funds and Principal Uses*", "*Financial Statement Disclosure*" and "*Management Discussion & Analysis*".

RISK FACTORS

Risks Relating to the Business of the Corporation

Due to the nature of the Corporation's business, the legal and economic climate in which it operates, and its stage of development, the Corporation is subject to significant risks. The Corporation's future development and operating results may be materially different from those expected as at the date of this Prospectus. Readers should carefully consider all such risks. Risk factors relating to the Corporation include, but are not limited to, the following:

Technical/Operational

- Market adoption risks related to the Product, including the Corporation's ability to successfully commercialize and expand its AI technologies in the science, chemical, and pharmaceutical sectors;
- Cybersecurity risks, data privacy concerns, and potential breaches or data losses related to the Corporation's AI technologies and the handling of sensitive information;
- Competition in the AI and technology sectors, including risks of technological obsolescence and the emergence of new, disruptive technologies;
- Uncertainties related to the Corporation's reliance on a finite number of key products, intellectual property and partnerships;
- Risks associated with integrating future acquisitions, including the ability to achieve anticipated synergies from the acquisition of all of the shares in Redwood, which owns SythesAltzer;
- The Corporation's reliance on intellectual property, and the risks associated with protecting, defending, and monetizing such intellectual property;
- The Corporation has a limited operating history;
- Reputational risks related to the Corporation's ability to meet product performance expectations or customer demands; and
- Risks associated with the early stage of the Corporation's AI product offerings, including the development and deployment of SythesAltzer.

Financial

- The Corporation may fail to obtain all necessary regulatory approvals for completion of the Listing;
- The Corporation's ability to attract and retain skilled personnel in the highly competitive AI sector;
- Fluctuations in market conditions, including technological trends, customer preferences, and economic conditions that may impact the demand for AI-driven solutions;
- Financing risks, including potential dilution of Common Shares and the ability to raise additional capital to support the Corporation's growth and development activities;
- Potential dilution of Common Shares, voting power or earnings per Common Share as a result of the exercise of Warrants;
- General business, economic, and political uncertainties, including changes in government regulation, potential global economic downturns, and disruptions in the credit or securities markets;
- Regulatory risks, including uncertainty surrounding applicable AI, intellectual property, and data protection laws, and the Corporation's ability to remain compliant with evolving legal frameworks;
- Uncertainty regarding future acquisitions or financings and the potential dilution of equity resulting from such transactions;
- The Corporation's history of net losses and negative operating cash flow, and the potential for continued financial challenges in the short term;
- Risks related to third-party stakeholders, including the ability of the Corporation's major shareholders to influence matters submitted for shareholder approval; and
- The adequacy of the Corporation's internal controls and systems, particularly in managing technological, financial, and operational risks.

For further details, please see the discussion under the heading "*Risk Factors*".

THE CORPORATION

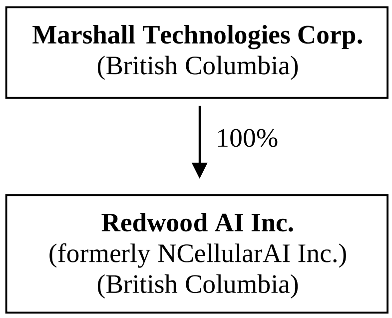
Name, Address and Incorporation

The Corporation was incorporated under the BCBCA on September 6, 2022. The Corporation's head office is located 1309 – 7th Street SW, Calgary, Alberta, T2R 1A5 and its registered and records office is located at Suite 2300, Bentall 5, 550 Burrard Street, Vancouver, BC V6C 2B5.

On September 12, 2024, the Corporation consolidated its Common Shares on a two (old) for one (new) basis.

Intercorporate Relationships

Following the completion of the Acquisition, the Corporation will become the sole shareholder of Redwood and the corporate structure of the Corporation will be as follows:



Redwood

Redwood was incorporated under the BCBCA on January 15, 2024 under the name NcellularAI Inc. On May 22, 2024, the corporation changed its name to Redwood AI Inc.

Redwood's head office is located at Suite 506 – 1505 West 2nd Avenue, Vancouver, British Columbia, V6J 1H2 and its registered and records office is located at Suite 602 – 777 Richards Street, Vancouver, BC V6B 0M9.

DESCRIPTION OF THE BUSINESS

Business of the Corporation and Overview

The Corporation's business is focused on identifying and evaluating businesses, assets and properties.

Following the completion of the Acquisition, the principal business of the Corporation will be the business of its wholly owned-subsidiary, Redwood. The Corporation entered into the Share Purchase Agreement on September 25, 2024, as amended, to acquire all of the shares of Redwood, which owns the proprietary SythesAltzer, a technology designed to accelerate chemical synthesis predictions and innovation. The Corporation aims to continue acquiring and developing similar AI technologies to drive growth and establish itself as a leader in the AI-driven science sector.

To date, equity financings have provided all of the Corporation's funds. The ultimate outcome of these operations cannot presently be determined because they are contingent on future events and matters (see "*Acquisition Agreement – Redwood Acquisition Agreement*").

Redwood

Redwood is a Vancouver-based SaaS company that integrates AI with chemistry to accelerate drug synthesis pathways. By leveraging advanced AI technology, Redwood aims to significantly reduce the time and cost associated with drug development, from discovery and preclinical research through to market launch. Redwood is developing a proprietary AI-powered software, SythesAltzer, designed to automate over 95% of manual tasks in drug synthesis, addressing a key bottleneck in pharmaceutical production. SythesAltzer is currently in its pilot stage, offering capabilities to predict and optimize synthesis pathways, which will be further refined with market feedback and testing by small biotech firms. The tool aims to streamline laboratory operations, optimize equipment usage, and reduce chemical costs.

Redwood's business strategy focuses on leveraging proprietary AI models to address the growing need for smarter, faster, and more accurate chemical synthesis processes. Redwood's mission is to apply its AI capabilities to complex chemical research, creating transformative solutions for industries such as pharmaceuticals, biotechnology, and material sciences.

Background

Redwood was co-founded by its President, Dr. Thorlund, who brings extensive experience in data science and AI, having successfully built companies in diverse fields, and its CEO, Mr. Dron, who has a background in chemical pathology and experience consulting for leading health organizations, including the Canadian Drug Agency and the Bill and Melinda Gates Foundation. Through his work, Mr. Dron identified significant challenges in the drug manufacturing industry, particularly the need for innovative solutions to improve cost and time efficiency. United by a shared vision, Dr. Thorlund and Mr. Dron recognized a groundbreaking opportunity to integrate AI with chemistry to drive advancements in drug synthesis.

Supported by its founders' vision and a highly skilled team of PhDs, Redwood is focused on creating a software that empowers chemists in drug synthesis. With a strong leadership and scientific foundation, Redwood's mission is to unlock productivity in chemical manufacturing by harnessing the transformative power of AI to revolutionize efficiency in the industry.

To ensure SythesAltzer meets the demands of the pharmaceutical industry, Redwood has started engaging with small biotech firms to collaborate and provide real-world testing environments. This will allow Redwood to gather user feedback and refine its AI models. In return, the early partners will gain access to the pilot SythesAltzer at a reduced rate, helping both parties validate SythesAltzer's effectiveness. Redwood plans to expand the partnerships, initially focusing on smaller biotech firms before scaling to larger pharmaceutical companies, ensuring that SythesAltzer is fully optimized before entering the broader market.

Future enhancements are expected to include features such as experimental prediction, contingent on market responsiveness. Potential additional use cases for SythesAltzer encompass:

- scaling existing drugs;
- assessing the intellectual property protectability of new or existing drugs;
- providing educational training for chemical synthesis; and
- supporting non-pharmaceutical chemical development, including applications in agriculture and material sciences.

Description of Redwood's business, products and services

Since its incorporation on January 14, 2024, Redwood has built a diverse team of data scientists, chemists, and seasoned biopharmaceutical executives. Redwood's founding vision is to create a software tool that accelerates pharmaceutical drug development, reducing costs and speeding up timelines to improve patient outcomes. Since its inception, Redwood has focused on system design, compiling raw data sets, and training its AI model. In August 2024, Redwood successfully demonstrated a proof-of-concept version of its software, identifying key areas for further refinement. From August 2024 to January 2025, Redwood enhanced the proof-of-concept model, progressing toward a pilot version now being tested by industry partners. This phase will provide valuable insights for further development in preparation for a commercial release.

As a summary of the current state of development of the AI model to date, the AI model is trained and in continual improvement and development. The user interface and executable package are in the alpha stage of development. In relation to the business cycle, we need to complete this stage of testing, using the hiring of the developer (as outlined in the "*Use of Proceeds*" section) to package and acquire the necessary cybersecurity documentation. Once this is achieved, the commercialization through a SaaS model phase can begin.

Redwood is focused on providing innovative solutions for the biopharmaceutical industry. At the heart of its offerings is SynthesAltzer, a tool designed to help users find the best way to create any given chemical. Upon commercialization, this tool will be available as a subscription-based software service. Redwood is actively working on the technology behind this tool, using the expertise of its team in chemical synthesis to ensure the AI model is accurate and effective. In addition to its work on synthesis, Redwood has also developed a platform that helps optimize chemical reactions. Rather than creating new solutions, Redwood guides external parties on the best approaches to improve outcomes like yield, purity, and other key factors. Redwood services enhance the ability to predict chemical properties, such as which catalysts to use or how chemicals may break down during the synthesis process.

Redwood has developed a base AI model which is able to accurately predict chemical synthesis. This has been determined through pilot projects and expert review by chemical synthesis professionals. Additionally, Redwood has developed a user interface through which these reactions can be visualized, with additional features such as identification of commercially available vendors for the proposed synthesis routes. This user interface also incorporates tools for checking price of a chemical product independently, has an input system for chemical reaction optimization and also a plotting tool for conversion of chemical data formats between one another. This interface is being actively trialled with partner organizations, though the software is exclusively run on the Redwood system rather than providing the software for user assessment. Specifically, it is the outputs and predictions of the model which are being offered to clients at this stage. It is anticipated that during the development of the software package, the team will continue to undertake smaller scale projects for the purposes of further refining the core AI models. Additionally, Redwood is continually exploring additional data options and model characterization to improve upon the existing accuracy of the models.

Redwood Management Team

The existing members of Redwood's management team are highlighted below.

Dr. Kristian Thorlund, Co-Founder, President & Director

Dr. Thorlund, with over 15 years of experience in data science and AI, is an established serial entrepreneur having been involved in the foundation of five Canadian-based businesses (with two successful exits) over the past decade focused on health technologies. Alongside his business interests, Dr. Thorlund is a part-time volunteer professor at McMaster University. He is a graduate of the University of Copenhagen and McMaster University.

Mr. Louis Dron, Co-Founder, Chief Executive Officer & Director

Mr. Dron is a highly experienced healthcare executive with a decade of multidisciplinary experience spanning clinical work, health technology, and leadership roles in both corporate and research settings. His expertise ranges from hands-on clinical diagnostics to leading high-level research teams and advancing real-world evidence applications in healthcare. Starting his career in clinical science, Mr. Dron honed his expertise in medical diagnostics, quality assurance, and genetics while working in top-tier hospitals in the UK. Over the years, Mr. Dron transitioned from clinical settings to high-impact roles in research and development, where he led teams on projects that integrated real-world evidence, biostatistics, and epidemiology into healthcare decision-making. He is a graduate of the University of Manchester and the University of Leicester.

Dr. Glenn Sammis, Head of Chemistry

Dr. Sammis is an accomplished academic with nearly two decades of experience. Currently a professor at the University of British Columbia, he has built an exceptional teaching record, excelling across a wide range of courses, student evaluations, course development, creation of innovative materials, and teaching leadership. His research group has been at the forefront of pioneering advances in radical and photochemical processes and the group has expanded its focus to include electrochemistry, applying these methods to address unsolved challenges in synthetic chemistry. He is a graduate of Stanford University and Harvard University.

Dr. Ofir Harari, Head of Data Science

Dr. Harari is a highly experienced statistician and data scientist with over 15 years of experience across various industries, including healthcare, pharmaceuticals, finance and academia. He has a proven track record in both practical data analysis and methodological research, consistently mentoring teams and advancing innovative solutions in healthcare, AI, and statistical science. In recent years, in addition to his tenure at Redwood, he served as a Head of Biostatistics at Purpose Life Science. He is a graduate of Ben Gurion University and Tel Aviv University.

Dr. Prince Lat, Senior Data Scientist

Dr. Lat is a passionate researcher and data scientist with a decade of experience. His research spans multiple disciplines, including bioinformatics, biophysics, biochemistry, molecular biology, and DNA nanotechnology. He has also worked in biostatistics and data science, applying these tools to extract insights from complex datasets. He is a graduate of IIT Kanpur and Simon Fraser University.

For additional details and full bios on each of the management, including directors, officers, employees and contractors of the Corporation upon completion of the Acquisition, see "*Directors and Executive Officers – Background – Directors, Executive Officers and Management – Upon completion of the Acquisition*".

Pharmaceutical Industry Overview

The pharmaceutical industry involves the discovery, development, and manufacture of drugs and medications by public and private organizations and is one of the largest and most profitable sectors in the global economy. While exact figures can vary depending on sources and methodologies, Statista, a publicly available third-party data platform, estimated that the global pharmaceutical market size was around US$1.10 trillion in 2023, growing at a compound annual growth rate ("**CAGR**") of 3.69% from 2016 to 2023.[1] The market has been growing steadily in recent years, which is mainly driven by innovative drugs and an increasing demand for drugs and treatments worldwide.

The pharmaceutical market is further expected to reach US$1.45 trillion by 2029, growing at a CAGR of 4.71%.[2] The growth is attributed to the increasing demand for personalized treatments and preventative healthcare, leading to a rise in precision medicines tailored to genetic profiles. While prescription drugs dominate the market, over-the-counter ("**OTC**") medications are gaining traction due to their accessibility. Market trends show a shift towards innovation, with large pharmaceutical companies investing in research, while generic drug manufacturers and biosimilars are increasing competition and affordability. Macroeconomic factors, such as aging populations, rising healthcare spending, and digitalization, are also shaping the industry's future.

According to Vision Research Reports, the global pharmaceutical market size was estimated at US$1.56 trillion in 2023, and it is expected to surpass around US$2.83 trillion by 2033, expanding at a CAGR of 6.15% from 2024 to 2033.[3] Several factors contribute to the growth of the pharmaceutical market. Firstly, demographic trends, such as aging populations and increasing life expectancy, drive higher demand for pharmaceutical products to address age-related health issues and chronic diseases. Additionally, rising healthcare expenditures, especially in emerging economies, support greater investment in healthcare infrastructure and pharmaceutical research and development. Moreover, advancements in biotechnology, genomics, and personalized medicine are driving innovation in drug discovery and development, leading to the creation of more targeted and effective treatments. Furthermore, the increasing prevalence of lifestyle-related diseases, such as diabetes and cardiovascular disorders, creates sustained demand for pharmaceutical interventions and therapeutics.

[1] Statista, Pharmaceuticals – Worldwide, June 2024 online: https://www.statista.com/outlook/hmo/pharmaceuticals/worldwide#revenue
[2] Statista, Pharmaceuticals – Worldwide, June 2024 online: https://www.statista.com/outlook/hmo/pharmaceuticals/worldwide#revenue
[3] Vision Research Report, Pharmaceutical Market - Global Industry Analysis, Size, Share, Growth, Trends, Revenue, Regional Outlook and Forecast 2024-2033, March 2024 online: https://www.visionresearchreports.com/pharmaceutical-market/41230

Compared globally, North America is expected to generate the highest revenue, reaching US$658.10 billion in 2024 and US$826.10 billion by 2029, with a CAGR of 4.65%.[4] Due to its advanced healthcare infrastructure and strong research and development ("**R&D**") capabilities, North America remains at the forefront of pharmaceutical innovation worldwide.

Drug Development Process and CDMO Market Overview

The drug development process is a complex, multi-step journey that transforms a scientific discovery into a marketable medication. Biotechnology and pharmaceutical companies often rely on third-party vendors for development and manufacturing support, primarily engaging contract research organizations ("**CROs**") or contract development and manufacturing organizations ("**CDMOs**"). This outsourcing is driven by the lengthy nature of drug development, which can take 12 years or more.

As per Grand View Research, the global pharmaceutical CDMO market size was estimated at US$146.0 billion in 2023 and is projected to reach US$234.53 billion by 2030, growing at a CAGR of 7.2% from 2024 to 2030.[5] Precedence Research offers a longer-term forecast, estimating the market will expand from US$173.2 billion in 2023 to US$345.6 billion by 2033, also at a CAGR of 7.2% from 2024 to 2033.[6] Market growth can be attributed to the rising investments by CDMOs to expand new drug development and increasing demand for novel therapies. In addition, rising pharmaceutical R&D investments, the demand for genetic drugs, the prevalence of cancer and age-related disorders, and the rising need for advanced therapeutics are key factors driving market growth.

As of 2023, the CRO market is valued at US$76.6 billion, projected to grow to US$127.3 billion by 2028, driven by larger biotech pipelines, rising in-house development costs, and the need for specialized expertise.[7] Factors such as market dynamics, competitive pressures, technological advancements, evolving client demands, reduced response times, and strategic global outsourcing pose continuous risks that can hinder the growth of the biopharmaceutical CRO/CDMO market.

Drug Shortage Overview

Drug shortages pose significant challenges to healthcare systems globally, particularly affecting essential medications in critical care settings, such as cancer treatments and antibiotics. These shortages often arise from a combination of market, manufacturing, regulatory, and supply chain issues. Drug shortages in the United States have reached an all-time high, with 323 active medication shortages reported in the first three months of 2024. This surpasses the previous record of 320 shortages set in 2014. As of June 2024, there are 300 active drug shortages, a figure that has remained consistent since the beginning of 2023.[8]

To address these ongoing shortages, pharmaceutical companies must enhance the speed and efficiency of the drug development process and accelerate market uptake. A key strategy involves fully embracing AI and analytics, which can drive transformative changes across the pharmaceutical value chain. Generative AI ("**GenAI**"), in particular, holds the potential to unlock high-value opportunities in areas such as drug discovery, clinical trial design, medical writing, promotional content generation, and customer engagement. There are over 200 identified use cases where GenAI can significantly improve pharmaceutical operations.[9]

---

[4] Statista, Pharmaceuticals – North America, June 2024, online: https://www.statista.com/outlook/hmo/pharmaceuticals/north-america
[5] Grand View Research, Pharmaceutical CDMO Market Size, Share & Trends Report, online: https://www.grandviewresearch.com/industry-analysis/pharmaceutical-cdmo-market-report
[6] Precedence Research, Pharmaceutical CDMO Market Size, Share, and Trends 2024 to 2033, July 2024 online: https://www.precedenceresearch.com/pharmaceutical-cdmo-market
[7] Altasciences, Flipping the Drug Development Industry on Its Head, April 4, 2024, online: https://www.reuters.com/plus/acumen/global-health/altasciences-drug-development
[8] ABC New, Drug Shortages Hit Record High, Pharmacists Warn, April 12, 2024 online: https://abcnews.go.com/Health/drug-shortages-hit-record-high-hundreds-short-supply/story?id=109160863
[9] PricewaterhouseCoopers, Next In Pharma 2024: Reinventing For Returns, online: https://www.pwc.com/us/en/industries/pharma-life-sciences/pharmaceutical-industry-trends.html

While Redwood takes a different approach from GenAI models, Redwood's focus is on a smaller-scale, more targeted, and applied iteration of AI. By concentrating on a specific language or domain that mainstream AI has yet to address, Redwood is able to offer highly customized solutions.

This domain-specific strategy allows Redwood to carve out a unique position in the market, avoiding direct competition with tech giants while addressing high-value, underserved areas. A PwC analysis shows the projected value of AI-enabled intelligent automation and advanced analytics:[10]

- A 60% to 70% reduction in process timelines: Due to on-demand/near real-time intervention in clinical trials, supply optimization, and true data-driven decision-making with the ability to codify and automate institutional knowledge.

- Reduced burden for patients, providers and life sciences companies: Through operational improvements and AI-assisted decision-making and task optimization. Impacts across the ecosystem of patients, providers and value chain players.

- A 30% or more reduction in operational costs: Due to improved efficiency in delivering operational productivity improvements driven by content automation, improved data quality, and automated collection and processing.

- A 40% or more reduction in project delivery timelines: Prototyping in weeks not months, deployment in months not years – changing IT from an enabler to a digital partner.

Trends, Events or Uncertainties

In the rapidly evolving field of AI, particularly in industries such as science, technology, and chemical research, continuous advancements in machine learning, big data processing, and algorithmic innovations present both opportunities and challenges for the Corporation. A significant trend is the increasing adoption of AI technologies across various industries to improve efficiency, reduce costs, and enhance innovation. This demand is expected to grow as businesses and scientific institutions seek AI-driven solutions to streamline processes like chemical synthesis, data analysis, and drug development.

The AI sector is also subject to substantial uncertainties:

1. **Technological Obsolescence**: Rapid changes in AI technologies may render certain tools or methods outdated, requiring the Corporation to continuously innovate and invest in research and development to remain competitive.

2. **Market Adoption**: While the adoption of AI technologies is increasing, there is uncertainty about the pace of market acceptance for the Corporation's AI-driven solutions, particularly in the highly specialized fields of chemical and pharmaceutical research.

3. **Regulatory Changes**: The global regulatory environment surrounding AI, data privacy, and intellectual property continues to evolve. Unanticipated changes in regulations may impact the Corporation's ability to commercialize its technologies or require additional compliance costs.

4. **Competition**: The AI industry is highly competitive, with numerous established players and new entrants striving to capture market share. Larger, more established companies with greater resources may introduce competing solutions, which could impact the Corporation's market position.

[10] PricewaterhouseCoopers, Next In Pharma 2024: Reinventing For Returns, online: https://www.pwc.com/us/en/industries/pharma-life-sciences/pharmaceutical-industry-trends.html

5. **Economic Factors**: Broader economic conditions, including inflation, supply chain disruptions, and shifts in capital markets, could affect the Corporation's ability to secure funding, attract investment, and manage operational costs.

6. **Cybersecurity and Data Risks**: As the Corporation's products rely on vast amounts of data and AI processing, cybersecurity risks, data breaches, and evolving data protection regulations pose potential threats to operations and intellectual property.

Given these trends and uncertainties, the Corporation's ability to navigate these challenges while continuing to innovate will be crucial to its future growth and success.

Description of Redwood's AI Intellectual Property

1. **Proprietary AI Models**
   Redwood has developed AI models based on a Bidirectional Auto-regressive Transformer (BART) architecture. These models are specifically designed for predicting chemical synthesis pathways, both forward and retrosynthesis. Unlike other AI models that rely on commercially available frameworks, Redwood's models are built from the ground up and trained on proprietary datasets. The system aims to help chemists explore alternative synthesis routes, optimize reactions, and reduce experimental inefficiencies.

2. **Curated Chemistry Datasets**
   The AI models are powered by proprietary datasets, including data from reputable sources such as the Open Reaction Database (ORD), the Pistachio Dataset, and the ZINC15 dataset. These datasets are further enhanced by manual curation, ensuring higher accuracy and performance for chemical synthesis predictions. Redwood's curated datasets are integral to the performance of its AI models, providing a competitive edge in the market.

3. **Software and User Interface**
   Redwood's software, including its user interface (UI), is designed to offer real-time chemical synthesis predictions in an intuitive, scalable format. The software allows users to input chemical structures and receive immediate predictions of viable synthesis pathways, providing a seamless experience for both novice and expert chemists. The architecture is highly scalable, allowing future enhancements and additional features like yield prediction and reaction condition optimization.

4. **Future Functionality**
   Redwood has outlined plans to expand the AI tool's functionality. Upcoming features include yield prediction, reaction classification, and reaction condition optimization, which will further strengthen Redwood's intellectual property and add value to its AI tool. These developments are designed to meet the evolving needs of the chemical and pharmaceutical industries.

5. **Patent Strategy**
   To secure and protect its intellectual property, Redwood plans to file patents covering its software, models, and datasets as required over the proceeding twelve months. To date, Redwood has filed a provision patent application to secure critical intellectual property developed to date (US: 63/735,265 – METHOD AND SYSTEM FOR PREDICTING CHEMICAL SYNTHESIS PATHWAYS) Redwood's patent strategy will help safeguard its technological innovations, ensuring that its competitive advantage is maintained within the global market for AI-driven chemical research tools.

As of the date of this Prospectus, the Corporation does not have any reportable segments pertaining to its operations. There were no bankruptcy, receivership or similar proceedings against the Corporation or any voluntary bankruptcy, receivership or similar proceedings by the Corporation or its predecessors since its inception.

The Corporation has received conditional approval to list its Common Shares on the Exchange. Listing is subject to the Corporation fulfilling all of the requirements of the Exchange. There is no guarantee that the Common Shares will be listed on the Exchange or on any exchange.

History of Redwood

From the period of incorporation to the date hereof, Redwood has:

- built a strong management and scientific team with the skillsets in the field of chemistry and data science;
- completed market research to identify potential applications and customer segments;
- integrated AI to predict drug synthesis paths, bypassing manual methods;
- trained SythesAltzer with data from peer-reviewed studies, patents, and internal sources;
- developed a pilot version of SythesAltzer;
- engaged in discussions with potential customers to test the solution's performance on real-world problems, offering consulting-based services and discounted fees;
- entered into non-disclosure agreements with three small biotech firms to test and refine SythesAltzer;
- developed a pricing model for SythesAltzer;
- developed a design of experiments tool;
- presented SythesAltzer at the October 2024 Invest in BC presentation;
- submitted two grant applications for not-for-profit organizations Novo Nordisk Foundation and Bill & Melinda Gates Foundation which would provide non-dilutive capital if successful. The grants were subsequently not approved;
- identified additional scientific advisors who could contribute data and expertise;
- been invited to and attended the MJ Unpacked November 2024 panel on "How Technology is Shaping the Next Era of Cannabis Production";
- been approved for a total grant of $140,000 by Mitacs, a nonprofit national research organization that, in partnerships with Canadian academia, private industry and government, operates research and training programs in fields related to industrial and social innovation, delivered through eligible internships with the University of British Columbia's Department of Chemistry; the grant is specifically for purposes of, and contingent upon, hiring a Mitacs candidate. The Corporation has not yet hired a Mitacs candidate and there is no certainty that it will be successful in doing so;
- received loans in December, 2024 in aggregate of $75,000 from arm's length third parties pursuant to interest-bearing promissory notes dated December 17, 2024, in the principal amounts of $60,000 and $15,000 with a maturity date of December 18, 2025, as secured by separate general security agreements dated December 17, 2024 between Redwood and the arm's length third parties, the maturity date was extended to March 16, 2026 pursuant to amendments to the respective promissory notes dated December 16, 2025;
- received a loan for $35,000 from Macreviews Health Consulting Incorporated, a company controlled by Prof. Edward Mills, pursuant to an interest-bearing promissory note dated February 4, 2025, in the principal amount of $35,000 with a maturity date of February 4, 2026;
- received a loan for $35,000 from Thorlund Holdings Inc., a company controlled by Dr. Thorlund, pursuant to an interest-bearing promissory note dated February 4, 2025, in the principal amount of $35,000 with a maturity date of February 4, 2026;

- received loans for $75,000 from arm's length third parties pursuant to interest-bearing promissory notes dated February 26, 2025, in the principal amount of $60,000 and $15,000 with a maturity date of February 26, 2026;

- received a loan for $35,000 from Macreviews Health Consulting Incorporated, a company controlled by Prof. Mills, pursuant to an interest-bearing promissory note dated April 1, 2025, in the principal amount of $35,000 with a maturity date of April 1, 2026;

- received a loan for $35,000 from Thorlund Holdings Inc., a company controlled by Dr. Thorlund, pursuant to an interest-bearing promissory note dated April 1, 2025, in the principal amount of $35,000 with a maturity date of April 1, 2026;

- entered into a contribution agreement dated April 17, 2025 with National Research Council Canada ("**NRC**") in connection with the Industrial Research Assistance Program, pursuant to which the NRC agrees to contribute up to a maximum of $75,000 for salary costs incurred by Redwood in connection with Redwood's development of a scalable data lake for storing chemical pricing data;

- received a loan for $25,000 from Thorlund Holdings Inc., a company controlled by Dr. Thorlund, pursuant to an interest-bearing promissory note dated May 5, 2025, in the principal amount of $25,000 with a maturity date of May 5, 2026;

- entered into secondment agreements with Vector Institute, pursuant to which it employed two machine learning associates for a fixed term beginning on May 20, 2025 and ending September 5, 2025, for a total cost of $55,000. The total cost was split amongst Redwood and Industrial Research Assistance Program, with Redwood paying $12,000 and Industrial Research Assistance Program paying the remaining $43,000 of the total cost;

- received a loan for $10,000 from Thorlund Holdings Inc., a company controlled by Dr. Thorlund, pursuant to an interest-bearing promissory note dated May 23, 2025, in the principal amount of $10,000 with a maturity date of July 1, 2025. This loan was re-paid and the promissory note was cancelled on June 4, 2025;

- entered into a services agreement with Onco-Innovations, a public company with its common shares listed on Cboe Canada Inc., dated July 7, 2025, pursuant to which Redwood will assist Onco-Innovations in its mission to accelerate the development of its exclusively-licensed Polynucleotide Kinase Phosphatase Compound and to extend its proprietary knowledge through discovery. Redwood will do so by providing multi-pronged support across synthesis evaluation, cheminformatics, and organ-specific toxicity prediction for the Technology and its structural analogs. This includes independent reviews of third-party chemistry proposals and the use of Redwood's proprietary in-silico modelling tools;

- received a loan for $5,000 from Kristian Thorlund, pursuant to an interest-bearing promissory note dated October 9, 2025, in the principal amount of $5,000 with a maturity date of October 9th, 2026;

- received a loan for $5,000 from Thorlund Holdings Inc., a company controlled by Dr. Thorlund, pursuant to an interest-bearing promissory note dated October 23rd, 2025, in the principal amount of $5,000 with a maturity date of October 23rd, 2026; and

- received a loan for $28,000 from Thorlund Holdings Inc., a company controlled by Dr. Thorlund, pursuant to an interest-bearing promissory note dated October 28th, 2025, in the principal amount of $28,000 with a maturity date October 28th, 2026.

History of the Corporation

From the period of incorporation to the date hereof:

- Mr. Saman Shahrokhi incorporated the Corporation on September 6, 2022 as the sole director;

- On September 7, 2022, the Corporation appointed Geoff Balderson as Chief Financial Officer of the Corporation and appointed Tyler Lewis as a director of the Corporation;

- On November 1, 2022, the Corporation entered into the Corporate and Financial Advisory Agreement with Amalfi pursuant to which Amalfi agreed to provide the Corporation with accounting functions, capital raising activities and potential merger and acquisition opportunities;

- On July 12, 2023, the Corporation appointed Farbod Shahrokhi as Chief Executive Officer and a director of the Corporation;

- On July 12, 2023, Mr. Saman Shahrokhi resigned as a director of the Corporation;

- On August 28, 2024, the Corporation closed a non-brokered private placement and issued 6,000,000 $0.0025 Subscription Receipts for aggregate gross proceeds of $15,000. Each $0.0025 Subscription Receipt will automatically convert, immediately prior to the time of completion of the Listing without any further action or payment of any additional consideration therefore, into one-half (1/2) of one $0.0025 Unit. If the Listing does not complete by January 31, 2026, or such other date as the Corporation may determine, each $0.0025 Subscription Receipt will automatically convert, without further action or payment of any additional consideration therefor into 0.505 of a $0.0025 Unit. Each whole $0.0025 Unit will consist of one Common Share and two-thirds (2/3) of one $0.0025 Warrant. Each whole $0.0025 Warrant will entitle the holder thereof to purchase one $0.0025 Warrant Share at a price of $0.25 per $0.0025 Warrant Share at any time prior to five (5) years from the date of the issuance of the $0.0025 Warrants;

- On September 4, 2024, the Corporation closed a non-brokered private placement and issued 18,000,000 $0.01 Subscription Receipts for aggregate gross proceeds of $180,000. Each $0.01 Subscription Receipt will automatically convert, without any further action or payment of any additional consideration therefore, into one-half (1/2) of one Common Share immediately prior to the time of completion of the Listing. If the Listing does not complete by January 31, 2026, or such other date as the Corporation may determine, each $0.01 Subscription Receipt will automatically convert, without further action or payment of any additional consideration therefor into 0.505 of a Common Share;

- On September 9, 2024, the Corporation issued 93,750 Common Shares at a price of $0.20 per share for aggregate gross proceeds of $18,750, on a post-Share Consolidation basis;

- On September 12, 2024, the Corporation completed the Share Consolidation, consolidating its Common Shares on a two (old) for one (new) basis, which has been applied on a retroactive basis from the date of incorporation;

- On September 25, 2024, the Corporation entered into the Share Purchase Agreement to acquire one hundred (100%) of the issued and outstanding common shares in the capital of Redwood, which holds the rights of SythesAltzer;

- On October 13, 2025, the Corporation entered into the Amended Share Purchase Agreement with Redwood and its Vendors to clarify and amend certain details;

- Since October 2024, the Corporation provided a loan of an aggregate of $398,000 to Redwood (the "**Loan**"), pursuant to an interest-bearing promissory note dated October 16, 2024 (the "**Initial Promissory Note**"), in the principal amount of $100,000, with a maturity date of February 16, 2025. The Promissory Note is secured by a general security agreement dated October 16, 2024 (the "**General Security Agreement**"), between the Corporation, as secured party, and Redwood, as debtor. The Initial Promissory Note was amended and restated on February 26, 2025 to extend the maturity date to May 30, 2025 (the "**February 2025 A&R Promissory Note**"). Pursuant to the February 2025 A&R Promissory Note, the Loan bears interest at a fluctuating prime rate per annum as announced and adjusted from time to time by the Toronto-Dominion bank. On May 26, 2025, the February 2025 A&R Promissory Note was amended and restated to increase the principal amount to an aggregate of $220,000 and to extend the maturity date to October 1, 2025 (the "**May 2025 A&R Promissory Note**"). On October 1, 2025, the May 2025 A&R Promissory Note was amended and restated to extend the maturity date to January 31, 2026 (the "**October 2025 A&R Promissory Note**"). On November 14, 2025, the October 2025 A&R Promissory Note was amended and restated to increase the principal amount to an aggregate of $228,000 (the "**November 14, 2025 A&R Promissory Note**"). On November 25, 2025, the November 14, 2025 A&R Promissory Note was amended and restated to increase the principal amount to an aggregate of $292,000 (the "**November 25, 2025 A&R Promissory Note**"). On December 9, 2025, the November 25, 2025 A&R Promissory Note was amended and restated to increase the principal amount to an aggregate of $322,000 (the "**December 9, 2025 A&R Promissory Note**"). On December 12, 2025, the December 9, 2025 A&R Promissory Note was amended and restated to increase the principal amount to an aggregate of $387,000 (the "**December 12, 2025 A&R Promissory Note**"). On January 7, 2026, the December 12, 2025 A&R Promissory Note was amended and restated to increase the principal amount to an aggregate of $398,000 (the "**January 2026 A&R Promissory Note**" and together with the Initial Promissory Note, the February 2025 A&R Promissory Note, the May 2025 A&R Promissory Note, the October 2025 A&R Promissory Note, the November 14, 2025 A&R Promissory Note, the November 25, 2025 A&R Promissory Note, the December 9, 2025 A&R Promissory Note and the December 12, 2025 A&R Promissory Note, the "**Promissory Note**");

- On December 2, 2024, Mr. Farbod Shahrokhi resigned as Chief Executive Officer and a director of the Corporation;

- On December 2, 2024, the Corporation appointed Mr. Bensler as Chief Executive Officer and a director of the Corporation;

- On December 3, 2024, Mr. Lewis resigned as a director of the Corporation and Mr. Mingay was appointed as a director of the Corporation;

- On December 11, 2024, Mr. Geoff Balderson resigned as Chief Financial Officer of the Corporation;

- On December 11, 2024, the Corporation appointed Mr. Mah as Chief Financial Officer and Corporate Secretary of the Corporation;

- On March 13, 2025, the Corporation entered into The Back Office Corporate Administration and Financial Advisory Agreement with The Back Office, pursuant to which The Back Office agreed to provide the Corporation with corporate record-keeping, financial statement preparation, general accounting functions, and assistance with regulatory compliance; and supporting the Corporation in identifying and evaluating financing opportunities, potential mergers and acquisitions, and other strategic transactions;

- On April 28, 2025, Mr. Darbandi was appointed as a director of the Corporation;

- On June 12, 2025, the Corporation closed a non-brokered private placement and issued 8,515,000 $0.50 Subscription Receipts for aggregate gross proceeds of $4,257,500. The Corporation received the funds in connection with the Non-Escrowed $0.50 Subscription Receipts on May 25, 2025. Each $0.50 Subscription Receipt will automatically convert, without any further action or payment of any additional consideration therefore, into one $0.50 Unit immediately prior to the completion of the Acquisition, with each $0.50 Unit consisting of one (1) Common Share and one half of one (1/2) $0.50 Warrant. Each $0.50 Warrant entitles the holder thereof to purchase one (1) $0.50 Warrant Share at a price of $0.70 per $0.50 Warrant Share at any time prior to the Expiry Date. If the Acquisition is not completed by January 31, 2026, the Escrowed Funds, together with accrued interest earned thereon, will be returned to the holders of the $0.50 Subscription Receipts (excluding the holders of the Non-Escrowed $0.50 Subscription Receipts) and such securities will be cancelled. If the Acquisition is not completed by January 31, 2026, each Non-Escrowed $0.50 Subscription Receipt will automatically convert, without further action or payment of any additional consideration therefor, into 1.05 $0.50 Unit; and

- Beginning November 24, 2025, the Corporation received four loans as follows: (i) a loan from VF Holdings Inc., pursuant to an interest-bearing promissory note dated November 24, 2025, in the principal amount of $16,000 with a maturity date of November 24, 2026; (ii) a loan from Ashkan Shahrokhi, pursuant to an interest-bearing promissory note dated November 25, 2025, in the principal amount of $48,000 with a maturity date of November 25, 2026; (iii) a loan from 1156724 B.C. Ltd., pursuant to an interest-bearing promissory note dated December 8, 2025, in the principal amount of $28,750 with a maturity date of December 8, 2026; and (iv) a loan for $86,250 from 1404804 B.C. Ltd., pursuant to an interest-bearing promissory note dated December 12, 2025, in the principal amount of $86,250 with a maturity date of December 12, 2026.

Development of the Corporation

Since incorporation, the Corporation has taken the following steps to develop its business:

1. recruited directors and officers with the skills required to operate a publicly listed company focused on AI;
2. raised aggregate gross proceeds of $213,750 through the sale and issuance of Common Shares and Subscription Receipts automatically convertible into Common Shares and Warrants. The funds raised have provided sufficient capital to carry on the Corporation's business to date, and to cover the costs associated with the Prospectus and Listing;
3. completed the Share Consolidation;
4. entered into the Share Purchase Agreement to, pursuant to the terms and conditions thereof, acquire the rights to the Product;
5. provided the Loan, pursuant to the Promissory Note, to Redwood; and
6. engaged auditors and legal counsel in connection with the Prospectus and Listing.

See "*Funds Available and Use of Available Funds*" and "*Material Contracts*".

Acquisition Agreement

Redwood Acquisition Agreement

On September 25, 2024, the Corporation entered into the Share Purchase Agreement with Redwood and its shareholders (the "**Vendors**"). Under the terms of the Share Purchase Agreement, the Corporation shall acquire all of the issued and outstanding shares of Redwood in exchange for the issuance of 12,000,000 common shares of the Corporation (the "**Consideration Shares**"). As part of the Acquisition, the Corporation will pay a finders' fee of 5% of the Consideration Shares, or 600,000 common shares of the Corporation ("**SPA Finder's Shares**"). The Consideration Shares and the SPA Finder's Shares will be issued pursuant to the takeover bid prospectus exemption pursuant to National Instrument 45-106 – *Prospectus Exemptions*.

The number of Consideration Shares Issuable to the Vendors was calculated with reference to an Internal valuation range for Redwood (based on information available at the time of negotiating the Share Purchase Agreement and a range of potential long-term outcomes for Redwood's business). In consultation with various underwriters and prospective investors, the Corporation further determined that the concurrent financing at $0.50 per unit was reasonable. The Consideration Shares and the SPA Finder's Shares will be expensed and no assets will be recognized in connection with the acquisition of Redwood.

The Vendors sold all of their right, title, and interest in the shares of Redwood, representing 100% of the issued and outstanding shares of Redwood. The shares issued to the Vendors are subject to escrow conditions, with 10% of the shares released four months following the closing, and additional releases occurring over the next 24 months.

Redwood owns SythesAltzer, a proprietary AI technology designed to enhance chemical synthesis predictions, which forms a core asset of the Acquisition.

The Vendors made customary representations and warranties regarding the shares and business of Redwood, including its financial condition, intellectual property, and corporate governance. The transaction is expected to close on the date following receipt of conditional approval by the Exchange for the Listing, following the satisfaction of all regulatory approvals.

In the event that the Share Purchase Agreement is terminated due to a breach by Redwood or the Vendors, a break fee of $200,000 is payable to the Corporation.

On October 13, 2025, the Corporation entered into the Amended Share Purchase Agreement with Redwood and its Vendors. The amendments correct clerical errors in Schedule “A” of the Share Purchase Agreement, add Mark Dybul as a Vendor, and reflect the Private Share Transfers made by certain Vendors. These Private Share Transfers do not affect the aggregate number of Consideration Shares issued under the Share Purchase Agreement.

In connection with the Acquisition, on November 20, 2025, the Corporation entered into an advisory fee agreement with Canaccord pursuant to which Canaccord was engaged as financial advisor to the Corporation and in consideration of the services provided by Canaccord, the Corporation agreed to pay Canaccord a cash fee equal to $75,000 upon the earlier of (i) execution by Canaccord of a certificate page of a final prospectus; or (ii) completion of the Acquisition.

Production and Services

The Corporation does not expect to generate income from its products or property, including intellectual property in the immediate future. The Corporation plans to continue refining and advancing SythesAltzer utilizing its current working capital and through future financing opportunities, as warranted. The Corporation’s objective is to develop and commercialize innovative AI solutions that can significantly improve research and operational efficiencies in the chemical and pharmaceutical sectors. To achieve this, the Corporation intends to implement the development roadmap outlined by Redwood’s technical team, focusing on optimizing the Product’s capabilities and ensuring its readiness for market entry.

Specialized Skill and Knowledge

Various aspects of the Corporation’s business require specialized skills and knowledge, particularly in the fields of artificial intelligence, software development, chemical engineering, and data science. The Corporation’s focus on developing SythesAltzer necessitates expertise in AI algorithms, machine learning, chemical synthesis processes, and computational chemistry. Additionally, knowledge in legal compliance, intellectual property protection, and regulatory standards within the technology and chemical sectors is essential.

To support these endeavors, the Corporation expects to rely on a network of consultants and experts with specialized knowledge in AI technology, chemical engineering, and product development. The Corporation does not anticipate difficulties in locating competent employees and consultants in these fields. The management team is comprised of individuals with extensive experience in AI technology development, software engineering, and business strategy, which is complemented by a Board of Directors with diverse backgrounds in technology, science, and corporate governance. For more information, please see the “*Directors and Officers*” section.

Competitive Conditions

The artificial intelligence and technology sectors are highly competitive across all phases of product development and commercialization. The Corporation faces competition from a variety of entities, including established technology firms, startups, and research institutions, in the pursuit of developing and marketing its AI solutions, particularly SythesAltzer. This competition extends to the recruitment and retention of qualified professionals and consultants with expertise in AI, software development, and chemical engineering.

Many of the Corporation's competitors possess greater financial resources, more advanced technologies, and established market presence, which may limit the Corporation's ability to secure strategic partnerships, attract talent, and gain market share. As a result, the Corporation may encounter challenges in acquiring the necessary resources or forming collaborations on terms that are favorable.

Additionally, the Corporation competes for investment capital with other technology and AI-focused companies, many of which have more advanced product offerings and larger funding bases that can attract equity investment and other forms of capital more effectively. The Corporation's ability to develop and commercialize its AI technologies depends not only on the successful execution of its current projects but also on its capacity to identify, develop, and bring to market innovative solutions that meet industry needs.

Factors beyond the control of the Corporation, including market trends, technological advancements, and regulatory changes, may also impact its competitive position and the marketability of its products.

Growth Strategy

The Corporation has identified the following critical short-term objectives and milestones to be achieved over the next 12 months, which are integral to executing its business plan and positioning the Corporation for long-term success:

1. **Secure SR&ED Tax Incentives:**

   The Corporation intends to apply for tax credits or refunds under the Canadian Scientific Research and Experimental Development tax incentive program. These funds will support the ongoing development of the SythesAltzer platform and provide a valuable source of non-dilutive capital to accelerate the Corporation's growth.

2. **Expand the Operational Team:**

   To support the development and testing of SythesAltzer, the Corporation plans to immediately expand its team by recruiting two additional employees. These hires will include a full-stack developer to enhance software capabilities and a chemistry specialist to contribute to the platform's refinement and real-world application testing.

3. **Develop Initial Customer Use Cases with the Pilot Version of SythesAltzer:**

   The Corporation is actively pursuing its first demonstration project with a commercial partner. The Corporation has initiated engagements with three biotech firms to utilize the post-alpha version of SythesAltzer in real-world testing environments at discounted rates. This collaboration will provide essential user feedback to fine-tune the platform and validate its effectiveness in practical settings.

4. **Prepare for the Commercial Launch of SythesAltzer:**

   Redwood has completed the development of the proof-of-concept version of SythesAltzer, incorporating key features such as multi-source pricing data integration, reaction-type classification, and optimization capabilities. Redwood is addressing data security concerns to ensure a robust and compliant solution, paving the way for a smooth commercial release.

5. **Expand Customer Base Through Strategic Partnerships:**

   The Corporation plans to establish strategic partnerships with targeted organizations, including a specialized Alberta-based CDMO, a mid-sized TSX-listed pharmaceutical company, and a British Columbia-based biotech firm. These partnerships will facilitate market entry and broaden the Corporation exposure to potential customers.

6. **Forge New Strategic Collaborations:**

Establishing new strategic collaborations will enhance the platform's performance and scalability, enabling the Corporation to better serve its expanding customer base.

To ensure continued enhancement of shareholder value, the Corporation has identified the following medium- and long-term objectives and milestones that are critical to achieving sustainable growth and establishing a strong market position:

1. **Transition to a Profit-Generating Business Model:**
   The Corporation aims to evolve from its initial focus on early-stage funding and product development to a fully operational profit-generating company. This strategic shift will involve optimizing revenue streams, implementing cost control measures, and achieving consistent profitability to support long-term financial stability.

2. **Secure Strategic Contracts with Moderate-to-Large CDMOs and Biopharmaceutical Companies:**
   Redwood intends to establish and finalize strategic contracts with mid-to-large-sized CDMOs and biopharmaceutical companies. Securing these contracts will strengthen the Corporation's business credibility, significantly enhance revenue potential, and solidify its market presence.

3. **Contribute to Scientific Knowledge Through the Publication of Research:**
   The Corporation plans to publish its research findings and methodologies in leading scientific journals. These publications will not only contribute valuable insights to the field but will also elevate the Corporation's profile as a thought leader in AI-driven drug synthesis, thereby attracting further interest and enhancing the Corporation's credibility in the market.

4. **Integrate Multi-Source Pricing Data and Explore Additional Revenue Opportunities:**
   The Corporation is developing a comprehensive multi-source pricing data integration system within the SythesAItzer platform, which will increase its value proposition. Concurrently, the Corporation will explore targeted advertising opportunities to generate supplementary revenue streams, further bolstering the platform's monetization potential.

5. **Assess and Pursue Future Financing Opportunities:**
   As the Corporation continues to expand its operations, it will evaluate additional financing options to support ongoing growth initiatives. Future funding may include both organic growth strategies and strategic acquisitions to drive expansion and increase market share.

Source and Providers of Data

Redwood utilizes curated datasets from reputable sources to develop and enhance its AI-driven chemistry framework. These datasets are used at various stages of model development, including pre-training, fine-tuning, and assessment. The primary datasets include:

- **ZINC-15 –** Acquired from the National Institute of General Medical Sciences, this dataset is used for pre-training and consists of approximately 1 billion chemical entities.

- **The Open Reaction Database** – Used for fine-tuning and model evaluation, this dataset consists of approximately 1 million documented chemical reactions.

- **The Pistachio Dataset** – Acquired from NextMove Software (UK), this dataset contains approximately 3 million chemical reactions and serves as a key resource for model refinement.

Each dataset undergoes a structured onboarding and curation process to ensure accuracy, consistency, and compatibility with Redwood's proprietary chemical modeling framework. This multi-stage process includes:

- **Data Validation –** Assessing dataset integrity, structure, and completeness.

- **Quality Control –** Conducting printability checks within Redwood's chemical format.

- **Curation and Optimization** – Refining the dataset based on quality indicators, including those provided within the Pistachio dataset where applicable.

These processes are designed to enhance the reliability of Redwood's AI-driven predictions and support its ongoing advancements in computational chemistry.

The AI system being used by Redwood is developed by Redwood and no third-party models are being used by Redwood. Redwood is not dependent on external companies for AI systems. The internal framework established by Redwood will continue to function irrespective of any changes to market conditions or availability of external companies' agreements. The results of operations and financial condition of Redwood are dependent on the success of the development and deployment of AI SythesAltzer. See "*Financial Statement Disclosure*" and "*Business Objectives and Milestones*".

The AI system was developed by Dr. Harari, Dr. Prince Kumar Lat, Mr. Dron, Dr. Thorlund, Dr. Sammis and Dr. Jolene Reid, reflected in a patent filing (US: 63/735,265 – METHOD AND SYSTEM FOR PREDICTING CHEMICAL SYNTHESIS PATHWAYS). Dr. Harari, Dr. Lat and Mr. Dron are employed by Redwood. Dr. Thorlund is expected to be President and a director of the Corporation following the completion of the Acquisition. Dr. Sammis and Dr. Reid serve as advisors to Redwood. They are subject to non-disclosure and non-compete provisions under their contractor agreements with Redwood, which will continue following the Acquisition.

Regulatory, Ethical or Legal Issues

Redwood is not aware of any incidents where its AI system has raised regulatory, ethical, or legal issues. Redwood's AI model is specifically designed for chemistry applications and has not been trained on English or any other human-spoken or written language. Consequently, risks commonly associated with AI systems—such as biases in language models, data privacy concerns, or ethical implications related to artificial general intelligence (AGI)—are not applicable in the same manner.

Redwood's AI system operates within a well-defined scientific framework, with outputs constrained by established chemical principles. This structured approach significantly reduces the risk of unintended or unpredictable behaviors. Additionally, the datasets utilized by Redwood undergo rigorous onboarding, quality control, and validation processes to ensure accuracy and compliance with industry standards.

While the regulatory landscape for AI continues to evolve, Redwood remains committed to adhering to all applicable laws and best practices governing AI applications in scientific research. Redwood proactively monitors developments in AI regulation, data usage policies, and ethical guidelines to ensure ongoing compliance and responsible deployment of its technology. Given these factors, the adoption of Redwood's AI system presents minimal concerns relative to broader AI methodologies.

Cycles

There is no apparent seasonal effect or cyclical characteristic associated with the Corporation's products and services. The demand for the Corporation's technology is relatively consistent throughout the calendar year.

Employees

The Corporation currently has no employees.

Redwood has three full-time employees, being Mr. Dron as Chief Executive Officer, Dr. Harari as Head of Data Science and Dr. Lat as Senior Data Scientist.

Upon completion of the Acquisition, the Corporation will have one consultant and will enter into a consulting agreement with Mr. Mah, pursuant to which the Corporation expects to retain his services as Chief Financial Officer and Corporate Secretary. Upon completion of the Acquisition, the Corporation expects to benefit from the expertise of Redwood's consultants Dr. Reid (Assistant Professor focusing on machine learning applications to organic synthesis at the University of British Columbia), Prof. Mills (CEO at Purpose Life Sciences and a professor at

McMaster University in the Department of Health Research Methods, Impact, and Evaluation as well as the University of Rwanda, School of Public Health) and Dr. Sammis (professor at the University of British Columbia). Their involvement will provide valuable insights and support related to research and development initiatives.

The Corporation does not have any additional employees and plans to utilize contractors to manage most of its operational activities. This approach includes engaging contractors to oversee specific projects related to the development and commercialization of its AI technologies, particularly SythesAltzer.

In addition to its executive team, the Corporation relies on and engages consultants on a contract basis to support its administrative functions, as well as its research and development efforts in AI technology and related areas.

Foreign Operations

The Corporation currently does not currently have any foreign operations.

Changes to Contracts

No part of the Corporation's business is reasonably expected to be affected in the current financial year by either the renegotiation or termination of any contract.

Lending

Since October 2024, the Corporation has provided the Loan to Redwood pursuant to the Promissory Notes. The Promissory Notes are secured by the General Security Agreement. See "*History of the Corporation*" for more details.

Bankruptcy and Similar Procedures

There are no bankruptcies, receivership or similar proceedings against the Corporation, nor is the Corporation aware of any such pending or threatened proceedings. There has not been any voluntary bankruptcy, receivership or similar proceeding, by the Corporation during its last three financial years.

Reorganizations

The Corporation has not completed any material reorganization, and no reorganization is proposed for the current financial year, except for the contemplated Acquisition of Redwood.

AVAILABLE FUNDS AND PRINCIPAL USES

Use of Proceeds

This is a new issue prospectus. The Corporation is not raising any funds in conjunction with this Prospectus. Accordingly, there are no proceeds to the Corporation in connection with the filing of this Prospectus.

Notwithstanding, the Corporation completed the $0.50 Subscription Receipt Financing and holds the Escrowed Funds pending satisfaction of the Escrow Release Conditions, being $4,137,500 (which includes approximately $258,400 reserved to pay the Underwriters Commission).

Available Funds

As at December 31, 2025, being the most recent month end before the date of this Prospectus, the Corporation had a working capital deficit of approximately $1,131,600.

It is estimated that the Corporation has available working capital of approximately $2,747,500 as of December 31, 2025, including its unaudited working capital deficit of $1,131,600 and assuming the release of Escrowed Funds and payment of the Underwriters Commission.

Source of Funds	Amount ($)
Escrowed Funds[1]	$3,879,100[2]
Prospectus and Listing costs[3]	($260,000)
Working capital deficiency as at December 31, 2025	($1,131,600)
Additional Capital Contribution	$405,000[4]
Available funds	**$2,892,500**

Notes:

1) To be released on satisfaction of the Escrow Release Conditions.
2) This figure has deducted the $258,400 out of the Escrowed Funds reserved to pay the Underwriters Commission.
3) Comprised of remaining legal fees for filing the Prospectus and completing of the Listing of $40,000, transfer agent and filing fees of $20,000, and the Work Fee and Underwriter Expenses, in the amount of $200,000.
4) The holders of the $0.0025 Subscription Receipts and the $0.01 Subscription Receipts, respectively, contributed additional capital to the Corporation, in the aggregate amount of $405,000, in order to raise the average cost of each Common Share underlying such Subscription Receipts to $0.05.

The Corporation estimates that it will require the following funds to conduct its plan of operations over the next twelve months:

Principal Use	Amount ($)
Business Objectives	$1,008,500
Operating expenses for 12 months	$1,185,000
Unallocated working capital[1]	$699,000
Total	**$2,892,500**

Note:

1) Unallocated working capital will be reserved for uses which are currently unknown and may be applied towards unexpected cost overruns, new business opportunities, or for resolving unforeseen circumstances. See “*Risk Factors*”.

The Corporation intends to fund its business using its available funds, as well as the proceeds of any future equity financing transactions it may complete following Listing. The Corporation intends to spend the funds available to it as stated in this Prospectus. However, there may be circumstances where, for sound business reasons, a reallocation of the funds may be necessary. The amounts set forth above may increase if we are required to carry out due diligence investigations in regard to any prospective investment or business opportunity or if the costs of the Prospectus or Listing, or negotiating an applicable transaction, are greater than anticipated. See “*Financial Statement Disclosure*” and “*Management Discussion & Analysis*”.

The Corporation expects to incur approximately $1,185,000 in general and operating expenses over the next 12 months following completion of the Listing. A breakdown of the estimated operating expenses for that period is as follows:

Operating expenses for 12 months	Amount ($)
Executive and director compensation	$222,000
Legal	$84,000

Operating expenses for 12 months	Amount ($)
Transfer agent and regulatory	$30,000
Audit and tax	$50,000
Corporate administration and accounting	$120,000
Investor relations	$600,000
Office and general corporate administration	$24,000
Office rent	$55,000
Total	**$1,185,000**

The Corporation anticipates that it will have sufficient cash available to execute its business plan and to pay its operating and administrative costs for at least twelve months after Listing.

See "*Financial Statement Disclosure*" and "*Management Discussion & Analysis*".

Business Objectives and Milestones

Following the completion of the Acquisition, the Corporation intends to accomplish the following business objectives and milestones within the next 12 months:

Significant Events or Major Components	Estimated Cost ($)	Time Period
Advancement of AI Model		
Engagement of data scientists and chemists: To expand and enhance data sets and overall system capability, the Corporation will engage data scientists and chemists to expand the Corporation's data sets to be utilized in developing increasingly powerful AI models with enhanced capabilities in the field of chemical research.	$430,000	12 months
Compute, cloud storage and hosting. The Corporation utilizes a lean IT infrastructure which incorporates the use of cloud-based computation for training AI algorithms rather than purchasing capital intensive computer hardware. The Corporation also uses cloud-based storage and hosting services for the ongoing operation of its software infrastructure carrying on with the lean IT infrastructure model.	$122,000	3-12 months
File patent application: The Corporation intends to file patent applications for internally developed proprietary intellectual property and expects additional patent applications may be required subject to further assessment of the relevant patent landscape.	$35,000	3-9 months
Direct data acquisition fees: The Corporation's AI models require vast amounts of data inputs to allow for enhanced capabilities. To accelerate the Corporation's AI model development plans, the Corporation plans to purchase data from third party data providers.	$25,000	9-12 months

Significant Events or Major Components	Estimated Cost ($)	Time Period
Total – Advancement of AI Model	**$612,000**	
Commercialization of AI Model		
Full stack software development: The Corporation will engage software developers to develop a commercial version of the Corporation's AI software with the intention of creating intuitive user experiences.	$240,000	6-12 months
Engagement of business development professionals: To increase industry awareness of the benefits of utilizing SythesAItzer for chemical synthesis and research processes, including showcasing how AI can enhance efficiency and accuracy in chemical research. The Corporation will engage in industry outreach to expand its presence in key markets, focusing on partnerships with academic institutions, research organizations, and chemical companies across North America and beyond.	$71,500	6-12 months
Conference attendance, advertisement, outreach, booths, travel, and related costs.	$85,000	3-12 months
Total – Commercialization of AI model	**$396,500**	
Total – All Business Objectives	**$1,008,500**	

While there is no particular event that must occur for these objectives to be achieved, the Corporation aims to reach significant milestones in connection with the development of its business, particularly regarding the advancement of its AI technologies.

The actual amount that the Corporation spends from its working capital may vary significantly from the amounts specified above, and will depend on a number of factors, including those listed under the heading "*Risk Factors*". The Corporation has not yet achieved positive operating cash flow and there are no assurances that the Corporation will not experience negative cash flow from operations in the future.

While the Corporation intends to pursue these milestones, there may be circumstances where, for valid business reasons or due to factors beyond the control of the Corporation, a re-allocation of efforts may be necessary or advisable.

Principal Purposes – Research and Development

The advancement of the AI model is considered a research and development activity. Redwood has developed a pre-commercial AI model demonstrating a successful "proof of concept" and intends to conduct research and development activities to iterate upon the existing model to enhance system capabilities to broaden potential applications to which the system can be deployed in chemical research applications. To achieve this objective the Corporation will engage data scientists and chemists at a cost of $430,000. Additionally, the research and development relies upon the utilization of certain cloud based compute, storage, and hosting services at an estimated cost of $122,000. The Corporation will conduct the research and development activities using a combination of subcontractors and internal personnel. The activities will commence subject to available financing and are expected to be completed within 9-12 months. Commercial production will be achieved at such time as the AI model demonstrates the desired capabilities.

The Corporation's software development activities are supplementary to the Corporation's objective to Advance the AI Model with the primary goal of developing a commercial version of the AI model. Redwood has previously developed an initial user interface to the AI model, however, it aims to improve the user experience prior to commercial launch of the Corporation's AI software service offering. The software development activities will cost

$240,000 and are expected to be completed within 9-12 months. Commercial production will be achieved at such time as the Corporation's determines the user interface and internal programming are functioning under correct technological parameters utilizing industry standard protocols and software security with a primary aim of ensuring data integrity and security.

Principal Purposes – Asset Acquisition

On September 25, 2024, the Corporation entered into the Share Purchase Agreement, as amended on October 13, 2025. The completion of Acquisition is expected to occur on the date following receipt of conditional approval by the Exchange for the Listing. Following the completion of the Acquisition, the principal business carried on by the Corporation will be the business of Redwood. The Corporation does not expect to incur any additional costs with respect to the closing of the Share Purchase Agreement.

The Corporation aims to continue acquiring and developing similar AI technologies to drive growth and establish itself as a leader in the AI-driven science sector. To date, equity financings have provided all of the Corporation's funds. The ultimate outcome of these operations cannot presently be determined because they are contingent on future events and matters.

Negative Operating Cash Flow

Since incorporation, the Corporation has had negative operating cash flow and incurred losses. The Corporation's negative operating cash flow and losses are expected to continue for the foreseeable future. The Corporation cannot predict when it will reach positive operating cash flow, if ever. Due to the expected continuation of negative operating cash flow, the Corporation will be reliant on future financings in order to meet its cash needs. There is no assurance that such future financings will be available on acceptable terms or at all. See "Risk Factors".

Other Sources of Funding

The Corporation currently does not have any immediate sources of additional funding.

DIVIDENDS OR DISTRIBUTIONS

The payment of dividends, if any, in the future, rests within the sole discretion of the Board. The payment of dividends will depend upon the Corporation's earnings, its capital requirements and its financial condition, as well as other relevant factors. The Corporation has not declared any cash dividends since its inception and the Corporation intends to retain its earnings to finance growth and expand its operations and does not anticipate paying any dividends on its Common Shares and other classes of shares in the foreseeable future.

There are no restrictions in the Corporation's constating documents that prevent the Corporation from declaring dividends. The BCBCA, however, does prohibit the Corporation from declaring dividends where, after giving effect to the distribution of the dividend, the Corporation would not be able to pay its debts as they become due in the usual course of business, or the Corporation's total assets would be less than the sum of its total liabilities plus the amount that would be needed to satisfy the rights of shareholders who have preferential rights superior to those receiving the distribution.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

Selected Financial Information

The table below summarizes the financial information for the periods or as at the dates indicated. The summary financial information should be read in conjunction with the Corporation's (i) audited financial statements for the period from incorporation on September 6, 2022 to the period ended August 31, 2023 and related MD&A; (ii) audited financial statements for the years ended August 31, 2025 and 2024 and related MD&A; and (iii) unaudited condensed interim financial statements for the three months ended November 30, 2025 and 2024 and related MD&A, all of which are included in this Prospectus under Appendix A, Appendix B and Appendix C, respectively. The selected financial information set out below may not be indicative of the Corporation's future performance.

The Corporation

Financial Positions	For the three months ended November 30, 2025	For the year ended August 31, 2025 ($)	For the year ended August 31, 2024 ($)	Financial Statements for the period from incorporation to the period ended August 31, 2023 ($)
Current assets	$4,531,239	$4,434,945	$35,017	$13,878
Total assets	$4,531,239	$4,434,945	$35,017	$13,878
Current liabilities	$5,040,822	$4,868,424	$131,847	$3,195
Share capital	$18,750	$18,750	$1	$1
Subscription receipts	$195,000	$195,000	$15,000	Nil
Deficit	($723,333)	($647,229)	($115,581)	($8,068)

Financial Results	For the three months ended November 30, 2025	For the year ended August 31, 2025 ($)	For the year ended August 31, 2024 ($)	Financial Statements for the period from incorporation to the period ended August 31, 2023 ($)
Revenue	Nil	Nil	Nil	Nil
Expenses	$78,559	($537,568)	($107,513)	($8,068)
Net loss	($76,104)	($531,648)	($107,513)	($8,068)
Net loss per share – basic and diluted	($0.81)	($5.81)	($107,513)	($8,068)

Redwood

The table below summarizes the financial information for Redwood for the periods or as at the dates indicated. The summary financial information should be read in conjunction with Redwood's (i) audited financial statements for the year ended August 31, 2025 and the period from incorporation (January 15, 2024) to August 31, 2024 and related MD&A; and (ii) unaudited condensed interim financial statements for the three months ended November 30, 2025 and 2024, all of which are included in this Prospectus under Appendix D and Appendix E, respectively.

Financial Positions	For the three months ended November 30, 2025	For the year ended August 31, 2025 ($)	For the period from incorporation (January 15, 2024) to August 31, 2024 ($)
Current assets	$44,108	$65,736	$29,605

Financial Positions	For the three months ended November 30, 2025	For the year ended August 31, 2025 ($)	For the period from incorporation (January 15, 2024) to August 31, 2024 ($)
Total assets	$44,108	$65,736	$29,605
Current liabilities	$835,015	$681,780	$325,491
Share capital	$240,000	$240,000	$1
Reserves	Nil	Nil	Nil
Deficit	($1,030,907)	($856,044)	($295,887)

Financial Results	For the three months ended November 30, 2025	For the year ended August 31, 2025 ($)	For the period from incorporation (January 15, 2024) to August 31, 2024 ($)
Revenue	Nil	Nil	Nil
Expenses	($211,169)	($647,488)	($295,887)
Net loss	($174,863)	($560,157)	($295,887)
Net loss per share – basic and diluted	($0.01)	($0.05)	($295,887)

Pro Forma

The table below sets out selected unaudited pro forma financial information at and for the periods indicated. The following is a summary only and must be read in conjunction with the pro forma financial statements set out in Appendix G to this Prospectus.

The unaudited pro forma consolidated financial statements of the Corporation included in this Prospectus and the following selected pro forma financial information are presented for illustrative purposes only and are not necessarily indicative of: (i) the financial results that would have occurred had the Acquisition actually occurred at the times contemplated by the notes to the unaudited pro forma consolidated financial statements of the Corporation; or (ii) the results expected in future periods.

Financial Positions	Unaudited pro forma as at November 30, 2025 ($)
Current assets	$4,218,881
Total assets	$4,218,881
Total liabilities	$1,067,993

Management's Discussion and Analysis

The Corporation's MD&A provides an analysis of the Corporation's financial results for the period from incorporation on September 6, 2022 to August 31, 2023, for the years ended August 31, 2025 and 2024, and for the three months ended November 30, 2025 and 2024, and should be read in conjunction with the Corporation's financial statements and the notes thereto. The Corporation's MD&As are attached to this Prospectus as Appendix A, Appendix B and Appendix C, respectively.

Redwood's MD&A provides an analysis of Redwood's financial results for the year ended August 31, 2025 and the period from incorporation (January 15, 2024) to August 31, 2024, and for the three months ended November 30, 2025 and 2024, and should be read in conjunction with Redwood's financial statements and the notes thereto. Redwood's MD&As are attached to this Prospectus as Appendix D and Appendix E, respectively.

Certain information included in the Corporation's MD&A is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "*Caution Regarding Forward-Looking Information*" for further detail.

Additional Disclosure for IPO Venture Issuers

The Corporation has generated nil revenue from operations since incorporation on September 6, 2022.

From incorporation on September 6, 2022 to November 30, 2025, the Corporation has incurred the following material costs:

Financial Results	**For the three months ended November 30, 2025**	**For the year ended August 31, 2025 ($)**	**For the year ended August 31, 2024 ($)**	**For the period from incorporation to the period ended August 31, 2023 ($)**
Expensed Research and Development Costs	Nil	Nil	Nil	Nil
Intangible assets arising from development	Nil	Nil	Nil	Nil
General and administrative expenses	$88	$3,886	$348	$437
Other material costs expensed or recognized as assets	$78,471	$533,681	$107,165	$7,631
Total	$78,559	$537,568	$107,513	$8,068

Additional Disclosure for Junior Issuers

The Corporation had negative cash flow from operations for its most recently completed financial year and expects to have sufficient funds available to fund operations for a period of 12 months. See "*Risk Factors*". The Corporation will have sufficient working capital to achieve its stated business objectives and milestones. See "*Available Funds and Principal Uses*".

DESCRIPTION OF SHARE CAPITAL

Authorized Share Structure

The authorized share structure of the Corporation consists of an unlimited number of Common Shares without par value. See "*Consolidated Capitalization*". As of the date of this Prospectus, there are 93,750 Common Shares issued and outstanding.

As of the date of this Prospectus, there are 6,000,000 $0.0025 Subscription Receipts issued and outstanding, 18,000,000 $0.01 Subscription Receipts issued and outstanding and 8,515,000 $0.50 Subscription Receipts issued and outstanding.

In addition, as of the date of this Prospectus, no Options, RSUs, PSUs, and DSUs are issued and outstanding.

Common Shares

Holders of the Common Shares are entitled to receive notice of, and to attend and vote at, all meetings of the shareholders of the Corporation, and each Common Share confers the right to one vote, provided that the shareholder is a holder on the applicable record date declared by the Board. The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Corporation, are entitled to receive such dividends in any financial year as the Board may by resolution determine. There are no redemption or retraction rights, or rights upon an event of liquidation, dissolution or winding-up of the Corporation, associated with the Common Shares.

Warrants

Immediately prior to the time of completion of the Listing, the Corporation will have (i) 2,000,000 $0.0025 Warrants issued and outstanding, each exercisable into one Common Share expiring August 28, 2029 at an exercise price of $0.25; (ii) 4,257,500 $0.50 Warrants issued and outstanding, each exercisable into one $0.50 Warrant Share until the Expiry Date at an exercise price of $0.70 per $0.50 Warrant Share; and (iii) 516,800 Underwriters Warrants, which have the same terms as the $0.50 Warrants.

The terms and conditions which will govern the Warrants will be set out on certificates representing such Warrants, which will include, among other things, provisions for the appropriate adjustments in the class, number and price of the Common Shares issuable upon exercise of the Warrants upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Common Shares, the payment of stock dividends and the amalgamation, arrangement or reorganization of the Corporation. The terms of the Warrants will not restrict or prevent the Corporation from obtaining any other financing, or from issuing additional securities or rights, during the period within which the Warrants may be exercised.

Subscription Receipts

Immediately prior to the time of completion of the Listing, the Corporation will have 6,000,000 $0.0025 Subscription Receipts issued and outstanding. Each $0.0025 Subscription Receipt will automatically convert, immediately prior to the time of completion of the Listing without any further action or payment of any additional consideration therefore, into one-half (1/2) of one $0.0025 Unit. If the Listing does not complete by January 31, 2026, or such other date as the Corporation may determine, each $0.0025 Subscription Receipt will automatically convert, without further action or payment of any additional consideration therefor into 0.505 of a $0.0025 Unit. Each whole $0.0025 Unit will consist of one Common Share and two-thirds (2/3) of one $0.0025 Warrant. Each whole $0.0025 Warrant will entitle the holder thereof to purchase one $0.0025 Warrant Share at a price of $0.25 per $0.0025 Warrant Share at any time prior to five (5) years from the date of the issuance of the $0.0025 Warrants.

Immediately prior to the time of completion of the Listing, the Corporation will also have 18,000,000 $0.01 Subscription Receipts issued and outstanding. Each $0.01 Subscription Receipt will automatically convert, without any further action or payment of any additional consideration therefore, into one-half (1/2) of one Common Share immediately prior to the time of completion of the Listing. If the Listing does not complete by January 31, 2026, or such other date as the Corporation may determine, each $0.01 Subscription Receipt will automatically convert, without further action or payment of any additional consideration therefor into 0.505 of a Common Share.

Immediately prior to the time of completion of the Acquisition, the Corporation will have 8,515,000 $0.50 Subscription Receipts issued and outstanding. Each $0.50 Subscription Receipt will automatically convert, immediately prior to the completion of the Acquisition without any further action or payment of any additional consideration therefore, into one (1) $0.50 Unit. Each whole $0.50 Unit will consist of one Common Share and one half of one (1/2) $0.50 Warrant. Each $0.50 Warrant will entitle the holder thereof to purchase one $0.50 Warrant Share at a price of $0.70 per $0.50 Warrant Share until the Expiry Date. If the Acquisition is not completed by January 31, 2026, the Escrowed Funds, together with accrued interest earned thereon, will be returned to the holders of the $0.50 Subscription Receipts (excluding the holders of the Non-Escrowed $0.50 Subscription Receipts) and such securities will be cancelled. If the Acquisition is not completed by January 31, 2026, each Non-Escrowed $0.50 Subscription Receipt will automatically convert, without further action or payment of any additional consideration therefor, into 1.05 $0.50 Unit.

CONSOLIDATED CAPITALIZATION

The following table sets forth the capitalization of the Corporation as of the date of the Corporation's financial statements for the period from incorporation to November 30, 2025, and as of the date of this Prospectus. There has been no other material change in the capitalization of the Corporation since the date of this Prospectus. See "*Prior Sales*".

Designation of Security	Amount Authorized	Amount Outstanding as at November 30, 2025	Amount Outstanding as at the date of this Prospectus	Amount Outstanding as at the date of this Prospectus after giving effect to the conversion of Subscription Receipts and close of the Redwood SPA
Subscription Receipts	N/A	32,515,000(1)	32,515,000(1)	Nil
Common Shares	Unlimited	93,750(2)	93,750(2)	33,508,750(3)
Options(4)	Rolling (20%)	Nil	Nil	Nil
Warrants	N/A	Nil	516,800(6)	6,774,300(6)
RSUs(4)	Rolling (20%)	Nil	Nil	Nil
DSUs(4)	Rolling (20%)	Nil	Nil	Nil
PSUs(4)	Rolling (20%)	Nil	Nil	Nil
Promissory Notes(7)(8)	N/A	Nil	$532,000	$532,000

Notes:

(1) Comprised of (all on a post-Share Consolidation-basis), (a) 18,000,000 $0.01 Subscription Receipts convertible into 9,000,000 Common Shares; (b) 6,000,000 $0.0025 Subscription Receipts convertible into 3,000,000 Common Shares. If the Listing does not complete by January 31, 2026, or such other date as the Corporation may determine, each $0.0025 Subscription Receipt will automatically convert, without further action or payment of any additional consideration therefor into 0.505 of a $0.0025 Unit. Each whole $0.0025 Unit will consist of one Common Share and two-thirds (2/3) of one Common Share purchase warrant; and (c) 8,515,000 $0.50 Subscription receipts convertible into 8,515,000 Common Shares. If the Listing does not complete by January 31, 2026, or such other date as the Corporation may determine, each $0.01 Subscription Receipt will automatically convert, without further action or any additional consideration therefor into 0.505 of a Common Share. If the Acquisition is not completed by January 31, 2026, the Escrowed Funds, together with accrued interest earned thereon, will be returned to the holders of the $0.50 Subscription Receipts (excluding the holders of the Non-Escrowed $0.50 Subscription Receipts) and such securities will be cancelled.

If the Acquisition is not completed by January 31, 2026, each Non-Escrowed $0.50 Subscription Receipt will automatically convert, without further action or payment of any additional consideration therefor, into 1.05 $0.50 Unit.

(2) 93,750 Common Shares, on a post-consolidation basis, were issued in the September 9, 2024 Financing. The Share Consolidation was completed on September 12, 2024, on a two for one basis.

(3) Comprised of: (a) 93,750 Common Shares issued in the September 9, 2024 Financing; (b) 3,000,000 Common Shares to be issued upon conversion of the $0.0025 Subscription Receipts issued in the $0.0025 Subscription Receipt Financing; (c) 9,000,000 Common Shares to be issued upon conversion of the $0.01 Subscription Receipts issued in the $0.01 Subscription Receipt Financing; (d) 8,515,000 Common Shares to be issued upon conversion of the $0.50 Subscription Receipts issued in the $0.50 Subscription Receipt Financing; (e) 600,000 SPA Finder's Shares; (f) 300,000 Common Shares issued to The Back Office in connection with the services rendered pursuant to The Back Office Corporate Administration and Financial Advisory Agreement; and (g) 12,000,000 Consideration Shares to be issued in connection with the Acquisition.

(4) Such equity incentives may be granted pursuant to the Equity Incentive Plan. For a summary of the Corporation's Equity Incentive Plan, see "*Statement of Executive Compensation – Equity Incentive Plan*".

(5) Comprised of 516,800 Underwriters Warrants.

(6) To be comprised of 2,000,000 $0.0025 Warrants to be issued immediately prior to the time of completion of the Listing, 4,257,500 $0.50 Warrants to be issued immediately prior to the time of completion of the Acquisition and 516,800 Underwriters Warrants.

(7) Comprised of the following promissory notes issued by Redwood to be assumed by the Corporation upon closing (a) secured promissory notes in the amount of $75,000 issued December 17, 2024 and maturing December 18, 2025 (which maturity date was extended to March 16, 2026); (b) unsecured promissory notes in the amount of $70,000 issued February 4, 2025 and maturing February 4, 2026; (c) secured promissory notes in the amount of $75,000 issued February 26, 2025 and maturing February 26, 2026; (d) unsecured promissory notes in the amount of $70,000 issued April 1, 2025 and maturing April 1, 2026; (e) unsecured promissory note in the amount of $25,000 issued May 5 2025 and maturing May 5, 2026; (f) unsecured promissory note in the amount of $5,000 issued October 9 2025 and maturing October 9, 2026; (g) unsecured promissory note in the amount of $5,000 issued October 23 2025 and maturing October 23, 2026; (h) unsecured promissory note in the amount of $28,000 issued October 28 2025 and maturing October 28, 2026; and the following promissory notes in the Corporation (i) unsecured promissory note in the amount of $16,000 issued November 24, 2025 and maturing November 24, 2026; (j) unsecured promissory note in the amount of $48,000 issued November 25, 2025 and maturing November 25, 2026; (k) unsecured promissory note in the amount of $28,750 issued December 8, 2025 and maturing December 8, 2026; and (l) unsecured promissory note in the amount of $86,250 issued December 12, 2025 and maturing December 12, 2026.

(8) All promissory notes bear interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank. The promissory notes issued December 17, 2024, February 26, 2025 are secured by general security agreements over the assets of Redwood.

OPTIONS TO PURCHASE SECURITIES

Equity Incentives

The Corporation has established the Equity Incentive Plan, under which Options, DSUs, RSUs and PSUs may be granted to the Corporation's and any of its subsidiaries' directors, officers, employees and consultants. For a summary of the terms of the Equity Incentive Plan, see "*Executive Compensation – Equity Incentive Plan*".

As at the date of this Prospectus, no Options, DSUs, RSUs or PSUs have been granted to any of the Corporation's directors, executive officers or consultants and are outstanding under the Equity Incentive Plan. The maximum number of Common Shares which may be issued under the Equity Incentive Plan at any point in time is 20% of the total issued and outstanding Common Shares from time to time, such Common Shares to be allocated among Awards and Participants in amounts and at such times as may be determined by the Board from time to time.

For a summary of the Corporation's Equity Incentive Plan, see "*Statement of Executive Compensation – Equity Incentive Plan*".

Warrants

Immediately prior to the time of completion of the Listing and upon the conversion of the $0.0025 Subscription Receipts, the Corporation will have 2,000,000 $0.0025 Warrants issued and outstanding. Each whole $0.0025 Warrant will entitle the holder thereof to purchase one $0.0025 Warrant Share at a price of $0.25 per $0.0025 Warrant Share at any time prior to five (5) years from the date of the issuance of the $0.0025 Warrants.

Immediately prior to the time of completion of the Acquisition and upon the conversion of the $0.50 Subscription Receipts, the Corporation will have 4,257,500 $0.50 Warrants and 516,800 Underwriters Warrants issued and outstanding. Each $0.50 Warrant and Underwriters Warrants will entitle the holder thereof to purchase one Common Share at a price of $0.70 per Common Share at any time prior to the Expiry Date.

The terms and conditions which govern the Warrants (including the Underwriters Warrants) are set out on certificates representing the Warrants, which include, among other things, provisions for the appropriate adjustments in the class, number and price of the Common Shares issuable upon exercise of the Warrants upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Common Shares, the payment of stock dividends and the amalgamation, arrangement or reorganization of the Corporation. The terms of the Warrants do not restrict or prevent the Corporation from obtaining any other financing, or from issuing additional securities or rights, during the period within which the Warrants may be exercised.

The following table provides information with respect to options to purchase securities of the Corporation that are held or will be held as at the date of this Prospectus:

Group	Number of options to purchase securities	Date of Grant	Exercise Price	Expiry Date
(a) all executive officers and past executive officers of the Corporation, as a group, and all directors and past directors of the Corporation who are not also executive officers, as a group: Aggregate number of executive officers: 0 Aggregate number of directors: 1	N/A	N/A	N/A	N/A
	30,000[1] (past directors)	Listing Date	$0.70	Five years from the date of issuance
	Nil Warrants (directors)	N/A	N/A	N/A
(b) all executive officers and past executive officers of all subsidiaries of the Corporation, as a group, and all directors and past directors of those subsidiaries who are not also executive officers of the subsidiary, as a group, excluding, in each case, individuals referred to in paragraph (a)	0	N/A	N/A	N/A
(c) all other employees and past employees of the Corporation as a group,	0	N/A	N/A	N/A
(d) all other employees and past employees of subsidiaries of the Corporation as a group,	0	N/A	N/A	N/A
(e) all consultants of the Corporation as a group	0	N/A	N/A	N/A
(f) any other person or company	6,744,300 Warrants[2]	Listing Date	$0.25 or $0.70	Five years from the Listing Date or Five years from the date of issuance

Notes:
(1) $0.50 Warrants are to be issued immediately prior to the time of completion of the Acquisition.
(2) Includes the $0.0025 Warrants that are to be issued immediately prior to the time of completion of the Listing and the $0.50 Warrants and Underwriters Warrants are to be issued immediately prior to the time of completion of the Acquisition.

PRIOR SALES

The following table summarizes all sales/issuances of securities of the Corporation for the 12-month period before the date of the Prospectus (on a post-Share Consolidation-basis):

Date of Issuance	Type of Security	Number of Securities	Price per Security ($)	Value Received ($)	Nature of Consideration
August 28, 2024	Subscription Receipts(1)	6,000,000	$0.0025	$15,000	Cash
September 4, 2024	Subscription Receipts(2)	18,000,000	$0.01	$180,000	Cash
September 9, 2024	Common Shares	93,750	$0.20	$18,750	Cash
June 12, 2025	Subscription Receipts(3)	8,515,000	$0.50	$4,257,500	Cash
June 12, 2025	Underwriters Warrants(4)	516,800	$0.70	N/A	Non-cash consideration

Notes:
(1) $0.0025 Subscription Receipts. Each $0.0025 Subscription Receipt will automatically convert, immediately prior to the time of completion of the Listing without any further action or payment of any additional consideration therefore, into one-half (1/2) of one $0.0025 Unit. If the Listing does not complete by January 31, 2026, or such other date as the Corporation may determine, each $0.0025 Subscription Receipt will automatically convert, without further action or payment of any additional consideration therefor into 0.505 of a $0.0025 Unit. Each whole $0.0025 Unit will consist of one Common Share and two-thirds (2/3) of one $0.0025 Warrant. Each whole $0.0025 Warrant will entitle the holder thereof to purchase one $0.0025 Warrant Share at a price of $0.25 per $0.0025 Warrant Share at any time prior to five (5) years from the date of the issuance of the $0.0025 Warrants. The holders of the $0.0025 Subscription Receipts (along with the holders of the $0.01 Subscription Receipts) contributed additional capital to the Corporation, in the aggregate amount of $405,000, in order to raise the average cost of each Common Share underlying such Subscription Receipts to $0.05.
(2) Each $0.01 Subscription Receipt will automatically convert, without any further action or payment of any additional consideration therefore, into one-half (1/2) of one Common Share immediately prior to the time of completion of the Listing. If the Listing does not complete by January 31, 2026, or such other date as the Corporation may determine, each $0.01 Subscription Receipt will automatically convert, without further action or payment of any additional of any additional consideration therefor into 0.505 of a Common Share. The holders of the $0.01 Subscription Receipts (along with the holders of the $0.0025 Subscription Receipts) contributed additional capital to the Corporation, in the aggregate amount of $405,000, in order to raise the average cost of each Common Share underlying such Subscription Receipts to $0.05.
(3) $0.50 Subscription Receipts. Each $0.50 Subscription Receipt will automatically convert, immediately prior to the time of completion of the Acquisition without any further action or payment of any additional consideration therefore, into one (1) $0.50 Unit. If the Acquisition is not completed by January 31, 2026, the Escrowed Funds, together with accrued interest earned thereon, will be returned to the holders of the $0.50 Subscription Receipts (excluding the holders of the Non-Escrowed $0.50 Subscription Receipts) and such securities will be cancelled. If the Acquisition is not completed by January 31, 2026, each Non-Escrowed $0.50 Subscription Receipt will automatically convert, without further action or payment of any additional consideration therefor, into 1.05 $0.50 Unit. Each $0.50 Unit will consist of one Common Share and one half of one (1/2) $0.50 Warrant. Each $0.50 Warrant will entitle the holder thereof to purchase one $0.50 Warrant Share at a price of $0.70 per $0.50 Warrant Share at any time prior to the Expiry Date.
(4) Represents Underwriters Warrants issued in connection with the $0.50 Subscription Receipt Financing.

See "*Description of the Business – History of the Corporation*".

TRADING INFORMATION

The Corporation is a private corporation and its securities have never been publicly traded.

PRINCIPAL SECURITYHOLDERS

To the knowledge of the directors and officers of the Corporation, as of the date of this Prospectus, no Person, except for Dr. Thorlund, beneficially owns or exercises control or direction over 3,535,175 Common Shares on a fully diluted basis carrying more than 10% of the votes attached to Common Shares. See "*Directors and Executive Officers*" for Dr. Thorlund's ownership, control or direction of securities of the Corporation.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

Upon completion of the Listing, the Corporation expects to enter into three different escrow agreements: (1) the 36-month Escrow Agreement (defined hereafter); (2) the Consideration Share Escrow Agreement (defined hereafter); and (3) the 18-month Escrow Agreement (defined hereinafter). Further details regarding the number of securities to be escrowed and the timeline of release from escrow under each agreement are set out below. In the event that a securityholder is subject to multiple escrow agreements, that securityholder's escrowed securities will be subject to the more stringent escrowed securities release schedule. Thorlund Holdings Inc. (a company owned by Dr. Thorlund); Mr. Dron; and ZTS Capital Inc. (a company owned by Mr. Stadnyk) have securities that are escrowed under both the 36-month Escrow Agreement and the Consideration Share Escrow Agreement. Under the Consideration Share Escrow Agreement, such holders have agreed to defer their initial release of 10% of the escrowed securities upon Listing under the 36-month Escrow Agreement until four months and one day following the Listing. All subsequent releases of these holders' escrowed securities will remain subject to the 36-month Escrow Agreement.

36-month Escrow Agreement

In connection with the proposed Listing, the Corporation expects to enter into the Escrow Agreement (the "**36-month Escrow Agreement**") in accordance with NP 46-201.

The table of escrow securities pursuant to the 36-month Escrow Agreement is as follows:

Designation of Class	Number of securities held in escrow or that are subject to a contractual restriction on transfer(1)	Percentage of class
Common Shares	5,496,425(2)	16.40%(3)

Notes:

(1) The escrow agent under the 36-month Escrow Agreement will be Endeavor Trust Corporation.

(2) The escrowed shares are held by each of: (1) Thorlund Holdings Inc., a company controlled by Dr. Thorlund (3,535,175 Common Shares); (2) Mr. Dron (1,200,000 Common Shares); (3) ZTS Capital Inc., a company controlled by Mr. Stadnyk (600,000 Common Shares); (4) Mr. Bensler, Director (625 Common Shares will be held by Mr. Bensler personally and 625 by GB Capital Ltd., a company which Mr. Bensler controls); and (5) Samam Shahrokhi, former Director (140,000 Common Shares will be held by Mr. Shahrokhi personally and 20,000 Common Shares will be held by One51 Corporate Services Inc., a company controlled by Mr. Shahrokhi).

(3) Based on 33,508,750 issued and outstanding Common Shares upon completion of the Acquisition.

The Corporation, expected to be deemed an "emerging issuer" by the Exchange, anticipates that the following automatic timed releases will apply to the securities held by the parties noted in the table above:

Date of Automatic Timed Release	Amount of Escrowed Securities Released
On the Listing Date	1/10 of the Escrowed Securities
6 months after the Listing Date	1/6 of the remaining Escrowed Securities
12 months after the Listing Date	1/5 of the remaining Escrowed Securities
18 months after the Listing Date	1/4 of the remaining Escrowed Securities
24 months after the Listing Date	1/3 of the remaining Escrowed Securities
30 months after the Listing Date	1/2 of the remaining Escrowed Securities
36 months after the Listing Date	the remaining Escrowed Securities

Assuming there are no changes to the escrowed securities initially deposited and no additional escrowed securities are deposited, automatic timed release escrow applicable to the Corporation will result in a 10% release on the Listing Date, with the remaining Escrowed Securities being released every six months thereafter in accordance with the table above, which is the NP 46-201 Escrow Release Schedule.

Escrowed Consideration Shares pursuant to the Redwood Acquisition Agreement

The Corporation will also enter into separate escrow agreements (each, a "**Consideration Share Escrow Agreement**") among the Corporation, the Escrow Agent and the holders of Consideration Shares to provide for lock-up of 12,000,000 Consideration Shares (the "**Escrowed Consideration Shares**"). Pursuant to the Consideration Escrow Agreement, the Escrowed Consideration Shares would be released as follows (the "**24-month Escrowed Consideration Share Release Schedule**"):

Date of Automatic Timed Release	Amount of Escrowed Consideration Shares Released
4 months after the Listing Date	10% of the Escrowed Consideration Shares
6 months after the Listing Date	15% of the Escrowed Consideration Shares
12 months after the Listing Date	25% of the Escrowed Consideration Shares
18 months after the Listing Date	25% of the Escrowed Consideration Shares
24 months after the Listing Date	25% of the Escrowed Consideration Shares

A detailed breakdown of the Escrowed Consideration Shares to be escrowed is shown in the following table:

Name of Securityholder	Designation of Security	Number of Securities to be held in Escrow	Percentage of Class(1)
Macreviews Health Consulting Inc.	Common Shares	3,025,000	9.03 %
Thorlund Holdings Inc.(2)(4)	Common Shares	3,535,175	10.55%
Mark Dybul	Common Shares	839,825	2.51%
David Stadnyk	Common Shares	300,000	0.90%
Tsafalas Enterprises Inc.	Common Shares	200,000	0.60%
Glenn Sammis	Common Shares	1,200,000	3.58%
Louis Dron(4)	Common Shares	1,200,000	3.58%
Nima Sakian	Common Shares	200,000	0.60%
ZTS Capital Inc.(3)(4)	Common Shares	600,000	1.79%

Name of Securityholder	Designation of Security	Number of Securities to be held in Escrow	Percentage of Class(1)
Dr. Ofir Harari	Common Shares	300,000	0.90%
Dr. Prince Lat	Common Shares	300,000	0.90%
Dr. Jolene Reid	Common Shares	300,000	0.90%

Notes:

(1) Based on 33,508,750 issued and outstanding Common Shares upon completion of the Acquisition.

(2) A company controlled by Dr. Thorlund.

(3) A company controlled by Mr. Stadnyk.

(4) Each of Thorlund Holdings Inc. (a company owned by Dr. Thorlund); Mr. Dron; and ZTS Capital Inc. (a company owned by Mr. Stadnyk) have securities that are escrowed under both the 36-month Escrow Agreement and the Consideration Share Escrow Agreement. Under the Consideration Share Escrow Agreement, such holders have agreed to defer their initial release of 10% of the escrowed securities upon Listing under the 36-month Escrow Agreement until four months and one day following the Listing. All subsequent releases of these holders' escrowed securities will remain subject to the 36-month Escrow Agreement.

Locked-up Securities in connection with the $0.50 Subscription Receipt Financing

The subscription agreements entered into among the Corporation and the holders of the $0.50 Subscription Receipts provide for the lock-up of all Common Shares issuable on conversion of the $0.50 Subscription Receipts, other than in respect of the 500 Common Shares issuable on conversion of the $0.50 Subscription Receipts for each subscriber in the $0.50 Subscription Receipt Financing (the "**Locked-up Shares**") and 4,257,500 $0.50 Warrants, including any Common Shares received upon exercise thereof, following completion of the Listing (the "**Locked-up Convertible Securities**", and together with the Locked-up Shares, the "**Locked-up Securities**"). The Locked-up Securities will be subject to a hold period of four months from the Listing Date.

18-month Escrow Agreement

The Corporation will also enter into separate escrow agreements (each, an "**18-month Escrow Agreement**") among the Corporation, the Escrow Agent and the holders of the $0.0025 Subscription Receipts and the $0.01 Subscription Receipts to provide for lock-up of the Common Shares underlying such Subscription Receipts (collectively, the "**Seed Shares**"). Pursuant to the 18-month Escrow Agreement, the Seed Shares would be released as follows:

Date of Automatic Timed Release	Amount of Seed Shares Released
Immediately on the Listing Date	25% of the Seed Shares
4 months after the Listing Date	25% of the remaining Seed Shares
6 months after the Listing Date	25% of the remaining Seed Shares
12 months after the Listing Date	25% of the remaining Seed Shares
18 months after the Listing Date	All of the remaining Seed Shares

DIRECTORS AND EXECUTIVE OFFICERS

Directors and Executive Officers as of the date of this Prospectus

As of the date of this Prospectus, the following persons are the directors and executive officers of the Corporation:

Name and Municipality of Residence and Position with the Corporation	Director / Officer Since	Principal Occupation for the Past Five Years(1)(2)	Number of Common Shares/Securities Beneficially Owned	Percentage of Class(3)(4)
Graydon Bensler Vancouver, BC *Chief Executive Officer, Director*	December 2, 2024	Financial Professional. CEO of PMGC Holdings Inc. (formerly, ELEVAI Lab Inc.) ("**PMGC**"), a skincare products manufacturer, from June 21, 2024, to present; CFO of PMGC from June 2022 to present; Senior Associate at Evans and Evans, private valuation advisory services firm, from 2019 to 2021. From 2024 to present, Director of Onco-Innovations Limited; Director of Qualigen Therapeutics, Inc. from 2024 to present; Director of Health Logic Interactive Inc. from 2020 to 2024; Investor Relations Manager for Kin Communications Inc. from 2017 to 2019.	1,250(5)	1.33%
Matthew Mingay Oakland, California *Director*	December 3, 2024	Research Data Scientist at UC Berkeley's Lawrence Berkeley National Laboratory from January 2018 to present.	Nil	Nil
Nico Mah Calgary, AB *Chief Financial Officer and Corporate Secretary*	December 11, 2024	Chartered Professional Accountant; Managing Director of GKM Consulting Inc., a private accounting consulting firm, from February 2023 to present, which provides accounting and factional CFO consulting services, where CFO services are currently being provided to Global Uranium Corp., Onco-Innovations Ltd. and Marshall Technologies Corp.; Manager and associate at PricewaterhouseCoopers LLP, an accounting firm, from September 2015 to January 2023.	Nil	Nil
Masoud (Max) Darbandi North Vancouver, BC *Director*	April 28, 2025	Sales strategist at Beauty Systems Group from January 1997 to January 2025.	Nil	Nil

Notes:

(1) The information as to Common Shares beneficially owned, or over which control or direction is exercised, directly or indirectly, is based upon information furnished to the Corporation by the respective directors and senior officers as at the date hereof.

(2) Directors stand for re-election annually. The directors of the Corporation will serve until the end of the next annual meeting of shareholders of the Corporation.

(3) Based on 93,750 Common Shares issued and outstanding as of the date prior to the completion of the Acquisition.

(4) The Corporation's directors and officers, as a group, beneficially own, directly or indirectly, or exercise control or discretion over an aggregate of 1,250 Common Shares, which is approximately 1.33% of the Common Shares issued and outstanding as of the date prior to the completion of the Acquisition.

(5) 625 Common Shares are held by Mr. Bensler personally and 625 by GB Capital Ltd., a company which Mr. Bensler controls.

Proposed Directors, Executive Officers and Key Personnel following the completion of the Acquisition

The following table sets out, for each of the directors (proposed and current), executive officers (proposed and current) and key personnel of the Corporation, following the completion of the Acquisition, the person's name, province or state and country of residence, proposed position with the Corporation, following the completion of the Acquisition, principal occupation and the date on which the person became (or is expected to become a director or executive officer), upon completion of the Acquisition. The Corporation's directors are expected to hold office until the next annual general meeting of shareholders. Directors are elected annually and, unless re-elected, retire from office at the end of the next annual general meeting of shareholders. Upon completion of the Acquisition, as a group, the directors and executive officers of the Corporation will beneficially own, or control or direct, directly or indirectly, a total of 5,336,425 Common Shares, representing 15.93% of the Common Shares outstanding upon completion of the Acquisition. All executive officers and directors occupying such offices on or prior to the date of the Prospectus will be liable hereunder. *See "Directors and Executive Officers – Share Ownership by Directors and Executive Officers"* for additional details regarding the anticipated share ownership following completion of the Acquisition.

Name and Municipality of Residence and Position with the Corporation(1)	**Director / Officer Since(2)**	**Principal Occupation for the Past Five Years(1)(2)(3)**	**Number of Common Shares/Securities Beneficially Owned**	**Percentage of Class**
Louis Dron Vancouver, BC *Chief Executive Officer*	-	Health care executive. Co-Founder, CEO, and director of Redwood (from March 2024 to present); Founder of Cascade Outcomes Research (from July 2023 to present); and Director and Research Principal of Cytel Inc. (from December 2019 to June 2023).	1,200,000(4)	3.58%
Nico Mah Calgary, AB *Chief Financial Officer and Corporate Secretary*	December 11, 2024	Chartered Professional Accountant; Managing Director of GKM Consulting Inc., a private accounting consulting firm, from February 2023 to present, which provides accounting and factional CFO consulting services, where CFO services are currently being provided to Global Uranium Corp., Onco-Innovations Ltd. and Marshall Technologies Corp.; Manager and associate at PricewaterhouseCoopers LLP, an accounting firm, from September 2015 to January 2023.	Nil	Nil
Zachary Stadnyk(5)(6)(8) Vancouver, BC *Director*	-	Director of Onco-Innovations Limited from March 2024 to present. Public Company Executive. Chairman and a director of Right Season Investments Corp., a TSXV-listed a venture capital firm, from June 2024 to the present; Head of investor relations at Freud Cigars Inc. from March 2023 to present; former Senior Manager, head of Life Sciences and Innovation at the TMX Group, parent company of the Toronto Stock Exchange and TSXV from November 2023 to April 2024; CEO and a director of Love Pharma Inc., a CSE listed health and wellness company, from November 2021 to June 2023; Chief Executive Officer and a director of Kiaro Holdings Corp. (formerly DC Acquisition Corp.), a TSXV-listed cannabis retailer from November 2017 to March 2021; an independent director of Health Logic Interactive (formerly Fanlogic Interactive Inc.), a TSXV listed company that intends to develop consumer-focused healthcare technologies, from November 2020 to March 2023; Head of Corporate Finance for The Supreme Cannabis Company, a TSXV-listed cannabis company from April 2014 to April 2018.	600,000(4)(6)	1.79%
Dr. Kristian Thorlund Vancouver, BC *President and Director*	-	Co-Founder, President and Director of Redwood (from January 2024 to present); Data scientist and AI entrepreneur. CEO of BioSpark AI Tech. Inc. (from July 2023 to Present); Vice President of Cytel Inc. (from January 2020 to June 2023); and President of MTEK Sciences (from May 2016 to December 2019).	3,535,175(4)	10.55%
Graydon Bensler(7) Vancouver, BC *Director*	December 2, 2024	Financial Professional. CEO of PMGC Holdings Inc. (formerly, ELEVAI Lab Inc.) ("**PMGC**"), a skincare products manufacturer, from June 21, 2024, to present; CFO of PMGC from June 2022 to present; Senior Associate at Evans and Evans, private valuation advisory services firm, from 2019 to 2021. From 2024 to present, Director of Onco-Innovations Limited; Director of Qualigen Therapeutics, Inc. from 2024 to present; Director of Health Logic Interactive Inc. from 2020 to 2024; Investor Relations Manager for Kin Communications Inc. from 2017 to 2019.	1,250(9)	0.003%

Name and Municipality of Residence and Position with the Corporation(1)	Director / Officer Since(2)	Principal Occupation for the Past Five Years(1)(2)(3)	Number of Common Shares/Securities Beneficially Owned	Percentage of Class
Matthew Mingay(7) Oakland, California *Director*	December 3, 2024	Research Data Scientist at UC Berkeley's Lawrence Berkeley National Laboratory from January 2018 to present.	Nil	Nil
Masoud (Max) Darbandi **North Vancouver, BC** *Director*	April 28, 2025	From 1997 to 2025 Mr. Darbandi served as sales strategist with Beauty Systems Group.	Nil	Nil
Dr. Ofir Harari **Vancouver, BC** *Head of AI*	N/A	2024 until present head of AI at Redwood AI inc. 2023 – 2024 Purpose Life Sciences in clinical trial development. 2020-2023 at Cytel.	300,000	0.90%
Dr. Prince Lat **Vancouver, BC** *Senior Data Scientist*	N/A	Research Data Scientist at Redwood Ai from 2024 until present. Data scientist at Platform Life Sciences from 2022 – 2024. Prior to this Mr. Latt was a PhD student at Simon Fraser University	300,000	0.90%
Glenn Sammis **Vancouver, BC** *Head of Chemistry*	N/A	Professor in the Department of Chemistry at the University of British Columbia from July 1, 2013 to present	1,200,000	3.58%
Dr. Jolene Reid **Vancouver, BC** *Scientific Advisor*	N/A	Associate Professor, University of British Columbia, July 2025 to present. Assistant Professor, University of British Columbia, September 2020 – June 2025. Marie Skłodowska-Curie Postdoctoral Fellow, University of Utah, 2018 – 2020 Postdoctoral Scholar, University of Utah, 2017	300,000	0.90%
Prof. Edward Mills **Vancouver, BC** *Scientific Advisor*	N/A	Vice-President Real World Evidence, Cytel Inc. Canada from June 2019-Jan 2022. CEO of Purpose Life Sciences from March 2022 to present. CEO of Lir Life Sciences from December 2024 to present. Professor of Health Research Methods at McMaster University from June 2017 to present.	3,025,000 (10)	9.03%

Notes:

(1) Information as to province or state and country of residence, principal occupation, securities beneficially owned or over which a director or officer exercises control or direction has been furnished by the respective individuals as of the date of this Prospectus.

(2) The term of office of each of the directors expires on the earlier of the Corporation's next annual general meeting or upon resignation. The term of office of the officers expires at the discretion of the directors.

(3) See "*Directors and Executive Officers – Background*" for additional information regarding the principal occupations of the Corporation's proposed directors and executive officers following completion of the Acquisition.

(4) To be held through Dr. Thorlund's company Thorlund Holdings Inc., upon completion of the Acquisition.

(5) Based on 33,508,750 issued and outstanding Common Shares after completion of the Acquisition and conversion of Subscription Receipts.

(6) The 600,000 Common Shares will be held by ZTS Capital Inc., a company which Mr. Stadnyk controls.

(7) Proposed member of the Audit Committee of the Corporation upon completion of the Acquisition.

(8) Proposed Chair of the Audit Committee of the Corporation upon completion of the Acquisition.

(9) 625 Common Shares will be held by Mr. Bensler personally and 625 by GB Capital Ltd., a company which Mr. Bensler controls.

(10) 3,025,000 Common Shares are held by Macreviews Health Consulting Inc., a company which Prof. Mills controls.

Background – Directors, Executive Officers, Management and Key Personnel

I. Prior to the completion of the Acquisition

The following is a brief description of each of the directors and executive officers of the Corporation, prior to the completion of the Acquisition:

Mr. Graydon Bensler, age 34, Chief Executive Officer and Director

Mr. Bensler is a financial professional and analyst with over seven years of experience in financial consulting and management for both private businesses and US/Canadian publicly traded companies and is a Chartered Financial Analyst (CFA). In 2017, Mr. Bensler Co-founded an Ed Tech curriculum management and scheduling company that was implanted in academic schools in Canada and the United States. From 2024 to present, Mr. Bensler has served as a director of Qualigen Therapeutics Inc. From 2024 to present, Mr. Bensler serves as a director of Onco-Innovations Limited. From 2020 to 2024, Mr. Bensler served as a director of Health Logic Interactive Inc. From 2017 to 2019, Mr. Bensler was the investor relations manager at Kin Communications Inc., a leading Canadian investor relations firm where he represented publicly traded companies across a wide range of sectors where he worked directly with investment banks, investment brokers and company executives and directors. During his tenure, Mr. Bensler created and conveyed messaging about his clients' strategic position in the market and successfully guided several companies through multiple financings. From 2019 to 2021, Mr. Bensler was a Senior Associate at Evans & Evans, a Canadian boutique investment banking firm where he led valuations and going public transactions for Canadian and United States companies. In this capacity, Mr. Bensler gained strong knowledge of the capital markets, public company compliance requirements, and regularly interfaced with regulators, auditors, board and executive management.

Mr. Bensler received his Bachelor of Management and Organizational Studies degree from the University of Western Ontario, with specialization in Finance, and is a CFA Charter holder.

Mr. Matthew Mingay, age 34, Director

Mr. Mingay is a Research Data Scientist at UC Berkeley's Lawrence Berkeley National Laboratory (LBNL), where he applies his expertise at the interface of biotechnology, computer science, and artificial intelligence to develop and apply novel DNA sequencing technologies.

An alumnus of the University of British Columbia (UBC), Mr. Mingay has over 10 years of experience in molecular biology and data science. He holds an MSc in Microbiology & Immunology and an HB.Sc. in Genetics & Medical Science from the University of Western Ontario. At UBC and LBNL, Mr. Mingay's thesis work and subsequent research has led to critical discoveries in biotechnology, cancer genomics, and epigenetics, resulting in numerous high-impact publications in journals such as Nature Methods and Leukemia.

As a biotechnology expert, Mr. Mingay has served as a scientific advisor, creating value through in-depth technical research, investment analysis, and bridging the gap between scientists and investors. He also has experience as a clinical diagnostics consultant, where he helped implement and validate cancer diagnostics at some of the largest hospital networks in the US. During this time, he effectively navigated technical and regulatory requirements, ultimately leading to improved patient outcomes.

Recognized for his leadership and mentorship, Mr. Mingay has been a guest lecturer at UBC and has guided numerous interns and undergraduates. During his tenure at the University of British Columbia, Mr. Mingay founded DataSense, a student-led organization that attracted sponsorships from industry leaders like Google and IBM, drew hundreds of members, and remains active today.

Mr. Masoud (Max) Darbandi, age 64, Director

Mr. Darbandi is a top-performing sales strategist with over 30 years of experience leading national distribution and client relations across the professional wellness industry. Having driven growth for leading brands like WELLA, AMERICAN CREW, and NIOXIN, Max has consistently secured major accounts and earned multiple national sales awards. His deep understanding of customer behavior, operational efficiency, and brand development makes him a strong asset to any organization navigating complex stakeholder environments.

With extensive experience in health-adjacent industries and a proven ability to scale product adoption and build lasting relationships, Max brings valuable insight into user engagement, commercialization strategy, and ethical growth—particularly in evolving sectors like AI-driven healthcare. His integrity, people-first mindset, and business acumen make him a trusted and strategic contributor.

Mr. Nico Mah, age 30, Chief Financial Officer and Corporate Secretary

Mr. Mah is a Chartered Professional Accountant and has nearly eight years of experience in auditing and public accountancy, having been an associate and subsequently a manager at PricewaterhouseCoopers LLP, the global audit and assurance, tax, deals and consulting firm from September 2015 to January 2023. He holds a Bachelor of Commerce degree, majoring in Accounting, from the University of Calgary and a CPA designation in Alberta, Canada.

II. <u>Upon completion of the Acquisition</u>

Below is a brief description of each director and member of management of the Corporation, including their names, ages, positions, and responsibilities with the Corporation, relevant educational background, principal occupations or employment during the five years preceding the date of this Prospectus and experience in the Corporation's industry and the amount of time intended to be devoted to the affairs of the Corporation. As at the date of this Prospectus and other than as set out below, the Corporation has not entered into any other management, consulting or employment agreements with any of its management team. Upon the Listing Date, the Corporation intends to enter into a consulting agreement with Dr. Thorlund, which shall not provide compensation for his services as President and Director of the Corporation. As at the date of this Prospectus and other than as set out below, none of the persons on the management team have entered into either a non-competition or non-disclosure agreement with the Corporation. The Corporation anticipates entering into agreements with management in line with industry competitive standards in order to retain and attract the best talent.

Mr. Louis Dron, age 36, Chief Executive Officer

Mr. Dron is a highly experienced healthcare executive with a decade of multidisciplinary experience spanning clinical work, health technology, and leadership roles in both corporate and research settings. His expertise ranges from hands-on clinical diagnostics to leading high-level research teams and advancing real-world evidence applications in healthcare. Starting his career in clinical science, Mr. Dron honed his expertise in medical diagnostics, quality assurance, and genetics while working in top-tier hospitals in the UK. Over the years, Mr. Dron transitioned from clinical settings to high-impact roles in research and development, where he led teams on projects that integrated real-world evidence, biostatistics, and epidemiology into healthcare decision-making. He is a graduate of the University of Manchester and the University of Leicester.

Mr. Dron is expected to be the Chief Executive Officer of the Corporation and will devote approximately 50% of his time to the affairs of the Corporation.

Mr. Nico Mah, age 30, Chief Financial Officer and Corporate Secretary

Mr. Mah is a Chartered Professional Accountant and has nearly eight years of experience in auditing and public accountancy, having been an associate and subsequently a manager at PricewaterhouseCoopers LLP, the global audit and assurance, tax, deals and consulting firm from September 2015 to January 2023. He holds a Bachelor of Commerce degree, majoring in Accounting, from the University of Calgary and a CPA designation in Alberta, Canada.

Mr. Mah is expected to be the Chief Financial Officer and Corporate Secretary of the Corporation and will devote approximately 10% of his time to the affairs of the Corporation.

Mr. Zachary Stadnyk, age 34, Director

Mr. Stadnyk is a distinguished public company executive with over fifteen years of experience leading multi-million-dollar initiatives across Healthcare, Wellness, Technology, Cannabis, and Private Equity sectors. As a C-Suite Executive, Mr. Stadnyk has excelled in navigating complex financial landscapes, exemplified by his strategic role as Head of Corporate Finance at The Supreme Cannabis Company (FIRE–TSX), leading to its CAD $435 million acquisition by Canopy Growth Corporation. He founded DC Acquisition Corp.–a Capital Pool Company on the TSXV, raising CAD $3 million in seed and IPO capital and acquiring Kiaro Brands, boosting its annual sales to a peak of CAD $25 million. Most recently, Mr. Stadnyk served as the Head of Life Sciences at the TSX and the TSXV overseeing more than 140 listed issuers, facilitating their public transitions and promoting growth in a sector with over CAD $26 billion in overall market capitalization.

Mr. Stadnyk's leadership extends to his tenure as CEO of Love Pharma Inc. (CSE–LUV), where he managed the company's public listing and focused financial strategy on mental health and addiction treatments, investing in advanced biotechnology and successfully raising over CAD $4.5million. In addition, Mr. Stadnyk served on the Board of Directors for Health Logic (CHIP–TSXV) where he assisted the company raise capital and develop is core diagnostic medical device asset pursuing FDA approval. His expertise in corporate finance is supported by a solid educational foundation with a Bachelor of Commerce in Entrepreneurial Management from Royal Roads University enabling him to drive substantial revenue growth and financial health for businesses.

A visionary leader and strategic communicator, Mr. Stadnyk ability to translate complex financial and management concepts into actionable plans has consistently propelled the companies he has led towards sustainable growth and industry leadership. Mr. Stadnyk's core skills include business strategy, investor relations, corporate finance, M&A, and regulatory compliance to optimize operational excellence and align organizational objectives within public markets and drive shareholder value.

Mr. Stadnyk is expected to be a director of the Corporation and will devote approximately 10% of his time to the affairs of the Corporation.

Dr. Kristian Thorlund, age 45, President and Director

Dr. Thorlund, with over 15 years of experience in data science and AI, is an established serial entrepreneur having been involved in the foundation of five Canadian-based businesses (with two successful exits) over the past decade focused on health technologies. He is a graduate of the University of Copenhagen and McMaster University.

Dr. Thorlund is expected to be the President and a director of the Corporation and will devote approximately 50% of his time to the affairs of the Corporation.

Mr. Graydon Bensler, age 34, Director

Mr. Bensler is a financial professional and analyst with over seven years of experience in financial consulting and management for both private businesses and US/Canadian publicly traded companies and is a Chartered Financial Analyst (CFA). In 2017, Mr. Bensler Co-founded an Ed Tech curriculum management and scheduling company that was implanted in academic schools in Canada and the United States. From 2024 to present, Mr. Bensler serves as a director of Qualigen Therapeutics Inc. From 2024 to present, Mr. Bensler currently serves as a director of Onco-Innovations Limited. From 2020 to 2024, Mr. Bensler served as a director of Health Logic Interactive Inc. From 2017 to 2019, Mr. Bensler was the investor relations manager at a Kin Communications Inc., a leading Canadian investor relations firm where he represented publicly traded companies across a wide range of sectors where he worked directly with investment banks, investment brokers and company executives and directors. During his tenure, Mr. Bensler created and conveyed messaging about his clients' strategic position in the market and successfully guided several companies through multiple financings. From 2019 to 2021, Mr. Bensler was a Senior Associate at Evans & Evans, a

Canadian boutique investment banking firm where he led valuations and going public transactions for Canadian and United States companies. In this capacity, Mr. Bensler gained strong knowledge of the capital markets, public company compliance requirements, and regularly interfaced with regulators, auditors, board and executive management.

Mr. Bensler received his Bachelor of Management and Organizational Studies degree from the University of Western Ontario, with specialization in Finance, and is a CFA Charter holder.

Mr. Bensler is expected to be a director of the Corporation and will devote approximately 5% of his time to the affairs of the Corporation.

Mr. Matthew Mingay, age 34, Director

Mr. Mingay is a Research Data Scientist at UC Berkeley's Lawrence Berkeley National Laboratory (LBNL), where he applies his expertise at the interface of biotechnology, computer science, and artificial intelligence to develop and apply novel DNA sequencing technologies.

An alumnus of the University of British Columbia (UBC), Mr. Mingay has over 10 years of experience in molecular biology and data science. He holds an MSc in Microbiology & Immunology and an HB.Sc. in Genetics & Medical Science from the University of Western Ontario. At UBC and LBNL, Mr. Mingay's thesis work and subsequent research has led to critical discoveries in biotechnology, cancer genomics, and epigenetics, resulting in numerous high-impact publications in journals such as Nature Methods and Leukemia.

As a biotechnology expert, Mr. Mingay has served as a scientific advisor, creating value through in-depth technical research, investment analysis, and bridging the gap between scientists and investors. He also has experience as a clinical diagnostics consultant, where he helped implement and validate cancer diagnostics at some of the largest hospital networks in the US. During this time, he effectively navigated technical and regulatory requirements, ultimately leading to improved patient outcomes.

Recognized for his leadership and mentorship, Mr. Mingay has been a guest lecturer at UBC and has guided numerous interns and undergraduates. During his tenure at the University of British Columbia, Mr. Mingay founded DataSense, a student-led organization that attracted sponsorships from industry leaders like Google and IBM, drew hundreds of members, and remains active today.

Mr. Mingay is expected to be a director of the Corporation and will devote approximately 10% of his time to the affairs of the Corporation.

Ofir Harari, age 45, Head of AI

Dr. Harari is a highly experienced statistician and data scientist with over 15 years of experience across various industries, including healthcare, pharmaceuticals, finance and academia. He has a proven track record in both practical data analysis and methodological research, consistently mentoring teams and advancing innovative solutions in healthcare, AI, and statistical science. In recent years, in addition to his tenure at Redwood AI, he served as a Head of Biostatistics at Purpose Life Science and has previously worked for PayPal. He is a graduate of Ben Gurion University and Tel Aviv University.

Dr. Harari is expected to be Head of AI of the Corporation and will devote approximately 10% of his time to the affairs of the Corporation.

Dr. Prince Lat, age 32, Senior Data Scientist

Dr. Lat is a passionate researcher and data scientist with a decade of experience. His research spans multiple disciplines, including bioinformatics, biophysics, biochemistry, molecular biology, and DNA nanotechnology. He has also worked in biostatistics and data science, applying these tools to extract insights from complex datasets. He is a graduate of IIT Kanpur and Simon Fraser University.

Dr. Lat is expected to be the Senior Data Scientist of the Corporation and will devote approximately 10% of his time to the affairs of the Corporation.

Glenn Sammis, age 48, Chief of Chemistry

Dr. Sammis is a worldwide leader in chemistry, acting as an accomplished academic with nearly two decades of experience. Currently, a professor at the University of British Columbia, he has built an exceptional teaching record, excelling across a wide range of courses, student evaluations, course development, creation of innovative materials, and teaching leadership. At his time at UBC, Dr. Sammis has acquired over $5.5m in grants. Outside of his research group being at the forefront of pioneering advances in radical and photochemical processes, Glenn has acted as an advisor for synthesis problems for over 10 private companies. He is a graduate of Stanford University and Harvard University.

Dr. Sammis is expected to be the Chief of Chemistry of the Corporation and will devote approximately 10% of his time to the affairs of the Corporation.

Jolene Reid age 34, Scientific Advisor

Dr. Reid is one of the foremost world experts on the application of data science to process chemistry. She has extensive experience both through academic work, being among the top 1% of cited individuals in her field, and within the industry. Alongside her academic work, Dr. Reid has acted as an advisor to multiple privately held biopharmaceutical organizations, supporting them with complex chemistry data challenges. She has established the first quantitative chemistry group at the University of British Columbia. Dr. Reid is a graduate of the University of Cambridge and Queen’s University.

Dr. Reid is expected to be a Scientific Advisor to the Corporation and will devote approximately 10% of her time to the affairs of the Corporation.

Edward Mills, age 50, Scientific Advisor

Prof. Mills is the CEO of Purpose Life Sciences, as well as Professor at McMaster University in the Department of Health Research Methods, Impact, and Evaluation as well as the University of Rwanda, School of Public Health. He has founded and sold two companies, acquired over $50m in grants, and received international acclaim for his innovative work during COVID-19. Prof Mills has published more than 550 peer-reviewed papers, including in high-impact medical journals such as New England Journal of Medicine, The Lancet, JAMA, and BMJ. He has been the principal investigator of several large-scale clinical trials and cohort studies, particularly in HIV. He has also authored several clinical guidelines supporting national and global HIV guidelines.

Prof. Mills is expected to be a Scientific Advisor to the Corporation and will devote approximately 10% of his time to the affairs of the Corporation.

Share Ownership by Directors and Executive Officers

Following the completion of the Acquisition, the Corporation’s directors and officers as a group, beneficially own, directly and indirectly, or exercise control or direction over, 5,336,425 Common Shares, representing approximately 15.93% of the issued and outstanding Common Shares (on a non-diluted basis).

Corporate Cease Trade Orders or Bankruptcies

Except as set out below, to the Corporation's knowledge, no director or executive officer or promoter of the Corporation is, as at the date of this Prospectus, or was within 10 years before the date hereof, a director, CEO or CFO of any Person or corporation, including the Corporation, that:

(a) was subject to (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) 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 (an "**order**") that was issued while the director or executive officer or promoter was acting in the capacity of a director, the CEO or the CFO thereof; or

(b) was subject to an order that was issued after the director or executive officer or promoter ceased to be a director, the CEO or the CFO thereof and which resulted from an event that occurred while that person was acting in such capacity.

To the Corporation's knowledge, no director or executive officer or promoter of the Corporation or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation:

(a) is, as at the date of this Prospectus, or has been within the 10 years before the date hereof, a director or executive officer of any Person or company, including the Corporation, 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

(b) has, within the 10 years before the date of this Prospectus, 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.

The ASC issued a cease trade order issued against Fanlogic Interactive Inc. ("**Fanlogic**"), a company listed on the TSXV on May 6, 2019 for failure to file its annual audited financial statements, annual management's discussion and analysis and certification of the annual filings for the year ended December 31, 2018 within the required time. The ASC issued a partial revocation of the cease trade order on April 7, 2020 permitting Fanlogic to conduct a private placement offering to raise funds to allow Fanlogic to bring its continuous disclosure up-to-date, pay all outstanding fees and penalties, hold a shareholders' meeting, complete a share consolidation and apply for a full revocation of the cease trade order. Mr. Stadnyk was elected a director of Fanlogic on November 30, 2020 and Fanlogic changed its name to "Health Logic Interactive Inc." on December 1, 2020. Health Logic subsequently filed with the ASC all continuous disclosure documents that it was required to file and the ASC issued a revocation order on March 8, 2021.

Penalties or Sanctions

To the Corporation's knowledge and other than as disclosed herein, no director or executive officer or promoter of the Corporation or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, has been subject to:

(a) 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

(b) 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.

Personal Bankruptcies

To the Corporation's knowledge and other than as disclosed herein, no director or officer of the Corporation, nor any shareholder holding sufficient securities of the Corporation to affect materially the control of the Corporation, nor any personal holding company of any such person has, within the ten years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

Conflicts of Interest

The directors of the Corporation are required by law to act honestly and in good faith with a view to the best interests of the Corporation and to disclose any interests, which they may have in any project or opportunity of the Corporation. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter. There are no known existing or potential conflicts of interest among the Corporation, its promoters, directors and officers or other members of management of the Corporation or of any proposed promoter, director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Corporation and their duties as a director or officer of such other companies.

EXECUTIVE COMPENSATION

In accordance with Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*, the following is a discussion of all significant elements of compensation to be awarded to, earned by, paid to or payable to NEOs of the Corporation, once the Corporation becomes a reporting issuer, to the extent this compensation has been determined.

In this section NEO means each individual who acted as CEO of the Corporation, or acted in a similar capacity, for any part of the most recently completed financial year, each individual who acted as CFO of the Corporation, or acted in a similar capacity, for any part of the most recently completed financial year and each of the three most highly compensated executive officers, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than $150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Corporation, at the end of the most recently completed financial year.

As at the date of this Prospectus, the Corporation's NEOs are Mr. Bensler (CEO and Director), Mr. Mah (CFO and Corporate Secretary), Farbod Shahrokhi (Former CEO and Director), and Geoff Balderson (Former CFO).

The Corporation's proposed NEOs upon completion of the Acquisition are Mr. Dron, Chief Executive Officer, Dr. Thorlund, President and Director and Mr. Mah, and Chief Financial Officer and Corporate Secretary.

Director and named executive officer compensation, excluding compensation securities

The Corporation was incorporated in 2022 and was not a reporting issuer at any time during its most recently completed financial year. From the period from incorporation on September 6, 2022, to the date of this Prospectus, the Corporation paid $61,500 compensation to Amalfi Corporate Services Ltd., a company controlled by Geoff Balderson, former CFO of the Corporation. No other compensation was paid to former or current directors or NEOs. Over the 12 months following the Listing, the Corporation expects to pay its CEO, Mr. Dron, $150,000; its CFO, Mr. Mah, $12,000; and its President and Director, Dr. Thorlund, $60,000 for his services as President.

Table of Compensation Excluding Compensation Securities							
Name and position	**Year**	**Salary, consulting fee, retainer or commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of all other compensation ($)**	**Total compensation ($)**
Proposed NEOS and Directors of the Corporation upon completion of the Acquisition							
Louis Dron *Chief Executive Officer*	2025	nil	nil	nil	nil	nil	nil
	2024	nil	nil	nil	nil	nil	nil
Nico Mah *Chief Financial Officer and Corporate Secretary*	2025	8,777	nil	nil	nil	nil	8,777
	2024	nil	nil	nil	nil	nil	nil
Dr. Kristian Thorlund *President and Director*	2025	nil	nil	nil	nil	nil	nil
	2024	nil	nil	nil	nil	nil	nil
Zachary Thomas Stadnyk, *Director*	2025	nil	nil	nil	nil	nil	nil
	2024	nil	nil	nil	nil	nil	nil
Graydon Bensler *Director*	2025	nil	nil	nil	nil	nil	nil
	2024	nil	nil	nil	nil	nil	nil
Matthew Mingay *Director*	2025	nil	nil	nil	nil	nil	nil
	2024	nil	nil	nil	nil	nil	nil
Masoud (Max) Darbandi *Director*	2025	nil	nil	nil	nil	nil	nil
	2024	nil	nil	nil	nil	nil	nil
NEOS and Directors of the Corporation prior to completion of the Acquisition							
Name and position	**Year**	**Salary, consulting fee, retainer or commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of all other compensation ($)**	**Total compensation ($)**
Graydon Bensler *CEO & Director*	2025	nil	nil	nil	nil	nil	nil
	2024	nil	nil	nil	nil	nil	nil
Nico Mah *Chief Financial Officer and Corporate Secretary*	2025	8,777	nil	nil	nil	nil	8,777
	2024	nil	nil	nil	nil	nil	nil
Matthew Mingay *Director*	2025	nil	nil	nil	nil	nil	nil
	2024	nil	nil	nil	nil	nil	nil
Masoud (Max) Darbandi *Director*	2025	nil	nil	nil	nil	nil	nil
	2024	nil	nil	nil	nil	nil	nil
Geoff Balderson *Former CFO*	2025	63,000	nil	nil	nil	nil	63,000
	2024	26,250	nil	nil	nil	nil	26,250
Farbod Shahrokhi *Former CEO and Director*	2025	nil	nil	nil	nil	nil	nil
	2024	nil	nil	nil	nil	nil	nil
Tyler Lewis *Former Director*	2025	nil	nil	nil	nil	nil	nil
	2024	nil	nil	nil	nil	nil	nil
Saman Shahrokhi *Former Director*	2025	nil	nil	nil	nil	nil	nil
	2024	nil	nil	nil	nil	nil	nil

Stock options and other compensation securities

The Corporation currently has an Equity Incentive Plan in place in order to assist the Corporation in attracting, retaining and motivating directors, officers, employees, consultants and contractors of the Corporation and to closely align the interests of such service providers with the interests of the Corporation.

As at the date of this Prospectus, the Corporation has not issued Options, RSUs, PSUs or DSUs to any NEO or director of the Corporation, or proposed NEO or director of the Corporation upon completion of the Acquisition.

The following table discloses all anticipated compensation securities that the Corporation expects to grant or issue to each NEO and director upon completion of the Acquisition.

Compensation Securities(1)(2)							
Name and position	**Type of compensation security**	**Number of compensation securities, number of underlying securities, and percentage of class**	**Date of issue or grant**	**Issue, conversion or exercise price ($)**	**Closing price of security or underlying security on date of grant ($)**	**Closing price of security or underlying security at year end ($)**	**Expiry date**
Proposed NEOs and Directors of the Corporation upon completion of the Acquisition							
Louis Dron *Chief Executive Officer*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Nico Mah *Chief Financial Officer and Corporate Secretary*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Dr. Kristian Thorlund *President and Director*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Zachary Stadnyk *Director*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Graydon Bensler *Director*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Matthew Mingay *Director*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Masoud (Max) Darbandi *Director*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NEOs and Directors of the Corporation prior to completion of the Acquisition							
Graydon Bensler(2) *CEO and Director*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Matthew Mingay(3) *Director*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Masoud (Max) Darbandi *Director*(4)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Nico Mah(5) *Chief Financial Officer and Corporate Secretary*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Geoff Balderson(6) *Former CFO*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Farbod Shahrokhi(7) *Former CEO and Director*	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Compensation Securities(1)(2)							
Name and position	**Type of compensation security**	**Number of compensation securities, number of underlying securities, and percentage of class**	**Date of issue or grant**	**Issue, conversion or exercise price ($)**	**Closing price of security or underlying security on date of grant ($)**	**Closing price of security or underlying security at year end ($)**	**Expiry date**
Tyler Lewis(8) *Former Director*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Saman Shahrokhi(9) *Former Director*	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

(1) The Corporation has no Options, DSUs, RSUs or PSUs outstanding as of the date of this Prospectus.
(2) Mr. Bensler was appointed CEO and a director of the Corporation on December 2, 2024.
(3) Mr. Mingay was appointed as a director of the Corporation on December 3, 2024.
(4) Mr. Darbandi was appointed as a director of the Corporation on April 28, 2025.
(5) Mr. Mah was appointed as CFO and Corporate Secretary of the Corporation on December 11, 2024.
(6) Mr. Balderson was appointed CFO of the Corporation on September 7, 2022 and subsequently resigned as CFO of the Corporation on December 11, 2024.
(7) Mr. Shahrokhi was appointed CEO and a director of the Corporation on July 12, 2023 and subsequently resigned as CEO and director on December 2, 2024.
(8) Mr. Lewis was appointed as a director of the Corporation on September 7, 2022 and subsequently resigned as director on December 3, 2024.
(9) Mr. Shahrokhi was appointed as a director of the Corporation from September 6, 2022 and subsequently resigned as a director on July 12, 2023.
(10) From the period from incorporation on September 6, 2022 to the date of this Prospectus, the Corporation paid $61,500 compensation to Amalfi Corporate Services Ltd., a company controlled by Geoff Balderson, former CFO of the Corporation.

Equity Incentive Plan

On July 15, 2024, the Corporation approved the Equity Incentive Plan. The Equity Incentive Plan is a 20% "rolling" equity incentive plan pursuant to which the maximum number of shares reserved for issuance under the Equity Incentive Plan, together with all of the Corporation's other previously established or proposed, as applicable, stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of shares, shall not result in the number of shares reserved for issuance pursuant to awards under the Equity Incentive Plan, meaning that any right granted under the Equity Incentive Plan, including Options, DSUs, RSUs and PSUs (each, an "**Award**") exceeding 20% of the issued and outstanding Common Shares of the Corporation as at the date of grant of any grant. Furthermore, the aggregate number of Common Shares issued or issuable to persons providing "investor relations activities" (as defined in CSE Policies) as compensation within a 12-month period, may not exceed 2% of the total number of Common Shares then outstanding, or such other percentage as permitted by the policies of the CSE. Pursuant to the terms of the Equity Incentive Plan, in addition to the ability to award Options to acquire shares of the Corporation to Participants (as defined below), the Corporation has the availability to award RSUs, DSUs, and PSUs. The Corporation has issued no Options, DSUs, RSUs and PSUs to directors, officers and certain consultants of the Corporation as of the date of this Prospectus.

The following is a summary of certain provisions of the Equity Incentive Plan, a copy of which is attached as Appendix G to this Prospectus.

The purpose of the Equity Incentive Plan is to promote the interests of the Corporation and its shareholders by aiding the Corporation in attracting and retaining directors, officers, employees and consultants, and advisors capable of assuring the future success of the Corporation, to offer such persons incentives to put forth maximum efforts for the success of the Corporation's business and to compensate such persons through various stock and cash-based arrangements and provide them with opportunities for stock ownership in the Corporation, thereby aligning the interests of such persons with the Corporation's shareholders.

The Equity Incentive Plan provides that:

- All directors, employees (including employees who are officers and directors) and consultants of the Corporation or any subsidiary of the Corporation designated by the Board from time to time for purposes of the Equity Incentive Plan ("**Participants**") are eligible to participate in the Equity Incentive Plan. Eligibility to participate does not confer any employee or director any right to receive any grant of an Award pursuant to the Equity Incentive Plan. The extent to which any employee or director is entitled to receive a grant of an Award pursuant to the Equity Incentive Plan will be determined in the sole and absolute discretion of the Board.

- Awards of Options, RSUs, PSUs and DSUs, may be made under the Equity Incentive Plan. All Awards are subject to the conditions, limitations, restrictions, exercise price, vesting, settlement and forfeiture provisions determined in the sole and absolute discretion of the Board, subject to such limitations provided in the Equity Incentive Plan and will generally be evidenced by an award agreement. In addition, subject to the limitations of the Equity Incentive Plan and in accordance with applicable law, the Board may accelerate or defer the vesting or payment of Awards, cancel or modify outstanding Awards (other than Options), and waive any condition imposed with respect to Awards or Common Shares issued pursuant to Awards.

- No Awards granted under the Equity Incentive Plan or any right thereunder or in respect thereof shall be transferable or assignable (other than upon the death of the Participant).

- The maximum number of Common Shares issuable under the Equity Incentive Plan shall not exceed 20% of the number of Common Shares of the Corporation issued and outstanding as of each award date, inclusive of all Common Shares reserved for issuance pursuant to previously granted Awards.

- Options vest in accordance with the Equity Incentive Plan, unless otherwise determined by the Board.

- The exercise price of an Option granted under the Equity Incentive Plan will be determined by the Board; but will not be less than the greater of the closing market price of the Corporation's Common Shares on the CSE on (a) the trading day prior to the date of grant of the applicable Award; and (b) the date of grant of the applicable Option.

- The term of Options shall be five years from the date such Option is granted, or such greater or lesser duration as the Board may determine at the date of grant.

- Participants have the right to exercise Options on a cashless basis.

- In the event of a Change of Control (as defined in the Equity Incentive Plan), unless otherwise determined by the Board, (i) all Options outstanding shall immediately vest and be exercisable; and (ii) all Options that are not otherwise exercised contemporaneously with the completion of the Change of Control will terminate and expire immediately thereafter.

Employment, Consulting and Management Agreements

Other than as listed below, the Corporation does not have any contracts, agreements, plans or arrangements in place with any NEOs that provides for payment following or in connection with any termination (whether voluntary, involuntary or constructive) resignation, retirement, a change of control of the Corporation or a change in an NEOs responsibilities.

The Corporation entered into the Corporate and Financial Advisory Agreement with Amalfi on November 1, 2022 for the provision by Amalfi to the Corporation of certain corporate, accounting and administrative services to the Corporation in accordance with the terms of the Corporate and Financial Advisory Agreement for an initial fee in the amount of $25,000, subsequently and starting from September 1, 2024, a monthly fee in the amount of $10,000 to Amalfi upon the Corporation being listed on the Exchange, potential Options, RSUs and other equity incentives in accordance with the Corporation's Equity Incentive Plan, and the administrative success fee payable by the

Corporation in cash or shares as follows: (i) in the event of an acquisition of an asset or company (in whole or in part), three percent (3%) of the transaction value plus, in respect of that asset or company; (ii) in the event of a divestiture of an asset or company (in whole or in part), two percent (2%) of the transaction value plus, in respect of that asset or company; (iii) in the event of a merger or similar business combination not covered under points (i) or (ii) above, two percent (2%) of the transaction value; and (iv) in the event of an equity or debt financing, two percent (2%) of the gross proceeds of any equity or debt offering completed by the Corporation or its subsidiaries or affiliated companies. For the purposes of the Corporate and Financial Advisory Agreement, transaction value is defined as the cash value of any consideration paid (including, without limitation, cash, securities and property), plus the amount of debt assumed (including short term debt, current portions of long-term debt and capital lease obligations). The Corporate and Financial Advisory Agreement is for an initial term of twelve (12) months and shall continue thereafter on a month-to-month basis, subject to termination on thirty (30) days' written notice. The Corporate and Financial Advisory Agreement was terminated with effect as of March 1, 2025 with no further payment or service obligations between the Corporation and Amalfi.

The Corporation entered into a consulting agreement effective as of December 11, 2024 with GKM Consulting Inc. (the "**CFO Agreement**"), for the services of Mr. Mah to act as the CFO and Corporate Secretary for a monthly fee of $1,000, plus applicable taxes plus $150 per hour for each hour in excess of the minimum commitment of Mr. Mah's attention and ability to the business and affairs of the Corporation and its subsidiaries on a part-time basis of no less than 15 hours per quarter. The CFO Agreement does not have any provisions with respect to change of control; however, the Equity Incentive Plan provides that in the event of a change of control, all RSUs outstanding shall vest immediately and be settled notwithstanding the restricted period and any deferred payment date.

"Change of control" is defined in the Equity Incentive Plan as the occurrence and completion of any one or more of the following events:

(A) the Corporation shall not be the surviving entity in a merger, amalgamation or other reorganization (or survives only as a subsidiary of an entity other than a previously wholly-owned subsidiary of the Corporation);

(B) the Corporation shall sell or otherwise transfer, including by way of the grant of a leasehold interest or joint venture interest (or one or more subsidiaries of the Corporation shall sell or otherwise transfer, including without limitation by way of the grant of a leasehold interest or joint venture interest) property or assets: (i) aggregating more than 50% of the consolidated assets (measured by either book value or fair market value) of the Corporation and its subsidiaries as at the end of the most recently completed financial year of the Corporation or (ii) which during the most recently completed financial year of the Corporation generated, or during the then current financial year of the Corporation are expected to generate, more than 50% of the consolidated operating income or cash flow of the Corporation and its subsidiaries, to any other person or persons (other than one or more certain affiliates of the Corporation), in which case the change of control shall be deemed to occur on the date of transfer of the assets representing one dollar more than 50% of the consolidated assets in the case of clause (i) or 50% of the consolidated operating income or cash flow in the case of clause (ii), as the case may be;

(C) the Corporation is to be dissolved and liquidated;

(D) any person, entity or group of persons or entities acting jointly or in concert acquires or gains ownership or control (including, without limitation, the power to vote) more than 50% of the Corporation's outstanding voting securities; or

(E) as a result of or in connection with: (i) the contested election of directors, or; (ii) a transaction referred to in subparagraph (i) above, the persons who were directors of the Corporation before such election or transaction shall cease to constitute a majority of the directors.

The Corporation entered into The Back Office Corporate Administration and Financial Advisory Agreement with The Back Office on March 13, 2025, pursuant to which The Back Office provides corporate, accounting, and administrative services to the Corporation. These services include corporate record-keeping, financial statement preparation, regulatory compliance assistance, and general accounting functions. The Back Office also assists the Corporation with identifying and evaluating financing opportunities, potential mergers and acquisitions, and other strategic transactions. Under The Back Office Corporate Administration and Financial Advisory Agreement, The Back Office receives a monthly fee of $10,000 and may be granted stock options, RSUs, or other equity incentives in accordance with the Corporation's Equity Incentive Plan. Additionally, The Back Office is entitled to an administrative success fee, payable in cash or shares at the Corporation's election, as follows: (i) in the event of an acquisition of an asset or company (in whole or in part), up to two percent (2%) of the transaction value; (ii) in the event of a divestiture of an asset or company (in whole or in part), up to two percent (2%) of the transaction value; (iii) in the event of a merger or similar business combination not covered under points (i) or (ii), two percent (2%) of the transaction value; and (iv) in the event of an equity or debt financing, up to two percent (2%) of the gross proceeds of any offering completed by the Corporation or its subsidiaries or affiliated companies. Upon completion of the Listing, the Corporation will issue 300,000 Common Shares to The Back Office comprising the administrative success fee as compensation for services rendered in connection with the Listing.

Defined Benefit Plan

The Corporation does not have any defined benefit or actuarial plan.

Oversight and description of director and NEO compensation

The Board assumes responsibility for reviewing and monitoring the long-range compensation strategy for the senior management of the Corporation although the Compensation Committee guides it in this role. In determining executive compensation, the Board considers the Corporation's financial circumstances at the time decisions are made regarding executive compensation, and also the anticipated financial situation of the Corporation in the mid and long-term.

Compensation Objectives and Principles

The compensation program for the senior management of the Corporation is designed to ensure that the level and form of compensation achieves certain objectives, including:

(a) attracting and retaining qualified executives;

(b) motivating the short and long-term performance of these executives; and

(c) better aligning their interests with those of the Corporation's shareholders.

In compensating its senior management, the Corporation has employed a combination of base salary, bonus compensation and equity participation through its Equity Incentive Plan. The Corporation does not provide any retirement benefits for its directors or officers.

Elements of Compensation

<u>Base Salary</u>

In the Board's view, paying base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Corporation operates is a first step to attracting and retaining qualified and effective executives. Competitive salary information on comparable companies within the Corporation's industry is compiled from a variety of sources, including national and international publications.

<u>Bonus Incentive Compensation</u>

The Board will consider executive bonus compensation dependent upon the Corporation meeting its strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses.

Equity Participation

The Corporation believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Corporation's Equity Incentive Plan (as described herein). DSUs, RSUs, PSUs and Options may be granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. The amounts and terms of DSUs, RSUs, PSUs and Options granted are determined by the Board.

Compensation Risks

The Board is keenly aware of the fact that compensation practices can have unintended risk consequences. The Board will continually review the Corporation's compensation policies to identify any practice that might encourage an employee to expose the Corporation to unacceptable risk. At the present time the Board is satisfied that the current executive compensation program does not encourage the executives to expose the business to inappropriate risk. The Board takes a conservative approach to executive compensation rewarding individuals for the success of the Corporation once that success has been demonstrated and incenting them to continue that success through the grant of long-term incentive awards.

Hedging Policy

The Corporation has no policy on whether an NEO or director is permitted to purchase certain financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds which are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

Compensation Process

In establishing compensation for executive officers, the Board as a whole seeks to accomplish the following goals:

- to recruit and subsequently retain highly qualified executive officers by offering competitive compensation and benefits;
- to motivate executives to achieve important corporate and personal performance objectives and reward them when such objectives are met; and
- to align the interests of executive officers with the long-term interests of shareholders through participation in the Corporation's Equity Incentive Plan.

When considering the appropriate executive compensation to be paid to our officers, the Board has regard to a number of factors including: (i) recruiting and retaining executives critical to the success of the Corporation and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the Corporation's shareholders; (iv) rewarding performance, both on an individual basis and with respect to operations generally; and (v) available financial resources.

DSUs, RSUs, PSUs and Option-Based Awards

Long-term incentives in the form of DSUs, RSUs, PSUs and Options are intended to align the interests of our directors and executive officers with those of the Corporation's shareholders and to provide a long-term incentive to reward those individuals for their contribution to the generation of shareholder value, while reducing the burden of cash compensation that would otherwise be payable by the Corporation.

The Equity Incentive Plan is administered by the Board. In determining the number of incentive DSUs, RSUs, PSUs or Options to be granted to the named executive officers, the Board has regard to several considerations including previous grants of DSUs, RSUs, PSUs and Options and the overall number of outstanding DSUs, RSUs, PSUs and

Options relative to the number of outstanding Common Shares, as well as the degree of effort, time, responsibility, ability, experience and level of commitment of the executive officer.

Director Compensation

During the year ended August 31, 2025, the Corporation had no formal director compensation program. The Corporation paid $nil in cash compensation to the independent directors of the Corporation in their capacity as directors during the year ended August 31, 2025. During the year ended August 31, 2025, no stock options were granted to a director.

Changes Subsequent to Year-End

Except as otherwise disclosed herein, there have been no significant changes made to the Corporation's compensation policies subsequent to the period ended August 31, 2025.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Prospectus, no former or current director, executive officer, or employee of the Corporation is or has been indebted to the Corporation or is indebted to another entity, which indebtedness has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation, at any time.

AUDIT COMMITTEE INFORMATION

The charter of the Corporation's Audit Committee is attached to this Prospectus as Appendix H.

Composition of Audit Committee and Independence

The following are the members of the Audit Committee of the Corporation following the completion of the Acquisition:

Audit Committee Member	Independence	Financial Literacy
Zachary Stadnyk (Chair)	Independent(1)	Financially literate(1)
Matthew Mingay	Independent(1)	Financially literate(1)
Graydon Bensler	Non-Independent(1)	Financially literate(1)

Note:
(1) As defined under NI 52-110.

See "*Directors and Executive Officers*" for the education and experience of each member of the Audit Committee relevant to the performance of their duties as a member of the Audit Committee.

Audit Committee Oversight

At no time has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Corporation's most recently completed financial year, the Corporation has not relied on:

(a) the exemption in section 2.4 (De Minimis Non-audit Services) of NI 52-110;

(b) the exemption in subsection 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer) of NI 52-110;

(c) the exemption in subsection 6.1.1(5) (Events Outside Control of Member) of NI 52-110;

(d) the exemption in subsection 6.1.1(6) (Death, Incapacity or Resignation) of NI 52-110; or

(e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The following table sets out the audit fees incurred by the Corporation since incorporation for audit fees are as follows:

Period	Audit Fees[1]	Audit Related Fees[2]	Tax Fees[3]	All Other Fees[4]
Year ended August 31, 2024	$14,000	$Nil	$Nil	$Nil
Year ended August 31, 2025	$16,000	$13,500	$Nil	$Nil

Notes:

(1) "Audit Fees" means the aggregate fees billed and expected to be billed by the Corporation's external auditor for the last fiscal year for audit services.

(2) "Audit-Related Fees" means the aggregate fees billed for the last fiscal year for assurance and related services by the Corporation's external auditor that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not reported under item (1) above, including assistance with specific audit procedures on interim financial information.

(3) "Tax Fees" means the aggregate fees billed in the last fiscal year for professional services rendered by the Corporation's external auditor for tax compliance, tax advice and tax planning.

(4) "All Other Fees" means the aggregate fees billed in the last fiscal year for products and services provided by the Corporation's external auditor, other than the services reported under items (1), (2), and (3), above.

Exemption

The Corporation is relying on the exemption provided in section 6.1 of NI 52-110 as the Corporation is a "venture issuer" and is therefore exempt from the requirements of Part 3 (Composition of Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

CORPORATE GOVERNANCE DISCLOSURE

Board of Directors

Upon completion of the Acquisition, the Corporation's Board is expected to consist of five directors: Mr. Stadnyk, Dr. Thorlund, Mr. Bensler and Mr. Mingay and Mr. Darbandi. Mr. Stadnyk, Mr. Mingay and Mr. Darbandi are independent based upon the tests for independence set forth in NI 52-110. Mr. Bensler and Dr. Thorlund are not independent on the basis that Mr. Bensler is the current CEO of the Corporation, prior to the completion of the Acquisition and Dr. Thorlund is expected to be the President of the Corporation upon completion of the Acquisition. The Board believes that good corporate governance improves corporate performance and benefits all shareholders. Regulatory authorities have implemented NI 58-101, which prescribes certain disclosure of the Corporation's corporate governance practices.

There is no specific written mandate of the Board, other than the corporate standard of care set out in the governing corporate legislation of the Corporation. The Board has overall responsibility for the management, or supervision of the management, of the business and affairs of the Corporation. The Board's primary tasks are to establish the policies, courses of action and goals of the Corporation and to monitor management's strategies and performance for realizing them.

All major acquisitions, dispositions, and investments, as well as financing and significant matters outside the ordinary course of the Corporation's business are subject to approval by the full Board. The Board does not currently have in place programs for succession planning and training of directors and management. As the growth of the Corporation continues, the Board will consider implementing such programs. In order to carry out the foregoing responsibilities the Board meets on a quarterly basis and as required by circumstances.

Directorships

The following directors of the Corporation, upon completion of the Acquisition, also serve as directors of other reporting issuers:

Name of Director	Other Reporting Issuer	Name of Exchange or Market
Graydon Bensler	PMGC Holdings Inc. (formerly ELEVAI Labs Inc.)	NASDAQ
	Qualigen Therapeutics, Inc.	NASDAQ
	Onco-Innovations Limited	CSE
Zachary Stadnyk	Right Season Investments Corp.	TSXV
	Onco-Innovations Limited	CSE
Louis Dron	N/A	N/A
Dr. Kristian Thorlund	N/A	N/A
Matthew Mingay	N/A	N/A
Masoud (Max) Darbandi	N/A	N/A

Orientation and Continuing Education

The skills and knowledge of the Board as a whole are such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies. Board members are encouraged to communicate with management, auditors, and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. Board members have full access to the Corporation's records.

The Corporation provides continuing education to its directors as such need arises and encourages open discussion at all meetings in order to encourage learning by the directors.

Ethical Business Conduct

The Board views good corporate governance as an integral component to the success of the Corporation and to meet responsibilities to shareholders. The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations, providing guidance to management to help them recognize and deal with ethical issues, promoting a culture of open communication, honesty and accountability and ensuring awareness of disciplinary action for violations of ethical business conduct. The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates in the best interests of the Corporation. The Board has not adopted a formal written code of ethics. As the growth of the Corporation continues, the Board will consider implementing such policies.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of view and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole.

Compensation

The Board is responsible for, among other things, reviewing and shaping all compensation arrangements for the executive officers and directors of the Corporation.

To determine the recommended compensation payable, the Board will review compensation paid for directors and executive officers of companies of similar size and stage of development and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and executive officers while taking into account the financial and other resources of the Corporation.

In setting the compensation, the Board will annually review the performance of the executive officers in light of the Corporation's objectives and consider other factors that may have impacted the success of the Corporation in achieving its objectives. For further information regarding how the Corporation determines compensation for its directors and executive officers, see "*Executive Compensation*".

Other Board Committees

As the directors are actively involved in the operations of the Corporation and the size of the Corporation's operations does not warrant a larger Board, the Board has determined that additional committees are not necessary at this stage of the Corporation's development. As the growth of the Corporation continues, the Board will review its corporate governance practices and implement more comprehensive corporate governance practices when appropriate. Apart from the Audit Committee, the Corporation does not currently have any other standing committees.

Assessments

The Board assesses its needs with respect to rules and guidelines governing and regulating the affairs of the Board including the frequency and location of Board and committee meetings, procedures for establishing meeting agendas and the conduct of meetings, the adequacy and quality of the information provided to the Board prior to and during its meetings, and the availability, relevance and timeliness of discussion papers, reports and other information required by the Board.

The Board periodically reviews the competencies, skills and personal qualities of each existing director and the contributions made by each director to the effective operation of the Board and reviews any significant change in the primary occupation of the director.

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and its committees.

The Board exercises independent supervision of management through meetings of the Board and through frequent informal discussions among independent members of the Board and management. In addition, the Board has access to the Corporation's external auditors, legal counsel and to each of the Corporation's officers.

The Board further exercises its independent supervision over management by its policies that (a) periodic meetings of the Board be held to obtain an update on significant corporate activities and plans; and (b) all material transactions of the Corporation are subject to prior approval of the Board. To facilitate open and candid discussion among its independent directors, such directors are encouraged to communicate with each other directly to discuss ongoing issues pertaining to the Corporation.

PLAN OF DISTRIBUTION

As at the date of this Prospectus, the Corporation does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the TSX, a U.S. marketplace, or a marketplace outside of Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

There are no securities being offered in connection with this Prospectus. Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised. The Corporation previously completed the Subscription Receipt Offerings. Please see the face page and pages (ii)-(iii) of this Prospectus for additional details.

Listing Application

The Corporation has received conditional approval of the Listing on the Exchange. Listing is subject to the Corporation fulfilling all of the requirements of the Exchange. There is no guarantee that the Common Shares will be listed on the Exchange or on any exchange.

RISK FACTORS

AN INVESTMENT IN SECURITIES OF THE CORPORATION IS HIGHLY SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK AND SHOULD ONLY BE MADE BY INVESTORS WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT.

Prior to making an investment decision, investors should consider the investment risks set forth below and those described elsewhere in this Prospectus, which are in addition to the usual risks associated with an investment in a business at an early stage of development. The directors of the Corporation consider the risks set forth below to be the most significant, but do not consider them to be all of the risks associated with an investment in securities of the Corporation. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the directors are currently unaware or which they consider not to be material in connection with the Corporation's business, actually occur, the Corporation's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Corporation's securities could decline and investors may lose all or part of their investment.

Limited Operating History

The Corporation has a limited operating history in its industry upon which its business and future prospects may be evaluated. The Corporation has no history of earnings or profitability. The likelihood of success of the Corporation must be considered in light of the problems, expenses, difficulties, complication, and delays frequently encountered in connection with the establishment of any business. The Corporation is subject to all of the business risks and uncertainties associated with a new business enterprise, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources, lack of revenues and the risk that the Corporation will not achieve its operating goals. The Corporation will have limited financial resources and there is no assurance that additional funding will be available to it for further operations or to fulfill its obligations under applicable agreements. There is no assurance that the Corporation will be able to generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

If the Corporation is unable to continually innovate and increase efficiencies, its ability to attract new customers may be adversely affected

In the area of innovation, the Corporation must be able to develop new products and services that appeal to its customers. This depends, in part, on the technological and creative skills of its personnel and on its ability to protect its intellectual property rights. The Corporation may not be successful in the development, introduction, marketing, and sourcing of new products, that satisfy customer needs, achieve market acceptance, or generate satisfactory financial returns.

Management's experience in managing a publicly traded company

The Corporation can provide no assurances that management's past experience will be sufficient to enable the Corporation to successfully operate as a public company. Although the Corporation has established an experienced management team, if management of the Corporation is unable to satisfactorily manage the Corporation as a public entity and ensure that it remains in compliance with all continuous disclosure and other requirements applicable to public entities, there could occur a material adverse effect on the Corporation's business, financial condition and results of operations.

Research and Development Risk

A principal component of the Corporation's business strategy is to expand its product offering. As such, the Corporation's organic growth and long-term success is dependent in part on its ability to successfully develop new and current products and it will likely incur significant research and development expenditures to do so. The Corporation cannot be certain that any investment in research and development will yield technically feasible or commercially viable products. Furthermore, its ability to discover and develop products will depend on its ability to: retain key personnel; identify potential chemical, pharmaceutical, and broader scientific opportunities; develop products internally; successfully complete product testing; obtain and maintain necessary intellectual property rights to the Corporation's products; collaborate with third parties to assist in the development of its products; and enter into arrangements with third parties to co-develop, license, and commercialize its products. The Corporation may not be successful in discovering and developing its platform and Product. Failure to introduce and advance new and current products could materially and adversely affect the Corporation's operations and financial condition.

The Corporation may never achieve profitability

Due to the numerous risks and uncertainties associated with disruptive artificial intelligence technology, the Corporation is unable to accurately predict the timing or amount of future revenue or expenses or when, or if, it will be able to achieve profitability. The size of the Corporation's future net losses will depend, in part, on the rate of growth or contraction of its expenses and the level and rate of growth, if any, of its revenues. The Corporation expects to continue to expend substantial financial and other resources on, among other things: investments to expand and enhance its platform and technology infrastructure, make improvements to the scalability, availability and security of its platform, and develop new products; acquiring additional data to be used as training data for its platform and enriching that data through a verification process; marketing, including expanding its marketing programs, and expanding our programs directed at increasing its brand awareness; planning and conducting trials to obtain regulatory and reimbursement approval for the commercialization of its products; expansion of the Corporation's operations and infrastructure; and general administration, including legal, accounting and other public company expenses. If the Corporation is unable to successfully commercialize its products or if revenue from any products that receive marketing approval is insufficient, the Corporation will not achieve profitability. Furthermore, even if the Corporation successfully commercializes its products, its planned investments may not result in increased revenue or growth of its business. The Corporation may not be able to generate net revenues sufficient to offset its expected cost increases and planned investments in its business and platform. As a result, the Corporation may incur significant losses for the foreseeable future, and may not be able to achieve and sustain profitability. If the Corporation fails to achieve and sustain profitability, then it may not be able to achieve its business plan, fund its business or continue as a going concern.

The Corporation's quarterly results may fluctuate significantly, and period-to-period comparisons of its results may not be meaningful

The Corporation's quarterly results, including the levels of future revenue, if any, its operating expenses and other costs, and its operating margins, may fluctuate significantly in the future, and period-to period comparisons of its results may not be meaningful. Accordingly, the results of any one period should not be relied upon as an indication of the Corporation's future performance. In addition, the Corporation's quarterly results may not fully reflect the underlying performance of its business. Fluctuations in quarterly results may negatively impact the value of the Common Shares, regardless of whether they impact or reflect the overall performance of its business.

The Corporation's management-prepared financial projections may differ from actual results

The Corporation's management prepares financial projections as part of its business plan, but there is a possibility that the actual results may differ from these projections. Factors such as market changes, customer preferences, economic conditions, and unforeseen events can impact the Corporation's financial performance. While management aims to provide accurate forecasts, they cannot guarantee exact alignment with actual outcomes. Investors and stakeholders should be aware of this potential variance and conduct their own assessments when evaluating the Corporation's financial performance.

Intellectual Property and Licenses

The Corporation's success is heavily dependent on the Corporation's intangible properties and technologies, and will depend in part on its ability to protect and maintain its intellectual property rights. No assurance can be given that the patents with respect to the Corporation's artificial intelligence technology the Corporation will not be challenged, invalidated, infringed or circumvented, nor that the patents will provide competitive advantages to the Corporation. Moreover, the Corporation could potentially incur substantial legal costs in defending legal actions which allege patent infringement or by instituting patent infringement suits against others. The Corporation's commercial success also depends on the Corporation not infringing patents or proprietary rights of others. There can be no assurance that the Corporation will be able to maintain such licenses that it may require to conduct its business or that such licences have been obtained at a reasonable cost. Furthermore, there can be no assurance that the Corporation will be able to remain in compliance with any such licenses. Consequently, there may be a risk that such licenses may be withdrawn with no compensation or penalties to the Corporation

Competition

The Corporation will likely face intense competition from other companies, some of which have longer operating histories and more financial resources and marketing experience than the Corporation. Increased competition by larger and better-financed competitors could materially and adversely affect the proposed business, financial condition and results of operations of the Corporation. Because of the early stage of the industry in which the Corporation operates, the Corporation expects to face additional competition from new entrants. To remain competitive, the Corporation will require a continued investment in facilities and research and development to be able to compete on costs. The Corporation may not have sufficient resources to maintain marketing, sales and patient support efforts on a competitive basis which could materially and adversely affect the business, financial condition and results of operations of the Corporation.

The Corporation's operations are subject to human error

Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage the Corporation's interests and even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to the Corporation. These could include loss or forfeiture of assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort the Corporation might undertake and legal claims for errors or mistakes by the Corporation personnel.

The Corporation's future is dependent upon its ability to obtain financing and if the Corporation does not obtain such financing, the Corporation may have to cease its activities and investors could lose their entire investment

There is no assurance that the Corporation will operate profitably or will generate positive cash flow in the future. The Corporation requires additional financing in order to proceed with development of its and its subsidiary's products or property, including intellectual property. The Corporation will also require additional financing for the fees it must pay to maintain its status in relation to the rights to the Corporation's properties and to pay the fees and expenses necessary to operate as a public company following Listing. The Corporation will require additional financing to sustain its business operations if it is not successful in earning revenues. The Corporation will also need further financing if it decides to obtain additional businesses. The Corporation currently does not have any arrangements for further financing and it may not be able to obtain financing when required. The Corporation's future is dependent upon its ability to obtain financing. If the Corporation does not obtain such financing, its business could fail and investors could lose their entire investment.

Dependence on management

The Corporation will be very dependent upon the personal efforts and commitment of its directors and officers. If one or more of the Corporation's executive officers become unavailable for any reason, a severe disruption to the business and operations of the Corporation could result and the Corporation may not be able to replace them readily, if at all. As the Corporation's business activity grows, the Corporation will require additional key financial and administrative personnel as well as additional technical, sales, and marketing personnel and operations staff. There can be no assurance that the Corporation will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increases. If the Corporation is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on the Corporation's future cash flows, earnings, results of operations and financial condition.

Dependence on highly skilled personnel to grow and operate the Corporation's business

The Corporation's future success depends in part on its ability to attract and retain highly skilled personnel who have extensive experience in the industry and technical knowledge and skills. If the Corporation is not able to hire, retain, and motivate highly skilled personnel, then its business may be adversely affected. Competition for highly skilled personnel is intense and the Corporation's ability to successfully develop and maintain a competitive market position will depend in part on its ability to attract and retain highly qualified and experienced personnel. The loss of the services of key personnel could have a materially adverse effect on the Corporation's business.

Highly skilled personnel in the Vancouver area is very competitive due to the limited pool of qualified candidates with the skillset required within the industry. Further, the currency fluctuation in the Canadian dollar relative to the U.S. dollar could also impact the Corporation in compensation offerings and could potentially increase the Corporation's costs in hiring and retaining qualified personnel. Consequently, the Corporation's efforts to retain and develop highly skilled personnel may result in significant additional expenses, which could adversely affect its profitability.

The Corporation's directors and officers are engaged in other business activities and accordingly may not devote sufficient time to the Corporation's business affairs, which may affect its ability to conduct operations and generate revenues

The Corporation's directors and officers are involved in other business activities. As a result of their other business endeavours, the directors and officers may not be able to devote sufficient time to the Corporation's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Corporation may be periodically interrupted or delayed as a result of its officers' other business interests.

Majority of Non-Independent Directors

Our Board is composed of a majority of non-independent directors and, accordingly, our board composition may afford less protection to our shareholders than if our board of directors were composed of a majority of independent directors. Our board of directors may be influenced by the concerns, issues or objectives of management, including the compensation and governance issues, to a greater extent than would occur with a majority of independent directors.

Conflicts of Interest

Certain directors and officers of the Corporation are, and may continue to be, involved in the technology industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Corporation. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Corporation. Directors and officers of the Corporation with conflicts of interest will be subject to the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

Liability for Actions of Employees, Contractors and Consultants

The Corporation could be liable for fraudulent or illegal activity by its employees, contractors and consultants resulting in significant financial losses to claims against the Corporation.

The Corporation is exposed to the risk that its employees, independent contractors and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless or negligent conduct or disclosure of unauthorized activities to the Corporation that violates: (i) government regulations; (ii) manufacturing standards; (iii) fraud and abuse laws and regulations; or (iv) laws that require the true, complete and accurate reporting of financial information or data. It is not always possible for the Corporation to identify and deter misconduct by its employees and other third parties, and the precautions taken by the Corporation to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting the Corporation from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against the Corporation, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on its business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, the curtailment of the Corporation’s operations or asset seizures, any of which could have a material adverse effect on the Corporation’s business, financial condition and results of operations.

Breach of Confidentiality

While discussing potential business relationships or other transactions with third parties, the Corporation may disclose confidential information relating to the business, operations or affairs of the Corporation. Although confidentiality agreements are to be signed by third parties prior to the disclosure of any confidential information, a breach of such confidentiality agreement could put the Corporation at competitive risk and may cause significant damage to its business. The harm to the Corporation’s business from a breach of confidentiality cannot presently be quantified but may be material and may not be compensable in damages. There can be no assurance that, in the event of a breach of confidentiality, the Corporation will be able to obtain equitable remedies, such as injunctive relief from a court of competent jurisdiction in a timely manner, if at all, in order to prevent or mitigate any damage to its business that such a breach of confidentiality may cause.

Difficulty to Forecast Sales

The Corporation must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Corporation.

Internal Controls

Effective internal controls are necessary for the Corporation to provide reliable financial reports and to help prevent fraud. Although the Corporation will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Corporation under Canadian securities law, the Corporation cannot be certain that such measures will ensure that the Corporation will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Corporation’s results of operations or cause it to fail to meet its reporting obligations. If the Corporation or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Corporation's consolidated financial statements and materially adversely affect the trading price of the Corporation's shares.

History of Net Losses; Accumulated Deficit; Lack of Revenue from Operations

The Corporation has incurred net losses to date and has negative cash flow from its operations. Its deficit as of November 30, 2025 was $723,333. The Corporation has not yet earned any ongoing revenue from the activities of its products or property, including intellectual property, nor has the Corporation yet determined that commercial development is warranted on any of its products or property, including intellectual property. Even if the Corporation commences development of certain of its properties, the Corporation may continue to incur losses. There is no certainty that the Corporation will produce revenue, operate profitably or provide a return on investment in the future.

Acquisition Strategy

As part of the Corporation's business strategy, it has sought and will continue to seek new opportunities in the technology and AI technology industry. In pursuit of such opportunities, the Corporation may fail to select appropriate acquisition candidates or negotiate acceptable arrangements, including arrangements to finance acquisitions or integrate the acquired businesses and their personnel into the Corporation. The Corporation cannot assure that it can complete any acquisition or business arrangement that it pursues, or is pursuing, on favourable terms, or that any acquisitions or business arrangements completed will ultimately benefit the Corporation.

Dividend Policy

No dividends on the Common Shares have been paid by the Corporation to date. The Corporation anticipates that it will retain any earnings and other cash resources for the foreseeable future for the operation and development of its business. The Corporation does not intend to declare or pay any cash dividends in the foreseeable future. Payment of any future dividends will be at the discretion of the Corporation's Board after taking into account many factors, including the Corporation's operating results, financial condition and current and anticipated cash needs.

Cyber Security Risks

As the Corporation continues to increase its dependence on information technologies to conduct its operations, the risks associated with cyber security also increase. The Corporation relies on management information systems and computer control systems. Business and supply chain disruptions, plant and utility outages and information technology system and network disruptions due to cyber-attacks could seriously harm its operations and materially adversely affect its operation results. Cyber security risks include attacks on information technology and infrastructure by hackers, damage or loss of information due to viruses, the unintended disclosure of confidential information, the issue or loss of control over computer control systems, and breaches due to employee error. The Corporation's exposure to cyber security risks includes exposure through third parties on whose systems it places significant reliance for the conduct of its business. The Corporation has implemented security procedures and measures in order to protect its systems and information from being vulnerable to cyber-attacks. The Corporation believes these measures and procedures are appropriate. To date, it has not experienced any material impact from cyber security events. However, it may not have the resources or technical sophistication to anticipate, prevent, or recover from rapidly evolving types of cyber-attacks. Compromises to its information and control systems could have severe financial and other business implications.

Litigation

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

Regulatory Compliance Risks

Achievement of the Corporation's business objectives is subject to compliance with regulatory requirements enacted and enforced by governmental authorities and obtaining and maintaining all required regulatory approvals. The Corporation may incur costs and obligations related to regulatory compliance. Failure to comply with applicable laws, regulations and permitting, license or approval requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. The Corporation may be required to compensate those suffering loss or damage by reason of its operations and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

The Corporation cannot predict the timeline required to secure all appropriate regulatory approvals or licences for the intended business or the extent of testing and documentation that may be required by governmental authorities. Any delays in obtaining, or failing to obtain, required regulatory approvals or licences may significantly delay or impact the research and development activities and could have a material adverse effect on the business, results of operations and financial condition of the Corporation. In addition, changes in regulations, more vigorous the Corporation's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Corporation.

The impact of the various legislative regimes, on the Corporation's business plans and operations is uncertain. There is no guarantee that the applicable legislation regulating the Corporation's business activities will create or allow for the growth opportunities the Corporation currently anticipates.

Uncertainty in AI Market Growth and Adoption

Artificial intelligence and machine learning is a relatively new and unproven technology, and it may decline or experience limited growth, which would adversely affect its ability to fully realize the potential of its platform. Evaluating the size and scope of the market is subject to a number of risks and uncertainties. Future success will depend in large part on the growth of this market. The utilization of artificial intelligence for diagnostic and decision-making support is new, and physicians may not recognize the need for, or benefits of, the Corporation's platform. This may prompt them to reject or cease use of its platform or decide to adopt alternative products and services to satisfy their requirements. Even if this market does grow, the Corporation's ability to expand its business and extend its market position depends upon a number of factors, including the cost, performance and perceived value of its platform and the applications the Corporation develops for it. The perceived value of the Corporation's platform and the applications it develops for it may be a function of estimated cost savings by healthcare providers using the SythesAItzer platform, which may be difficult to accurately predict.

Inability to Protect Intellectual Property

The Corporation's success is heavily dependent upon its intangible property and technology. The Corporation relies upon copyrights, patents, trade secrets, unpatented proprietary know-how and continuing innovation to protect the intangible property, technology and information that are considered important to the development of the business. The Corporation relies on various methods to protect its proprietary rights, including confidentiality agreements with consultants, service providers and management that contain terms and conditions prohibiting unauthorized use and disclosure of confidential information. However, despite efforts to protect intangible property rights, unauthorized parties may attempt to copy or replicate intangible property, technology or processes. There can be no assurances that the steps taken by the Corporation to protect its intangible property, technology and information will be adequate to prevent misappropriation or independent third-party development of the Corporation's intangible property, technology or processes. It is likely that other companies can duplicate a production process similar to the Corporation's. To the extent that any of the above would occur, revenue could be negatively affected, and in the future, the Corporation may have to litigate to enforce its intangible property rights, which could result in substantial costs and divert management's attention and other resources.

No assurance can be given that the patents with respect to the Corporation's artificial intelligence technology that the Corporation will not be challenged, invalidated, infringed or circumvented, nor that the patents will provide competitive advantages to the Corporation. Moreover, the Corporation could potentially incur substantial legal costs in defending legal actions which allege patent infringement or by instituting patent infringement suits against others.

The Corporation's ability to successfully implement its business plan depends in part on its ability to obtain, maintain and build brand recognition using its trademarks, service marks, trade dress, domain names and other intellectual property rights, including the Corporation's names and logos. If the Corporation's efforts to protect its intellectual property are unsuccessful or inadequate, or if any third party misappropriates or infringes on its intellectual property, the value of its brands may be harmed, which could have a material adverse effect on the Corporation's business and might prevent its brands from achieving or maintaining market acceptance.

The Corporation may be unable to obtain registrations for its intellectual property rights for various reasons, including refusal by regulatory authorities to register trademarks or other intellectual property protections, prior registrations of which it is not aware, or it may encounter claims from prior users of similar intellectual property in areas where it operates or intends to conduct operations. This could harm its image, brand or competitive position and cause the Corporation to incur significant penalties and costs.

Incorporation of AI May Present Risks

The Corporation has incorporated, and plans to incorporate in the future, AI, into its products. AI is a new and emerging technology that is in its early stages of commercial use, particularly in industries involving drug development and prediction of chemical synthesis. If any of our products that incorporate AI have perceived or actual negative impacts on the industries in which they are to be used, the Corporation may experience brand or reputational harm, competitive harm or legal liability. The rapid evolution of AI may also require the application of significant resources to develop, test and maintain our products and services that incorporate AI in order to help ensure that it is implemented in a socially responsible manner, to minimize any real or perceived unintended harmful impacts.

In addition, AI is subject to a complex and evolving regulatory landscape, including data protection, privacy, and potentially other laws and different jurisdictions have taken and may take in the future varying approaches to regulating AI. Compliance with these laws and regulations can be complex, costly and time consuming, and there is a risk of regulatory enforcement actions or litigation if the Corporation fails to comply with these requirements. As regulations evolve, the Corporation may have to alter its business practices or products in order to comply with regulatory requirements.

Failure to obtain all Regulatory Requirements for Completion of the Listing

Completion of the Listing is subject to, among other things, the acceptance of the Exchange and the receipt of all necessary regulatory approvals. There can be no certainty, nor can either party provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. The requirement to take certain actions or to agree to certain conditions to satisfy such requirements or obtain any such approvals may have a material adverse effect on the business and affairs of the Corporation or the trading price of Common Shares after completion of the Listing.

Dilution

As of the date of this Prospectus, the Corporation had 93,750 Common Shares issued and outstanding, 32,515,000 Subscription receipts and 516,800 Underwriters Warrants. Immediately following the completion of the Listing, the conversion of Subscription Receipts and closing of the Redwood acquisition, there will be 33,508,750 Common Shares issued and outstanding and 6,774,300 Warrants to acquire additional 6,774,300 Common Shares.

Issuances of additional securities including, but not limited to, its Common Shares or some form of convertible debentures, will result in a substantial dilution of the equity interests of any shareholders.

The increase in the number of Common Shares issued and outstanding and the possibility of sales of such shares may have a depressive effect on the price of the Common Shares. In addition, a significant number of shareholders of the Corporation have an investment profit in the Common Shares that they may seek to liquidate.

Additional Financing

The Corporation may issue equity securities to finance its activities, including to finance acquisitions. The failure to raise or procure such additional funds or the failure to achieve positive cash flow could result in the delay or indefinite postponement of current business objectives. If additional funds are raised by offering equity securities, existing shareholders could suffer significant dilution. The Company will require additional financing to fund its operations until positive cash flow is achieved.

Sales or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares and could impair the Corporation's ability to raise capital through future sales of Common Shares. With any additional sale or issuance of equity securities, shareholders will suffer dilution of their voting power and may experience dilution in our earnings per Common Share.

No Established Market, Market Price of Common Shares and Volatility

The Common Shares do not currently trade on any exchange or stock market. Securities of companies with a small market capitalization have experienced substantial volatility in the past, often based on factors unrelated to the companies' financial performance or prospects. These factors include macroeconomic developments in North America and globally, as well as market perceptions of the attractiveness of particular industries. Factors unrelated to the Corporation's performance that may affect the price of the Common Shares include the following: the extent of analytical coverage available to investors concerning the Corporation's business may be limited if investment banks with research capabilities do not follow the Corporation; lessening in trading volume and general market interest in the Common Shares may affect an investor's ability to trade significant numbers of Common Shares; the size of the Corporation's public float may limit the ability of some institutions to invest in Common Shares; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Common Shares, once listed on the Exchange, to be delisted, further reducing market liquidity. As a result of any of these factors, the market price of the Common Shares at any given point in time may not accurately reflect the Corporation's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. Securities litigation could result in substantial costs and damages and divert management's attention and resources. The fact that no market currently exists for the Common Shares may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices and the liquidity of the Common Shares.

A decline in the price of the Common Shares could affect the Corporation's ability to raise further working capital and adversely impact its ability to continue operations

The market price for the Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Corporation's control, including the following:

- actual or anticipated fluctuations in the Corporation's quarterly results of operations;
- recommendations by securities research analysts;
- changes in the economic performance or market valuations of companies in the industry in which the Corporation operates;
- addition or departure of the Corporation's executive officers and other key personnel;
- release or expiration of lock-up or other transfer restrictions on outstanding Common Shares;
- sales or perceived sales of additional Common Shares;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Corporation or the Corporation's competitors;
- operating and share price performance of other companies that investors deem comparable to the Corporation;
- changes in political events, global financial markets, global economies and general market conditions;

- news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Corporation's industry; and
- regulatory changes in the industry.

A prolonged decline in the price of the Common Shares could result in a reduction in the liquidity of the Corporation's Common Shares and a reduction in its ability to raise capital. Because a significant portion of the Corporation's operations have been and will be financed through the sale of equity securities, a decline in the price of the Common Shares could be especially detrimental to the Corporation's liquidity and its operations. Such reductions may force the Corporation to reallocate funds from other planned uses and may have a significant negative effect on the Corporation's business plan and operations, including its ability to develop new products and continue its current operations. If the Corporation's Common Share price declines, it can offer no assurance that it will be able to raise additional capital or generate funds from operations sufficient to meet its obligations. If the Corporation is unable to raise sufficient capital in the future, the Corporation may not be able to have the resources to continue its normal operations.

Development of the business of the Corporation

The development of the business of the Corporation and its ability to execute on its expansion opportunities described herein will depend, in part, upon the amount of additional financing available. Failure to obtain sufficient financing may result in delaying, scaling back, eliminating or indefinitely postponing expansion opportunities and the business of the Corporation's current or future operations. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be acceptable to the Corporation. In addition, there can be no assurance that future financing can be obtained without substantial dilution to existing shareholders.

Reliance on Grant Programs

The Corporation has received funds under grant reward programs to fund the development of the business of the Corporation. The Corporation cannot provide assurance that it will continue to receive all or any of the grant funding that it applies for, that such grants if received will provide sufficient funding or that it will be able to establish future collaborations on commercially reasonable terms or at all. Inability to obtain grant funding and establish collaboration agreements may result in product development delays or cancellation, particularly in regard to pipeline programs. In addition, the success of collaboration agreements will depend heavily on the efforts and activities of the third-party collaborators, which are outside the control of the Corporation.

Market Risks

Contingent upon the completion of the Listing, the Corporation's securities will trade on public markets and the trading value thereof will be determined by the evaluations, perceptions and sentiments of both individual investors and the investment community taken as a whole. Such evaluations, perceptions and sentiments are subject to change both in short-term time horizons and longer-term time horizons. An adverse change in investor evaluations, perceptions and sentiments could have a material adverse outcome on the Corporation and its securities.

Market for Products and Technologies

The Corporation believes that the anticipated market for its potential products and technologies will continue to exist and expand. These assumptions may prove to be incorrect for a variety of reasons, including competition from other products and technologies and the degree of commercial viability of the potential product candidates identified by the Corporation's artificial intelligence platform. Even when product candidates are successfully identified, the Corporation's ability to generate significant revenue depends on the acceptance of such identified product candidates by the Corporation's potential partners. The Corporation cannot be sure that its products and technologies or any identified product candidates will achieve the expected market acceptance and demand. Any factors preventing or limiting the market acceptance of the Corporation's products and technologies or any identified product candidates for licensing could have a material adverse effect on the Corporation's business, results of operations, and financial condition.

The Corporation may experience difficulty managing the growth strategy

The potential for growth of the Corporation relies on the adoption of its products in various markets and applications. To effectively manage growth, the Corporation must maintain and expand manufacturing facilities, secure third-party manufacturing resources, and manage a complex supply chain. Accessing capital markets, expanding information systems, securing design-ins, and expanding various functions are crucial for the Corporation's growth strategy. Safeguarding confidential information, managing organizational complexity and communication, and attracting qualified employees are additional challenges. The Corporation also faces risks associated with contractors and service providers, execution of new facilities, and dependence on information technology. Proper resource allocation and management are necessary to mitigate operational inefficiencies, disruptions, and security breaches.

The Corporation's business may suffer if the Corporation is unsuccessful in making, integrating, and maintaining acquisitions and investments

The Corporation may acquire or invest in or enter into joint ventures with additional companies in the future. These transactions create risks such as:

- Disruption of the Corporation's ongoing business, including loss of management focus on existing businesses;
- Problems retaining key personnel;
- Additional operating losses and expenses of the businesses acquired or invested;
- The potential impairment of tangible and intangible assets and goodwill, including as a result of acquisitions;
- The potential impairment of customer and other relationships of the companies acquired or invested or the Corporation's own customers as a result of any integration of operations;
- The difficulty of completing such transactions and achieving anticipated benefits within expected timeframes, or at all;
- The difficulty of incorporating acquired operations, technology, and rights into the Corporation's offerings, and unanticipated expenses related to such integration;
- The difficulty of integrating a new company's accounting, financial reporting, management, information and information security, human resource, and other administrative systems to permit effective management, and the lack of control if such integration is delayed or not implemented;
- The difficulty of implementing at companies acquired, the controls, procedures, and policies appropriate for a larger public company;
- The risks associated with businesses the Corporation acquires or invests in, which may differ from or be more significant than the risks the Corporation's other businesses face; and
- Potential unknown liabilities associated with a newly acquired/investee company.

As a result of future acquisitions or mergers, the Corporation might need to issue additional equity securities, spend cash, or incur debt, contingent liabilities, or amortization expenses related to intangible assets, any of which could reduce the Corporation's profitability and harm its business or only be available on unfavourable terms, if at all. In addition, valuations supporting the Corporation's acquisitions and strategic investments could change rapidly given the current global economic climate.

Economic and Political Uncertainty

The volatility of global capital markets, over the past several years, has generally made the raising of capital by equity or debt financing more difficult. Current and future global economic, political and social conditions remain volatile and uncertain. The Corporation may be dependent upon capital markets to raise additional financing in the future. As such, the Corporation is subject to liquidity risks in meeting its operating expenditure requirements and future development cost requirements in instances where adequate cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to the Corporation and its management. It is difficult to estimate the level of growth or contraction for the global economy as a whole. It is even more difficult to estimate economic growth or contraction in various sectors and regions, including the markets in which the Corporation will operate. Because all components of the Corporation's budgeting and forecasting are dependent upon estimates of growth or contraction in the markets it serves and the demand for its products and services, the prevailing economic uncertainties render estimates of future income and expenditures very difficult to make. Adverse changes may occur as a result of the prevalence of public health crises, wavering consumer confidence, unemployment, declines in stock markets, contraction of credit availability, declines in real estate values, stagnant economic conditions, increasing nationalism and protectionism, trade tensions and tariff uncertainty, political deadlock, social unrest or other factors affecting economic conditions generally. These changes may negatively affect the sales of the Corporation's products and services. The Corporation expects to incur increased costs as a public company for regulatory compliance and operations. In addition, future changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Corporation's operations, increased compliance.

Interest Rate Risk

The Corporation may obtain financing in the future by accessing the debt markets. Amounts payable in respect of interest and principal on debt to be incurred by the Corporation will affect its net cash flow and profitability. Any increase in such payments will result in a corresponding increase in the cash out flow of the Corporation that must be applied to debt service. In the event of such an increase, there can be no assurance that net cash flow derived from the Corporation's operations will be sufficient to cover its future financial obligations or that additional funds will otherwise be able to be obtained. If the Corporation becomes unable to pay its debt service charges or otherwise commits an event of default such as bankruptcy, the lender may foreclose on or sell all or some of the Corporation's assets, which may have a material adverse effect on the Corporation's profitability, results of operations and financial condition.

The imposition of tariffs, duties, and other trade protection measures may adversely affect the Corporation's business, operations and financial condition

Recent U.S. presidential executive orders have imposed new or increased tariffs on specific trading partners, including Canada and China, as well as on certain imports regardless of origin. Uncertainty persists regarding the scope, duration, and potential expansion of these trade measures, as well as possible retaliatory actions by other nations and the extent to which these costs will be passed to markets.

The Corporation may be affected in its ability to maintain or secure partnerships with biotech firms outside of Canada. Increases in costs of goods related to the tariffs may extend to the inputs required for the Corporation's activities and thus may cause the Corporation to incur previously unexpected costs in its course of business. The full impact of tariffs and other potential new restrictive trade policies on the Corporation's business and activities is still unknown at this time. These disruptions present material risks to the Corporation's profitability, financial condition, operational results, and share value.

Environmental impacts of AI may have a negative impact on the Corporation

The Corporation employs artificial intelligence ("AI"), which has environmental impacts stemming from the AI's energy consumption and hardware production. The substantial computational power required by AI models consumes vast amounts of electricity during training and generates carbon dioxide. Additionally, the hardware required to train and run AI models, including data centre infrastructure, has a significant environmental cost. As a result of the environmental impacts related to AI, the Corporation may experience brand or reputational harm. Additionally, the

Corporation may be impacted by future regulations imposed to govern AI and increase sustainability initiatives regarding the use of AI.

Real or perceived errors, failures, vulnerabilities, or bugs in our platform could harm our business and results of operations

Errors, failures, vulnerabilities, or bugs may occur in our platform, especially when updates are deployed or new features are rolled out. In addition, utilization of our platform in complicated customer environments may expose errors, failures, vulnerabilities, or bugs in our platform. Any such errors, failures, vulnerabilities, or bugs may not be found until after they are deployed to our customers. Our brand and reputation is particularly sensitive to such errors, failures, vulnerabilities, or bugs. Real or perceived errors, failures, vulnerabilities, or bugs in our platform could result in negative publicity, loss of competitive position, loss of customer data, loss of or delay in market acceptance of our products, loss of customers, claims by customers for losses sustained by them, or diversion of development resources and associated costs, all of which could harm our business and results of operations.

Risks and challenges with the use of AI in our platform, including flawed algorithms, insufficient data sets and biased information, may result in reputational harm or liability

Our platform uses AI and machine learning, and we expect to continue building this functionality into our platform in the future. As with many disruptive innovations, AI presents risks and challenges that could affect its adoption, and therefore our business. AI algorithms may be flawed or inaccurate. Datasets may be insufficient or contain biased information. Inappropriate or controversial data practices by us or others could impair the acceptance, utility and effectiveness of AI solutions or the products and analytics developed. Our customers may rely on recommendations that rely on our data and analytics, which may prove to be inaccurate or incorrect and adversely impact our customers' businesses and relationships. These deficiencies could undermine the decisions, predictions or accuracy of the analysis artificial intelligence applications produce, subjecting us to competitive harm, legal liability, and brand or reputational harm. Some artificial intelligence scenarios present ethical issues. If we enable or offer AI solutions that are controversial because of their impact on human rights, privacy, employment, equity, accessibility or other social issues, we may experience brand or reputational harm.

PROMOTERS

Mr. Dron, Mr. Saman Shahrokhi and Dr. Thorlund are each a promoter of the Corporation within the meaning of applicable securities legislation in Alberta. Additional information about Mr. Dron and Dr. Thorlund is set forth under the headings "*Directors and Executive Officers*" and "*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer*".

Mr. Dron will hold, directly or indirectly, 1,200,000 Common Shares, representing 3.58% of the Corporation's issued and outstanding Common Shares. Prior to the completion of the Acquisition, Mr. Dron does not hold any Common Shares of the Corporation.

Dr. Thorlund will hold, directly or indirectly, 3,535,175 Common Shares, representing 10.55% of the Corporation's issued and outstanding Common Shares. Prior to the completion of the Acquisition, Dr. Thorlund does not hold any Common Shares of the Corporation.

Mr. Saman Shahrokhi will hold, directly or indirectly, 160,000 Common Shares, representing 0.48% of the Corporation's issued and outstanding Common Shares (being those Common Shares issuable under the conversion of 60,000 $0.50 Subscription Receipts and 200,000 $0.01 Subscription Receipts). Prior to the completion of the Acquisition, Mr. Shahrokhi does not hold any Common Shares of the Corporation. Mr. Saman Shahrokhi previously held, directly or indirectly, 302,500 $0.0025 Subscription Receipts and 907,500 $0.01 Subscription Receipts which were subsequently transferred on April 28, 2025.

Other than as disclosed elsewhere in this Prospectus, no person who was a promoter of the Corporation within the last two years:

- received anything of value directly or indirectly from the Corporation;

- sold or otherwise transferred any asset to the Corporation within the last two years;
- has been a director, CEO or CFO of any company that during the past 10 years was the subject of a cease trade order or similar order or an order that denied the company access to any exemptions under securities legislation for a period of more than 30 consecutive days or became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets;
- has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority;
- has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision; or
- has within the past 10 years become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets.

See "*Options to Purchase Securities*"; "*Directors and Executive Officers*"; "*Executive Compensation*" for further disclosure.

LEGAL PROCEEDINGS AND REGULATORY MATTERS

Legal Proceedings

Neither the Corporation nor any of its property was previously a party to, or the subject of, any legal proceeding nor is the Corporation currently party to any material legal proceeding or contemplating any legal proceedings which are material to its business. From time to time, however, the Corporation may be subject to various claims and legal actions arising in the ordinary course of business. Management of the Corporation is not currently aware of any legal proceedings contemplated against the Corporation.

Regulatory Actions

From incorporation to the date of this Prospectus, management knows of no:

(a) penalties or sanctions imposed against the Corporation by a court relating to provincial and territorial securities legislation or by a securities regulatory authority;

(b) other penalties or sanctions imposed by a court or regulatory body against the Corporation necessary for the Prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed; and

(c) settlement agreements the Corporation entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Apart from the Underwriters Commission described below, no person who is: (a) a director or executive officer of the Corporation; (b) a person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10 percent of any class or series of the Corporation's outstanding voting securities; (c) an associate or affiliate of any of the persons or companies referred to in paragraphs (a) or (b), has any material interest, direct or indirect, in any material transaction since incorporation or in any proposed transaction that has materially affected or will materially affect the Corporation.

Pursuant to the Subscription Receipt Financing, the Underwriters shall receive a commission of $258,400, representing a fee of 8% of gross proceeds received by the corporation from subscribers introduced to the Corporation by the Underwriters (excluding the Non-Escrowed $0.50 Subscription Receipts), to be held in escrow alongside the Escrowed Funds, payable upon Listing.

AUDITOR, TRANSFER AGENT AND REGISTRARS

The auditors of the Corporation are Saturna Group Chartered Professional Accountants LLP, with offices at Suite 1605, 1166 Alberni Street Vancouver, British Columbia, Canada V6E 3Z3. They have advised the Corporation that they are independent of the Corporation within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.

The Corporation has appointed Endeavor Trust Corporation, located at 702 – 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4, as the registrar and transfer agent of the Corporation.

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Corporation since its incorporation, which are currently in effect and considered to be currently material:

1. the Share Purchase Agreement, as amended;
2. the Amended and Restated Promissory Note;
3. the General Security Agreement;
4. the Escrow Agreement;
5. the Consideration Share Escrow Agreements; and
6. the 18-month Escrow Agreements.

Copies of all material contracts and reports referred to in this Prospectus will be filed on the Corporation's SEDAR+ profile and may also be inspected at the Registered and Records office of the Corporation located at Suite 2300, Bentall 5, 550 Burrard Street, Vancouver BC V6C 2B5 during normal business hours.

EXPERTS

Names of Experts

The following are persons or companies whose profession or business gives authority to a statement made in this Prospectus as having prepared or certified a part of that document, report, or valuation described in this Prospectus:

- Saturna Group Chartered Professional Accountants LLP, have audited the Corporation's financial statements; and

- Borden Ladner Gervais LLP is the Corporation's counsel with respect to certain Canadian legal matters herein.

Interest of Experts

As at the date hereof, to the best of our knowledge, none of the aforementioned persons beneficially owns, directly or indirectly, securities of the Corporation or its associates and affiliates greater than 1% of the current issued and outstanding Common Shares. In addition, none of the aforementioned persons nor any director, officer or employee of any of the aforementioned persons, is or is expected to be elected, appointed or employed as, a director, senior officer or employee of the Corporation or of an associate or affiliate of the Corporation, or as a promoter of the Corporation or an associate or affiliate of the Corporation.

OTHER MATERIAL FACTS

To management's knowledge, there are no other material facts relating to the Corporation that are not otherwise disclosed in this Prospectus or are necessary for the Prospectus to contain full, true and plain disclosure of all material facts relating to the Corporation.

RIGHTS OF WITHDRAWAL AND RESCISSION

Statutory Rights

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the Prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

In an offering of Subscription Receipts, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial and territorial securities legislation, to the price at which the Subscription Receipts is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces and territories, if the purchaser pays additional amounts upon conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces and territories. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of this right of action for damages or consult with a legal adviser.

Original purchasers of convertible, exchangeable or exercisable securities will have a contractual right of rescission against the Corporation in respect of the conversion, exchange or exercise of such securities, as the case may be. The contractual right of rescission will entitle such original purchasers to receive the amount paid upon conversion, exchange or exercise, upon surrender of the underlying securities gained thereby, in the event that this Prospectus (as supplemented or amended) contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this Prospectus; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this Prospectus. This contractual right of rescission will be consistent with the statutory right of rescission described under section 203 of the *Securities Act* (Alberta), and is in addition to any other right or remedy available to original purchasers under section 203 of the *Securities Act* (Alberta) or otherwise at law.

Contractual Rights

The Corporation has granted to each holder of the Subscription Receipts a contractual right of rescission of the prospectus-exempt transaction under which the Subscription Receipts were initially acquired. The contractual right of rescission provides that, if such holder who acquires another security of the issuer on exercise of the Subscription Receipts as provided for in the prospectus is, or becomes, entitled under the securities legislation of a jurisdiction to the remedy of rescission because of the prospectus or an amendment to the prospectus containing a misrepresentation,

(a) the holder is entitled to rescission of both the holder's exercise of its Subscription Receipts into Common Shares, and the private placement transaction under which the Subscription Receipts were initially acquired;

(b) the holder is entitled in connection with the rescission to a full refund of all consideration paid to the underwriter or issuer, as the case may be, on the acquisition of the Subscription Receipts; and

(c) if the holder is a permitted assignee of the interest of the original Subscription Receipt subscriber, the holder is entitled to exercise the rights of rescission and refund as if the holder was the original subscriber.

FINANCIAL STATEMENT DISCLOSURE

All financial information herein has been presented in Canadian dollars in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretation Committee.

The following financial statements and management's discussions and analysis are included herein:

APPENDIX A – The Corporation's audited financial statements for the period from incorporation (September 6, 2022) to August 31, 2023 and related Management's Discussion and Analysis

APPENDIX B – The Corporation's audited financial statements for the years ended August 31, 2025 and 2024 and related Management's Discussion and Analysis

APPENDIX C – The Corporation's unaudited condensed interim financial statements for the three months ended November 30, 2025 and 2024 and related Management's Discussion and Analysis

APPENDIX D – Redwood's audited financial statements for the year ended August 31, 2025 and period from January 15, 2024 (date of incorporation) to August 31, 2024 and related Management's Discussion and Analysis

APPENDIX E – Redwood's unaudited condensed interim financial statements for the three months ended November 30, 2025 and 2024 and related Management's Discussion and Analysis

APPENDIX F – Unaudited pro forma consolidated statement of position of the Corporation as at November 30, 2025 that gives effect to the Acquisition, as if it had occurred on November 30, 2025

APPENDIX A
MARSHALL TECHNOLOGIES CORP. – AUDITED FINANCIAL STATEMENTS AND MD&A FOR THE PERIOD FROM SEPTEMBER 6, 2022 (DATE OF INCORPORATION) TO AUGUST 31, 2023

(ATTACHED)

MARSHALL TECHNOLOGIES CORP.

FINANCIAL STATEMENTS

For the year ended August 31, 2024 and period from September 6, 2022 (date of incorporation) to August 31, 2023

(Expressed in Canadian Dollars)

SATURNA GROUP
CHARTERED PROFESSIONAL ACCOUNTANTS LLP
Suite 1605, 1166 Alberni Street
Vancouver, BC Canada V6E 3Z3

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Marshall Technologies Corp.

Opinion

We have audited the financial statements of Marhsall Technologies Corp. (the "Company"), which comprise the statement of financial position as at August 31, 2024 and 2023, and the statements of loss and comprehensive loss, changes in shareholders' equity (deficit), and cash flows for the year ended August 31, 2024 and for the period from September 6, 2022 (date of incorporation) to August 31, 2023, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at August 31, 2024 and 2023, and its financial performance and its cash flows for the year ended August 31, 2024 and for the period from September 6, 2022 (date of incorporation) to August 31, 2023 in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company had no revenues, and incurred a net loss of $107,513 during year ended August 31, 2024 and, as of that date, the Company had a working capital deficit of $96,830 and an accumulated deficit of $115,581. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis
- The information, other than the financial statements and our auditor's report thereon, in the Prospectus.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of the auditor's report. If, based on the work we have performed on this information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

The Prospectus is expected to be made available to us after the date of the auditor's report. If, based on the work we have performed on this information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

SATURNA GROUP LLP

Saturna Group Chartered Professional Accountants LLP

Vancouver, Canada

November 4, 2024

MARSHALL TECHNOLOGIES CORP.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	Note	August 31, 2024 $	August 31, 2023 $
ASSETS			
CURRENT			
Cash		35,017	13,878
Total assets		35,017	13,878
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)			
CURRENT			
Accounts payable and accrued liabilities	7	59,622	3,095
Advances payable	5	72,225	100
Total liabilities		131,847	3,195
SHAREHOLDERS' EQUITY (DEFICIT)			
Share capital	6	1	1
Subscription receipts	6	15,000	-
Share subscriptions received	6	18,750	18,750
Subscription receipts receivable	6	(15,000)	-
Deficit		(115,581)	(8,068)
Total shareholders' equity (deficit)		(96,830)	10,683
Total liabilities and shareholders' equity (deficit)		35,017	13,878

Nature of operations and continuance of business (Note 1)
Subsequent events (Note 11)

Approved and authorized for issuance on behalf of the Board of Directors on November 4, 2024:

"Farbod Shahrokhi"
Farbod Shahrokhi, Director

"Tyler Lewis"
Tyler Lewis, Director

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

MARSHALL TECHNOLOGIES CORP.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	Note	Year ended August 31, 2024 $	Period from September 6, 2022 (date of incorporation) to August 31, 2023 $
Expenses			
Consulting fees		39,375	-
General and administrative		348	437
Professional fees	7	67,550	7,631
Transfer agent and filing fees		240	-
Total expenses		107,513	8,068
Net loss and comprehensive loss		(107,513)	(8,068)
Loss per share, basic and diluted		(107,513)	(8,068)
Weighted average number of shares outstanding		1	1

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

MARSHALL TECHNOLOGIES CORP.
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIT)
(Expressed in Canadian dollars)

	Share capital		Subscription receipts	Share subscriptions received	Subscription receipts receivable	Deficit	Total shareholders' equity (deficit)
	Number of shares	Amount $	$	$	$	$	$
Balance, September 6, 2022 (date of incorporation)	**1**	**1**	**-**	**-**	**-**	**-**	**1**
Share subscriptions received	-	-	-	18,750	-	-	18,750
Net loss for the period	-	-	-	-	-	(8,068)	(8,068)
Balance, August 31, 2023	**1**	**1**	**-**	**18,750**	**-**	**(8,068)**	**10,683**
Issuance of subscription receipts	-	-	15,000	-	(15,000)	-	-
Net loss for the year	-	-	-	-	-	(107,513)	(107,513)
Balance, August 31, 2024	**1**	**1**	**15,000**	**18,750**	**(15,000)**	**(115,581)**	**(96,830)**

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

MARSHALL TECHNOLOGIES CORP.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	Year ended August 31, 2024 $	Period from September 6, 2022 (date of incorporation) to August 31, 2023 $
OPERATING ACTIVITIES		
Net loss	(107,513)	(8,068)
Changes in non-cash working capital:		
Accounts payable and accrued liabilities	56,527	3,096
Net cash used in operating activities	(50,986)	(4,872)
FINANCING ACTIVITIES		
Proceeds from share subscriptions received	-	18,750
Proceeds from advances payable	72,125	100
Net cash provided by financing activities	72,125	18,750
Change in cash	21,139	13,878
Cash, beginning of period	13,878	-
Cash, end of period	35,017	13,878
Non-cash investing and financing activities:		
Share subscriptions receivable	15,000	-

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Marshall Technologies Corp. ("Marshall" or the "Company") was incorporated on September 6, 2022, pursuant to the provisions of the *Business Corporations Act* (British Columbia) for the purpose of acquiring or developing business opportunities in the artificial intelligence and technology industry. The Company's head office is located at 1309 – 7th Street SW, Calgary, Alberta, Canada, T2R 1A5 and Company's registered is located at 550 Burrard Street, Vancouver British Columbia, V6C 2B5.

On September 9, 2024, the Company completed a share consolidation of its common shares on the basis of 1 new common share for every existing 2 common shares. The share consolidation has been retroactively presented in the financial statements by adjusting all share amounts, including per share amounts.

These financial statements have been prepared with the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business. During the year ended August 31, 2024, the Company had no revenues and incurred a net loss of $107,513. As at August 31, 2024, the Company had a working capital deficit of $96,830 and an accumulated deficit of $115,581. The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties, complete sufficient equity financing, and generate profitable operations in the future. The Company has no assurance that it will be successful in its efforts. These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements. The impact of these adjustments could be material.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

(b) Basis of measurement

These financial statements have been prepared on a historical basis, except for certain financial instruments that have been measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The financial statements are presented in Canadian dollars, which is the functional currency of the Company.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies have been applied consistent throughout by the Company for purposes of these financial statements.

(a) Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits with financial institutions, and other short-term, highly liquid investments that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(b) Financial instruments

Financial Assets

All financial assets not classified at amortized cost or fair value through other comprehensive income are measured at fair value through profit or loss ("FVTPL"). On initial recognition, the Company can irrevocably designate a financial asset at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- It is held within a business model whose objective is to hold the financial asset to collect the contractual cash flows associated with the financial asset instead of selling the financial asset for a profit or loss; and
- Its contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets that meet the following conditions are measured at fair value through other comprehensive income ("FVTOCI"):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial instruments are initially recognized at fair value on the statement of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in net income (loss) for the period. Financial assets classified at amortized cost and financial liabilities are measured at amortized cost using the effective interest method. The Company's financial instruments are classified as follows:

Financial Assets / Liabilities	Classification and Measurement
Cash	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Advances payable	Amortized cost

Financial liabilities

Financial liabilities are designated as either: (i) FVTPL; or (ii) other financial liabilities. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Accounts payable and accrued liabilities are classified under other financial liabilities and carried on the statement of financial position at amortized cost.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(b) Financial instruments (continued)

Financial liabilities (continued)

Gains and losses on de-recognition are generally recognized in the statement of operations. The Company does not have any derivative financial assets and liabilities.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the credit risk on the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statement of loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(c) Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in the statement of loss except to the extent that it relates to items recognized directly in equity in which case the related income tax is recognized directly in equity.

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantively enacted at the end of the reporting period and any adjustments to tax payable in respect of previous years.

In general, deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non discounted basis using tax rates and laws that have been enacted or substantively enacted at the reporting date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that such assets can be recovered.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates except, in the case of subsidiaries, where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are presented as non-current.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities when they relate to income taxes levied by the same taxation authority and when the Company intends to settle its current tax assets and liabilities on a net basis.

(d) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(e) Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, stock options, and warrants are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Valuation of equity units issued in private placements

The Company has adopted the residual value method with respect to the measurement of shares and warrants issued as private placement units. Under this method, the proceeds are allocated first to share capital based on the fair value of the common shares at the time the units are priced and any residual value is allocated to the share-based payments reserve. The fair value of the common shares is based on the closing quoted bid price on the announcement date once the shares of the Company are listed.

Consideration received for the exercise of warrants is recorded in share capital and the related residual value in warrants reserve is transferred to share capital. For those warrants that expired, the recorded value is transferred to deficit.

(f) Earnings (loss) per share

The Company presents basic earnings (loss) per share data for its common shares, calculated by dividing the income (loss) attributable to common shareholders of the Company by the weighted average number of shares outstanding during the period. The Company uses the treasury stock method for calculating diluted earnings (loss) per share. Under this method the dilutive effect on earnings per share is calculated on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to purchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive. As at August 31, 2024, the Company had 2,000,000 (2023 – nil) potentially dilutive shares outstanding.

(g) New accounting standards issued but not yet effective

A number of new standards, and amendments to standards and interpretations, are not effective for the year ended August 31, 2024, and have not been early adopted in preparing these financial statements. The impact of these new standards and amendments are not expected to have a material impact on the Company's financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

Significant judgments

Management has made critical judgments in the process of applying accounting policies, including:

The assessment of the Company's ability to continue as a going concern and its ability to execute its strategy by funding future working capital requirements requires judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, such as expectations of future events that are believed to be reasonable under the circumstances.

5. ADVANCES PAYABLE

As at August 31, 2024, the Company owed $72,225 (2023 - $100) relating to advances made by individuals for private placement into the Company that are being returned. The amounts owing are unsecured, non-interest bearing, and due on demand.

6. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and Outstanding

Year ended August 31, 2024:

On August 28, 2024, the Company issued 6,000,000 subscription receipts (the "$0.0025 Subscription Receipts) at an issue price of $0.0025 per $0.0025 Subscription Receipt or aggregate gross proceeds of $15,000. Each $0.0025 Subscription Receipt will automatically convert, immediately prior to the time of completion of a public listing without any further action or payment of any additional consideration into one-half (1/2) of one unit of the Corporation (each whole unit, a "$0.0025 Unit"). If the public listing does not complete by May 26, 2025, or such other date as the Corporation may determine, each $0.0025 Subscription Receipt will automatically convert, without further action or payment into 0.505 of a $0.0025 Unit. Each whole $0.0025 Unit will consist of one Common Share and two-thirds (2/3) of one Common Share purchase warrant (each Common Share purchase warrant, a "$0.0025 Warrant"). Each whole $0.0025 Warrant will entitle the holder thereof to purchase one Common Share (each, a "$0.0025 Warrant Share") at a price of $0.25 per $0.0025 Warrant Share at any time prior to five (5) years from the date of the issuance of the $0.0025 Warrants.

Period from September 6. 2022 (date of incorporation) to August 31, 2023:

On September 6, 2022, the Company issued 1 common share pursuant to the incorporation of the Company.

As at August 31, 2023, the Company received share subscriptions of $18,750. Refer to Note 11.

7. RELATED PARTY TRANSACTIONS

Key management includes directors (executive and non-executive) and officers of the Company. The amounts due to related parties are for amounts due to directors and officers. The balances are unsecured, non–interest bearing and have no specific terms for repayment.

During the year ended August 31, 2024, the Company incurred professional fees of $26,250 (2023 - $nil) to a company controlled by the Chief Financial Officer of the Company. As at August 31, 2024, the Company owed $26,250 (2023 - $nil) to this company.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity risk, credit risk, price risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

(a) Fair values

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted Prices in Active Markets for Identical Assets

Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Significant Other Observable Inputs

Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability. There are no items in Level 2 of the fair value hierarchy.

Level 3 – Significant Unobservable Inputs

Unobservable (supported by little or no market activity) prices. There are no items in Level 3 of the fair value hierarchy.

The carrying values of cash, accounts payable and accrued liabilities, and advances payable approximate their fair values due to their short-term nature.

(b) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The maximum credit risk the Company is exposed to is 100% of its cash. The Company's cash is held at a large Canadian financial institution.

(c) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. The Company's objective to managing liquidity risk is to ensure that it has sufficient liquidity available to meet its liabilities when due. The accounts payable and accrued liabilities are typically due in 30 days, which are settled using cash.

At present, the Company's operations do not generate positive cash flow. The Company's primary source of funding has been the issuance of equity securities. Despite previous success in acquiring required financing, there is no guarantee that the Company will continue to be successful in obtaining future financing.

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to significant interest rate risk as it does not have any liabilities with variable rates.

(Expressed in Canadian dollars)

9. CAPITAL MANAGEMENT

The Company considers its capital structure to include net residual equity of all assets less liabilities. The Company's objectives when managing capital are to (i) maintain financial flexibility to preserve its ability to meet financial obligations and continue as a going concern; (ii) maintain a capital structure that allows the Company to pursue the assessment of acquisition opportunities; and (iii) optimize the use of its capital to provide an appropriate investment return to its shareholders commensurate with risk.

The Company's financial strategy is formulated and adapted according to market conditions to maintain a flexible capital structure that is consistent with its objectives and the risk characteristics of its underlying assets. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets, or adjust the amount of cash. The Company is not subject to any externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the prior year.

10. INCOME TAXES

Income tax expense differs from the amount that would result from applying Canadian federal and provincial income tax rates to earnings before income taxes. A reconciliation of income taxes at statutory rates with reported taxes is as follows:

	August 31, 2024 $	August 31, 2023 $
Net loss before income taxes	(107,513)	(8,068)
Statutory income tax rate	11%	11%
Income tax recovery computed at statutory tax rate	(11,826)	(887)
Tax effect of:		
Unrecognized benefit of deferred income tax assets	11,826	887
Income tax provision	–	–

The significant components of the Company's unrecognized temporary differences as at August 31, 2024 and 2023 are presented below:

	August 31, 2024 $	August 31, 2023 $
Deferred income tax assets		
Non-capital losses carried forward	12,713	887
Unrecognized deferred income tax assets	(12,713)	(887)
Net deferred income tax asset	–	–

As at August 31, 2024, the Company has non-capital losses carried forward of $115,581, which are available to offset future years' taxable income. These non-capital losses expire as follows:

	$
2043	8,068
2044	107,513
	115,581

11. SUBSEQUENT EVENTS

(a) On September 4, 2024, the Company issued 18,000,000 subscription receipts at $0.01 per subscription receipt for proceeds of $180,000. Each subscription receipt will automatically convert into one-half of one common share of the Company upon the Company's public listing on a Canadian stock exchange. If the Company is not listed on a Canadian stock exchange by May 26, 2025, each subscription receipt will be automatically converted into 0.505 common shares of the Company.

(b) On September 9, 2024, the Company issued 93,750 common shares at a price of $0.20 per share for proceeds of $18,750, which was received during the period ended September 30, 2023.

(c) On September 12, 2024, the Company completed a share consolidation of its common shares on the basis of 1 new common share for every existing 2 common shares. The share consolidation has been retroactively presented in the financial statements by adjusting all common share amounts, including per share amounts.

(d) On September 18, 2024, the Company received proceeds from subscription receipts of $15,000 related to the private placement that closed on August 28, 2024. Refer to Note 6.

(e) On September 25, 2024, the Company entered a share purchase agreement with Redwood AI Inc. ("Redwood") pursuant to which the Company has agreed to acquire all of the issued and outstanding common shares of Redwood by issuing 12,000,000 common shares to Redwood's shareholders. As part of the share exchange agreement, the Company is to pay finders' fees equal to 5% of the total acquisition price, or 600,000 common shares.

(f) On October 16, 2024, the Company entered into a loan agreement with Redwood for $100,000, which bears interest at the fluctuating prime-lending rate as quoted by Toronto Dominion Bank, secured against the general assets of Redwood, and is due on February 16, 2025.

MARSHALL TECHNOLOGIES CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended August 31, 2024 and
period from incorporation (September 6, 2022) to August 31, 2023

(Expressed in Canadian Dollars)

OVERVIEW

The following is management's discussion and analysis ("MD&A") of the financial position of Marshall Technologies Corp. (the "Company"). The financial statements of the Company, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), Interpretations issued by the International Financing Reporting Interpretations Committee ("IFRIC").

Information contained herein is presented as of November 4, 2024, unless otherwise indicated. Additional information related to the Company is available on SEDAR+ at www.sedarplus.ca. Unless otherwise indicated, all amounts discussed herein are denominated in Canadian dollars ($), which is the functional and reporting currency of the Company. Additional information related to the Company is available on request from the Company's head office located at: 1309 – 7th Street SW, Calgary, Alberta, Canada, T2R 1A5.

This MD&A was authorized for issue by the Audit Committee and approved and authorized for issue by the Board of Directors on November 4, 2024.

The financial statements together with the following MD&A are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as forward-looking statements relating to potential future performance.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

Certain statements contained in this MD&A constitute forward-looking statements. Forward-looking statements often, but not always, are identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "targeting" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or be achieved and other similar expressions. Forward-looking statements in this MD&A include statements regarding the Company's future plans and expenditures, the satisfaction of rights and performance of obligations under agreements to which the Company is a part, the ability of the Company to hire and retain employees and consultants and estimated administrative assessment and other expenses. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below.

Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Other than as required by applicable securities laws, the Company does not intend, and does not assume 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, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements.

NATURE OF BUSINESS AND OVERALL PERFORMANCE

The Company is currently a start-up company searching for business acquisition opportunities. Subsequent to the year ended August 31, 2024, the Company engaged in a transaction to acquire 100% of the issued and outstanding common shares of Redwood AI Inc. ("Redwood") and is focused on developing this business.

Redwood is a Vancouver-based SythesAItzer-as-a-Service ("SaaS") company that integrates artificial intelligence ("AI") with chemistry to accelerate drug synthesis pathways. By leveraging advanced AI technology, Redwood aims to significantly reduce the time and cost associated with drug development, from discovery and preclinical research through to market launch. Redwood is developing a proprietary AI-powered software, SythesAItzer, designed to automate over 95% of manual tasks in drug synthesis, addressing a key bottleneck in pharmaceutical production. SythesAItzer is currently in its pre-alpha stage, offering capabilities to predict and optimize synthesis pathways, which will be further refined with market feedback and testing by small biotech firms. The tool aims to streamline laboratory operations, optimize equipment usage, and reduce chemical costs.

Redwood's business strategy focuses on leveraging proprietary AI models to address the growing need for smarter, faster, and more accurate chemical synthesis processes. Redwood's mission is to apply its AI capabilities to complex chemical research, creating transformative solutions for industries such as pharmaceuticals, biotechnology, and material sciences.

The financial statements have been prepared under a going concern assumption which contemplates the Company will continue in operation and realize its assets and discharge its liabilities in the normal course of operations. Should the going concern assumption not continue to be appropriate, adjustments to carrying values may be required. The Company's ability to meet its obligations and maintain its current operations is contingent upon successful completion of additional financing arrangements and ultimately upon the discovery of proven reserves and generating profitable operations.

Management expects to be successful in arranging sufficient funding to meet operating commitments for the ensuing year. However, the Company's future capital requirements will depend on many factors, including the costs of performing research and development activities, operating costs, the current capital market environment, and global market conditions. The Company had a working capital at August 31, 2024, of $96,830. For significant expenditures and resource property development, the Company will depend almost exclusively on outside capital. Such outside capital will include the issuance of additional equity shares. There can be no assurance that capital will be available, as necessary, to meet the Company's operating commitments and further exploration and development plans. The issuance of additional equity securities by the Company may result in significant dilution to the equity interests of current shareholders. If the Company is unable to obtain financing in the amounts and on terms deemed acceptable, the future success of the business could be adversely affected.

SUMMARY OF ANNUAL INFORMATION

The table below sets out certain selected financial information regarding the operations of the Company for the period indicated. The selected financial information has been prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements and related notes.

	August 31, 2024 $	**August 31, 2023 $**
Revenue	-	-
Net and comprehensive loss	(107,513)	(8,068)
Total assets	35,017	13,878
Non-current financial liabilities	-	-
Distributions	-	-

The Company has not declared any dividends since its incorporation and does not anticipate paying cash dividends in the foreseeable future on its common shares and intends to retain any future earnings to finance internal growth, acquisitions, and development of its business. Any future determination to pay cash dividends will be at the discretion of the board of directors of the Company and will depend upon the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors of deems relevant.

SELECTED QUARTERLY INFORMATION

Results for the eight most recently completed quarters are summarized below.

For the Quarter Periods Ending	**August 31, 2024 $**	**May 31, 2024 $**	**February 29, 2024 $**	**November 30, 2023 $**
Total revenue	Nil	Nil	Nil	Nil
Loss for the period	(56,573)	(8,133)	(38,997)	(3,810)
Total assets	35,017	37,420	36,220	110,331
Total non-current liabilities	Nil	Nil	Nil	Nil

For the Quarter Periods Ending	**August 31, 2023 $**	**May 31, 2023 $**	**February 28, 2023 $**	**November 30, 2022 $**
Total revenue	Nil	Nil	Nil	Nil
Loss for the period	(7,865)	(128)	(60)	(15)
Total assets	13,878	18,724	18,191	13,861
Total non-current liabilities	Nil	Nil	Nil	Nil

RESULTS OF OPERATIONS

For the year ended August 31, 2024:

During the year ended August 31, 2024, the Company recorded a net loss of $107,513 as compared to a net loss of $8,068 for the comparable period ended.

Total expenses for the year ended amounted to $107,513 as compared to $8,068 for the comparable period ended, an increase of $99,445. The increase in overall expenditures can be attributed to the following:

- Consulting fees have increased to $39,375 from $Nil, which can be attributed to the fees paid to third party consultants for professional and other services that were engaged in the current year.

- Professional fees have increased to $67,550 from $7,631 which can be attributed to the fees paid to third party consultants for professional services, audit fees, and legal fees.

For the three months August 31, 2024:

During the three months ended August 31, 2024, the Company recorded a net loss of $56,573 as compared to a net loss of $7,865 for the comparable three months ended.

Total expenses for the three months ended amounted to $56,573 as compared to $7,865 for the comparable three months ended, an increase of $48,708. The increase in overall expenditures can be attributed to the following:

- Professional fees have increased to $59,623 from $7,556, which can be attributed to the fees paid to third party consultants for professional services, audit fees, and legal fees that were engaged in the current three months.

LIQUIDITY & CAPITAL RESOURCES

As at August 31, 2024, the Company had a working capital deficit of $96,830 and cash of $35,017. The Company will require significant funds from either equity or debt financing for property exploration and to support general administrative expenses.

CAPITAL MANAGEMENT

The Company considers its capital structure to include net residual equity of all assets, less liabilities. The Company's objectives when managing capital are to (i) maintain financial flexibility in order to preserve its ability to meet financial obligations and continue as a going concern; (ii) maintain a capital structure that allows the Company to pursue the development of its research projects; and (iii) optimize the use of its capital to provide an appropriate investment return to its shareholders commensurate with risk.

The Company's financial strategy is formulated and adapted according to market conditions in order to maintain a flexible capital structure that is consistent with its objectives and the risk characteristics of its underlying assets. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets, or adjust the amount of cash. The Company is not subject to any externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from prior year.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES AND EXECUTIVE COMPENSATION

Key management includes directors (executive and non-executive) and officers of the Company. The amounts due to related parties are for amounts due to directors and officers. The balances are unsecured, non–interest bearing and have no specific terms for repayment.

During the year ended August 31, 2024 the Company incurred professional fees related to accounting and corporate administration of $26,250 (2023 - $Nil) to Amalfi Corporate Services Ltd. (a company controlled by Geoff Balderson, Former CFO of the Company). As at August 31, 2024, there was $26,250 (August 31, 2023 - $Nil) owing to this company.

The related party transactions were recorded at the exchange amount which is considered equivalent to the fair value of the services provided

The Corporation entered into a Corporate and Financial Advisory Agreement with Amalfi Corporate Services Ltd. ("Amalifi") on November 1, 2022 for the provision by Amalfi to the Corporation of certain corporate, accounting and administrative services to the Corporation in accordance with the terms of the Corporate and Financial Advisory Agreement for an initial cash fee in the amount of $25,000, subsequently and starting from September 1, 2024, a monthly cash fee in the amount of $10,000, the issuance of 300,000 Common Shares (the "Amalfi Shares") to Amalfi upon the Corporation being listed on the Exchange, potential Options, RSUs and other equity incentives in accordance with the Corporation's Equity Incentive Plan, and an administrative success fee payable by the Corporation in cash or shares as follows: (i) in the event of an acquisition of an asset or company (in whole or in part), three percent (3%) of the transaction value plus, in respect of that asset or company; (ii) in the event of a divestiture of an asset or company (in whole or in part), two percent (2%) of the transaction value plus, in respect of that asset or company; (iii) in the event of a merger or similar business combination not covered under points (i) or (ii) above, two percent (2%) of the transaction value; and (iv) in the event of an equity or debt financing, two percent (2%) of the gross proceeds of any equity or debt offering completed by the Corporation and/or its subsidiaries or affiliated companies. For the purposes of the Corporate and Financial Advisory Agreement, transaction value is defined as the cash value of any consideration paid (including, without limitation, cash, securities and property), plus the amount of debt assumed (including short term debt, current portions of long-term debt and capital lease obligations). The Corporate and Financial Advisory Agreement is for an initial term of twelve (12) months and shall continue thereafter on a month-to-month basis, subject to termination on thirty (30) days' written notice.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are disclosed in Note 4 of the financial statements.

FINANCIAL INSTRUMENTS

Financial assets and liabilities measured at fair value on a recurring basis are classified in their entirety based on the lowest level of input that is significant to their fair value measurement. Certain non-financial assets and liabilities may also be measured at fair value on a non-recurring basis.

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted Prices in Active Markets for Identical Assets
Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Significant Other Observable Inputs
Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability. There are no items in Level 2 of the fair value hierarchy.

Level 3 – Significant Unobservable Inputs
Unobservable (supported by little or no market activity) prices. There are no items in Level 3 of the fair value hierarchy.

The fair value of financial instruments, which include cash, accounts payable and accrued liabilities approximate their carrying values due to the relatively short-term maturity of these instruments.

Financial Instrument Risks

The Company's financial instruments are exposed to certain financial risks, including credit risk, interest rate risk, market risk, liquidity risk and currency risk.

a) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The maximum credit risk the Company is exposed to is 100% of cash. The Company's cash is held at a large Canadian financial institution.

b) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. The Company's objective to managing liquidity risk is to ensure that it has sufficient liquidity available to meet its liabilities when due. The accounts payable and accrued liabilities are typically due in 30 days, which are settled using cash.

At present, the Company's operations do not generate positive cash flow. The Company's primary source of funding has been the issuance of equity securities. Despite previous success in acquiring required financing, there is no guarantee that the Company will continue to be successful in obtaining future financing.

c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to significant interest rate risk as it does not have any liabilities with variable rates.

PROPOSED TRANSACTIONS

On September 25, 2024 the Company entered a share purchase agreement with Redwood pursuant to which the Company has agreed to acquire all of the issued and outstanding common shares of Redwood by issuing 12,000,000 common shares to Redwood's shareholders. As part of the share exchange agreement, the Company is to pay finders' fees equal to 5% of the total acquisition price, or 600,000 common shares.

SUBSEQUENT EVENTS

On September 4, 2024, the Company issued 18,000,000 subscription receipts at an issue price of $0.01 per $0.01 Subscription Receipt for aggregate gross proceeds of $180,000. Each $0.01 Subscription Receipt will automatically convert, without any further action or payment of any additional consideration into one-half (1/2) of one Common Share immediately prior to the time of completion of a public listing. If the public listing does not complete by May 26, 2025, or such other date as the Corporation may determine, each $0.01 Subscription Receipt will automatically convert, without further action or payment of any additional consideration into 0.505 of a Common Share.

On September 9, 2024, the Company closed a private placement for 93,750 common shares at a price of $0.20 per share for gross proceeds of $18,750.

On September 9, 2024, the Company completed a share consolidation of its common shares on the basis of 1 new common share for every existing 2 common shares. The share consolidation has been retroactively presented in this MD&A by adjusting all share amounts, including per share amounts.

On September 18, 2024, the Company received proceeds from subscription receipts of $15,000 related to the private placement that closed on August 28, 2024. Refer to Note 6 of the financial statement for the year ended August 31, 2024.

On October 16, 2024, the Company entered into a loan agreement with Redwood for $100,000, which bears interest at the fluctuating prime-lending rate as quoted by Toronto Dominion Bank, secured against the general assets of Redwood, and is due on February 16, 2025.

OUTSTANDING SHARE DATA

The Company had the following securities issued and outstanding:

	August 31, 2024	November 4, 2024
Common shares	1	93,750
Fully diluted shares	1	93,750

RISKS

The Company is subject to a number of risks and uncertainties that could significantly affect its financial condition and performance. As the Company grows and enters into new markets, these risks can increase. These risk factors are not a definitive list of all risk factors associated with the Company or in connection with the Company's operations.

The Company has no history of profitable operations and a limited operating history. The Company's present business is at an early stage of development. As such, many risks common to such early-stage enterprises, including cash shortages and limitations with respect to personnel, financial and other resources, and access to capital, exist. Certain risks and assumptions include, among others:

- the Company's limited operating history;
- uncertainty as to the Company's ability to continue as a going concern;
- substantial fluctuation of losses due to numerous external risk factors out of the Company's control that cause the Company to incur significant losses in the future;
- uncertainty as to the Company's ability to raise additional funding to support operations;
- regulatory approval as well as with health and data protection laws and risks;
- compliance with environmental and consumer health and safety laws and regulations;
- uncertainty surrounding the Company's reputation and feasibility of product developments;
- the Company's ability to adequately protect its intellectual property and trade secrets;
- risks related to various tax matters;
- the Company's reliance on the capabilities and experience of the Company's key executives and the resulting loss of any of these individuals;
- liquidity of the Company's securities;
- risks related to additional issuances and dilution of the Company's securities;
- risks related to the Company's capital structure;
- the costs associated with maintain public listings; and
- other factors beyond the Company's control.

There is no assurance that the Company will be successful in executing its business plan and generating a return on shareholders' investments. The likelihood of success must be considered in relation to its early stage of operations and industry. There are a number of risk factors that could cause future results to differ materially from those described herein. Additional risks and uncertainties, including those that the Company does not know about or that it currently deems immaterial, could also adversely affect the Company's business and results of operations.

OUTLOOK

The Company's primary focus for the foreseeable future will be on reviewing its financial position, raising funds to support research and development and operational activities, pursuing pre-clinical and clinical trials for its potential drug candidates, and financing business ventures in the pharmaceutical industry.

ADDITIONAL INFORMATION

Additional information related to the Company will be available for view on SEDAR+ at www.sedarplus.com, or by requesting further information from the Company's head office in Vancouver, BC, Canada.

Marshall Technologies Corp.
1309 -7th Street SW, Calgary Alberta, Canada, T2R 1A5

APPENDIX B
MARSHALL TECHNOLOGIES CORP. – AUDITED FINANCIAL STATEMENTS AND MD&A FOR THE YEARS ENDED AUGUST 31, 2025 AND 2024

(ATTACHED)

MARSHALL TECHNOLOGIES CORP.

FINANCIAL STATEMENTS

YEARS ENDED AUGUST 31, 2025 AND 2024

(Expressed in Canadian Dollars)

SATURNA GROUP
CHARTERED PROFESSIONAL ACCOUNTANTS LLP

Suite 1605, 1166 Alberni Street
Vancouver, BC Canada V6E 3Z3

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Marshall Technologies Corp.

Opinion

We have audited the financial statements of Marshall Technologies Corp. (the "Company"), which comprise the statements of financial position as at August 31, 2025 and 2024, and the statements of loss and comprehensive loss, changes in shareholders' equity (deficit), and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at August 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company had no revenues, incurred a net loss of $531,648, and had negative cash flow from operations during the year ended August 31, 2025 and, as of that date, the Company had a working capital deficit of $433,479 and an accumulated deficit of $647,229. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis
- The information, other than the financial statements and our auditor's report thereon, in the Prospectus.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of the auditor's report. If, based on the work we have performed on this information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

The Prospectus is expected to be made available to us after the date of the auditor's report. If, based on the work we have performed on this information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

SATURNA GROUP LLP

Saturna Group Chartered Professional Accountants LLP

Vancouver, Canada

December 19, 2025

MARSHALL TECHNOLOGIES CORP.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	Notes	August 31, 2025 $	August 31, 2024 $
ASSETS			
Current assets			
Cash		22,285	35,017
GST receivable		24,751	–
Interest receivable	5	5,920	–
Promissory note receivable	5	220,000	–
Restricted cash	7	4,161,989	–
Total assets		4,434,945	35,017
LIABILITIES AND SHAREHOLDERS' DEFICIT			
Current liabilities			
Accounts payable and accrued liabilities	9	566,435	59,622
Advances payable	6	20,000	72,225
Refundable subscription receipts	7	4,281,989	–
Total liabilities		4,868,424	131,847
Shareholders' deficit			
Share capital	8	18,750	1
Subscription receipts	8	195,000	15,000
Share subscriptions received	8	–	18,750
Subscription receipts receivable	8	–	(15,000)
Deficit		(647,229)	(115,581)
Total shareholders' deficit		(433,479)	(96,830)
Total liabilities and shareholders' deficit		4,434,945	35,017

Nature of operations and going concern (Note 1)
Subsequent events (Note 14)

Approved and authorized for issuance on behalf of the Board of Directors on December 19, 2025:

"Matthew Mingay"
Matthew Mingay, Director

"Graydon Bensler"
Graydon Bensler, Director

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

MARSHALL TECHNOLOGIES CORP.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	Notes	Year ended August 31, 2025 $	Year ended August 31, 2024 $
Expenses			
Consulting fees	9	71,777	39,375
General and administrative		3,886	348
Listing and filing fees		21,611	240
Professional fees	9, 12	440,294	67,550
Total expenses		537,568	107,513
Loss before other income		(537,568)	(107,513)
Other income			
Interest income	5	5,920	–
Net loss and comprehensive loss		(531,648)	(107,513)
Loss per share, basic and diluted		(5.81)	(107,513)
Weighted average number of common shares outstanding, basic and diluted		91,438	1

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

MARSHALL TECHNOLOGIES CORP.
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIT)
(Expressed in Canadian dollars)

	Number of common shares	Share Capital	Subscription receipts	Share subscriptions received	Subscription receipts receivable	Deficit	Total shareholders' equity (deficit)
		$	$	$	$	$	$
Balance, August 31, 2023	1	1	–	18,750	–	(8,068)	10,683
Subscription receipts	–	–	15,000	–	(15,000)	–	–
Net loss for the year	–	–	–	–	–	(107,513)	(107,513)
Balance, August 31, 2024	1	1	15,000	18,750	(15,000)	(115,581)	(96,830)
Shares issued for cash	93,750	18,750	–	(18,750)	–	–	–
Return of founder's share	(1)	(1)	–	–	–	–	(1)
Subscription receipts received	–	–	180,000	–	15,000	–	195,000
Net loss for the year	–	–	–	–	–	(531,648)	(531,648)
Balance, August 31, 2025	93,750	18,750	195,000	–	–	(647,229)	(433,479)

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

MARSHALL TECHNOLOGIES CORP.
STATEMENTS OF CASH FLOWS
Years ended August 31, 2025 and 2024
(Expressed in Canadian dollars)

	Year ended August 31, 2025 $	**Year ended August 31, 2024 $**
Operating activities		
Net loss for the year	(531,648)	(107,513)
Items not involving cash:		
Interest income	(5,920)	–
Changes in non-cash working capital:		
GST receivable	(24,751)	
Accounts payable and accrued liabilities	506,813	56,527
Net cash used in operating activities	(55,506)	(50,986)
Investing activities		
Promissory note issued	(220,000)	–
Net cash used in investing activities	(220,000)	–
Financing activities		
Common shares returned to treasury	(1)	–
Proceeds from issuance of subscription receipts	195,000	–
Proceeds from issuance of refundable subscription receipts	4,281,989	–
Proceeds from advances payable	–	72,125
Repayment of advances payable	(52,225)	–
Net cash provided by financing activities	4,424,763	72,125
Change in cash	4,149,257	21,139
Cash, beginning of year	35,017	13,878
Cash, end of year	4,184,274	35,017
Non-cash investing and financing activities:		
Share subscriptions receivable	–	15,000

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Marshall Technologies Corp. ("Marshall" or the "Company") was incorporated on September 6, 2022, pursuant to the provisions of the *Business Corporations Act* (British Columbia) for the purpose of acquiring or developing business opportunities in the artificial intelligence and technology industry. The Company's registered office is located at Suite 1200, 200 Burrard Street, Vancouver British Columbia, V7X 1T2.

These financial statements have been prepared with the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business. During the year ended August 31, 2025, the Company had no revenues, incurred a net loss of $531,648, and had negative cash flows from operations. As at August 31, 2025, the Company had a working capital deficit of $433,479 and an accumulated deficit of $647,229. The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties, complete sufficient equity financing, and generate profitable operations in the future. The Company has no assurance that it will be successful in its efforts. These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements. The impact of these adjustments could be material.

On September 25, 2024 and as amended on October 13, 2025, the Company entered into a share purchase agreement with Redwood AI Inc. ("Redwood") pursuant to which the Company has agreed to acquire all of the issued and outstanding common shares of Redwood ("Redwood Acquisition") by issuing 12,000,000 common shares to Redwood's shareholders. As part of the share exchange agreement, the Company is to pay finders' fees equal to 5% of the total acquisition price, or 600,000 common shares. As at August 31, 2025, the share purchase agreement has yet to close.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These financial statements, including comparatives, have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

(b) Basis of measurement

These financial statements have been prepared on a historical basis, except for certain financial instruments that have been measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The financial statements are presented in Canadian dollars, which is the functional currency of the Company.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies have been applied consistent throughout by the Company for purposes of these financial statements.

(a) Financial instruments

Financial Assets

All financial assets not classified at amortized cost or fair value through other comprehensive income are measured at fair value through profit or loss ("FVTPL"). On initial recognition, the Company can irrevocably designate a financial asset at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(a) Financial instruments (continued)

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- It is held within a business model whose objective is to hold the financial asset to collect the contractual cash flows associated with the financial asset instead of selling the financial asset for a profit or loss; and
- Its contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets that meet the following conditions are measured at fair value through other comprehensive income ("FVTOCI"):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial instruments are initially recognized at fair value on the statement of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in net income (loss) for the period. Financial assets and financial liabilities classified at amortized cost are measured at amortized cost using the effective interest method.

The Company's financial instruments are classified as follows:

Financial Assets / Liabilities	Classification and Measurement
Cash	Amortized cost
Interest receivable	Amortized cost
Promissory note receivable	Amortized cost
Restricted cash	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Advances payable	Amortized cost
Refundable subscription receipts	Amortized cost

Financial liabilities

Financial liabilities are designated as either: (i) FVTPL; or (ii) other financial liabilities. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Accounts payable and accrued liabilities are classified under other financial liabilities and carried on the statement of financial position at amortized cost.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on de-recognition are generally recognized in the statement of loss and comprehensive loss. The Company does not have any derivative financial assets and liabilities.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(a) Financial instruments (continued)

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the credit risk on the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statement of loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(b) Financial liabilities on subscription receipts

Subscription receipts issued by the Company that include a refundable clause, under which the proceeds must be returned to investors if certain conditions—such as the completion of Redwood Acquisition transaction—are not met within a specified timeframe.

In accordance with IAS 32 – Financial Instruments: Presentation, these subscription receipts are classified as financial liabilities, as they contain a contractual obligation to repay cash in the event that the specified conditions are not fulfilled. This obligation meets the definition of financial liability under IAS 32.

The receipts are initially recognized at fair value, representing the proceeds received. They remain classified as financial liabilities until the conditions for conversion are met, at which point they are reclassified to equity. If the conditions are not satisfied, the funds are returned to the investors, and the liability is extinguished.

(c) Income taxes

Income taxes comprises current and deferred income taxes. Income taxes are recognized in the statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity in which case the related income tax is recognized directly in equity.

Current income tax is the expected income tax payable on the taxable income for the year using tax rates enacted or substantively enacted at the end of the reporting period and any adjustments to income tax payable in respect of previous years.

In general, deferred income tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non discounted basis using tax rates and laws that have been enacted or substantively enacted at the reporting date and are expected to apply when the deferred income tax asset or liability is settled. Deferred income tax assets are recognized to the extent that it is probable that such assets can be recovered.

Deferred income tax assets and liabilities are presented as non-current.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities when they relate to income taxes levied by the same taxation authority and when the Company intends to settle its current income tax assets and liabilities on a net basis.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(d) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(e) Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, stock options, and warrants are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Valuation of equity units issued in private placements

The Company has adopted the residual value method with respect to the measurement of shares and warrants issued as private placement units. Under this method, the proceeds are allocated first to share capital based on the fair value of the common shares at the time the units are priced and any residual value is allocated to the share-based payments reserve.

Consideration received for the exercise of warrants is recorded in share capital and the related residual value in warrants reserve is transferred to share capital. For those warrants that expired, the recorded value is transferred to deficit.

(f) Earnings (loss) per share

The Company presents basic earnings (loss) per share data for its common shares, calculated by dividing the income (loss) attributable to common shareholders of the Company by the weighted average number of shares outstanding during the period. The Company uses the treasury stock method for calculating diluted earnings (loss) per share. Under this method the dilutive effect on earnings per share is calculated on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to purchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive. As at August 31, 2025, the Company had 31,272,500 (2024 – 5,000,000) potentially dilutive shares outstanding.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(g) Recent accounting pronouncements

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended August 31, 2025, and have not been early adopted in preparing these financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 – Presentation and Disclosure in Financial Statements which will replace IAS 1, Presentation of Financial Statements. The key new concepts introduced in IFRS 18 relate to the structure of the statement of earnings (loss), required disclosures in the financial statements for certain earnings or loss performance measures that are reported outside an entity's financial statements and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will apply for reporting periods beginning on or after January 1, 2027, and also applies to comparative information. The Company is still in the process of assessing the impact of this standard on its financial statements.

Amendments to the Classification and Measurement of Financial Instruments ("Amendments to IFRS 9 and IFRS 7")

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 which clarify the date of recognition and derecognition of some financial assets and liabilities with a new exception for some financial liabilities settled through an electronic cash transfer system, clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion, add new disclosures for certain instruments with contractual terms that can change cash flows such as instruments with features linked to the achievement of environment, social and governance targets; and update the disclosures for equity instruments designated at FVOCI. Amendments to IFRS 9 and IFRS 7 is effective for periods beginning on or after January 1, 2026, with early adoption permitted. The Company is still in the process of assessing the impact of this standard on its financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the financial statements requires management to make certain estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Significant estimates include the collectability of interest and promissory note receivable, and measurement of unrecognized deferred income tax assets. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgments

Management has made critical judgments in the process of applying accounting policies, including:

The assessment of the Company's ability to continue as a going concern and its ability to execute its strategy by funding future working capital requirements requires judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, such as expectations of future events that are believed to be reasonable under the circumstances.

5. PROMISSORY NOTE RECEIVABLE

On October 16, 2024, Redwood issued a promissory note of $100,000 to the Company, which is secured by a general security agreement, bears interest at the fluctuating prime-lending rate as quoted by Toronto Dominion Bank, and has a maturity date of February 16, 2025. In February 2025, the maturity date was extended to May 30, 2025. On May 26, 2025, additional proceeds of $120,000 was advanced to Redwood, and the maturity date of the promissory note was extended to October 1, 2025. As at August 31, 2025, the Company recorded an interest receivable of $5,920 (2024 – $nil).

6. ADVANCES PAYABLE

As at August 31, 2025, the Company owed $20,000 (2024 - $72,225) relating to advances made by individuals for private placements into the Company that are being returned. The amounts owing are unsecured, non-interest bearing, and due on demand.

7. REFUNDABLE SUBSCRIPTION RECEIPTS

On June 12, 2025, the Company issued 8,515,000 subscription receipts at $0.50 per subscription receipt for proceeds of $4,257,500. Each subscription receipt will automatically convert into one share unit of the Company upon the completion of the Redwood Acquisition (the "Conversion Condition"). Each share unit of the Company will be comprised of one common share of the Company and one half of one share purchase warrant, wherein each whole share purchase warrant will entitle the holder to purchase one additional common share of the Company at $0.70 per share for a period of five years from the conversion date.

If the Conversion Condition is not met by January 31, 2026, the funds will be returned to investors. This refund obligation gives rise to a present obligation to deliver cash, meeting the definition of a financial liability under IAS 32.

As at August 31, 2025, the Company had financial liabilities of $4,281,989, which includes interest earned in the trust account of $24,489, and restricted cash of $4,161,989 held by a transfer agent on behalf of the Company. During the year ended August 31, 2025, the Company advanced $120,000 of restricted cash to Redwood for working capital as part of the share purchase agreement. Refer to Note 5.

8. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value.

(b) Shares issued

<u>Share transactions during the year ended August 31, 2025:</u>

On September 4, 2024, the Company issued 18,000,000 subscription receipts at $0.01 per subscription receipt for proceeds of $180,000. Each subscription receipt will automatically convert, into one-half of one common share upon completion of the Company's public listing. If the public listing does not complete by January 31, 2026 or such other date as the Company may determine, each subscription receipt will automatically convert, without further action or payment of any additional consideration, into 0.505 common shares of the Company.

On September 9, 2024, the Company issued 93,750 common shares at a price of $0.20 per share for proceeds of $18,750, which was received in September 2023.

On September 9, 2024, the Company repurchased and cancelled 1 common share from the founder of the Company for consideration of $1.

8. SHARE CAPITAL (continued)

(b) Shares issued (continued)

Share transactions during the year ended August 31, 2025: (continued)

On September 18, 2024, the Company received $15,000 for the subscription receipts that were issued on August 28, 2024.

Share transactions during the year ended August 31, 2024:

On August 28, 2024, the Company issued 6,000,000 subscription receipts at a price of $0.0025 per subscription receipt for proceeds of $15,000, which were received on September 18, 2024. Each subscription receipt will automatically convert, immediately prior to the time of completion of a public listing without any further action or payment of any additional consideration into one-half of one unit of the Company where each whole unit will consist of one common share of the Company and two-thirds of one whole share purchase warrant. Each whole share purchase warrant will allow the holder to purchase one common share of the Company at $0.25 per common share for a period of five years from the issuance date. If the Company's public listing does not complete by May 26, 2025 or such other date as the Company may determine, each subscription receipt will automatically convert into 0.505 units of the Company.

9. RELATED PARTY TRANSACTIONS

Key management includes directors (executive and non-executive) and officers of the Company. The amounts due to related parties are for amounts due to directors and officers. The balances are unsecured, non–interest bearing, and due on demand.

During the year ended August 31, 2025, the Company incurred consulting fees of $8,777 (2024 - $nil) related to services provided by a company controlled by CFO of the Company. As at August 31, 2025, the Company owed $8,777 (2024 - $nil) to this company, which is included in accounts payable and accrued liabilities.

During the year ended August 31, 2025, the Company incurred professional fees of $63,000 (2024 - $26,250) to a company controlled by the former CFO of the Company. As at August 31, 2025, the Company owed $89,320 (2024 - $26,250) to this company, which is included in accounts payable and accrued liabilities.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity risk, credit risk, price risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

(a) Fair values

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted Prices in Active Markets for Identical Assets

Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Level 2 – Significant Other Observable Inputs

Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability. There are no items in Level 2 of the fair value hierarchy.

Level 3 – Significant Unobservable Inputs

Unobservable (supported by little or no market activity) prices. There are no items in Level 3 of the fair value hierarchy.

The fair values of financial instruments, which includes cash, interest receivable, promissory note receivable, restricted cash, accounts payable and accrued liabilities, advances payable, and financial liabilities, approximate their carrying values due to their short-term nature.

(b) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is attributable to cash, interest receivable, and promissory note receivable. The Company minimizes its credit risk by placing its cash with a large Canadian financial institution. The carrying amount of financial assets represents the maximum credit exposure.

(c) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. The Company's objective to managing liquidity risk is to ensure that it has sufficient liquidity available to meet its liabilities when due. The accounts payable and accrued liabilities are typically due in 30 days, which are settled using cash.

At present, the Company's operations do not generate positive cash flow. The Company's primary source of funding has been the issuance of equity securities. Despite previous success in acquiring required financing, there is no guarantee that the Company will continue to be successful in obtaining future financing.

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to significant interest rate risk as it does not have any liabilities with variable rates.

11. CAPITAL MANAGEMENT

The Company considers its capital structure to include net residual equity of all assets less liabilities. The Company's objectives when managing capital are to (i) maintain financial flexibility to preserve its ability to meet financial obligations and continue as a going concern; (ii) maintain a capital structure that allows the Company to pursue the assessment of acquisition opportunities; and (iii) optimize the use of its capital to provide an appropriate investment return to its shareholders commensurate with risk.

The Company's financial strategy is formulated and adapted according to market conditions to maintain a flexible capital structure that is consistent with its objectives and the risk characteristics of its underlying assets. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets, or adjust the amount of cash. The Company is not subject to any externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the prior year.

(Expressed in Canadian dollars)

12. PROFESSIONAL FEES

The Company's professional fees consist of the following items:

	August 31, 2025 $	August 31, 2024 $
Audit, accounting and corporate administration	108,700	40,250
Legal	331,594	27,300
	440,294	67,550

13. INCOME TAXES

Income tax expense differs from the amount that would result from applying Canadian federal and provincial income tax rates to earnings before income taxes. A reconciliation of income taxes at statutory rates with reported taxes is as follows:

	2025 $	2024 $
Net loss before income taxes	(531,648)	(107,513)
Statutory income tax rate	11%	11%
Income tax recovery computed at statutory tax rate	(58,481)	(11,826)
Tax effect of:		
Permanent difference and other	198	–
Unrecognized benefit of deferred income tax assets	58,283	11,826
Income tax provision	–	–

The significant components of the Company's unrecognized temporary differences as at August 31, 2025 and 2024 are presented below:

	2025 $	2024 $
Deferred income tax assets		
Non-capital losses carried forward	70,997	12,714
Unrecognized deferred income tax assets	(70,997)	(12,714)
Net deferred income tax asset	–	–

As at August 31, 2025, the Company has non-capital losses carried forward of $645,427, which are available to offset future years' taxable income. These non-capital losses expire as follows:

	$
2043	8,068
2044	107,513
2045	529,846
	645,427

14. SUBSEQUENT EVENTS

Subsequent to August 31, 2025, the Company advanced a further $102,000 in promissory notes to Redwood which bears interest at the prime-lending rate as quoted by Toronto Dominion Bank, and extended the maturity date to January 31, 2026.

On November 24, 2025, the Company issued a promissory note of $16,000 to a non-related party, which is unsecured, bears interest at prime-lending rate as quoted by Toronto Dominion Bank, and is due on or before November 24, 2026.

On November 25, 2025, the Company issued a promissory note of $48,000 to a non-related party, which is unsecured, bears interest at prime-lending rate as quoted by Toronto Dominion Bank, and is due on or before November 25, 2026.

On December 8, 2025, the Company issued a promissory note of $28,750 to a non-related party, which is unsecured, bears interest at prime-lending rate as quoted by Toronto Dominion Bank, and is due on or before December 8, 2026.

On December 12, 2025, the Company issued a promissory note of $86,250 a non-related party, which is unsecured, bears interest at prime-lending rate as quoted by Toronto Dominion Bank, and is due on or before December 12, 2026.

OVERVIEW

The following management discussion and analysis ("MD&A") of the results of operations and financial position of Marshall Technologies Corp. ("Marshall" or "the Company") for the year ended August 31, 2025 should be read in conjunction with the Company's audited financial statements for the year August 31, 2025 which are available on the SEDAR+ website at www.sedarplus.ca. This MD&A contains information for the 2025 fiscal year to the date of this report being December 19, 2025.

The financial information in this MD&A is derived from the financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All figures contained in this MD&A are presented in Canadian dollars unless otherwise indicated.

Additional information is available upon request from the Company's head office at 1309 – 7th Street SW, Calgary, Alberta, T2R 1A5, or through SEDAR+website at www.sedarplus.ca.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

Certain statements contained in this MD&A constitute forward-looking statements. Forward-looking statements often, but not always, are identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "targeting" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or be achieved and other similar expressions. Forward-looking statements in this MD&A include statements regarding the Company's future plans and expenditures, the satisfaction of rights and performance of obligations under agreements to which the Company is a part, the ability of the Company to hire and retain employees and consultants and estimated administrative assessment and other expenses. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below.

Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Other than as required by applicable securities laws, the Company does not intend, and does not assume 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, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements.

NATURE OF BUSINESS

The Company is a start-up company formed to pursue business acquisition opportunities. On September 25, 2024 and as amended October 13, 2025, the Company entered into a transaction to acquire 100% of the issued and outstanding common shares of Redwood AI Inc. ("Redwood") and is focused on developing this business upon close of the transaction.

Redwood is a Vancouver-based SythesAItzer-as-a-Service ("SaaS") company that integrates artificial intelligence ("AI") with chemistry to accelerate drug synthesis pathways. By leveraging advanced AI technology, Redwood aims to significantly reduce the time and cost associated with drug development, from discovery and preclinical research through to market launch. Redwood is developing a proprietary AI-powered software, SythesAItzer, designed to automate over 95% of manual tasks in drug synthesis, addressing a key bottleneck in pharmaceutical production. SythesAItzer is currently in its pre-alpha stage, offering capabilities to predict and optimize synthesis pathways, which will be further refined with market feedback and testing by small biotech firms. The tool aims to streamline laboratory operations, optimize equipment usage, and reduce chemical costs.

Redwood's business strategy focuses on leveraging proprietary AI models to address the growing need for smarter, faster, and more accurate chemical synthesis processes. Redwood's mission is to apply its AI capabilities to complex chemical research, creating transformative solutions for industries such as pharmaceuticals, biotechnology, and material sciences.

The financial statements have been prepared under a going concern assumption which contemplates the Company will continue in operation and realize its assets and discharge its liabilities in the normal course of operations. Should the going concern assumption not continue to be appropriate, adjustments to carrying values may be required. The Company's ability to meet its obligations and maintain its current operations is contingent upon successful completion of additional financing arrangements and ultimately upon the discovery of proven reserves and generating profitable operations.

Management expects to be successful in arranging sufficient funding to meet operating commitments for the ensuing year. However, the Company's future capital requirements will depend on many factors, including the costs of performing research and development activities, operating costs, the current capital market environment, and global market conditions. To advance the proposed acquisition of Redwood AI Inc., the Company will depend on outside capital. Such outside capital will include the issuance of additional equity shares. There can be no assurance that capital will be available, as necessary, to meet the Company's operating commitments and further exploration and development plans. The issuance of additional equity securities by the Company may result in significant dilution to the equity interests of current shareholders. If the Company is unable to obtain financing in the amounts and on terms deemed acceptable, the future success of the business could be adversely affected.

SIGNIFICANT TRANSACTIONS DURING THE YEAR

On August 28, 2024, the Company issued 6,000,000 subscription receipts at $0.0025 per subscription receipt for proceeds of $15,000. Each subscription receipt will automatically convert, without any further action or payment of any additional consideration, into one-half (1/2) of one unit upon completion of the Company's public listing. Each whole unit will consist of one common share and two-third (2/3) of one warrant, where each three whole share purchase warrants are exercisable into two common shares of the Company at a price of $0.25 per warrant for a period of five years from the listing date. If the public listing does not complete by January 31, 2026, or such other date as the Company may determine, each subscription receipt will automatically convert, without further action or payment of any additional consideration, into 0.505 share units of the Company, where each share unit has the same terms as above.

On September 4, 2024, the Company issued 18,000,000 subscription receipts at an issuance price of $0.01 per subscription receipt for proceeds of $180,000. Each subscription receipt will automatically convert, without any further action or payment of any additional consideration, into one-half (1/2) of one common share upon completion of the Company's public listing. If the public listing does not complete by January 31, 2026, or such other date as the Company may determine, each subscription receipt will automatically convert, without further action or payment of any additional consideration, into 0.505 common shares of the Company.

On September 9, 2024, the Company issued 93,750 common shares at a price of $0.20 per share for proceeds of $18,750, which was received in September 2023.

On September 25, 2024 and as amended October 13, 2025, the Company entered into a share purchase agreement with Redwood pursuant to which the Company has agreed to acquire all of the issued and outstanding common shares of Redwood by issuing 12,000,000 common shares to Redwood's shareholders. As part of the share exchange agreement, the Company is to pay finders' fees equal to 5% of the total acquisition price, or 600,000 common shares.

On October 16, 2024, Redwood issued a promissory note of $100,000 to the Company, which is secured by a general security agreement, bears interest at the fluctuating prime-lending rate as quoted by Toronto Dominion Bank, and with a maturity date of February 16, 2025. On February 26, 2025, the maturity date was extended to May 30, 2025. On May 26, 2025, the promissory note was further amended such that an additional $120,000 was advanced and the maturity date was extended to October 1, 2025.

On March 1, 2025, the Company entered into a corporate and financial advisory agreement (the "Agreement") with a third-party company, The Back Office Inc. ("TBO") for corporate, accounting and administrative services. Under the terms of the Agreement, the Company will pay $10,000 per month and issue 300,000 common shares upon the Company's successful listing on the CSE. The Agreement is for an initial term of twelve months and shall continue thereafter on a month-to-month basis, subject to termination on thirty days' written notice.

On June 12, 2025, the Company issued 8,515,000 subscription receipts at $0.50 per subscription receipt for gross proceeds of $4,257,500. Each subscription receipt will automatically convert into one share unit of the Company upon the completion of Redwood Acquisition ("Conversion Condition"). Each converted share unit will be comprise of one common share and one half of one (1/2) share purchase warrant, wherein each warrant will entitle the holder to purchase one additional common share at $0.70 per share for a period of five years. If the Conversion Condition is not met until January 31, 2026, the escrowed funds will be returned to investors including the interest earned in the trust account.

SUMMARY OF ANNUAL INFORMATION

The table below sets out certain selected financial information regarding the operations of the Company for the years indicated. The selected financial information has been prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements and related notes.

The Company has not declared any dividends since its incorporation and does not anticipate paying cash dividends in the foreseeable future on its common shares and intends to retain any future earnings to finance internal growth, acquisitions, and development of its business. Any future determination to pay cash dividends will be at the discretion of the board of directors of the Company and will depend upon the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors of deems relevant.

	August 31, 2025	August 31, 2024
	$	$
Total expenses	537,568	107,513
Net loss for the year	(531,648)	(107,513)
Basic and diluted loss per share	(5.81)	(107,513)
Current assets	4,434,945	35,017
Total assets	4,434,945	35,017
Total current liabilities	4,868,424	131,847
Working capital deficit	(433,479)	(96,830)

SELECTED QUARTERLY INFORMATION

Results from the eight most recently completed quarters are summarized below.

	August 31, 2025	May 31, 2025	February 28, 2025	November 30, 2024
	$	$	$	$
Revenue	-	-	-	-
Net loss for the period	(139,729)	(166,275)	(127,232)	(98,412)
Total assets	4,434,944	620,932	132,738	168,753
Basic and diluted loss per share	(1.49)	(1.77)	(1.43)	(1.16)
Weighted average shares outstanding	93,750	93,750	89,089	84,478

	August 31, 2024	May 31, 2024	February 29, 2024	November 30, 2023
	$	$	$	$
Revenue	-	-	-	-
Net loss for the period	(56,573)	(11,943)	(35,187)	(3,810)
Total assets	35,017	37,420	36,220	110,331
Basic and diluted loss per share	(56,573)	(11,943)	(35,187)	(3,810)
Weighted average shares outstanding	1	1	1	1

RESULTS OF OPERATIONS

For the year ended August 31, 2025:

During the year ended August 31, 2025, the Company recorded a net loss of $531,648 as compared to a net loss of $107,513 for 2024. The increase in loss was due to an increased level of corporate activity required to advance the proposed transaction with Redwood AI Inc as well as the intended public listing of the combined entity's common shares on the Canadian Securities Exchange ("CSE").

Total expenses for the year ended August 31, 2025 amounted to $537,568 as compared to $107,513 for 2024, an increase of $430,055. The increase in overall expenditure can be attributed to the following:

- Consulting fees of $71,777 (2024 - $39,375), which can be attributed to the fees paid to third party consultants and CFO fees.
- General and administrative expenses of $3,886 (2024 - $348) related to general corporate expenditures to prepare the company and bank fees.
- Professional fees of $440,294 (2024 - $67,550) related to legal of $331,594, audit and audit related costs of $29,875, as well as internal accounting and corporate administration of $78,825 incurred in relation to the proposed transaction with Redwood AI Inc. as well as the planned public listing of the combined entity.
- Public listing and filing fees of $21,611 (2024 - $240) related to the CSE application fees and in the prior year the fees related to filing of a report of exempt distribution for a financing that was later cancelled.
- Recognized interest income of $5,920 (2024 - $Nil) in relation to the promissory note issued to Redwood AI Inc.

For the three months ended August 31, 2025:

During the three months ended August 31, 2025, the Company recorded a net loss of $139,729 as compared to a net loss of $56,573 for the comparable period. The increase in loss was due to an increased level of corporate activity required to advance the proposed transaction with Redwood AI Inc as well as the intended public listing of the combined entity's common shares on the CSE.

Total expenses for the three months ended August 31, 2025 amounted to $142,110 as compared to $56,573 for 2024, an increase of $85,537. The increase in overall expenditure can be attributed to the following:

- Professional fees of $80,615 (2024 - $20,249) related to legal, accounting and corporate administration incurred in relation to the proposed transaction with Redwood AI Inc. as well as the planned public listing of the combined entity.
- Public listing and filing fees of $10,938 (2024 - $Nil) related to certain filing expenses incurred during the period.
- Recognized interest income of $2,606 (2024 - $Nil) in relation to the promissory note issued to Redwood AI Inc.

LIQUIDITY & CAPITAL RESOURCES

As at August 31, 2025, the Company had a working capital deficit of $433,479 (2024 –$96,830), cash of $22,285 (2024 - $35,017) and restricted cash of $4,161,989. During the year ended August 31, 2025, net cash used in operating activities was $55,507. Net cash used in investing activity consisted of advances made towards promissory note receivable of $220,000. Net cash provided by financing activities consisted of proceeds of $4,424,763 from subscription receipts, offset by common shares returned to treasury of $1 and repayment of advances payable of $52,225.

These financial statements have been prepared with the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business. During the year ended August 31, 2025, the Company had no revenues, incurred a net loss of $531,648 and had negative cash flows from operations. As at August 31, 2025, the Company had a working capital deficit of $433,479 and an accumulated deficit of $647,229. The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties, complete sufficient equity financing, and generate profitable operations in the future. The Company has no assurance that it will be successful in its efforts. These factors indicate the existence of material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements. The impact of these adjustments could be material.

CAPITAL MANAGEMENT

The Company considers its capital structure to include net residual equity of all assets, less liabilities. The Company's objectives when managing capital are to (i) maintain financial flexibility in order to preserve its ability to meet financial obligations and continue as a going concern; (ii) maintain a capital structure that allows the Company to pursue the development of its research projects; and (iii) optimize the use of its capital to provide an appropriate investment return to its shareholders commensurate with risk.

The Company's financial strategy is formulated and adapted according to market conditions in order to maintain a flexible capital structure that is consistent with its objectives and the risk characteristics of its underlying assets. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets, or adjust the amount of cash. The Company is not subject to any externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from prior year.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES AND EXECUTIVE COMPENSATION

Key management includes directors (executive and non-executive) and officers of the Company. The amounts due to related parties are for amounts due to directors and officers. The balances are unsecured, non–interest bearing and have no specific terms for repayment.

During the year ended August 31, 2025, the Company incurred professional fees related to accounting and corporate administration of $63,000 (2024 - $26,250) to a company controlled by the former Chief Financial Officer of the Company, Geoff Balderson. As at August 31, 2025, the Company owed $89,320 (2024 - $26,250) to this company, which was recorded in accounts payable and accrued liabilities.

During the year ended August 31, 2025, the Company incurred professional fees of $8,777 (2024 - $Nil) related to CFO services provided by a company controlled by Nico Mah. As at August 31, 2025, the

Company owed $8,777 (2024 - $nil) to this company, which was recorded in accounts payable and accrued liabilities.

The related party transactions were recorded at the exchange amount, which is considered equivalent to the fair value of the services provided.

Ongoing Contractual Obligation with related parties

The Company entered into a corporate and financial advisory agreement with Amalfi Corporate Services Ltd. ("Amalfi") on November 1, 2022 for the provision by Amalfi to the Company of certain corporate, accounting and administrative services to the Company in accordance with the terms of the corporate and financial advisory agreement for an initial cash fee in the amount of $25,000, subsequently and starting from September 1, 2024, a monthly cash fee in the amount of $10,000, and various other potential equity incentives issuable upon occurrence of certain events. The agreement was terminated effective March 1, 2025.

The Company entered into a consulting agreement effective as of December 11, 2024 with GKM Consulting Inc. (the "CFO Agreement"), for the services of Mr. Nico Mah to act as the CFO and Corporate Secretary for a monthly fee of $1,000, plus applicable taxes plus $150 per hour for each hour in excess of the minimum commitment of Mr. Mah's attention and ability to the business and affairs of the Company and its subsidiaries on a part-time basis of no less than 15 hours per quarter. The CFO Agreement does not have any provisions with respect to change of control.

On March 1, 2025, the Company entered into a corporate and financial advisory agreement (the "Agreement") with a third-party company, The Back Office Inc. ("TBO") for corporate, accounting and administrative services. Under the terms of the Agreement, the Company will pay $10,000 per month and issue 300,000 common shares upon the Company's successful listing on the CSE. The Agreement is for an initial term of twelve months and shall continue thereafter on a month-to-month basis, subject to termination on 30 days' written notice.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are disclosed in Note 4 of the August 31, 2025 audited financial statements.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity risk, credit risk, price risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

a) Fair values

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted Prices in Active Markets for Identical Assets

Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Significant Other Observable Inputs

Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability. There are no items in Level 2 of the fair value hierarchy.

Level 3 – Significant Unobservable Inputs

Unobservable (supported by little or no market activity) prices. There are no items in Level 3 of the fair value hierarchy.

The carrying values of cash, promissory note receivable, restricted cash, accounts payable and accrued liabilities, advances payable and financial liabilities approximate their fair values due to their short-term nature.

b) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The maximum credit risk the Company is exposed to is 100% of cash. The Company's cash is held at a large Canadian financial institution.

c) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. The Company's objective to managing liquidity risk is to ensure that it has sufficient liquidity available to meet its liabilities when due. The accounts payable and accrued liabilities are typically due in 30 days, which are settled using cash.

At present, the Company's operations do not generate positive cash flow. The Company's primary source of funding has been the issuance of equity securities. Despite previous success in acquiring required financing, there is no guarantee that the Company will continue to be successful in obtaining future financing.

d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to significant interest rate risk as it does not have any liabilities with variable rates.

PROPOSED TRANSACTIONS

On September 25, 2024 and as amended October 13, 2025, the Company entered a share purchase agreement with Redwood pursuant to which the Company has agreed to acquire all of the issued and outstanding common shares of Redwood by issuing 12,000,000 common shares to Redwood's shareholders. As part of the share exchange agreement, the Company is to pay finders' fees equal to 5% of the total acquisition price, or 600,000 common shares.

SUBSEQUENT EVENT

Subsequent to August 31, 2025, the Company advanced a further $102,000 in promissory notes to Redwood which bears interest at the prime-lending rate as quoted by Toronto Dominion Bank, and extended the maturity date to January 31, 2026.

On November 24, 2025, the Company issued a promissory note of $16,000 to a non-related party, which is unsecured, bears interest at prime-lending rate as quoted by Toronto Dominion Bank, and is due on or before November 24, 2026.

On November 25, 2025, the Company issued a promissory note of $48,000 to a non-related party, which is unsecured, bears interest at prime-lending rate as quoted by Toronto Dominion Bank, and is due on or before November 25, 2026.

On December 8, 2025, the Company issued a promissory note of $28,750 to a non-related party, which is unsecured, bears interest at prime-lending rate as quoted by Toronto Dominion Bank, and is due on or before December 8, 2026.

On December 12, 2025, the Company issued a promissory note of $86,250 a non-related party, which is unsecured, bears interest at prime-lending rate as quoted by Toronto Dominion Bank, and is due on or before December 12, 2026.

OUTSTANDING SHARE DATA

The Company had the following securities issued and outstanding:

	August 31, 2025	Date of MD&A
Common shares	93,750	93,750
Warrants	-	-
Stock options	-	-
Subscription receipts	32,515,000	32,515,000

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The following table sets out the following material components for the periods presented:

	Year ended August 31, 2025	Year ended August 31, 2024
	$	$
Expensed research and development	-	-
Intangible assets arising from development	-	-
General and administrative expenses	3,886	348
Other material costs expensed or recognized as assets	533,682	107,165
Total	537,568	107,513

OUTLOOK

The Company's primary focus for the foreseeable future will be on developing the business of Redwood AI Inc. Refer to Redwood AI Inc.'s for outlook of Redwood AI Inc's business over the next twelve months.

RISKS

The Company is subject to a number of risks and uncertainties that could significantly affect its financial condition and performance. As the Company grows and enters into new markets, these risks can increase. These risk factors are not a definitive list of all risk factors associated with the Company or in connection with the Company's operations.

The Company has no history of profitable operations and a limited operating history. The Company's present business is at an early stage of development. As such, many risks common to such early-stage enterprises, including cash shortages and limitations with respect to personnel, financial and other resources, and access to capital, exist. Certain risks and assumptions include, among others:

- the Company's limited operating history;
- uncertainty as to the Company's ability to continue as a going concern;

- substantial fluctuation of losses due to numerous external risk factors out of the Company's control that cause the Company to incur significant losses in the future;
- uncertainty as to the Company's ability to raise additional funding to support operations;
- regulatory approval as well as with health and data protection laws and risks;
- compliance with environmental and consumer health and safety laws and regulations;
- uncertainty surrounding the Company's reputation and feasibility of product developments;
- the Company's ability to adequately protect its intellectual property and trade secrets;
- risks related to various tax matters;
- the Company's reliance on the capabilities and experience of the Company's key executives and the resulting loss of any of these individuals;
- liquidity of the Company's securities;
- risks related to additional issuances and dilution of the Company's securities;
- risks related to the Company's capital structure;
- the costs associated with maintain public listings; and
- other factors beyond the Company's control.

There is no assurance that the Company will be successful in executing its business plan and generating a return on shareholders' investments. The likelihood of success must be considered in relation to its early stage of operations and industry. There are a number of risk factors that could cause future results to differ materially from those described herein. Additional risks and uncertainties, including those that the Company does not know about or that it currently deems immaterial, could also adversely affect the Company's business and results of operations.

ADDITIONAL INFORMATION

Additional information related to the Company will be available for view on SEDAR+ at www.sedarplus.com, or by requesting further information from the Company's head office.

Marshall Technologies Corp.
1309 -7th Street SW, Calgary Alberta, Canada, T2R 1A5

APPENDIX C
MARSHALL TECHNOLOGIES CORP. – INTERIM FINANCIAL STATEMENTS AND MD&A FOR THE THREE MONTHS ENDED NOVEMBER 30, 2025

(ATTACHED)

MARSHALL TECHNOLOGIES CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

THREE MONTHS ENDED NOVEMBER 30, 2025 AND 2024

(Expressed in Canadian Dollars)

(UNAUDITED)

MARSHALL TECHNOLOGIES CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	Notes	(Unaudited) **November 30, 2025** **$**	(Audited) **August 31, 2025** **$**
ASSETS			
Current assets			
Cash		14,199	22,285
GST receivable		30,251	24,751
Interest receivable	4	8,416	5,920
Promissory note receivable	4	292,000	220,000
Restricted cash	7	4,186,373	4,161,989
Total assets		4,531,239	4,434,945
LIABILITIES AND SHAREHOLDERS' DEFICIT			
Current liabilities			
Accounts payable and accrued liabilities	9	650,444	566,435
Advances payable	5	20,000	20,000
Promissory notes payable	6	64,000	-
Refundable subscription receipts	7	4,306,378	4,281,989
Total liabilities		5,040,822	4,868,424
Shareholders' deficit			
Share capital	8	18,750	18,750
Subscription receipts	8	195,000	195,000
Deficit		(723,333)	(647,229)
Total shareholders' deficit		(509,583)	(433,479)
Total liabilities and shareholders' deficit		4,531,239	4,434,945

Nature of operations and going concern (Note 1)
Subsequent events (Note 13)

Approved and authorized for issuance on behalf of the Board of Directors on January 19, 2026:

"Matthew Mingay" *"Graydon Bensler"*

Matthew Mingay, Director Graydon Bensler, Director

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

MARSHALL TECHNOLOGIES CORP.
CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars)
(UNAUDITED)

		Three months ended	
	Notes	November 30, 2025 $	November 30, 2024 $
Expenses			
Advertising		–	10,500
Consulting fees	9	3,000	–
General and administrative		88	3,995
Listing and filing fees		17,151	6,040
Professional fees	9, 12	58,320	78,802
Total expenses		78,559	99,337
Loss before other income (expense)		(78,559)	(99,337)
Other income (expense)			
Interest income	4	2,496	700
Interest expense	5	(41)	–
Other income			225
Total other income (expense)		2,455	925
Net loss and comprehensive loss for the period		(76,104)	(98,412)
Loss per share, basic and diluted		(0.81)	(1.16)
Weighted average number of common shares outstanding, basic and diluted		93,750	84,478

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

MARSHALL TECHNOLOGIES CORP.
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIT)
(Expressed in Canadian dollars)
(UNAUDITED)

	Number of common shares	Share Capital	Subscription receipts	Share subscriptions received	Subscription receipts receivable	Deficit	Total shareholders' deficit
		$	$	$	$	$	$
Balance, August 31, 2024	1	1	15,000	18,750	(15,000)	(115,581)	(96,830)
Shares issued for cash	93,750	18,750	–	(18,750)	–	–	–
Return of founder's share	(1)	(1)	–	–	–	–	(1)
Subscription receipts received	–	–	180,000	–	15,000	–	195,000
Net loss for the period	–	–	–	–	–	(98,412)	(98,412)
Balance, November 30, 2024	93,750	18,750	195,000	–	–	(213,993)	(243)
Balance, August 31, 2025	93,750	18,750	195,000	–	–	(647,229)	(433,479)
Net loss for the period	–	–	–	–	–	(76,104)	(76,104)
Balance, November 30, 2025	93,750	18,750	195,000	–	–	(723,333)	(509,583)

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

MARSHALL TECHNOLOGIES CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)
(UNAUDITED)

	Three months ended November 30, 2025 $	Three months ended November 30, 2024 $
Operating activities		
Net loss for the period	(76,104)	(98,412)
Items not involving cash:		
Interest income	(2,496)	(925)
Changes in non-cash working capital:		
GST receivable	(5,500)	–
Accounts payable and accrued liabilities	84,014	89,374
Net cash used in operating activities	(86)	(9,963)
Investing activities		
Promissory notes issued	(72,000)	(100,000)
Net cash used in investing activities	(72,000)	(100,000)
Financing activities		
Common shares returned to treasury	–	(1)
Proceeds from issuance of subscription receipts	–	195,000
Proceeds from issuance of promissory notes payable	64,000	–
Repayment of advances payable	–	(52,000)
Net cash provided by financing activities	64,000	142,999
Change in cash	8,086	33,036
Cash, beginning of period	4,184,274	35,017
Cash, end of period	4,200,572	68,053
Non-cash investing and financing activities:		
Interest earned in restricted cash included in financial liabilities	24,389	–
Share subscriptions receivable	–	15,000
Shares issued from subscription receipts	–	18,750

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Marshall Technologies Corp. ("Marshall" or the "Company") was incorporated on September 6, 2022, pursuant to the provisions of the *Business Corporations Act* (British Columbia) for the purpose of acquiring or developing business opportunities in the artificial intelligence and technology industry. The Company's registered office is located at Suite 2300, Bentall 5, 550 Burrard Street, Vancouver British Columbia, V6C 2B5.

These condensed interim financial statements have been prepared with the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business. During the three months ended November 30, 2025, the Company had no revenues, incurred a net loss of $76,104, and had negative cash flows from operations. As at November 30, 2025, the Company had a working capital deficit of $509,583, and an accumulated deficit of $723,333. The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties, complete sufficient equity financing, and generate profitable operations in the future. The Company has no assurance that it will be successful in its efforts. These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. These condensed interim financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements. The impact of these adjustments could be material.

On September 25, 2024 and as amended on October 13, 2025, the Company entered into a share purchase agreement with Redwood AI Inc. ("Redwood") pursuant to which the Company has agreed to acquire all of the issued and outstanding common shares of Redwood by issuing 12,000,000 common shares to Redwood's shareholders (the "Acquisition"). As part of the share exchange agreement, the Company is to pay finders' fees equal to 5% of the total acquisition price, or 600,000 common shares. As at November 30, 2025, the share purchase agreement has yet to close.

2. BASIS OF PRESENTATION

Statement of compliance

The Company's condensed interim financial statements have been presented in conformity with International Accounting Standard ("IAS") 34, Interim Financial Reporting. The condensed interim financial statements do not include all the information required for complete annual financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and therefore should be read together with the audited financial statements for the year ended August 31, 2025.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of measurement

These condensed interim financial statements have been prepared on a historical basis, except for certain financial instruments that have been measured at fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The condensed interim financial statements are presented in Canadian dollars, which is the functional currency of the Company.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

The preparation of these condensed interim financial statements requires management to make certain estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Significant estimates include the collectability of interest and promissory note receivable, and measurement of unrecognized deferred income tax assets. Actual outcomes could differ from these estimates. These condensed interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgments

Management has made critical judgments in the process of applying accounting policies, including:

The assessment of the Company's ability to continue as a going concern and its ability to execute its strategy by funding future working capital requirements requires judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, such as expectations of future events that are believed to be reasonable under the circumstances.

4. PROMISSORY NOTE RECEIVABLE

On October 16, 2024, Redwood issued a promissory note of $100,000 to the Company, which is secured by a general security agreement, bears interest at the fluctuating prime-lending rate as quoted by Toronto Dominion Bank ("TD Bank"), and had a maturity date of February 16, 2025. In February 2025, the maturity date was extended to May 30, 2025. On May 26, 2025, additional proceeds of $120,000 were advanced to Redwood, and the maturity date of the promissory note was extended to October 1, 2025. On November 25, 2025, the Company advanced a further $72,000 to Redwood and extended the maturity date of the promissory note to January 31, 2026. As at November 30, 2025, the Company recorded an interest receivable of $8,416 (August 31, 2025 – $5,920).

5. ADVANCES PAYABLE

As at November 30, 2025, the Company owed $20,000 (August 31, 2025 - $20,000) relating to advances made by individuals for private placements into the Company that are being returned. The amounts owing are unsecured, non-interest bearing, and due on demand.

6. PROMISSORY NOTES PAYABLE

On November 24, 2025, the Company issued a promissory note of $16,000 to an arms-length third party, which is unsecured, bears interest at the TD Bank prime lending rate, and is due on or before November 24, 2026.

On November 25, 2025, the Company issued a promissory note of $48,000 to an arms-length third party, which is unsecured, bears interest at the TD Bank prime lending rate, and is due on or before November 25, 2026.

7. REFUNDABLE SUBSCRIPTION RECEIPTS

On June 12, 2025, the Company issued 8,515,000 subscription receipts at $0.50 per subscription receipt for proceeds of $4,257,500. Each subscription receipt will automatically convert into one share unit of the Company upon the completion of the Acquisition (the "Conversion Condition"). Each share unit of the Company will be comprised of one common share of the Company and one half of one share purchase warrant, wherein each whole share purchase warrant will entitle the holder to purchase one additional common share of the Company at $0.70 per share for a period of five years from the conversion date.

If the Conversion Condition is not met by January 31, 2026, the funds will be returned to investors. This refund obligation gives rise to a present obligation to deliver cash, meeting the definition of a financial liability under IAS 32.

As at November 30, 2025, the Company had financial liabilities of $4,306,378 (August 31, 2025 – $4,281,989), which includes interest earned in the trust account of $48,878 (August 31, 2025 – $24,489), and restricted cash of $4,186,373 (August 31, 2025 – $4,161,989) held by a transfer agent on behalf of the Company. During the year ended August 31, 2025, the Company advanced $120,000 of restricted cash to Redwood for working capital as part of the share purchase agreement. Refer to Note 4.

8. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value.

(b) Shares issued

<u>Share transactions during the period ended November 30, 2024:</u>

On September 4, 2024, the Company issued 18,000,000 subscription receipts at $0.01 per subscription receipt for proceeds of $180,000. Each subscription receipt will automatically convert into one-half of one common share upon completion of the Company's public listing. If the public listing does not complete by January 31, 2026 or such other date as the Company may determine, each subscription receipt will automatically convert, without further action or payment of any additional consideration, into 0.505 common shares of the Company.

On September 9, 2024, the Company issued 93,750 common shares at a price of $0.20 per share for proceeds of $18,750, which was previously received in September 2023.

On September 9, 2024, the Company repurchased and cancelled 1 common share from the founder of the Company for consideration of $1.

On September 18, 2024, the Company received $15,000 for the subscription receipts that were issued on August 28, 2024.

9. RELATED PARTY TRANSACTIONS

Key management includes directors (executive and non-executive) and officers of the Company. The amounts due to related parties are for amounts due to directors and officers. The balances are unsecured, non–interest bearing, and due on demand.

During the three months ended November 30, 2025, the Company incurred consulting fees of $3,000 (2024 - $nil) related to services provided by a company controlled by CFO of the Company. As at November 30, 2025, the Company owed $11,777 (August 31, 2025 - $8,777) to this company, which is included in accounts payable and accrued liabilities.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity risk, credit risk, price risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

(a) Fair values

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted Prices in Active Markets for Identical Assets

Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Significant Other Observable Inputs

Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability. There are no items in Level 2 of the fair value hierarchy.

Level 3 – Significant Unobservable Inputs

Unobservable (supported by little or no market activity) prices. There are no items in Level 3 of the fair value hierarchy.

The fair values of financial instruments, which includes cash, interest receivable, promissory note receivable, restricted cash, accounts payable and accrued liabilities, advances payable, promissory notes payable, and refundable subscription receipts, approximate their carrying values due to their short-term nature.

(b) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company’s credit risk is attributable to cash, interest receivable, and promissory note receivable. The Company minimizes its credit risk by placing its cash with a large Canadian financial institution. The carrying amount of financial assets represents the maximum credit exposure.

(c) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. The Company's objective to managing liquidity risk is to ensure that it has sufficient liquidity available to meet its liabilities when due. Accounts payable and accrued liabilities are typically due in 30 days, which are settled using cash.

At present, the Company’s operations do not generate positive cash flow. The Company’s primary source of funding has been the issuance of equity securities. Despite previous success in acquiring required financing, there is no guarantee that the Company will continue to be successful in obtaining future financing.

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to significant interest rate risk as it does not have any liabilities with variable rates.

(Expressed in Canadian dollars)

11. CAPITAL MANAGEMENT

The Company considers its capital structure to include net residual equity of all assets less liabilities. The Company's objectives when managing capital are to (i) maintain financial flexibility to preserve its ability to meet financial obligations and continue as a going concern; (ii) maintain a capital structure that allows the Company to pursue the assessment of acquisition opportunities; and (iii) optimize the use of its capital to provide an appropriate investment return to its shareholders commensurate with risk.

The Company's financial strategy is formulated and adapted according to market conditions to maintain a flexible capital structure that is consistent with its objectives and the risk characteristics of its underlying assets. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets, or adjust the amount of cash. The Company is not subject to any externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the prior year.

12. PROFESSIONAL FEES

The Company's professional fees consist of the following items:

	Three months ended November 30, 2025 $	Three months ended November 30, 2024 $
Audit, accounting and corporate administration	29,775	32,292
Legal	28,545	46,510
	58,320	78,802

13. SUBSEQUENT EVENTS

a. Subsequent to November 30, 2025, the Company advanced an additional of $95,000 to Redwood, which is unsecured, bears interest at the prime-lending rate as quoted by TD Bank, and has a maturity date of January 31, 2026.

b. On December 8, 2025, the Company issued a promissory note of $28,750 to a non-related party, which is unsecured, bears interest at prime-lending rate as quoted by TD Bank, and is due on or before December 8, 2026.

c. On December 12, 2025, the Company issued a promissory note of $86,250 to a non-related party, which is unsecured, bears interest at prime-lending rate as quoted by TD Bank, and is due on or before December 12, 2026.

OVERVIEW

The following management discussion and analysis ("MD&A") of the results of the operations and financial position of Marshall Technologies Corp. ("Marshall" or "the Company") for the three months ended November 30, 2025 should be read in conjunction with the Company's condensed interim financial statements for the three months ended November 30, 2025 and the audited financial statements for the year August 31, 2025 which are available on the SEDAR+ website at www.sedarplus.ca. This MD&A contains information for the 2026 fiscal period to the date of this report being January 19, 2026.

The financial information in this MD&A is derived from the Financial Reports prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All figures contained in this MD&A are presented in Canadian dollars unless otherwise indicated.

Additional information is available upon request from the Company's head office at 1309 – 7th Street SW, Calgary, Alberta, T2R 1A5, or through SEDAR+ website at www.sedarplus.ca.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

Certain statements contained in this MD&A constitute forward-looking statements. Forward-looking statements often, but not always, are identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "targeting" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or be achieved and other similar expressions. Forward-looking statements in this MD&A include statements regarding the Company's future plans and expenditures, the satisfaction of rights and performance of obligations under agreements to which the Company is a part, the ability of the Company to hire and retain employees and consultants and estimated administrative assessment and other expenses. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below.

Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Other than as required by applicable securities laws, the Company does not intend, and does not assume 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, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements.

NATURE OF BUSINESS

The Company is a start-up company formed to pursue business acquisition opportunities. On September 25, 2024 and as amended October 13, 2025, the Company entered into a transaction to acquire 100% of the issued and outstanding common shares of Redwood AI Inc. ("Redwood") and is focused on developing this business upon close of the transaction.

Redwood is a Vancouver-based SythesAItzer-as-a-Service ("SaaS") company that integrates artificial intelligence ("AI") with chemistry to accelerate drug synthesis pathways. By leveraging advanced AI technology, Redwood aims to significantly reduce the time and cost associated with drug development, from discovery and preclinical research through to market launch. Redwood is developing a proprietary AI-powered software, SythesAItzer, designed to automate over 95% of manual tasks in drug synthesis, addressing a key bottleneck in pharmaceutical production. SythesAItzer is currently in its pre-alpha stage, offering capabilities to predict and optimize synthesis pathways, which will be further refined with market feedback and testing by small biotech firms. The tool aims to streamline laboratory operations, optimize equipment usage, and reduce chemical costs.

Redwood's business strategy focuses on leveraging proprietary AI models to address the growing need for smarter, faster, and more accurate chemical synthesis processes. Redwood's mission is to apply its AI capabilities to complex chemical research, creating transformative solutions for industries such as pharmaceuticals, biotechnology, and material sciences.

The financial statements have been prepared under a going concern assumption which contemplates the Company will continue in operation and realize its assets and discharge its liabilities in the normal course of operations. Should the going concern assumption not continue to be appropriate, adjustments to carrying values may be required. The Company's ability to meet its obligations and maintain its current operations is contingent upon successful completion of additional financing arrangements and ultimately upon generating profitable operations.

Management expects to be successful in arranging sufficient funding to meet operating commitments for the ensuing year. However, the Company's future capital requirements will depend on many factors, including the costs of performing research and development activities, operating costs, the current capital market environment, and global market conditions. To advance the proposed acquisition of Redwood AI Inc., the Company will depend on outside capital. Such outside capital will include the issuance of additional equity shares. There can be no assurance that capital will be available, as necessary, to meet the Company's operating commitments and further exploration and development plans. The issuance of additional equity securities by the Company may result in significant dilution to the equity interests of current shareholders. If the Company is unable to obtain financing in the amounts and on terms deemed acceptable, the future success of the business could be adversely affected.

SIGNIFICANT TRANSACTIONS DURING THE PERIOD

The share purchase agreement that the Company entered into with Redwood on September 25, 2024, pursuant to which the Company has agreed to acquire all of the issued and outstanding common shares of Redwood by issuing 12,000,000 common shares to Redwood's shareholders, was amended on October 13, 2025. As part of the share exchange agreement, the Company is to pay finders' fees equal to 5% of the total acquisition price, or 600,000 common shares.

On November 25, 2025, the Company advanced a further $72,000 to Redwood, bringing the total amount of the promissory note to $292,000 and extending the maturity date to January 31, 2026.

On November 24, 2025, the Company issued a promissory note of $16,000 to an arms-length third party, which is unsecured, bears interest at the Toronto-Dominion Bank "TD Bank" prime lending rate, and is due on or before November 24, 2026.

On November 25, 2025, the Company issued a promissory note of $48,000 to an arms-length third party, which is unsecured, bears interest at the TD Bank prime lending rate, and is due on or before November 25, 2026.

SELECTED FINANCIAL INFORMATION

The table below sets out certain selected financial information regarding the operations of the Company for the period indicated. The selected financial information has been prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements and related notes.

The Company has not declared any dividends since its incorporation and does not anticipate paying cash dividends in the foreseeable future on its common shares and intends to retain any future earnings to finance internal growth, acquisitions, and development of its business. Any future determination to pay cash dividends will be at the discretion of the board of directors of the Company and will depend upon the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors deems relevant.

	Three Months Ended	
Summary of Operations	**November 30, 2025**	**November 30, 2024**
	$	**$**
Total expenses	78,559	99,337
Net loss for the period	(76,104)	(98,412)
Basic and diluted loss per share	(0.81)	(1.16)

Balance Sheet Summary	**November 30, 2025**	**August 31, 2025**
	$	**$**
Current assets	4,531,239	4,434,945
Total assets	4,531,239	4,434,945
Total current liabilities	5,040,822	4,868,424
Working capital (deficit)	(509,583)	(433,479)

SELECTED QUARTERLY INFORMATION

Results from the eight most recently completed quarters are summarized below.

	November 30, 2025	August 31, 2025	May 31, 2025	February 28, 2025
	$	$	$	$
Revenue	-	-	-	-
Net loss for the period	(76,104)	(139,729)	(166,275)	(127,232)
Total assets	4,531,239	4,434,944	620,932	132,738
Basic and diluted loss per share	(0.81)	(1.49)	(1.77)	(1.43)
Weighted average shares outstanding	93,750	93,750	93,750	89,089

	November 30, 2024	August 31, 2024	May 31, 2024	February 29, 2024
	$	$	$	$
Revenue	-	-	-	-
Net loss for the period	(98,412)	(56,573)	(11,943)	(35,187)
Total assets	168,753	35,017	37,420	36,220
Basic and diluted loss per share	(1.16)	(56,573)	(11,943)	(35,187)
Weighted average shares outstanding	84,478	1	1	1

RESULTS OF OPERATIONS

<u>For the three months ended November 30, 2025:</u>

During the three months ended November 30, 2025, the Company recorded a net loss of $76,104 as compared to a net loss of $98,412 for 2024. The decrease in net loss was due to a lower level of corporate activity, as the Company awaits the completion of the proposed transaction with Redwood as well as the intended public listing of the combined entity's common shares on the Canadian Securities Exchange ("CSE").

Total expenses for the three months ended November 30, 2025 amounted to $78,559 as compared to $99,337 for 2024, a decrease of $20,778. The decrease in overall expenditure can be attributed to the following:

- Advertising expense of $nil (2024 - $10,500), which decreased as a result of the Company's effort to conserve cash as the Company awaits the completion of the proposed transaction with Redwood.
- Consulting fees of $3,000 (2024 - $nil), which was related to the CFO fees incurred.
- General and administrative expenses of $88 (2024 - $3,995) related to general corporate expenditures to prepare the company and bank fees.
- Professional fees of $58,320 (2024 - $78,802) related to legal, audit, accounting and corporate administration services incurred in relation to the proposed transaction with Redwood as well as the planned public listing of the combined entity.
- Public listing and filing fees of $17,151 (2024 - $6,040) related to the CSE application fees.
- Recognized interest income of $2,496 (2024 - $700) in relation to the promissory note issued to Redwood AI Inc.

FINANCING ACTIVITIES

On September 4, 2024, the Company issued 18,000,000 subscription receipts at $0.01 per subscription receipt for proceeds of $180,000. Each subscription receipt will automatically convert, into one-half of one common share upon completion of the Company's public listing. If the public listing does not complete by January 31, 2026 or such other date as the Company may determine, each subscription receipt will automatically convert, without further action or payment of any additional consideration, into 0.505 common shares of the Company.

On September 9, 2024, the Company issued 93,750 common shares at a price of $0.20 per share for proceeds of $18,750, which was received in September 2023.

On September 9, 2024, the Company repurchased and cancelled 1 common share from the founder of the Company for consideration of $1.

On September 18, 2024, the Company received $15,000 for the subscription receipts that were issued on August 28, 2024.

On June 12, 2025, the Company issued 8,515,000 subscription receipts at $0.50 per subscription receipt for proceeds of $4,257,500. Each subscription receipt will automatically convert into one share unit of the Company upon the completion of the Redwood Acquisition (the "Conversion Condition"). Each share unit of the Company will be comprised of one common share of the Company and one half of one share purchase warrant, wherein each whole share purchase warrant will entitle the holder to purchase one additional common share of the Company at $0.70 per share for a period of five years from the conversion date. If the Conversion Condition is not met by January 31, 2026, the funds will be returned to investors.

On November 24, 2025, the Company issued a promissory note of $16,000 to an arms-length third party, which is unsecured, bears interest at the TD Bank prime lending rate, and is due on or before November 24, 2026.

On November 25, 2025, the Company issued a promissory note of $48,000 to an arms-length third party, which is unsecured, bears interest at the TD Bank prime lending rate, and is due on or before November 25, 2026.

LIQUIDITY & CAPITAL RESOURCES

As at November 30, 2025, the Company had a working capital deficit of $509,583 (August 31, 2025 – $433,479), cash of $14,199 (August 31, 2025 - $22,285) and restricted cash of $4,186,373 (August 31, 2025 - $4,161,989). During the three months ended November 30, 2025, net cash used in operating activities was $86. Net cash used in investing activity were related to the advances made towards promissory note receivable of $72,000. Net cash provided by financing activities of $64,000 were from promissory notes payable issued during the period.

These condensed interim financial statements have been prepared with the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business. During the three months ended November 30, 2025, the Company had no revenues, incurred a net loss of $76,104, and had negative cash flows from operations. As at November 30, 2025, the Company had a working capital deficit of $509,583 and an accumulated deficit of $723,333. The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties, complete sufficient equity financing, and generate profitable operations in the future. The Company has no assurance that it will be successful in its efforts. These factors indicate the existence of material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements. The impact of these adjustments could be material.

CAPITAL MANAGEMENT

The Company considers its capital structure to include net residual equity of all assets, less liabilities. The Company's objectives when managing capital are to (i) maintain financial flexibility in order to preserve its ability to meet financial obligations and continue as a going concern; (ii) maintain a capital structure that allows the Company to pursue the development of its research projects; and (iii) optimize the use of its capital to provide an appropriate investment return to its shareholders commensurate with risk.

The Company's financial strategy is formulated and adapted according to market conditions in order to maintain a flexible capital structure that is consistent with its objectives and the risk characteristics of its underlying assets. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets, or adjust the amount of cash. The Company is not subject to any externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from prior year.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES AND EXECUTIVE COMPENSATION

Key management includes directors (executive and non-executive) and officers of the Company. The amounts due to related parties are for amounts due to directors and officers. The balances are unsecured, non–interest bearing and have no specific terms for repayment.

During the three months ended November 30, 2025, the Company incurred consulting fees of $3,000 (2024 - $nil) related to services provided by a company controlled by CFO of the Company. As at November 30, 2025, the Company owed $11,777 (August 31, 2025 - $8,777) to this company, which is included in accounts payable and accrued liabilities.

The related party transactions were recorded at the exchange amount, which is considered equivalent to the fair value of the services provided.

ONGOING CONTRACTUAL OBLIGATIONS

The Company entered into a consulting agreement effective as of December 11, 2024 with GKM Consulting Inc. (the "CFO Agreement"), for the services of Mr. Nico Mah to act as the CFO and Corporate Secretary for a monthly fee of $1,000, plus applicable taxes plus $150 per hour for each hour in excess of the minimum commitment of Mr. Mah's attention and ability to the business and affairs of the Company and its subsidiaries on a part-time basis of no less than 15 hours per quarter. The CFO Agreement does not have any provisions with respect to change of control.

On March 1, 2025, the Company entered into a corporate and financial advisory agreement (the "Agreement") with a third-party company, The Back Office Inc. ("TBO") for corporate, accounting and administrative services. Under the terms of the Agreement, the Company will pay $10,000 per month and issue 300,000 common shares upon the Company's successful listing on the CSE. The Agreement is for an initial term of twelve months and shall continue thereafter on a month-to-month basis, subject to termination on 30 days' written notice.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are disclosed in Note 3 of the November 30, 2025 condensed interim financial statements.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity risk, credit risk, price risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

a) Fair values

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted Prices in Active Markets for Identical Assets

Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Significant Other Observable Inputs

Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability. There are no items in Level 2 of the fair value hierarchy.

Level 3 – Significant Unobservable Inputs

Unobservable (supported by little or no market activity) prices. There are no items in Level 3 of the fair value hierarchy.

The carrying values of cash, interest receivable, promissory note receivable, restricted cash, accounts payable and accrued liabilities, advances payable, promissory notes payable, and refundable subscription receipts approximate their fair values due to their short-term nature.

b) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The maximum credit risk the Company is exposed to is 100% of cash. The Company's cash is held at a large Canadian financial institution.

c) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. The Company's objective to managing liquidity risk is to ensure that it has sufficient liquidity available to meet its liabilities when due. The accounts payable and accrued liabilities are typically due in 30 days, which are settled using cash.

At present, the Company's operations do not generate positive cash flow. The Company's primary source of funding has been the issuance of equity securities. Despite previous success in acquiring required financing, there is no guarantee that the Company will continue to be successful in obtaining future financing.

d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to significant interest rate risk as it does not have any liabilities with variable rates.

PROPOSED TRANSACTIONS

On September 25, 2024 and as amended October 13, 2025, the Company entered into a share purchase agreement with Redwood pursuant to which the Company has agreed to acquire all of the issued and outstanding common shares of Redwood by issuing 12,000,000 common shares to Redwood's shareholders. As part of the share exchange agreement, the Company is to pay finders' fees equal to 5% of the total acquisition price, or 600,000 common shares.

SUBSEQUENT EVENTS

Subsequent to November 30, 2025, the Company advanced an additional of $95,000 to Redwood, which is unsecured, bears interest at the prime-lending rate as quoted by TD Bank and has a maturity date of January 31, 2026.

On December 8, 2025, the Company issued a promissory note of $28,750 to an arms-length third party, which is unsecured, bears interest at the TD Bank prime lending rate, and is due on or before December 8, 2026.

On December 12, 2025, the Company issued a promissory note of $86,250 to an arms-length third party, which is unsecured, bears interest at the TD Bank prime lending rate, and is due on or before December 12, 2026.

OUTSTANDING SHARE DATA

The Company had the following securities issued and outstanding:

	November 30, 2025	Date of MD&A
Common shares	93,750	93,750
Warrants	-	-
Stock options	-	-
Subscription receipts	32,515,000	32,515,000

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The following table sets out the following material components for the periods presented:

	Three months ended November 30, 2025 $	Three months ended November 30, 2024 $
General and administrative expenses	88	3,995
Other material costs expensed or recognized as assets	78,471	95,342
Total	78,559	99,337

OUTLOOK

The Company's primary focus for the foreseeable future will be on developing the business of Redwood AI Inc. Refer to Redwood AI Inc.'s for outlook of Redwood AI Inc's business over the next twelve months.

RISKS

The Company is subject to a number of risks and uncertainties that could significantly affect its financial condition and performance. As the Company grows and enters into new markets, these risks can increase. These risk factors are not a definitive list of all risk factors associated with the Company or in connection with the Company's operations.

The Company has no history of profitable operations and a limited operating history. The Company's present business is at an early stage of development. As such, many risks common to such early-stage enterprises, including cash shortages and limitations with respect to personnel, financial and other resources, and access to capital, exist. Certain risks and assumptions include, among others:

- the Company's limited operating history;
- uncertainty as to the Company's ability to continue as a going concern;
- substantial fluctuation of losses due to numerous external risk factors out of the Company's control that cause the Company to incur significant losses in the future;
- uncertainty as to the Company's ability to raise additional funding to support operations;
- regulatory approval as well as with health and data protection laws and risks;
- compliance with environmental and consumer health and safety laws and regulations;
- uncertainty surrounding the Company's reputation and feasibility of product developments;
- the Company's ability to adequately protect its intellectual property and trade secrets;
- risks related to various tax matters;
- the Company's reliance on the capabilities and experience of the Company's key executives and the resulting loss of any of these individuals;
- liquidity of the Company's securities;
- risks related to additional issuances and dilution of the Company's securities;
- risks related to the Company's capital structure;
- the costs associated with maintain public listings; and
- other factors beyond the Company's control.

There is no assurance that the Company will be successful in executing its business plan and generating a return on shareholders' investments. The likelihood of success must be considered in relation to its early stage of operations and industry. There are a number of risk factors that could cause future results to differ materially from those described herein. Additional risks and uncertainties, including those that the Company does not know about or that it currently deems immaterial, could also adversely affect the Company's business and results of operations.

ADDITIONAL INFORMATION

Additional information related to the Company will be available for view on SEDAR+ at www.sedarplus.com, or by requesting further information from the Company's head office.

Marshall Technologies Corp.
1309 -7th Street SW, Calgary Alberta, Canada, T2R 1A5

APPENDIX D
REDWOOD AI INC. – AUDITED FINANCIAL STATEMENTS AND MD&A FOR THE YEAR ENDED AUGUST 31, 2025 AND THE PERIOD FROM JANUARY 15, 2024 (DATE OF INCORPORATION) TO AUGUST 31, 2024

(ATTACHED)

REDWOOD AI INC.

FINANCIAL STATEMENTS

YEAR ENDED AUGUST 31, 2025 AND
PERIOD FROM JANUARY 15, 2024 (DATE OF INCORPORATION) TO AUGUST 31, 2024

(Expressed in Canadian Dollars)

SATURNA GROUP
CHARTERED PROFESSIONAL ACCOUNTANTS LLP
Suite 1605, 1166 Alberni Street
Vancouver, BC Canada V6E 3Z3

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Redwood AI Inc.

Opinion

We have audited the financial statements of Redwood AI Inc. (the "Company"), which comprise the statements of financial position as at August 31, 2025 and 2024, and the statements of operations and comprehensive loss, changes in shareholders' deficit, and cash flows for the year ended August 31, 2025 and for the period from January 15, 2024 (date of incorporation) to August 31, 2024, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at August 31, 2025 and 2024, and its financial performance and its cash flows for the year ended August 31, 2025 and for the period from January 15, 2024 (date of incorporation) to August 31, 2024 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company had no revenues, incurred a net loss of $560,157, and incurred negative cash flow from operations during the year ended August 31, 2025 and, as of that date, the Company had a working capital deficit of $616,044 and an accumulated deficit of $856,044. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis
- The information, other than the financial statements and our auditor's report thereon, in the Prospectus.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of the auditor's report. If, based on the work we have performed on this information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

The Prospectus is expected to be made available to us after the date of the auditor's report. If, based on the work we have performed on this information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Saturna Group LLP

Saturna Group Chartered Professional Accountants LLP

Vancouver, Canada

December 23, 2025

REDWOOD AI INC.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	Notes	August 31, 2025	August 31, 2024
		$	$
ASSETS			
Current assets			
Cash		52,486	29,605
GST receivable		3,451	-
Prepaid expenses		9,799	-
Total assets		65,736	29,605
LIABILITIES AND SHAREHOLDERS' DEFICIT			
Current liabilities			
Accounts payable and accrued liabilities	6, 8	146,780	75,491
Due to Jolt Health Inc.	5	-	250,000
Promissory notes payable	6	535,000	-
Total liabilities		681,780	325,491
Shareholders' deficit			
Share capital	7	240,000	1
Deficit		(856,044)	(295,887)
Total shareholders' deficit		(616,044)	(295,886)
Total liabilities and shareholders' deficit		65,736	29,605

Nature and continuance of operations (Note 1)
Subsequent events (Note 12)

Approved on behalf of the Board of Directors and authorized for issuance on December 23, 2025:

"Signed"
Louis Dron, Director

"Signed"
Kristian Thorlund, Director

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

REDWOOD AI INC.
STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Notes	Year Ended August 31, 2025	Period from January 15, 2024 (date of incorporation) to August 31, 2024
Expenses		$	$
Advertising and marketing		47,304	-
Consulting		7,050	7,219
Cloud computing		14,024	-
General and administrative		17,927	21,492
Professional fees		58,923	41,267
Salaries and wages	8	471,161	225,909
Software development		17,547	-
Travel and conferences		13,552	-
Total expenses		647,488	295,887
Loss before other income (expense)		(647,488)	(295,887)
Other income (expense)			
Gain on settlement of debt	5	10,000	-
SRED tax credits		92,059	-
Interest expense	6	(14,728)	-
Total other income (expense)		87,331	-
Net loss and comprehensive loss		(560,157)	(295,887)
Loss per share, basic and diluted		(0.05)	(295,887)
Weighted average number of common shares, basic and diluted		11,572,603	1

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

REDWOOD AI INC.
STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIT
(Expressed in Canadian Dollars)

	Number of common shares	Share Capital $	Deficit $	Total shareholders' deficit $
Balance, January 15, 2024 (date of incorporation)	1	1	-	1
Net loss for the period	-	-	(295,887)	(295,887)
Balance, August 31, 2024	1	1	(295,887)	(295,886)
Common shares issued for cash	12,000,000	240,000	-	240,000
Cancellation of founder's share	(1)	(1)	-	(1)
Net loss for the year	-	-	(560,157)	(560,157)
Balance, August 31, 2025	12,000,000	240,000	(856,044)	(616,044)

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

REDWOOD AI INC.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Year ended August 31, 2025	Period from January 15, 2024 (date of incorporation) to August 31, 2024
	$	$
Operating activities		
Net loss	(560,157)	(295,887)
Items not involving cash:		
Gain on debt settlement	(10,000)	-
Interest expense	14,728	
Changes in non-cash working capital:		
GST receivable	(3,451)	-
Prepaid expenses	(9,799)	75,491
Accounts payable and accrued liabilities	56,561	-
Cash flows used in operating activities	(512,118)	(220,396)
Financing activities		
Common shares returned to treasury	(1)	-
Proceeds from common shares	240,000	1
Proceeds from promissory notes	545,000	250,000
Repayment of promissory note	(10,000)	-
Repayment of amount owed to Jolt Health Inc.	(240,000)	-
Cash flows provided by financing activities	534,999	250,001
Change in cash	22,881	29,605
Cash, beginning of period	29,605	-
Cash, end of period	52,486	29,605

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Redwood AI Inc. (the "Company") was incorporated pursuant to the provisions of the British Columbia Business Corporations Act on January 15, 2024, as NCellular AI Inc. On May 22, 2024, the Company changed its name to Redwood AI Inc. The Company's registered and records office address is Suite 1200, 200 Burrard Street, Vancouver BC, V7X 1T2. The Company's head office is located at 506-1505 West 2nd Avenue Vancouver BC, V6J 1H2.

The Company is in the business of developing software which leverages Artificial Intelligence ("AI") to assist in the investigation and development of pharmaceutical grade molecules and compounds.

These financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. During the year ended August 31, 2025, the Company had no revenues, incurred a net loss of $560,157, and had negative cash flows from operations. As at August 31, 2025, the Company had a working capital deficit of $616,044 and an accumulated deficit of $856,044. The Company's ability to continue as a going concern is dependent upon its ability in the future to achieve profitable operations and obtain the necessary financing to meet its near-term obligations such that it can repay its liabilities when they become due. The inability to achieve these objectives may cast significant doubt about the Company's ability to continue as a going concern. Such adjustments could be material.

On September 25, 2024 and as amended October 13, 2025, the Company entered into a share purchase agreement (the "Share Purchase Agreement") with Marshall Technologies Corp. ("Marshall") pursuant to which the Company will be acquired in exchange for 12,000,000 common shares of Marshall. Following the closing of the transaction, the principal business carried on by the resulting issuer will be the business of the Company. As at August 31, 2025, the Share Purchase Agreement has not yet closed.

2. BASIS OF PRESENTATION

Statement of compliance

These financial statements, including comparatives, have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Basis of measurement

These financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Presentation and functional currency

These financial statements are presented in Canadian dollars. The functional currency of the Company is the Canadian dollar.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Income taxes

Income tax on the net income for the periods presented comprises current and deferred income tax. Income tax is recognized in the statement of operations except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current income tax expense is the expected income tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred income tax is recorded by providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities which affect neither accounting nor taxable loss as well as differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred income tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred income tax asset is recognized only to the extent that it is probable that future taxable income will be available against which the asset can be utilized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current income tax assets and liabilities on a net basis.

Loss per share

The Company presents basic loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments

The following table summarizes the classification for each class of the Company's financial assets and financial liabilities:

Financial Assets / Liabilities	Classification and Measurement
Cash	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Due to Jolt Health Inc.	Amortized cost
Promissory notes payable	Amortized cost

Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVOCI, are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income.

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded.

Impairment

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in the statement of operations for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through the statement of operations to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial liabilities

Financial liabilities are designated as either: (i) FVTPL; or (ii) other financial liabilities. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded.

Share capital

Common shares are classified as shareholders' equity. Incremental costs directly attributable to the issue of common shares and other equity instruments are recognized as a deduction from shareholders' equity. Common shares issued for consideration other than cash, are valued based on their market value at the date the shares are issued.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Recent accounting pronouncements

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended August 31, 2025, and have not been early adopted in preparing these financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 – Presentation and Disclosure in Financial Statements which will replace IAS 1, Presentation of Financial Statements. The key new concepts introduced in IFRS 18 relate to the structure of the statement of earnings (loss), required disclosures in the financial statements for certain earnings or loss performance measures that are reported outside an entity's financial statements and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will apply for reporting periods beginning on or after January 1, 2027, and also applies to comparative information. The Company is still in the process of assessing the impact of this standard on its financial statements.

Amendments to the Classification and Measurement of Financial Instruments ("Amendments to IFRS 9 and IFRS 7")

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 which clarify the date of recognition and derecognition of some financial assets and liabilities with a new exception for some financial liabilities settled through an electronic cash transfer system, clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion, add new disclosures for certain instruments with contractual terms that can change cash flows such as instruments with features linked to the achievement of environment, social and governance targets; and update the disclosures for equity instruments designated at FVOCI. Amendments to IFRS 9 and IFRS 7 is effective for periods beginning on or after January 1, 2026, with early adoption permitted. The Company is still in the process of assessing the impact of this standard on its financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgments, estimates, and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements, and the reported amounts of expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these judgments, estimates and assumptions could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Significant judgments

Management has made critical judgments in the process of applying accounting policies, including:

Going Concern:
The assessment of the Company's ability to continue as a going concern and its ability to execute its strategy by funding future working capital requirements requires judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, such as expectations of future events that are believed to be reasonable under the circumstances.

5. DUE TO JOLT HEALTH INC.

On March 24, 2024, the Company entered into an investment agreement with Jolt Health Inc. ("JOLT") whereby JOLT was entitled to acquire 12.75% of the Company in exchange for a cash investment of $250,000. In accordance with the agreement JOLT provided the funding of $250,000; however, the common shares JOLT was entitled to receive were not issued. On September 25, 2024, the Company and JOLT entered into a mutual agreement to terminate the investment agreement, and returned the $240,000 funding, resulting in a gain on debt settlement of $10,000.

6. PROMISSORY NOTES PAYABLE

On October 16, 2024, the Company issued a promissory note of $100,000 to Marshall, which is secured by a general security agreement, bears interest at the Toronto-Dominion Bank "TD Bank" prime lending rate and had an original maturity date of February 16, 2025. On February 26, 2025, the promissory note was amended such that the maturity date was extended to May 30, 2025. On May 26, 2025, the promissory note was further amended such that an additional $120,000 was advanced and the maturity date was extended to October 1, 2025. As at August 31, 2025, the Company had a promissory note payable of $220,000 (2024 - $nil), and owed accrued interest payable of $5,920 (2024 - $nil) which was included in accounts payable and accrued liabilities.

On December 17, 2024, the Company issued a promissory note of $60,000 to an arms-length third party, which is secured by a general security agreement, bears interest at the TD Bank prime lending rate and has a maturity date of December 18, 2025. As at August 31, 2025, the Company owed accrued interest payable of $2,060 (2024 - $nil) which was included in the accounts payable and accrued liabilities.

On December 23, 2024, the Company issued a promissory note of $15,000 to an arms-length third party, which is secured by a general security agreement, bears interest at the TD Bank prime lending rate and has a maturity date of December 18, 2025. As at August 31, 2025, the Company owed accrued interest payable of $1,251 (2024 - $nil) which was included in the accounts payable and accrued liabilities.

On February 4, 2025, the Company issued a promissory note of $35,000 to a company controlled by a significant shareholder of the Company, which is unsecured, bears interest at the TD Bank prime lending rate and has a maturity date of February 4, 2026. As at August 31, 2025, the Company owed accrued interest payable of $965 (2024 - $nil) which was included in the accounts payable and accrued liabilities.

On February 4, 2025, the Company issued a promissory note of $35,000 to a company controlled by a director of the Company, which is unsecured, bears interest at the TD Bank prime lending rate and has a maturity date of February 4, 2026. As at August 31, 2025, the Company owed accrued interest payable of $965 (2024 - $nil) which was included in the accounts payable and accrued liabilities.

On February 26, 2025, the Company issued a promissory note of $60,000 to an arms-length third party, which is secured by a general security agreement, bears interest at the TD Bank prime lending rate and has a maturity date of February 26, 2026. As at August 31, 2025, the Company owed accrued interest payable of $1,427 (2024 - $nil) which was included in the accounts payable and accrued liabilities.

On February 26, 2025, the Company issued a promissory note of $15,000 to an arms-length third party, which is secured by a general security agreement, bears interest at the TD Bank prime lending rate and has a maturity date of February 26, 2026. As at August 31, 2025, the Company owed accrued interest payable of $340 (2024 - $nil) which was included in the accounts payable and accrued liabilities.

6. PROMISSORY NOTES PAYABLE (continued)

On April 1, 2025, the Company issued a promissory note of $35,000 to a company controlled by a significant shareholder of the Company, which is unsecured, bears interest at the TD Bank prime lending rate and has a maturity date of April 1, 2026. As at August 31, 2025, the Company owed accrued interest payable of $700 (2024 - $nil) which was included in the accounts payable and accrued liabilities.

On April 1, 2025, the Company issued a promissory note of $35,000 to a company controlled by a director of the Company, which is unsecured, bears interest at the TD Bank prime lending rate and has a maturity date of April 1, 2026. As at August 31, 2025, the Company owed accrued interest payable of $700 (2024 - $nil) which was included in the accounts payable and accrued liabilities.

On May 5, 2025, the Company issued a promissory note of $25,000 to a company controlled by a director of the Company, which is unsecured, bears interest at the TD Bank prime lending rate and has a maturity date of May 5, 2026. As at August 31, 2025, the Company owed accrued interest payable of $384 (2024 - $nil) which was included in the accounts payable and accrued liabilities.

On May 23, 2025, the Company issued a promissory note of $10,000 to a company controlled by a director of the Company, which is unsecured, bears interest at the TD Bank prime lending rate and has a maturity date of May 5, 2026. On June 4, 2025, the Company repaid the principal of the promissory note of $10,000.

7. SHARE CAPITAL

Authorized

Unlimited common shares with no par value.

Shares Issued

<u>Share transactions during the year ended August 31, 2025:</u>

On September 13, 2024, the Company issued 12,000,000 common shares at a price of $0.02 per share for proceeds of $240,000.

On February 20, 2025, the Company repurchased and cancelled 1 incorporation common share for consideration of $1.

<u>Share transaction during the year ended August 31, 2024:</u>

On January 15, 2024, the Company issued 1 incorporation common share to a director of the Company for proceeds of $1.

8. RELATED PARTY TRANSACTIONS

Key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors, corporate officers, and companies controlled by those individuals.

During the year ended August 31, 2025, the Company incurred $150,000 (2024 - $75,000) of salaries and wages to a director of the Company.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity risk, credit risk, price risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

Fair value

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted Prices in Active Markets for Identical Assets
Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Significant Other Observable Inputs
Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability. There are no items in Level 2 of the fair value hierarchy.

Level 3 – Significant Unobservable Inputs
Unobservable (supported by little or no market activity) prices. There are no items in Level 3 of the fair value hierarchy.

The fair values of financial instruments, including cash, accounts payable and accrued liabilities, amount due to Jolt Health Inc., and promissory notes payable approximates their carrying values due to their short-term nature.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash. Cash is held with reputable Canadian financial institutions, from which management believes the risk of loss is remote. The Company does not have significant credit risk with respect to customers. The Company's maximum credit risk exposure is equivalent to the carrying value of these instruments.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Interest rate risk

The Company is exposed to interest rate risk with respect to the promissory notes payable which bear interest on a fluctuation rate based upon the TD Bank prime lending rate. A 10% interest rate change in the TD Bank prime lending rate would not have a material impact on the Company's debt obligations.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at August 31, 2025, the Company's financial liabilities consist of accounts payable and accrued liabilities, and promissory notes which have contractual maturity within one year. The Company manages liquidity risks by reviewing its capital requirements on an ongoing basis.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Company is not exposed to significant foreign currency risk.

10. CAPITAL MANAGEMENT

The Company defines capital as equity. The Company manages its capital structure and makes adjustments in order to have the funds available to support its operating activities.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern and to pursue the development of its business. The Company manages its capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new equity instruments, new debt, or acquire and/or dispose of assets. As discussed in Note 1, the Company's ability to continue as a going concern is uncertain and dependent upon the continued financial support of its shareholders, future profitable operations, and securing additional financing. Management reviews its capital management approach on an ongoing basis. There were no changes in the Company's approach to capital management during the years presented. The Company is not subject to externally imposed capital requirements.

(Expressed in Canadian Dollars)

11. INCOME TAX

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	Year Ended August 31, 2025 $	Period from incorporation on January 15, 2024 to August 31, 2024 $
Net loss before income taxes	(560,157)	(295,887)
Statutory income tax rate	11%	11%
Income tax recovery computed at statutory tax rate	(61,617)	(32,547)
Tax effect of:		
Permanent difference and other	(9,955)	–
True up of prior year differences	2,513	–
Change in unrecognized deferred income tax assets	69,059	32,547
Income tax expense	–	–

The significant components of the Company's deferred income tax assets that have not been included in the statement of financial position are as follows:

	August 31, 2025	August 31, 2024
	$	$
Deferred income tax assets		
Non-capital losses available fur future period	101,606	32,547
Unrecognized deferred income tax assets	(101,606)	(32,547)
Net deferred income tax assets	–	–

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included in the statement of financial position are as follows:

		Expiry Dates
	$	
Temporary Differences		
Non-capital losses available fur future period	923,692	**2044-2045**

12. SUBSEQUENT EVENTS

On October 9, 2025, the Company issued a promissory note of $5,000 to a director of the Company, which is unsecured, bears interest at the TD Bank prime lending rate and has maturity date of October 9, 2026.

On October 23, 2025, the Company issued a promissory note of $5,000 to a company controlled by a director of the Company, which is unsecured, bears interest at the TD Bank prime lending rate and has maturity date of October 23, 2026.

12. SUBSEQUENT EVENTS (continued)

On October 28, 2025, the Company issued a promissory note of $28,000 to a company controlled by a director of the Company, which is unsecured, bears interest at the TD Bank prime lending rate and has maturity date of October 28, 2026.

Subsequent to August 31, 2025, the promissory note payable to Marshall was further amended such that an additional $102,000 was advanced and the maturity date was extended to January 31, 2026.

MANAGEMENT DISCUSSION & ANALYSIS

The following management discussion and analysis ("MD&A") of the results of the operations and financial position of Redwood AI Inc. ("Redwood" or "the Company") for the year ended August 31, 2025 should be read in conjunction with the Company's audited financial statements for the year August 31, 2025 which are available on the SEDAR+ website at www.sedarplus.ca. This MD&A contains information for the 2025 fiscal year to the date this report being December 23, 2025.

The financial information in this MD&A is derived from the financial reports prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All figures contained in this MD&A are presented in Canadian dollars unless otherwise indicated.

CAUTION REGARDING FORWARD LOOKING INFORMATION

This Management's Discussion and Analysis may contain certain "forward-looking statements" within the meaning of Canadian securities legislation. Forward-looking statements are statements that are not historical facts; they are generally, but not always, identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "aims," "potential," "goal," "objective," "prospective," and similar expressions, or that events or conditions "will," "would," "may," "can," "could" or "should" occur. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made and they involve a number of risks and uncertainties. Consequently, there can be no assurances that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Factors that could cause future results to differ materially from those anticipated in these forward-looking statements include, but are not limited to, the ability of the Company to successfully acquire assets, the Company's need for and ability to obtain funding to support the Company's strategic plans and/or operating activities in the future, the continued participation in the Company of certain key employees, risks normally incident to an acquisition, and other risk factors discussed in greater detail in the Company's various filings on SEDAR+ (www.sedarplus.ca) with Canadian securities regulators. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. We undertake no obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

DESCRIPTION OF BUSINESS

Redwood AI Inc. (the "Company" or "Redwood") was incorporated pursuant to the provisions of the British Columbia Business Corporations Act on January 15, 2024. The Company's registered and records office address is Suite 1200, 200 Burrard Street, Vancouver BC, V7X 1T2. The Company's head office is located at 506-1505 W. 2nd Avenue Vancouver BC, V6J 1H2.

The Company is in the business of developing software which leverages Artificial Intelligence ("AI") to assist in the investigation and development of pharmaceutical grade molecules and compounds.

COMPANY DEVELOPMENTS AND OUTLOOK

On September 13, 2024, the Company issued 12,000,000 common shares at a price of $0.02 per share raising gross proceeds of $240,000.

On September 25, 2024, the Company and Jolt Health Inc. "JOLT" entered into a mutual termination agreement whereby an investment agreement between the Company and JOLT was terminated. In accordance with the termination agreement, the Company repaid $240,000 which was advanced by JOLT.

On September 25, 2024 and as amended October 13, 2025, the Company entered into a share purchase agreement (the "Acquisition") with Marshall Technologies Corp. ("Marshall") pursuant to which the Company was acquired in exchange for

12,000,000 common shares of Marshall. Following the closing of the Acquisition, the principal business carried on by the resulting issuer will be the business of Redwood.

On October 16, 2024, the Company issued a promissory note of $100,000 to Marshall, which is secured by a general security agreement, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with an original maturity date of February 16, 2025. On February 26, 2025, the promissory note was amended such that the maturity date was extended to May 30, 2025. On May 26, 2025, the promissory note was further amended such that an additional $120,000 was advanced and the maturity date was extended to October 1, 2025.

On December 17, 2024, the Company issued a promissory note of $60,000 to an arms-length third party, which is secured by a general security agreement, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of December 18, 2025.

On December 23, 2024, the Company issued a promissory note of $15,000 to an arms-length third party, which is secured by a general security agreement, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank and with a maturity date of December 18, 2025.

On February 4, 2025, the Company issued a promissory note of $35,000 to a company controlled by a significant shareholder of the Company (Edward Mills), which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of February 4, 2026.

On February 4, 2025, the Company issued a promissory note of $35,000 to a company controlled by a director of the Company (Kristian Thorlund), which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by a Toronto Dominion Bank, and with a maturity date of February 4, 2026.

On February 26, 2025 (funds received March 4, 2025), the Company issued a promissory note of $60,000 to an arms-length third party, which is secured by a general security agreement, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of February 26, 2026.

On February 26, 2025 (funds received March 12, 2025), the Company issued a promissory note of $15,000 to an arms-length third party, which is secured by a general security agreement, bears fluctuating interest at the fluctuating prime lending rate as quoted by a Toronto Dominion Bank, and with a maturity date of February 26, 2026.

On April 1, 2025, the Company issued a promissory note of $35,000 to a company controlled by a significant shareholder of the Company (Edward Mills), which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by a Toronto Dominion Bank, and with a maturity date of April 1, 2026.

On April 1, 2025, the Company issued a promissory note of $35,000 to a company controlled by a director of the Company (Kristian Thorlund), which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of April 1, 2026.

On May 5, 2025, the Company issued a promissory note of $25,000 to a company controlled by a director of the Company (Kristian Thorlund), which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of May 5, 2026.

On May 23, 2025, the Company issued a promissory note of $10,000 to a company controlled by a director of the Company (Kristian Thorlund), which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of May 5, 2026. The principal balance of $10,000 and interest payable of $16 has been repaid on June 4, 2025.

OUTLOOK

AI has seen growing interest within the pharmaceutical industry and may benefit the development of various pharmaceutical compounds by reducing time for new drug discovery, increasing efficiency in clinical trials, and enabling drug repurposing.

Despite these advances, challenges remain, particularly in ethical considerations and gaining full trust in AI models. However, with regulatory support growing, as seen with new FDA guidelines, the integration of AI in drug development is expected to deepen, positioning it as a key tool in the next phase of pharmaceutical innovation.

SELECTED FINANCIAL INFORMATION AND RESULTS OF OPERATIONS

The following table sets out selected financial information with respect to the Company's financial statements for the year ended August 31, 2025. The following should be read in conjunction with the audited financial statement for the year end August 31, 2025.

	Years Ended	
Summary of Operations	**August 31, 2025**	**August 31, 2024**
	$	$
Total expenses	647,488	295,887
Net loss for the year	(560,157)	(295,887)
Basic and diluted loss per share	(0.05)	(295,887)
Weighted average shares outstanding	11,572,603	1

Balance Sheet Summary	**August 31, 2025**	**August 31, 2024**
	$	$
Current assets	65,736	29,605
Total assets	65,736	29,605
Total current liabilities	681,780	325,491
Working capital deficiency	(616,044)	(295,886)

Total assets increased to $65,736 at August 31, 2025, from $29,605 at August 31, 2024. The Company's primary asset is cash of $52,486 (2024 - $29,605). The Company's primary activity during the period related to:

1) On September 25, 2024, the Company and Jolt Health Inc. ("JOLT") entered into a mutual agreement to terminate the investment agreement and returned the $240,000 funding. Jolt has provided $250,000 in funding in the prior year, resulting in a gain on debt settlement of $10,000 during the year ended August 31, 2025.
2) The Company continued the development of its AI software with the primary expense being related to salaries and wages. The Company has a team of three data scientists and pharmaceutical researchers and incurred salaries and wages expense of $471,161 during the year ended August 31, 2025.
3) On September 25, 2024 and as amended October 13, 2025, the Company entered into the Acquisition with Marshall pursuant to which the Company was acquired in exchange for 12,000,000 common shares of Marshall. Following the closing of the Acquisition, the principal business carried on by the resulting issuer will be the business of Redwood.
4) During the year ended August 31, 2025, the Company obtained promissory notes totaling $545,000 and made a repayment of $10,000. The promissory notes bear fluctuation interest at the prime lending rate as quoted by a major Canadian bank and are re-payable in one year.
5) On September 13, 2024, the Company issued 12,000,000 common shares at a price of $0.02 per share raising gross proceeds of $240,000.

Discussion of results – Year ended August 31, 2025

Net loss and comprehensive loss for the year ended August 31, 2025 was $560,157 (loss per share of $0.05 per share). The Company was incorporated January 15, 2024, so there was limited history in the comparative period. The primary factors affecting the magnitude and variations of the Company's financial performance were as follows:

- Advertising and marketing of $47,304 related to website development, brand strategy, and content creation as the Company aims to increase awareness of its corporate brand in the AI sector.
- Consulting expense of $7,050 related fees related to business development services.
- Cloud computing of $14,024 related to the usage of computing services to enable the training of the Company's AI models.
- General and administrative of $17,927 related to general office administration activities and certain subscriptions.
- Professional fees of $58,923 related to $11,524 in legal fees incurred for financing, and general corporate activities, and $47,399 in audit and accounting fees.
- Salaries and wages expense was $471,161 which relates to the Company's internal development team comprised of leading scientists in their respective fields of expertise.
- Software development of $17,547 related to development activities of the Company's AI model.
- Travel and conference of $13,552 related to attendance at a conference by the Company's development team.
- Interest expense of $14,728 related to interest accrued on the outstanding promissory notes.
- Gain on forgiveness of debt of $10,000 relates to debt forgiven by Jolt Pharma Inc.
- Recognized gain of $92,059 from refund on investment tax credits and British Columbia Scientific Research and Experimental Development ("SR&ED") refundable tax credit.

Discussion of results – Three-month period ended August 31, 2025

Net loss and comprehensive loss for the three-month period ended August 31, 2025 was $132,677 (loss per share of $0.01 per share). The Company was incorporated January 15, 2024, so there was limited history in the comparative period. The primary factors affecting the magnitude and variations of the Company's financial performance were as follows:

- Advertising and marketing of $31,500 related to website development, brand strategy, and content creation as the Company aims to increase awareness of its corporate brand in the AI sector.
- General and administrative of $5,411 related to general office administration activities and certain subscriptions.
- Professional fees of $22,748 related to audit and accounting fees.
- Salaries and wages expense was $140,514 which relates to the Company's internal development team comprised of leading scientists in their respective fields of expertise.
- Software development of $10,619 related to development activities of the Company's AI model.
- Travel and conference of $6,064 related to attendance at a conference by the Company's development team.
- Interest expense of $6,344 related to interest accrued on the outstanding promissory notes.
- Recognized gain of $92,059 from refund on investment tax credits and British Columbia Scientific Research and Experimental Development ("SR&ED") refundable tax credit.

SUMMARY OF QUARTERLY RESULTS

The following table sets forth selected quarterly consolidated financial information for each of the last eight quarters:

	August 31, 2025	**May 31, 2025**	**February 28, 2025**	**November 30, 2024**
	$	$	$	$
Revenue	-	-	-	-
Net loss	132,677	114,389	188,191	124,900
Basic and diluted loss per share	0.01	0.01	0.02	0.01
Weighted average shares outstanding	12,000,000	12,000,000	12,000,000	10,417,583

	August 31, 2024	**May 31, 2024**	**February 28, 2024**	**November 30, 2023**
	$	$	$	$
Revenue	-	-	-	n/a
Net loss	146,484	149,403	-	n/a
Basic and diluted loss per share	146,484	149,403	-	n/a
Weighted average shares outstanding	1	1	1	n/a

LIQUIDITY AND CAPITAL RESOURCES

As at August 31, 2025, the Company had working capital deficit of $616,044 (2024 - $295,886). The Company does not currently have a recurring source of revenue and is focused on research and development of its AI software technology. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms that are acceptable to the Company. The uncertainty of the Company's success in raising additional capital funding may cast significant doubt on the Company's ability to continue as a going concern.

On September 13, 2024, the Company issued 12,000,000 common shares at a price of $0.02 per share raising gross proceeds of $240,000.

On October 16, 2024, the Company issued a promissory note of $100,000 to Marshall, which is secured by a general security agreement, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion, and with an original maturity date of February 16, 2025. On February 26, 2025, the promissory note was amended such that the maturity date was extended to May 30, 2025. On May 26, 2025, the promissory note was further amended such that an additional $120,000 was advanced and the maturity date was extended to October 1, 2025. As at August 31, 2025, the Company had a promissory note payable of $220,000 (2024 - $nil), and recorded accrued interest payable of $5,920 (2024 - $nil) which was included in the accounts payable and accrued liabilities.

On December 17, 2024, the Company issued a promissory note of $60,000 to an arms-length third party, which is secured by a general security agreement, bears fluctuating interest at the fluctuating prime lending rate as quoted by a Toronto Dominion Bank, and with a maturity date of December 18, 2025. As at August 31, 2025, the Company recorded accrued interest payable of $2,060 (2024 - $nil) which was included in the accounts payable and accrued liabilities.

On December 23, 2024, the Company issued a promissory note of $15,000 to an arms-length third party, which is secured by a general security agreement, bears fluctuating interest at the fluctuating prime lending rate as quoted by a Toronto Dominion Bank, and with a maturity date of December 18, 2025. As at August 31, 2025, the Company recorded accrued interest payable of $1,251 (2024 - $nil) which was included in the accounts payable and accrued liabilities.

On February 4, 2025, the Company issued a promissory note of $35,000 to a company controlled by a significant shareholder of the Company (Edward Mills), which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of February 4, 2026. As at August 31, 2025, the Company recorded accrued interest payable of $965 (2024 - $nil) which was included in the accounts payable and accrued liabilities.

On February 4, 2025, the Company issued a promissory note of $35,000 to a company controlled by a director of the Company (Kristian Thorlund), which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of February 4, 2026. As at August 31, 2025, the Company recorded accrued interest payable of $965 (2024 - $nil) which was included in the accounts payable and accrued liabilities.

On February 26, 2025 (funds received March 4, 2025), the Company issued a promissory note of $60,000 to an arms-length third party, which is secured by a general security agreement, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of February 26, 2026. As at August31, 2025, the Company recorded accrued interest payable of $1,427 (2024 - $nil) which was included in the accounts payable and accrued liabilities.

On February 26, 2025 (funds received March 12, 2025), the Company issued a promissory note of $15,000 to an arms-length third party, which is secured by a general security agreement, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of February 26, 2026. As at August 31, 2025, the Company recorded accrued interest payable of $340 (2024 - $nil) which was included in the accounts payable and accrued liabilities.

On April 1, 2025, the Company issued a promissory note of $35,000 to a company controlled by a significant shareholder of the Company (Edward Mills), which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of April 1, 2026. As at August 31, 2025, the Company recorded accrued interest payable of $700 (2024 - $nil) which was included in the accounts payable and accrued liabilities.

On April 1, 2025, the Company issued a promissory note of $35,000 to a company controlled by a director of the Company (Kristian Thorlund), which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of April 1, 2026. As at August 31, 2025, the Company recorded accrued interest payable of $700 (2024 - $nil) which was included in the accounts payable and accrued liabilities.

On May 5, 2025, the Company issued a promissory note of $25,000 to a company controlled by a director of the Company (Kristian Thorlund), which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of May 5, 2026. As at August 31, 2025, the Company recorded accrued interest payable of $384 (2024 - $nil) which was included in the accounts payable and accrued liabilities.

On May 23, 2025, the Company issued a promissory note of $10,000 to a company controlled by a director of the Company (Kristian Thorlund), which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of May 5, 2026. On June 4, 2025, the Company repaid the principal of the promissory note of $10,000 and interest payable of $16.

RELATED PARTY TRANSACTIONS

Key management personnel are those persons that have the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management includes executive and non-executive members of the Company’s Board of Directors.

During the year ended August 31, 2025, the Company incurred $150,000 (2024 - $75,000) of salaries and wages to a director of the Company, Louis Dron.

As at August 31, 2025, the Company had promissory notes payable of $95,000 (2024 - $nil) to a company controlled by a significant shareholder of the Company, Kristian Thorlund, which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by a major Canadian bank, and with maturity dates from February 4, 2026 to May 5, 2026. As at August 31, 2025, the Company recorded accrued interest payable of $2,049 (2024 - $nil) which is included in accounts payable and accrued liabilities.

As at August 31, 2025, the Company had promissory notes payable of $70,000 (2024 - $nil) to a company controlled by a significant shareholder of the Company, Edward Mills, which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by a major Canadian bank, and with maturity date from February 4, 2026 to April 1, 2026. As at August 31, 2025, the Company recorded accrued interest payable of $1,665 (2024 - $nil) which is included in accounts payable and accrued liabilities.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The following table sets out the following material components for the periods presented:

	Year ended August 31, 2025	Period from incorporation to August 31, 2024
	$	$
Expensed research and development	-	-
Intangible assets arising from development	-	-
General and administrative expenses	17,927	21,492
Other material costs expensed or recognized as assets	629,561	274,395
Total	647,488	295,887

MATERIAL ACCOUNTING POLICIES AND ESTIMATES

The Company has prepared the financial statements in accordance with IFRS and the same accounting policies and methods of computation are followed in the unaudited interim financial statements as in the audited financial statements as at and for the year ended August 31, 2025. Material accounting policies are described in Note 4 of the Company's financial statements for the year ended August 31, 2025.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Refer to Note 9 of the Company's financial statements for the year ended August 31, 2025, for disclosure regarding the Company's financial instruments. Cash, accounts payable and accrued liabilities, and promissory note payable are held at amortized cost which approximates fair value due to the short-term nature of these instruments.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

SUBSEQUENT EVENTS

On October 9, 2025, the Company issued a promissory note of $5,000 to a director of the Company (Kristian Thorlund), which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of October 9, 2026.

On October 23, 2025, the Company issued a promissory note of $5,000 to a company controlled by a director of the Company (Kristian Thorlund), which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of October 23, 2026.

On October 28, 2025, the Company issued a promissory note of $28,000 to a company controlled by a director of the Company (Kristian Thorlund), which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of October 28, 2026.

On November 14, 2025, the promissory note payable to Marshall was further amended such that an additional $102,000 was advanced and the maturity date was extended to January 31, 2026.

PROPOSED TRANSACTION

On September 25, 202 and as amended October 13, 2025, the Company entered into the Acquisition with Marshall pursuant to which the Company was acquired in exchange for 12,000,000 common shares of Marshall. Following the closing of the Acquisition, the principal business carried on by the resulting issuer will be the business of Redwood.

OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares. Details of the Company's capitalization are as follows:

	August 31, 2025	**Date of MD&A**
Common shares	12,000,000	12,000,000
Warrants	-	-
Stock options	-	-

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVR FINANCIAL REPORTING

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited condensed interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca.

APPENDIX E
REDWOOD AI INC. – UNAUDITED INTERIM FINANCIAL STATEMENTS AND MD&A FOR THE THREE MONTHS ENDED NOVEMBER 30, 2025 AND 2024

(ATTACHED)

REDWOOD AI INC.

CONDENSED INTERIM FINANCIAL STATEMENTS

THREE MONTHS ENDED NOVEMBER 30, 2025 AND 2024

(Expressed in Canadian Dollars)

(UNAUDITED)

REDWOOD AI INC.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	Notes	(Unaudited) **November 30, 2025**	(Audited) **August 31, 2025**
		$	**$**
ASSETS			
Current assets			
Cash		4,865	52,486
GST receivable		6,934	3,451
Prepaid expenses		32,309	9,799
Total assets		44,108	65,736
LIABILITIES AND SHAREHOLDERS' DEFICIT			
Current liabilities			
Accounts payable and accrued liabilities	3	190,015	146,780
Promissory notes payable	3	645,000	535,000
Total liabilities		835,015	681,780
Shareholders' deficit			
Share capital	4	240,000	240,000
Deficit		(1,030,907)	(856,044)
Total shareholders' deficit		(790,907)	(616,044)
Total liabilities and shareholders' deficit		44,108	65,736

Nature and continuance of operations (Note 1)
Subsequent events (Notes 3 and 8)

Approved on behalf of the Board of Directors and authorized for issuance on January 19, 2026:

"Signed"	"Signed"
Louis Dron, Director	Kristian Thorlund, Director

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

REDWOOD AI INC.
CONDENSED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(UNAUDITED)

	Notes	Three months ended November 30, 2025	Three months ended November 30, 2024
		$	$
Expenses			
Consulting		44,680	6,300
Cloud computing		5,375	-
General and administrative		11,587	13,097
Professional fees		3,500	5,000
Salaries and wages	5	123,265	106,561
Software development		10,619	-
Travel and conferences		12,143	3,242
Total expenses		211,169	134,200
Loss before other income (expense)		(211,169)	(134,200)
Other income (expense)			
Gain on settlement of debt		-	10,000
Government grant		42,463	-
Interest expense	3	(6,157)	(700)
Total other income (expense)		36,306	9,300
Net loss and comprehensive loss for the period		(174,863)	(124,900)
Loss per share, basic and diluted		(0.01)	(0.01)
Weighted average number of common shares outstanding, basic and diluted		12,000,000	10,285,715

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

REDWOOD AI INC.
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIT
(Expressed in Canadian Dollars)
(UNAUDITED)

	Number of common shares	**Share Capital $**	**Deficit $**	**Total shareholders' deficit $**
Balance, August 31, 2024	1	1	(295,887)	(295,886)
Common shares issued for cash	12,000,000	240,000	-	240,000
Net loss for the period	-	-	(124,900)	(124,900)
Balance, November 30, 2024	12,000,001	240,001	(420,787)	(180,786)
Balance, August 31, 2025	12,000,000	240,000	(856,044)	(616,044)
Net loss for the period	-	-	(174,863)	(174,863)
Balance, November 30, 2025	12,000,000	240,000	(1,030,907)	(790,907)

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

REDWOOD AI INC.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(UNAUDITED)

	Three months ended	
	November 30, 2025	**November 30, 2024**
	$	$
Operating activities		
Net loss for the period	(174,863)	(124,900)
Items not involving cash:		
Gain on debt settlement	-	(10,000)
Interest expense	6,157	700
Changes in non-cash working capital:		
GST receivable	(3,483)	(500)
Prepaid expenses	(22,510)	-
Accounts payable and accrued liabilities	37,078	27,282
Cash flows used in operating activities	(157,621)	(107,418)
Financing activities		
Proceeds from common shares	-	240,000
Proceeds from promissory notes	110,000	100,000
Repayment of amount owed to Jolt Health Inc.	-	(240,000)
Cash flows provided by financing activities	110,000	100,000
Change in cash	(47,621)	(7,418)
Cash, beginning of period	52,486	29,605
Cash, end of period	4,865	22,187

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Redwood AI Inc. (the "Company") was incorporated pursuant to the provisions of the British Columbia Business Corporations Act on January 15, 2024, as NCellular AI Inc. On May 22, 2024, the Company changed its name to Redwood AI Inc. The Company's registered and records office address is 602 – 777 Richards Street, Vancouver BC, V6B 0M9. The Company's head office is located at 506-1505 West 2nd Avenue Vancouver BC, V6J 1H2.

The Company is in the business of developing software which leverages Artificial Intelligence ("AI") to assist in the investigation and development of pharmaceutical grade molecules and compounds.

These condensed interim financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The condensed interim financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. During the three months ended November 30, 2025, the Company had no revenues, incurred a net loss of $174,863, and had negative cash flows from operations. As at November 30, 2025, the Company had a working capital deficit of $790,907 and an accumulated deficit of $1,030,907. The Company's ability to continue as a going concern is dependent upon its ability in the future to achieve profitable operations and obtain the necessary financing to meet its near-term obligations such that it can repay its liabilities when they become due. The inability to achieve these objectives may cast significant doubt about the Company's ability to continue as a going concern. Such adjustments could be material.

On September 25, 2024 and as amended October 13, 2025, the Company entered into a share purchase agreement (the "Share Purchase Agreement") with Marshall Technologies Corp. ("Marshall") pursuant to which the Company will be acquired in exchange for 12,000,000 common shares of Marshall. Following the closing of the transaction, the principal business carried on by the resulting issuer will be the business of the Company. As at November 30, 2025, the Share Purchase Agreement has not yet closed.

2. MATERIAL ACCOUNTING POLICY INFORMATION

Statement of compliance

The Company's condensed interim financial statements have been presented in conformity with International Accounting Standard ("IAS") 34, Interim Financial Reporting. The condensed interim financial statements do not include all the information required for complete annual financial statements in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board ("IASB"), and therefore should be read together with the audited financial statements for the year ended August 31, 2025.

The Company uses the same accounting policies and methods of computation as detailed in the Company's audited financial statements as at August 31, 2025 and for year then ended.

Basis of measurement

These condensed interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Recent accounting pronouncements

A number of new standards, and amendments to standards and interpretations, are not yet effective and have not been early adopted in preparing these financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 – Presentation and Disclosure in Financial Statements which will replace IAS 1, Presentation of Financial Statements. The key new concepts introduced in IFRS 18 relate to the structure of the statement of earnings (loss), required disclosures in the financial statements for certain earnings or loss performance measures that are reported outside an entity's financial statements and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will apply for reporting periods beginning on or after January 1, 2027, and also applies to comparative information. The Company is still in the process of assessing the impact of this standard on its financial statements.

Amendments to the Classification and Measurement of Financial Instruments ("Amendments to IFRS 9 and IFRS 7")

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 which clarify the date of recognition and derecognition of some financial assets and liabilities with a new exception for some financial liabilities settled through an electronic cash transfer system, clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion, add new disclosures for certain instruments with contractual terms that can change cash flows such as instruments with features linked to the achievement of environment, social and governance targets; and update the disclosures for equity instruments designated at FVOCI. Amendments to IFRS 9 and IFRS 7 is effective for periods beginning on or after January 1, 2026, with early adoption permitted. The Company is still in the process of assessing the impact of this standard on its financial statements.

3. PROMISSORY NOTES PAYABLE

On October 16, 2024, the Company issued a promissory note of $100,000 to Marshall, which is secured by a general security agreement, bears interest at the Toronto-Dominion Bank "TD Bank" prime lending rate and had an original maturity date of February 16, 2025. On February 26, 2025, the promissory note was amended such that the maturity date was extended to May 30, 2025. On May 26, 2025, the promissory note was further amended such that an additional $120,000 was advanced and the maturity date was extended to October 1, 2025. On November 25, 2025, Marshall advanced a further $72,000 to the Company and the maturity date was extended to January 31, 2026. As at November 30, 2025, the Company had a promissory note payable of $292,000 (August 31, 2025 - $220,000), and owed accrued interest payable of $8,416 (August 31, 2025 - $5,920), which was included in accounts payable and accrued liabilities.

On December 17, 2024, the Company issued a promissory note of $60,000 to an arms-length third party, which is secured by a general security agreement, bears interest at the TD Bank prime lending rate and had a maturity date of December 18, 2025. As at November 30, 2025, the Company owed accrued interest payable of $2,725 (August 31, 2025 - $2,060) which was included in the accounts payable and accrued liabilities. Subsequent to November 30, 2025, the maturity date was extended to March 16, 2026.

On December 23, 2024, the Company issued a promissory note of $15,000 to an arms-length third party, which is secured by a general security agreement, bears interest at the TD Bank prime lending rate and had a maturity date of December 18, 2025. As at November 30, 2025, the Company owed accrued interest payable of $1,417 (August 31, 2025 - $1,251) which was included in the accounts payable and accrued liabilities. Subsequent to November 30, 2025, the maturity date was extended to March 16, 2026.

3. PROMISSORY NOTES PAYABLE (continued)

On February 4, 2025, the Company issued a promissory note of $35,000 to a company controlled by a significant shareholder of the Company, which is unsecured, bears interest at the TD Bank prime lending rate and has a maturity date of February 4, 2026. As at November 30, 2025, the Company owed accrued interest payable of $1,353 (August 31, 2025 - $965) which was included in the accounts payable and accrued liabilities.

On February 4, 2025, the Company issued a promissory note of $35,000 to a company controlled by a director of the Company, which is unsecured, bears interest at the TD Bank prime lending rate and has a maturity date of February 4, 2026. As at August 31, 2025, the Company owed accrued interest payable of $1,353 (August 31, 2025 - $965) which was included in the accounts payable and accrued liabilities.

On February 26, 2025, the Company issued a promissory note of $60,000 to an arms-length third party, which is secured by a general security agreement, bears interest at the TD Bank prime lending rate and has a maturity date of February 26, 2026. As at November 30, 2025, the Company owed accrued interest payable of $2,093 (August 31, 2025 - $1,427) which was included in the accounts payable and accrued liabilities.

On February 26, 2025, the Company issued a promissory note of $15,000 to an arms-length third party, which is secured by a general security agreement, bears interest at the TD Bank prime lending rate and has a maturity date of February 26, 2026. As at November 30, 2025, the Company owed accrued interest payable of $507 (August 31, 2025 - $340) which was included in the accounts payable and accrued liabilities.

On April 1, 2025, the Company issued a promissory note of $35,000 to a company controlled by a significant shareholder of the Company, which is unsecured, bears interest at the TD Bank prime lending rate and has a maturity date of April 1, 2026. As at November 30, 2025, the Company owed accrued interest payable of $1,088 (August 31, 2025 - $700) which was included in the accounts payable and accrued liabilities.

On April 1, 2025, the Company issued a promissory note of $35,000 to a company controlled by a director of the Company, which is unsecured, bears interest at the TD Bank prime lending rate and has a maturity date of April 1, 2026. As at November 30, 2025, the Company owed accrued interest payable of $1,088 (August 31, 2025 - $700) which was included in the accounts payable and accrued liabilities.

On May 5, 2025, the Company issued a promissory note of $25,000 to a company controlled by a director of the Company, which is unsecured, bears interest at the TD Bank prime lending rate and has a maturity date of May 5, 2026. As at November 30, 2025, the Company owed accrued interest payable of $662 (August 31, 2025 - $384) which was included in the accounts payable and accrued liabilities.

On May 23, 2025, the Company issued a promissory note of $10,000 to a company controlled by a director of the Company, which was unsecured, bore interest at the TD Bank prime lending rate and had a maturity date of May 5, 2026. On June 4, 2025, the Company repaid the principal of the promissory note of $10,000.

On October 9, 2025, the Company issued a promissory note of $5,000 to a director of the Company, which is unsecured, bears interest at the TD Bank prime lending rate and has maturity date of October 9, 2026. As at November 30, 2025, the Company owed accrued interest payable of $32 (August 31, 2025 - $nil) which was included in the accounts payable and accrued liabilities.

On October 23, 2025, the Company issued a promissory note of $5,000 to a company controlled by a director of the Company, which is unsecured, bears interest at the TD Bank prime lending rate and has maturity date of October 23, 2026. As at November 30, 2025, the Company owed accrued interest payable of $23 (August 31, 2025 - $nil) which was included in the accounts payable and accrued liabilities.

3. PROMISSORY NOTES PAYABLE (continued)

On October 28, 2025, the Company issued a promissory note of $28,000 to a company controlled by a director of the Company, which is unsecured, bears interest at the TD Bank prime lending rate and has maturity date of October 28, 2026. As at November 30, 2025, the Company owed accrued interest payable of $113 (August 31, 2025 - $nil) which was included in the accounts payable and accrued liabilities.

4. SHARE CAPITAL

Authorized

Unlimited common shares with no par value.

Shares Issued

Share transactions during the period ended November 30, 2024:

On September 13, 2024, the Company issued 12,000,000 common shares at a price of $0.02 per share for proceeds of $240,000.

5. RELATED PARTY TRANSACTIONS

Key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors, corporate officers, and companies controlled by those individuals.

During the three months ended November 30, 2025, the Company incurred $37,500 (2024 - $37,500) of salaries and wages to a director of the Company. As at November 30, 2025, the Company had unpaid net salary of $13,948 to a director of the Company.

6. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity risk, credit risk, price risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

Fair value

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted Prices in Active Markets for Identical Assets
Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

6. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Level 2 – Significant Other Observable Inputs
Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability. There are no items in Level 2 of the fair value hierarchy.

Level 3 – Significant Unobservable Inputs
Unobservable (supported by little or no market activity) prices. There are no items in Level 3 of the fair value hierarchy.

The fair values of financial instruments, including cash, accounts payable and accrued liabilities, and promissory notes payable approximates their carrying values due to their short-term nature.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash. Cash is held with reputable Canadian financial institutions, from which management believes the risk of loss is remote. The Company does not have significant credit risk with respect to customers. The Company's maximum credit risk exposure is equivalent to the carrying value of these instruments.

Interest rate risk

The Company is exposed to interest rate risk with respect to the promissory notes payable which bear interest on a fluctuation rate based upon the TD Bank prime lending rate. A 10% interest rate change in the TD Bank prime lending rate would not have a material impact on the Company's debt obligations.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at November 30, 2025, the Company's financial liabilities consist of accounts payable and accrued liabilities, and promissory notes which have contractual maturity within one year. The Company manages liquidity risks by reviewing its capital requirements on an ongoing basis.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Company is not exposed to significant foreign currency risk.

7. CAPITAL MANAGEMENT

The Company defines capital as equity. The Company manages its capital structure and makes adjustments in order to have the funds available to support its operating activities.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern and to pursue the development of its business. The Company manages its capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new equity instruments, new debt, or acquire and/or dispose of assets. As discussed in Note 1, the Company's ability to continue as a going concern is uncertain and dependent upon the continued financial support of its shareholders, future profitable operations, and securing additional financing. Management reviews its capital management approach on an ongoing basis. There were no changes in the Company's approach to capital management during the periods presented. The Company is not subject to externally imposed capital requirements.

8. SUBSEQUENT EVENT

Subsequent to November 30, 2025, the promissory note payable to Marshall was further amended such that an additional $95,000 was advanced with a maturity date of January 31, 2026.

MANAGEMENT DISCUSSION & ANALYSIS

The following management discussion and analysis ("MD&A") of the results of the operations and financial position of Redwood AI Inc. ("Redwood" or "the Company") for the three months ended November 30, 2025 should be read in conjunction with the Company's condensed interim financial statements for the three months ended November 30, 2025 and the audited financial statements for the year ended August 31, 2025 which are available on the SEDAR+ website at www.sedarplus.ca. This MD&A contains information for the three months ended November 30, 2025, to the date of this report being January 19, 2026.

The financial information in this MD&A is derived from the financial reports prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All figures contained in this MD&A are presented in Canadian dollars unless otherwise indicated.

CAUTION REGARDING FORWARD LOOKING INFORMATION

This Management's Discussion and Analysis may contain certain "forward-looking statements" within the meaning of Canadian securities legislation. Forward-looking statements are statements that are not historical facts; they are generally, but not always, identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "aims," "potential," "goal," "objective," "prospective," and similar expressions, or that events or conditions "will," "would," "may," "can," "could" or "should" occur. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made and they involve a number of risks and uncertainties. Consequently, there can be no assurances that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Factors that could cause future results to differ materially from those anticipated in these forward-looking statements include, but are not limited to, the ability of the Company to successfully acquire assets, the Company's need for and ability to obtain funding to support the Company's strategic plans and/or operating activities in the future, the continued participation in the Company of certain key employees, risks normally incident to an acquisition, and other risk factors discussed in greater detail in the Company's various filings on SEDAR+ (www.sedarplus.ca) with Canadian securities regulators. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. We undertake no obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

DESCRIPTION OF BUSINESS

Redwood AI Inc. (the "Company" or "Redwood") was incorporated pursuant to the provisions of the British Columbia Business Corporations Act on January 15, 2024. The Company's registered and records office address is 602 – 777 Richards Street, Vancouver BC, V6B 0M9. The Company's head office is located at 506-1505 W. 2nd Avenue Vancouver BC, V6J 1H2.

The Company is in the business of developing software which leverages Artificial Intelligence ("AI") to assist in the investigation and development of pharmaceutical grade molecules and compounds.

COMPANY DEVELOPMENTS AND OUTLOOK

On September 13, 2024, the Company issued 12,000,000 common shares at a price of $0.02 per share raising gross proceeds of $240,000.

On September 25, 2024 and as amended October 13, 2025, the Company entered into a share purchase agreement (the "Acquisition") with Marshall Technologies Corp. ("Marshall") pursuant to which the Company will be acquired in exchange for 12,000,000 common shares of Marshall. Following the closing of the Acquisition, the principal business carried on by the resulting issuer will be the business of Redwood.

On October 16, 2024, the Company issued a promissory note of $100,000 to Marshall, which is secured by a general security agreement, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with an original maturity date of February 16, 2025. On February 26, 2025, the promissory note was amended such that the maturity date was extended to May 30, 2025. On May 26, 2025, the promissory note was further amended such that an additional $120,000 was advanced and the maturity date was extended to October 1, 2025. On November 25, 2025, Marshall advanced a further $72,000 to the Company and the maturity date was extended to January 31, 2026.

On December 17, 2024, the Company issued a promissory note of $60,000 to an arms-length third party, which is secured by a general security agreement, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of December 18, 2025. Subsequent to November 30, 2025, the maturity date was extended to March 16, 2026.

On December 23, 2024, the Company issued a promissory note of $15,000 to an arms-length third party, which is secured by a general security agreement, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank and with a maturity date of December 18, 2025. Subsequent to November 30, 2025, the maturity date was extended to March 16, 2026.

On February 4, 2025, the Company issued a promissory note of $35,000 to a company controlled by a significant shareholder of the Company (Edward Mills), which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of February 4, 2026.

On February 4, 2025, the Company issued a promissory note of $35,000 to a company controlled by a director of the Company (Kristian Thorlund), which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by a Toronto Dominion Bank, and with a maturity date of February 4, 2026.

On February 26, 2025, the Company issued a promissory note of $60,000 to an arms-length third party, which is secured by a general security agreement, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of February 26, 2026.

On February 26, 2025, the Company issued a promissory note of $15,000 to an arms-length third party, which is secured by a general security agreement, bears fluctuating interest at the fluctuating prime lending rate as quoted by a Toronto Dominion Bank, and with a maturity date of February 26, 2026.

On April 1, 2025, the Company issued a promissory note of $35,000 to a company controlled by a significant shareholder of the Company (Edward Mills), which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by a Toronto Dominion Bank, and with a maturity date of April 1, 2026.

On April 1, 2025, the Company issued a promissory note of $35,000 to a company controlled by a director of the Company (Kristian Thorlund), which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of April 1, 2026.

On May 5, 2025, the Company issued a promissory note of $25,000 to a company controlled by a director of the Company (Kristian Thorlund), which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of May 5, 2026.

On May 23, 2025, the Company issued a promissory note of $10,000 to a company controlled by a director of the Company (Kristian Thorlund), which was unsecured, bore fluctuating interest at the fluctuating prime lending rate as quoted by Toronto Dominion Bank, and with a maturity date of May 5, 2026. The principal balance of $10,000 and interest payable of $16 has been repaid on June 4, 2025.

On October 9, 2025, the Company issued a promissory note of $5,000 to a director of the Company, which is unsecured, bears interest at the TD Bank prime lending rate, and with a maturity date of October 9, 2026.

On October 23, 2025, the Company issued a promissory note of $5,000 to a company controlled by a director of the Company, which is unsecured, bears interest at the TD Bank prime lending rate, and with a maturity date of October 23, 2026.

On October 28, 2025, the Company issued a promissory note of $28,000 to a company controlled by a director of the Company, which is unsecured, bears interest at the TD Bank prime lending rate, and with a maturity date of October 28, 2026.

OUTLOOK

AI has seen growing interest within the pharmaceutical industry and may benefit the development of various pharmaceutical compounds by reducing time for new drug discovery, increasing efficiency in clinical trials, and enabling drug repurposing.

Despite these advances, challenges remain, particularly in ethical considerations and gaining full trust in AI models. However, with regulatory support growing, as seen with new FDA guidelines, the integration of AI in drug development is expected to deepen, positioning it as a key tool in the next phase of pharmaceutical innovation.

SELECTED FINANCIAL INFORMATION AND RESULTS OF OPERATIONS

The following table sets out selected financial information with respect to the Company's financial statements for the three months ended November 30, 2025. The following should be read in conjunction with the condensed interim financial statement for the three months ended November 30, 2025.

	Three Months Ended	
Summary of Operations	**November 30, 2025**	**November 30, 2024**
	$	$
Total expenses	211,169	134,200
Net loss for the period	(174,863)	(124,900)
Basic and diluted loss per share	(0.01)	(0.01)
Weighted average shares outstanding	12,000,000	10,285,715

Balance Sheet Summary	**November 30, 2025**	**August 31, 2025**
	$	$
Current assets	44,108	65,736
Total assets	44,108	65,736
Total current liabilities	835,015	681,780
Working capital deficiency	(790,907)	(616,044)

Total assets decreased to $44,108 as at November 30, 2025, from $65,736 as at August 31, 2025 as a result of cash spent on operating activities. The Company's primary activity during the period related to:

1) The Company continued the development of its AI software with the primary expense being related to salaries and wages. The Company has a team of three data scientists and pharmaceutical researchers and incurred salaries and wages expense of $123,265 during the period ended November 30, 2025.
2) During the three months ended November 30, 2025, the Company obtained additional promissory notes totaling $110,000. The promissory notes bear fluctuation interest at the prime lending rate as quoted by a major Canadian bank and are re-payable in one year.

Discussion of results – Three-month period ended November 30, 2025

Net loss and comprehensive loss for the three months ended November 30, 2025 was $174,863 (loss of $0.01 per share). The primary factors affecting the magnitude and variations of the Company's financial performance were as follows:

- Consulting expense of $44,680 related fees related to business development services.
- Cloud computing of $5,375 related to the usage of computing services to enable the training of the Company's AI models.
- General and administrative of $11,587 related to general office administration activities and certain subscriptions.
- Salaries and wages expense was $123,265 which relates to the Company's internal development team comprised of leading scientists in their respective fields of expertise.
- Software development of $10,619 related to development activities of the Company's AI model.
- Travel and conference of $12,143 related to attendance at a conference by the Company's development team.
- Interest expense of $6,157 related to interest accrued on the outstanding promissory notes.

SUMMARY OF QUARTERLY RESULTS

The following table sets forth selected quarterly consolidated financial information for each of the last eight quarters:

	November 30, 2025	**August 31, 2025**	**May 31, 2025**	**February 28, 2025**
	$	$	$	$
Revenue	-	-	-	-
Net loss	174,863	132,677	114,389	188,191
Basic and diluted loss per share	0.01	0.01	0.01	0.02
Weighted average shares outstanding	12,000,000	12,000,000	12,000,000	12,000,000

	November 30, 2024	**August 31, 2024**	**May 31, 2024**	**February 28, 2024**
	$	$	$	$
Revenue	-	-	-	-
Net loss	124,900	146,484	149,403	-
Basic and diluted loss per share	0.01	146,484	149,403	-
Weighted average shares outstanding	10,417,583	1	1	1

LIQUIDITY AND CAPITAL RESOURCES

As at November 30, 2025, the Company had working capital deficit of $790,907 (August 31, 2025 - $616,044). During the three months ended November 30, 2025, net cash used in operating activities was $157,621. Net cash provided by financing activities consisted of proceeds of $110,000 from promissory notes payable.

The Company does not currently have a recurring source of revenue and is focused on research and development of its AI software technology. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms that are acceptable to the Company. The uncertainty of the Company's success in raising additional capital funding may cast significant doubt on the Company's ability to continue as a going concern.

These condensed interim financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The condensed interim financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. During the three months ended November 30, 2025, the Company had no revenues, incurred a net loss of $174,863, and had negative cash flows from operations. As at November 30, 2025, the Company had a working capital deficit of $790,907 and an accumulated deficit of $1,030,907. The Company's ability to continue as a going concern is dependent upon its ability in the future to achieve profitable operations and obtain the necessary financing to meet its near-term obligations such that it can repay its liabilities when they become due. The inability to achieve these objectives may cast significant doubt about the Company's ability to continue as a going concern. Such adjustments could be material.

RELATED PARTY TRANSACTIONS

Key management personnel are those persons that have the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management includes executive and non-executive members of the Company's Board of Directors.

During the three months ended November 30, 2025, the Company incurred $37,500 (2024 - $37,500) of salaries and wages to a director of the Company, Louis Dron. As at November 30, 2025, the Company had unpaid net salary of $13,948 (August 31, 2025 - $nil) to Louis Dron.

As at November 30, 2025, the Company had promissory notes payable of $133,000 (August 31, 2025 - $95,000) to a company controlled by a significant shareholder of the Company, Kristian Thorlund, which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by a major Canadian bank, and with maturity dates from February 4, 2026 to October 28, 2026. As at November 30, 2025, the Company recorded accrued interest payable of $3,270 (August 31, 2025 - $2,049) which is included in accounts payable and accrued liabilities.

As at November 30, 2025, the Company had promissory notes payable of $70,000 (August 31, 2025 - $70,000) to a company controlled by a significant shareholder of the Company, Edward Mills, which is unsecured, bears fluctuating interest at the fluctuating prime lending rate as quoted by a major Canadian bank, and with maturity date from February 4, 2026 to April 1, 2026. As at November 30, 2025, the Company recorded accrued interest payable of $2,441 (August 31, 2025 - $1,665) which is included in accounts payable and accrued liabilities.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The following table sets out the following material components for the three months ended November 30, 2025 and 2024:

	2025	**2024**
	$	**$**
General and administrative expenses	11,587	13,097
Other material costs expensed or recognized as assets	199,582	121,103
Total	211,169	134,200

MATERIAL ACCOUNTING POLICIES AND ESTIMATES

The Company has prepared the financial statements in accordance with IFRS and the same accounting policies and methods of computation are followed in the unaudited interim financial statements as in the audited financial statements as at and for the year ended August 31, 2025. Material accounting policies are described in Note 3 of the Company's financial statements for the year ended August 31, 2025.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Refer to Note 6 of the Company's financial statements for the three months ended November 30, 2025, for disclosure regarding the Company's financial instruments. Cash, accounts payable and accrued liabilities, and promissory notes payable are held at amortized cost which approximates fair value due to the short-term nature of these instruments.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

SUBSEQUENT EVENT

Subsequent to November 30, 2025, the promissory note payable to Marshall was further amended such that an additional $95,000 was advanced with a maturity date of January 31, 2026.

PROPOSED TRANSACTION

On September 25, 202 and as amended October 13, 2025, the Company entered into the Acquisition with Marshall pursuant to which the Company will be acquired in exchange for 12,000,000 common shares of Marshall. Following the closing of the Acquisition, the principal business carried on by the resulting issuer will be the business of Redwood.

OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares. Details of the Company's capitalization are as follows:

	November 30, 2025	**Date of MD&A**
Common shares	12,000,000	12,000,000
Warrants	N/A	N/A
Stock options	N/A	N/A

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVR FINANCIAL REPORTING

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited condensed interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca.

APPENDIX F
UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF POSITION OF THE CORPORATION

(ATTACHED)

MARSHALL TECHNOLOGIES CORP.

Pro Forma Consolidated Financial Statements
November 30, 2025
(Expressed in Canadian Dollars)

(Unaudited)

	Marshall Technologies Corp. November 30, 2025	Redwood AI Inc. November 30, 2025	Pro Forma Adjustments	Notes	Consolidated Pro Forma November 30, 2025
	$	$	$		$
ASSETS					
Current					
Cash	14,199	4,865	(260,000)	2(b)	
			4,186,373	2(f)	
			226,000	2(i)	4,171,437
GST receivable	30,251	6,934	(22,050)	2(h)	15,135
Interest receivable	8,416	-	(8,416)	2(c)	-
Prepaid expenses	-	32,309			32,309
Promissory note receivable	292,000	-	(292,000)	2(c)	-
Restricted cash	4,186,373	-	(4,186,373)	2(f)	-
Total Assets	4,531,239	44,108	(356,466)		4,218,881
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current					
Account payable and accrued liabilities	650,444	190,015	(8,416)	2(c)	
			(22,050)	2(h)	809,993
Advance payable	20,000	-			20,000
Promissory note payable	64,000	645,000	(292,000)	2(c)	
			(179,000)	2(i)	238,000
Refundable subscription receipts	4,306,378	-	(4,306,378)	2(f)	-
	5,040,822	835,015	(4,807,844)		1,067,993
SHAREHOLDERS' EQUITY					
Share capital	18,750	240,000	(240,000)	2(a)	
			6,300,000	2(a)	
			15,000	2(d)	
			180,000	2(e)	
			4,257,500	2(f)	
			(183,113)	2(f)	
			150,000	2(g)	
			405,000	2(i)	11,143,137
Subscription receipts	195,000	-	(15,000)	2(d)	
			(180,000)	2(e)	-
Warrants reserve	-	-	183,113	2(f)	183,113
Deficit	(723,333)	(1,030,907)	1,030,907	2(a)	
			(7,090,907)	2(a)	
			(260,000)	2(b)	
			48,878	2(f)	
			(150,000)	2(g)	(8,175,362)
Total shareholders' equity	(509,583)	(790,907)	4,451,378		3,150,888
Total liabilities and shareholders' equity	**4,531,239**	**44,108**	**(356,466)**		**4,218,881**

The accompanying notes are an integral part of these pro forma consolidated financial statements

MARSHALL TECHNOLOGIES CORP.
PRO FORMA STATEMENT OF LOSS AND COMPREHENSIVE LOSS
YEAR ENDED AUGUST 31, 2025
(Unaudited - Expressed in Canadian Dollars)

	Marshall Technologies Corp.	Redwood AI Inc.	Pro Forma Adjustments	Notes	Consolidated Pro Forma
	Year ended Aug 31 2025	Year ended Aug 31 2025			Year ended Aug 31 2025
	$	$	$		$
Expenses					
Advertising and marketing	-	47,304	(47,304)	2(a)	-
Cloud computing	-	14,024	(14,024)	2(a)	-
Consulting fees	71,777	7,050	(7,050)	2(a)	71,777
Corporate advisory - success fee	-	-	150,000	2(g)	150,000
General and administrative	3,886	17,927	(17,927)	2(a)	3,886
Listing and filing fees	21,611	-	220,000	2(b)	241,611
Professional fees	440,294	58,923	(58,923)	2(a)	
			40,000	2(b)	480,294
Salaries and wages	-	471,161	(471,161)	2(a)	-
Software development	-	17,547	(17,547)	2(a)	-
Travel and conferences	-	13,552	(13,552)	2(a)	-
Total expenses	537,568	647,488	(237,488)		947,568
Loss before other income (expenses)	(537,568)	(647,488)	237,488		(947,568)
Other income (expenses)					
Gain on settlement of debt	-	10,000			10,000
Interest income	5,920	-	(5,920)	2(a)	
			48,878	2(f)	48,878
Interest expense	-	(14,728)	5,920	2(a)	(8,808)
SRED tax credits	-	92,059			92,059
Transaction consideration	-	-	(7,090,907)	2(a)	(7,090,907)
Total other income (expenses)	5,920	87,331	(7,042,029)		(6,948,778)
Net loss for the year	(531,648)	(560,157)	(6,804,541)		(7,896,346)
Loss per share					
Basic and diluted					(0.24)
Weighted average number of common shares					
Basic and diluted					33,508,750

The accompanying notes are an integral part of these pro forma consolidated financial statements

MARSHALL TECHNOLOGIES CORP.
PRO FORMA STATEMENT OF LOSS AND COMPREHENSIVE LOSS
THREE MONTHS ENDED NOVEMBER 30, 2025
(Unaudited - Expressed in Canadian Dollars)

	Marshall Technologies Corp.	Redwood AI Inc.	Pro Forma Adjustments	Notes	Consolidated Pro Forma
	Three months ended Nov 30 2025	Three months ended Nov 30 2025			Three months ended Nov 30 2025
	$	$	$		$
Expenses					
Cloud computing	-	5,375	(5,375)	2(a)	-
Consulting fees	3,000	44,680	(44,680)	2(a)	3,000
Corporate advisory - success fee	-	-	150,000	2(g)	150,000
General and administrative	88	11,587	(11,587)	2(a)	88
Listing and filing fees	17,151	-	220,000	2(b)	237,151
Professional fees	58,320	3,500	(3,500)	2(a)	
			40,000	2(b)	98,320
Salaries and wages	-	123,265	(123,265)	2(a)	-
Software development	-	10,619	(10,619)	2(a)	-
Travel and conferences	-	12,143	(12,143)	2(a)	-
Total expenses	78,559	211,169	198,831		488,559
Loss before other income (expenses)	(78,559)	(211,169)	(198,831)		(488,559)
Other income (expenses)					
Interest income	2,496	-	(2,496)	2(a)	
			48,878	2(f)	48,878
Interest expense	(41)	(6,157)	2,496	2(a)	(3,702)
Government grant	-	42,463			42,463
Transaction consideration	-	-	(7,090,907)	2(a)	(7,090,907)
Total other income (expenses)	2,455	36,306	(7,042,029)		(7,003,268)
Net loss for the period	(76,104)	(174,863)	(7,240,860)		(7,491,827)
Loss per share					
Basic and diluted					(0.22)
Weighted average number of common shares					
Basic and diluted					33,508,750

The accompanying notes are an integral part of these pro forma consolidated financial statements

1. BASIS OF PRESENTATION

The accompanying unaudited pro forma consolidated financial statements of Marshall Technologies Corp. (the "Company" or "Marshall") have been prepared by the management of the Company, in accordance with International Financial Reporting Standards ("IFRS").

On September 9, 2024, the Company completed a share consolidation of its common shares on the basis of 1 new common share for every existing 2 common shares. The share consolidation has been retroactively presented in the pro forma financial statements by adjusting all share amounts, including per share amounts.

On September 25, 2024, the Company entered into a share purchase agreement with Redwood AI Inc. ("Redwood") pursuant to which the Company has agreed to acquire all of the issued and outstanding common shares of Redwood by issuing 12,000,000 common shares to Redwood's shareholders (the "Transaction"). As part of the share exchange agreement, the Company is to pay finders' fees equal to 5% of the total acquisition price, or 600,000 common shares. At the time of the Transaction, neither the Company nor Redwood were reporting issuers. The Transaction is considered an asset acquisition in accordance with IFRS.

In the opinion of the Company's management, the pro-forma consolidated financial statements include all adjustments necessary for fair presentation of the transactions as described in Note 2.

These unaudited pro-forma consolidated financial statements of the Company have been compiled from and include:

- The Company's audited financial statements as at August 31, 2025, and for the year then ended;
- The Company's unaudited financial statements as at November 30, 2025, and for the three-month period then ended;
- Redwood's audited financial statements as at August 31, 2025, and for the year then ended;
- Redwood's. unaudited financial statements as at November 30, 2025, and for the three-month period then ended; and
- The additional information set out in Note 2.

The unaudited pro forma consolidated financial statements reflect the acquisition of Redwood by the Company as if it had occurred on November 30, 2025.

The unaudited pro-forma consolidated financial statements have been prepared for illustrative purposes only and may not be indicative of the combined entities' financial position and results of operations that would have occurred if the acquisition had been in effect at the date indicated as set out in Note 2.

The effective tax rate for the Company is 11%.

(Unaudited - Expressed in Canadian Dollars)

2. PRO FORMA TRANSACTIONS

The pro-forma consolidated financial statements were prepared based on the following assumptions:

a) Upon closing the Company will acquire 100% of the issued and outstanding shares of Redwood in exchange for the issuance of 12,000,000 shares of the Company at a fair value of $0.50 per share, which was based on the fair value of the common shares in the subscription receipt financing on June 12, 2025, as the price of $0.50 per share was considered to be the most representative fair value of the shares on the acquisition date. The result will be that Redwood will become a wholly-owned subsidiary of the Company. In relation to the Transaction, the Company will pay a finders' fee of 5% in consideration shares, or 600,000 common shares of the Company with a fair value of $300,000.

   Marshall has been identified as the acquirer given that there is no change in control as a result of the acquisition, as the current Redwood shareholders will own 12,000,000 out of 33,508,750 shares upon completion of the Transaction. The Transaction will be accounted for as an asset acquisition, as the operations of Redwood do not have sufficient inputs and processes to meet the definition of a business under IFRS 3, Business Combinations.

   The purchase price allocation is as follows:

	$
Consideration	
12,000,000 common shares at a fair value of $0.50 per share	6,000,000
600,000 common shares at a fair value of $0.50 per share issued as finder's fee	300,000
	6,300,000
Net assets acquired (liabilities assumed)	
Cash	4,865
GST receivable	6,934
Prepaid expenses	32,309
Accounts payable and accrued liabilities	(190,015)
Promissory notes payable	(645,000)
Net liabilities assumed	(790,907)
Transaction consideration	7,090,907

b) The Company is expected to incur additional legal fees of $40,000, transfer agent fees of $20,000 and underwriter expenses of $200,000, in connection with the proposed listing, which will be expensed as incurred.

c) On October 16, 2024, the Company issued a loan in the amount of $100,000 to Redwood, which is secured by a general security agreement, bears interest at the fluctuating prime-lending rate as quoted by Toronto Dominion Bank, and with a maturity date of February 16, 2025. In February 2025, the maturity date was extended to May 30, 2025. On May 26, 2025, additional proceeds of $120,000 was advanced to Redwood, and the maturity date of the promissory note was extended to October 1, 2025. On November 25, 2025, the Company advanced a further $72,000 to Redwood and extended the maturity date of the promissory note to January 31, 2026. As at November 30, 2025, the balance of the promissory note receivable was $292,000 and interest receivable was $8,416. Upon close of the acquisition of Redwood by the Company, the loan will be forgiven.

d) On August 28, 2024, the Company issued 6,000,000 subscription receipts at $0.0025 per subscription receipt for proceeds of $15,000, which were received on September 18, 2024. Each subscription receipt will automatically convert, immediately prior to the time of completion of a public listing without any further action or payment of any additional consideration into one-half of one unit of the Company where each whole unit will consist of one common share of the Company and two-thirds of one whole share purchase warrant. Each whole share purchase warrant will allow the holder to purchase one common share of the Company at $0.25 per common share for a period of five years from the issuance date If the Company's public listing does not complete by January 31, 2026 or such other date as the Company may determine, each subscription receipt will automatically convert into 0.505 units of the Company. Using the residual value method, the Company allocated all of the proceeds to the common shares and $nil was allocated to the attached warrants.

e) On September 4, 2024, the Company issued 18,000,000 subscription receipts at $0.01 per subscription receipt for proceeds of $180,000. Each subscription receipt will automatically convert, into one-half of one common share upon completion of the Company's public listing. If the public listing does not complete by January 31, 2026 or such other date as the Company may determine, each subscription receipt will automatically convert, without further action or payment of any additional consideration, into 0.505 common shares of the Company.

f) On June 12, 2025, the Company issued 8,515,000 subscription receipts at $0.50 per subscription receipt for proceeds of $4,257,500. Each subscription receipt will automatically convert into one share unit of the Company upon the completion of the Redwood Acquisition (the "Conversion Condition"). Each share unit of the Company will be comprised of one common share of the Company and one half of one share purchase warrant, wherein each whole share purchase warrant will entitle the holder to purchase one additional common share of the Company at $0.70 per share for a period of five years from the conversion date. Using the residual value method, the Company allocated all of the proceeds to the common shares and $nil was allocated to the attached warrants. As at November 30, 2025, $48,878 of interest has been earned on the subscription receipt proceeds in escrow. Upon meeting the Conversion Condition, the interest earned will be released to the Company for its available use.

   In addition, 516,800 finder's warrants will be issued in connection with the subscription receipt financing. Each finder's warrant will entitle the holder thereof to purchase one common share at a price of $0.70 per share for 5 years. The fair value of the finder's warrant is estimated to be $183,113 and estimated on the date of issue using the Black-Scholes option pricing model with the following assumptions: exercise price of $0.70, spot price of $0.50, dividend yield of $nil, risk free interest rate of 2.64%, expected life of 5 years and expected volatility of 100%.

   If the Conversion Condition is not met by January 31, 2026, the funds will be returned to investors.

g) On March 1, 2025, the Company entered into a Corporate and Financial Advisory Agreement with The Back Office Inc. ("TBO") for the provision by TBO to the Company of certain corporate, accounting and administrative services to the Company in accordance with the terms of the Corporate and Financial Advisory Agreement for a monthly cash fee in the amount of $10,000 and the issuance of 300,000 common shares to TBO upon the Company being listed on the CSE. The fair value of the 300,000 common shares to TBO was determined to be $150,000 at a fair value of $0.50 per share.

h) As at November 30, 2025, the Company has an amount receivable of $22,050 from Redwood related to expenses incurred by Redwood but paid by the Company.

i) On January 23, 2026, the holders of the $0.0025 and $0.001 subscription receipts, respectively, contributed additional capital to the Company, in the aggregate amount of $405,000, in order to raise the average cost of each such subscription receipt to $0.05. $179,000 of this additional contribution will be satisfied by the forgiveness of existing promissory notes payable.

3. SHARE CAPITAL

Common shares

Authorized: Unlimited common shares without par value

Summary of shares issued as at November 30, 2025:

(Unaudited - Expressed in Canadian Dollars)

	Note	Number Of Common Shares	Share Capital
			$
Capital stock of the Company as at November 30, 2025		93,750	18,750
Common shares issued for Redwood Acquisition	2(a)	12,000,000	6,000,000
Common shares issued for Redwood finders' fees	2(a)	600,000	300,000
Conversion of subscription receipts issued August 28, 2024	2(d)	3,000,000	15,000
Conversion of subscription receipts issued September 4, 2024	2(e)	9,000,000	180,000
Conversion of subscription receipts issued June 12, 2025	2(f)	8,515,000	4,257,500
Common shares issued under corporate advisory agreement	2(g)	300,000	150,000
Additional capital contribution	2(i)	-	405,000
Total		33,508,750	11,326,250

Warrants

As at November 30, 2025, the Company has the following warrants outstanding:

Number of warrants	Exercise price	Expiry date
2,000,000	$0.25	August 28, 2029
4,257,500	$0.70	Five years from the closing date
516,800	$0.70	Five years from the closing date
6,774,300		

Stock Options

As at November 30, 2025, the Company has no stock options outstanding.

4. INCOME TAXES

No value has been ascribed to any acquired tax loss carry forwards obtained by the Company as part of the acquisition of Redwood as the Company is an early-stage company, and it is not known whether sufficient future taxable profits will be available to utilize these losses prior to expiry.

The effective tax rate applicable to the consolidated operations will be 11%.

APPENDIX G
MARSHALL TECHNOLOGIES CORP. – EQUITY INCENTIVE PLAN

(ATTACHED)

MARSHALL TECHNOLOGIES CORP.

EQUITY INCENTIVE PLAN

July 15, 2024

PART 1
PURPOSE

1.1 Purpose

The purpose of this Plan is to secure for the Company and its shareholders the benefits inherent in share ownership by the employees and directors of the Company, consultants, and its affiliates who, in the judgment of the Board, will be largely responsible for its future growth and success. It is generally recognized that equity incentive plans of the nature provided for herein aid in retaining and encouraging employees and directors of exceptional ability because of the opportunity offered them to acquire a proprietary interest in the Company.

1.2 Available Awards

Awards that may be granted under this Plan include:

(a) Options;

(b) Deferred Share Units;

(c) Restricted Share Units; and

(d) Performance Share Units.

PART 2
INTERPRETATION

2.1 Definitions

(a) "**Affiliate**" has the meaning set forth in the BCA.

(b) "**Award**" means any right granted under this Plan, including Options, Deferred Share Units, Restricted Share Units and Performance Share Units.

(c) "**BCA**" means the *Business Corporations Act* (British Columbia).

(d) "**Blackout Period**" means a period in which the trading of Shares or other securities of the Company is restricted under any policy of the Company then in effect.

(e) "**Board**" means the board of directors of the Company.

(f) "**Cashless Exercise Right**" has the meaning set forth in Section 3.5 of this Plan.

(g) "**Change of Control**" means the occurrence and completion of any one or more of the following events:

(A) the Company shall not be the surviving entity in a merger, amalgamation or other reorganization (or survives only as a subsidiary of an entity other than a previously wholly-owned subsidiary of the Company);

(B) the Company shall sell or otherwise transfer, including by way of the grant of a leasehold interest or joint venture interest (or one or more subsidiaries of the Company shall sell or otherwise transfer, including without limitation by way of the grant of a leasehold interest or joint venture interest) property or assets (i) aggregating more than 50% of the consolidated assets (measured by either book value or fair market value) of the Company and its subsidiaries as at the end of the most recently completed financial year of the Company or (ii) which during the most recently completed financial year of the Company generated, or during the then current financial year of the Company are expected to generate, more than 50% of the consolidated operating income or cash flow of the Company and its subsidiaries, to any other person or persons (other than one or more Designated Affiliates of the Company), in which case the Change of Control shall be deemed to occur on the date of transfer of the assets representing one dollar more than 50% of the consolidated assets in the case of clause (i) or 50% of the consolidated operating income or cash flow in the case of clause (ii), as the case may be;

(C) the Company is to be dissolved and liquidated;

(D) any person, entity or group of persons or entities acting jointly or in concert acquires or gains ownership or control (including, without limitation, the power to vote) more than 50% of the Company's outstanding voting securities; or

(E) as a result of or in connection with: (i) the contested election of directors, or; (ii) a transaction referred to in subparagraph (i) above, the persons who were directors of the Company before such election or transaction shall cease to constitute a majority of the directors.

For the purposes of the foregoing, "voting securities" means Shares and any other shares entitled to vote for the election of directors and shall include any securities, whether or not issued by the Company, which are not shares entitled to vote for the election of directors but are convertible into or exchangeable for shares which are entitled to vote for the election of directors, including any options or rights to purchase such shares or securities.

(h) "**Code**" means the United States Internal Revenue Code of 1986, as amended, and any applicable United States Treasury Regulations and other binding guidance thereunder.

(i) “**Company**” means Marshall Technologies Corp., a company incorporated under the laws of British Columbia.

(j) “**Deferred Payment Date**” for a Participant means the date after the Restricted Period which is the earlier of (i) the date which the Participant has elected to defer receipt of Restricted Shares in accordance with Section 4.4 of this Restricted Share Plan; and (ii) the Participant’s Separation Date.

(k) “**Deferred Share Unit**” means the agreement by the Company to pay, and the right of the Participant to receive, a Deferred Share Unit Payment for each Deferred Share Unit held, evidenced by way of book-keeping entry in the books of the Company and administered pursuant to this Plan.

(l) “**Deferred Share Unit Grant Letter**” has the meaning ascribed thereto in Section 5.2 of this Plan.

(m) “**Deferred Share Unit Payment**” means, subject to any adjustment in accordance with Section 5.5 of this Plan, the issuance to a Participant of one previously unissued Share for each whole Deferred Share Unit credited to such Participant.

(n) “**Designated Affiliate**” means subsidiaries of the Company designated by the Board from time to time for purposes of this Plan.

(o) “**Director Retirement**” in respect of a Participant, means the Participant ceasing to hold any directorships with the Company, any Designated Affiliate and any entity related to the Company for purposes of the *Income Tax Act* (Canada) after attaining a stipulated age in accordance with the Company’s normal retirement policy, or earlier with the Company’s consent.

(p) “**Director Separation Date**” means the date that a Participant ceases to hold any directorships with the Company and any Designated Affiliate due to a Director Retirement or Director Termination and also ceases to serve as an employee or consultant with the Company, any Designated Affiliate_and any entity related to the Company for the purposes of the *Income Tax Act* (Canada).

(q) “**Director Termination**” means the removal of, resignation or failure to re-elect the Eligible Director (excluding a Director Retirement) as a director of the Company, a Designated Affiliate and any entity related to the Company for purposes of the *Income Tax Act* (Canada).

(r) “**Effective Date**” means July 15, 2024, being the date upon which this Plan was adopted by the Board.

(s) “**Eligible Directors**” means the directors of the Company or any Designated Affiliate who are, as such, eligible for participation in this Plan.

(t) “**Eligible Employees**” means employees (including employees who are officers and directors) of the Company or any Designated Affiliate thereof, whether or not they have a written employment contract with Company, determined by the Board, as employees eligible for participation in this Plan. Eligible Employees shall include, consultants, service providers eligible for participation in this Plan as determined by the Board.

(u) "**Exchange**" means the Canadian Securities Exchange, or any successor entity, which is the principal stock exchange on which the Shares are listed for trading.

(v) **"Fair Market Value"** with respect to the Shares as of any date, means the closing market price of the Shares on the trading day prior to such date. Notwithstanding the foregoing, for the purposes of establishing the exercise price per Share of any Option, or the value of any Share underlying a Restricted Share Right, Deferred Share Unit or Performance Share Unit on the grant date, the Fair Market Value means the greater of the closing market price of the Shares on (a) the trading day prior to the date of grant of the applicable Award; and (b) the date of grant of the applicable Award.

(w) **"Multiplier(s)**" means the factor(s) by which a Participant's Performance Share Units will be multiplied, as determined by the Board and set out in the applicable Performance Share Unit Agreement;

(x) "**Option**" means an option granted under the terms of this Plan.

(y) "**Option Period**" means the period during which an Option is outstanding.

(z) "**Option Shares**" has the meaning set forth in Section 3.5 of this Plan.

(aa) "**Optionee**" means an Eligible Employee or Eligible Director to whom an Option has been granted under the terms of this Plan.

(bb) "**Participant**" means an Eligible Employee or Eligible Director who participates in this Plan.

(cc) "**Performance Period**" means the period provided for in Section 6.3;

(dd) "**Performance Share Unit**" means a bookkeeping entry evidencing the right of a Participant to receive the value of one Share at the time of payment, multiplied by the applicable Multiplier(s), pursuant to the terms and conditions hereof and as evidenced by a Performance Share Unit Agreement;

(ee) "**Performance Share Unit Agreement**" means an agreement evidencing a Performance Share Unit entered into by and between the Company and a Participant;

(ff) "**Plan**" means this Equity Incentive Plan, as it may be amended and restated from time to time.

(gg) "**Restricted Period**" means any period of time that a Restricted Share Right is not vested and the Participant holding such Restricted Share Right remains ineligible to receive the relevant Shares, determined by the Board in its absolute discretion, however, such period of time may be reduced or eliminated from time to time and at any time and for any reason as determined by the Board, including, but not limited to, circumstances involving death or disability of a Participant.

(hh) "**Retirement**" in respect of an Eligible Employee, means the Eligible Employee ceasing to hold any employment with the Company or any Designated Affiliate after attaining a stipulated age in accordance with the Company's normal retirement policy, or earlier with the Company's consent.

(ii) "**Restricted Share Unit**" has such meaning as ascribed to such term at Section 4.1 of this Plan.

(jj) "**Restricted Share Unit Grant Letter**" has the meaning ascribed to such term in Section 4.2 of this Plan.

(kk) "**Separation Date**" means the date that a Participant ceases to be an Eligible Director or Eligible Employee.

(ll) "**Service Provider**" means any person or company engaged by the Company or a Designated Affiliate to provide services for an initial, renewable or extended period of 12 months or more.

(mm) "**Shares**" means the common shares of the Company.

(nn) "**Specified Employee**" means a U.S. Taxpayer who meets the definition of "specified employee", as defined in Section 409A(a)(2)(B)(i) of the Internal Revenue Code.

(oo) "**Termination**" means the termination of the employment (or consulting services) of an Eligible Employee with or without cause by the Company or a Designated Affiliate or the cessation of employment (or consulting services) of the Eligible Employee with the Company or a Designated Affiliate as a result of resignation or otherwise, other than the Retirement of the Eligible Employee.

(pp) "**US Taxpayer**" means a Participant who is a US citizen, US permanent resident or other person who is subject to taxation on their income under the United States Internal Revenue Code of 1986.

2.2 Interpretation

(a) This Plan is created under and is to be governed, construed and administered in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

(b) Whenever the Board (or Board committee, as the case may be) is to exercise discretion in the administration of the terms and conditions of this Plan, the term "**discretion**" means the sole and absolute discretion of the Board (or Board committee, as the case may be).

(c) As used herein, the terms "**Part**" or "**Section**" mean and refer to the specified Part or Section of this Plan, respectively.

(d) Where the word "**including**" or "**includes**" is used in this Plan, it means "including (or includes) without limitation".

(e) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.

(f) Unless otherwise specified, all references to money amounts are to Canadian dollars.

PART 3
STOCK OPTIONS

3.1 Participation

The Company may from time to time grant Options to Participants pursuant to this Plan.

3.2 Price

The exercise price per Share of any Option shall be not less than one hundred per cent (100%) of the Fair Market Value.

3.3 Grant of Options

The Board may at any time authorize the granting of Options to such Participants as it may select for the number of Shares that it shall designate, subject to the provisions of this Plan. The date of grant of an Option shall be the date such grant was approved by the Board.

Each Option granted to a Participant shall be evidenced by a stock option agreement with terms and conditions consistent with this Plan and as approved by the Board (and in all cases which terms and conditions need not be the same in each case and may be changed from time to time, subject to Section 8.7 of this Plan, and any required approval of the Exchange or any other exchange or exchanges on which the Shares are then traded).

3.4 Terms of Options

The Option Period shall be five years from the date such Option is granted, or such greater or lesser duration as the Board may determine at the date of grant, and may thereafter be reduced with respect to any such Option as provided in Section 3.6 hereof covering termination of employment or death of the Optionee; provided, however, that at any time the expiry date of the Option Period in respect of any outstanding Option under this Plan should be determined to occur either during a Blackout Period or within ten business days following the expiry of the Blackout Period, the expiry date of such Option Period shall be deemed to be the date that is the tenth business day following the expiry of the Blackout Period.

Unless otherwise determined from time to time by the Board, Options shall vest and may be exercised (in each case to the nearest full Share) during the Option Period as follows:

(a) at any time during the first six months of the Option Period, the Optionee may purchase up to 25% of the total number of Shares reserved for issuance pursuant to his or her Option; and

(b) at any time during each additional six-month period of the Option Period the Optionee may purchase an additional 25% of the total number of Shares reserved for issuance pursuant to his or her Option plus any Shares not purchased in accordance with the preceding subsection (a) and this subsection (b) until, after the 18th month of the Option Period, 100% of the Option will be exercisable.

Except as set forth in Section 3.6, no Option may be exercised unless the Optionee is at the time of such exercise:

(a) in the case of an Eligible Employee, in the employ (or retained as a Service Provider) of the Company or a Designated Affiliate and shall have been continuously so employed or retained since the grant of the Option; or

(b) in the case of an Eligible Director, a director of the Company or a Designated Affiliate and shall have been such a director continuously since the grant of the Option.

The exercise of any Option will be contingent upon the Optionee having entered into an Option agreement with the Company on such terms and conditions as have been approved by the Board and which incorporates by reference the terms of this Plan. The exercise of any Option will, subject to Section 3.5, also be contingent upon receipt by the Company of cash payment of the full purchase price of the Shares being purchased.

3.5 Cashless Exercise Right

Participants have the right (the "**Cashless Exercise Right**"), in lieu of the right to exercise an Option, to terminate such Option in whole or in part by notice in writing delivered by the Participant to the Company electing to exercise the Cashless Exercise Right and, in lieu of receiving the Shares (the "**Option Shares**") to which such Terminated Option relates, to receive the number of Shares, disregarding fractions, which is equal to the quotient obtained by:

(a) subtracting the applicable Option exercise price per Share from the Fair Market Value per Share on the business day immediately prior to the exercise of the Cashless Exercise Right and multiplying the remainder by the number of Option Shares; and

(b) dividing the product obtained under subsection 3.5(a) by the Fair Market Value per Share on the business day immediately prior to the exercise of the Cashless Exercise Right.

If a Participant exercises a Cashless Exercise Right in connection with an Option, it is exercisable only to the extent and on the same conditions that the related Option is exercisable under this Plan.

3.6 Effect of Termination of Employment or Death

If an Optionee:

(a) dies while employed by, a Service Provider to or while a director of the Company or a Designated Affiliate, any Option held by him or her at the date of death shall become exercisable in whole or in part, but only by the person or persons to whom the Optionee's rights under the Option shall pass by the Optionee's will or applicable laws of descent and distribution. Unless otherwise determined by the Board, all such Options shall be exercisable only to the extent that the Optionee was entitled to exercise the Option at the date of his or her death and only for 12 months after the date of death or prior to the expiration of the Option Period in respect thereof, whichever is sooner; and

(b) ceases to be employed by, a Service Provider to, or act as a director of, the Company or a Designated Affiliate for cause, no Option held by such Optionee will, unless otherwise determined by the Board, be exercisable following the date on which such Optionee ceases to be so engaged; provided, however, that if an

Optionee ceases to be employed by, a Service Provider to, or act as a director of, the Company or a Designated Affiliate for any reason other than cause then, unless otherwise determined by the Board, any Option held by such Optionee at the effective date thereof shall become exercisable for a period of up to 12 months thereafter or prior to the expiration of the Option Period in respect thereof, whichever is sooner.

3.7 Effect of Takeover Bid

In the event of a Change of Control, unless otherwise determined by the Board, (i) all Options outstanding shall immediately vest and be exercisable; and (ii) all Options that are not otherwise exercised contemporaneously with the completion of the Change of Control will terminate and expire immediately thereafter.

3.8 Effect of Amalgamation or Merger

Subject to Section 3.7, if the Company amalgamates or otherwise completes a plan of arrangement or merges with or into another corporation, any Shares receivable on the exercise of an Option shall be converted into the securities, property or cash which the Participant would have received upon such amalgamation, arrangement or merger if the Participant had exercised his or her Option immediately prior to the record date applicable to such amalgamation, arrangement or merger, and the option price shall be adjusted appropriately by the Board and such adjustment shall be binding for all purposes of this Plan.

PART 4
RESTRICTED SHARE UNITS

4.1 Participants

The Company has the right to grant, in its sole and absolute discretion, to any Participant, rights to receive any number of fully paid and non-assessable Shares ("**Restricted Share Units**") as a discretionary payment in consideration of past services to the Company or as an incentive for future services, subject to this Plan and with such additional provisions and restrictions as the Board may determine. For purposes of calculating the number of Restricted Share Units to be granted, the Company shall be obligated to value the Shares underlying such Restricted Share Units at not less than one hundred per cent (100%) of the Fair Market Value.

4.2 Restricted Share Units Grant Letter

Each grant of a Restricted Share Right under this Plan shall be evidenced by a grant letter (a "**Restricted Share Units Grant Letter**") issued to the Participant by the Company. Such Restricted Share Right Grant Letter shall be subject to all applicable terms and conditions of this Plan and may be subject to any other terms and conditions (including without limitation any recoupment, reimbursement or claw-back compensation policy as may be adopted by the Board from time to time) which are not inconsistent with this Plan and which the Board deems appropriate for inclusion in a Restricted Share Right Grant Letter. The provisions of the various Restricted Share Right Grant Letters issued under this Plan need not be identical.

4.3 Restricted Period

Concurrent with the determination to grant Restricted Share Units to a Participant, the Board shall determine the Restricted Period applicable to such Restricted Share Units. In addition, at the sole discretion of the Board, at the time of grant, the Restricted Share Units may be subject to performance conditions to be achieved by the Company or a class of Participants or by a particular Participant on an individual basis, within a Restricted Period, for such Restricted Share Units to entitle the holder thereof to receive the underlying Shares. Upon expiry of the applicable Restricted Period (or on the Deferred Payment Date, as applicable), a Restricted Share Right shall be automatically settled, and without the payment of additional consideration or any other further action on the part of the holder of the Restricted Share Right, the underlying Shares shall be issued to the holder of such Restricted Share Units, which Restricted Share Units shall then be cancelled.

4.4 Deferred Payment Date

Participants who are residents of Canada for the purposes of the *Income Tax Act* (Canada) (and for greater certainty, who are not US Taxpayers), may elect to defer to receive all or any part of the Shares underlying Restricted Share Units until one or more Deferred Payment Dates. Any other Participants may not elect a Deferred Payment Date.

4.5 Prior Notice of Deferred Payment Date

Participants who elect to set a Deferred Payment Date must, in respect of each such Deferred Payment Date, give the Company written notice of the Deferred Payment Date(s) not later than thirty (30) days prior to the expiration of the applicable Restricted Period. For certainty, Participants shall not be permitted to give any such notice after the day which is thirty (30) days prior to the expiration of the Restricted Period and a notice once given may not be changed or revoked. For the avoidance of doubt, the foregoing shall not prevent a Participant from electing an additional Deferred Payment Date, provided, however that notice of such election is given by the Participant to the Company not later than thirty (30) days prior to the expiration of the subject Restricted Period.

4.6 Retirement or Termination during Restricted Period

In the event and to the extent of the Retirement or Termination and/or, as applicable, the Director Retirement or Director Termination of a Participant from all such roles with the Company during the Restricted Period, any Restricted Share Units held by the Participant shall immediately terminate and be of no further force or effect; provided, however, that the Board shall have the absolute discretion to modify the grant of the Restricted Share Units to provide that the Restricted Period shall terminate immediately prior to the date of such occurrence.

4.7 Retirement or Termination after Restricted Period

In the event and to the extent of the Retirement or Termination and/or, as applicable, the Director Retirement or Director Termination of the Participant from all such roles with the Company following the Restricted Period and prior to a Deferred Payment Date, the Participant shall be entitled to receive, and the Company shall issue forthwith, Shares in satisfaction of the Restricted Share Units then held by the Participant.

4.8 Death or Disability of Participant

In the event of the death or total disability of a Participant, any Shares represented by Restricted Share Units held by the Participant shall be immediately issued by the Company to the Participant or legal representative of the Participant.

4.9 Payment of Dividends

Subject to the absolute discretion of the Board, in the event that a dividend (other than a stock dividend) is declared and paid by the Company on the Shares, a Participant may be credited with additional Restricted Share Units. The number of such additional Restricted Share Units, if any, will be calculated by dividing (a) the total amount of the dividends that would have been paid to the Participant if the Restricted Share Units (including Restricted Share Units in which the Restricted Period has expired but the Shares have not been issued due to a Deferred Payment Date) in the Participant's account on the dividend record date had been outstanding Shares (and the Participant held no other Shares) by (b) the Fair Market Value of the Shares on the date on which such dividends were paid.

4.10 Change of Control

In the event of a Change of Control, all Restricted Share Units outstanding shall vest immediately and be settled by the issuance of Shares notwithstanding the Restricted Period and any Deferred Payment Date.

PART 5
DEFERRED SHARE UNITS

5.1 Deferred Share Unit Grants

The Board may from time to time determine to grant Deferred Share Units to one or more Eligible Directors in a lump sum amount or on regular intervals, based on such formulas or criteria as the Board may from time to time determine. Deferred Share Units will be credited to the Eligible Director's account when designated by the Board. For purposes of calculating the number of Deferred Share Units to be granted, the Company shall be obligated to value the Shares underlying such Deferred Share Units at not less than one hundred per cent (100%) of the Fair Market Value.

5.2 Deferred Share Unit Grant Letter

Each grant of a Deferred Share Unit under this Plan shall be evidenced by a grant letter (a "**Deferred Share Unit Grant Letter**") issued to the Eligible Director by the Company. Such Deferred Share Unit Grant Letter shall be subject to all applicable terms and conditions of this Plan and may be subject to any other terms and conditions (including without limitation any recoupment, reimbursement or claw-back compensation policy as may be adopted by the Board from time to time) which are not inconsistent with this Plan and which the Board deems appropriate for inclusion in a Deferred Share Unit Grant Letter. The provisions of Deferred Share Unit Grant Letters issued under this Plan need not be identical.

5.3 Redemption of Deferred Share Units and Issuance of Deferred Shares

The Deferred Share Units held by each Eligible Director who is not a US Taxpayer shall be redeemed automatically and with no further action by the Eligible Director on the 20th business day following the Separation Date for that Eligible Director. For US Taxpayers, Deferred Share Units held by an Eligible Director who is a Specified Employee will be automatically redeemed with no further action by the Eligible Director on the date that is six months following the Separation Date for the Eligible Director, or if earlier, upon such Eligible Director's death. Upon redemption, the former Eligible Director shall be entitled to receive and the Company shall issue, the number of Shares issued from treasury equal to the number of Deferred Share Units in the Eligible Director's account, subject to any applicable deductions and withholdings. In the event a Separation Date occurs during a year and Deferred Share Units have been granted to such Eligible Director for that entire year, the Eligible Director will only be entitled to a pro-rated Deferred Share Unit Payment in respect of such Deferred Share Units based on the number of days that he or she was an Eligible Director in such year.

No amount will be paid to, or in respect of, an Eligible Director under this Plan or pursuant to any other arrangement, and no other additional Deferred Share Units will be granted to compensate for a downward fluctuation in the value of the Shares of the Company nor will any other benefit be conferred upon, or in respect of, an Eligible Director for such purpose.

5.4 Death of Participant

In the event of the death of an Eligible Director, the Deferred Share Units shall be redeemed automatically and with no further action on the 20th business day following the death of an Eligible Director.

5.5 Payment of Dividends

Subject to the absolute discretion of the Board, in the event that a dividend (other than a stock dividend) is declared and paid by the Company on the Shares, an Eligible Director may be credited with additional Deferred Share Units. The number of such additional Deferred Share Units, if any, will be calculated by dividing (a) the total amount of the dividends that would have been paid to the Eligible Director if the Deferred Share Units in the Eligible Director's account on the dividend record date had been outstanding Shares (and the Eligible Director held no other Shares), by (b) the Fair Market Value of the Shares on the date on which such dividends were paid.

PART 6
PERFORMANCE SHARE UNITS

6.1 Performance Share Units

The Board may from time to time determine to grant Performance Share Units to one or more Eligible Directors with the specific terms and conditions thereof to be as provided in this Plan and in the Performance Share Unit Agreement entered into in respect of such grant. The Performance Share Unit Agreement in respect of the Performance Share Units granted will set out, at a minimum, the number of Performance Share Units granted, the Performance Period, the performance-based criteria and the Multiplier(s). Subject to the provisions of this Article 6, each Performance Share Unit awarded to a Participant for services performed during the year in which the Performance Share Unit is granted shall entitle the Participant to receive payment in an amount equal to the Fair Market Value on the day immediately prior to the last day of the applicable Performance Period multiplied by the applicable Multiplier(s), to be determined on the last day of the Performance Period.

6.2 Distributions.

The Board, in its sole discretion, may determine that if and when distributions are paid on any Shares, additional Performance Share Units shall be credited to the Participant as of such distribution payment date. The number of additional Performance Share Units (including fractional Performance Share Units) to be credited to the Participant shall be determined by dividing the dollar amount of the distribution payable in respect of the Shares underlying the Performance Share Units by the Fair Market Value on the date the distribution is paid. Fractional Performance Share Units to two decimal places shall be credited to the Participant. For greater certainty, the Performance Period and Multiplier(s), if any, shall be the same as the Performance Period and Multiplier(s), if any, for the Performance Share Units.

6.3 Performance Period

Subject to Sections 6.5, 6.6 and 6.7 (which could result in shortening any such period), the Performance Period in respect of a particular award shall be one year from the date of grant of the applicable Performance Share Unit, provided that the Board may, in its sole discretion, determine the Performance Period to be greater than one year, to a maximum of three years from the date of grant of the applicable Performance Share Unit.

6.4 Performance-Based Criteria and Multipliers

The Board may establish performance-based criteria which, if met by the Company, will entitle the Participant to be paid an amount in excess of or less than the Fair Market Value of one Share for each Performance Share Unit at the end of the applicable Performance Period. The Board, in its sole discretion, may waive the performance-based criteria if the Board determines there were material unusual circumstances that occurred during the Performance Period (as an example only, if take-over speculation significantly affects the Fair Market Value at the end of the Performance Period).

6.5 Retirement or Termination During Performance Period

If a Participant ceases to be an Eligible Employee or Eligible Director, as applicable, during the Performance Period because of retirement or Termination of the Participant, all Performance Share Units previously awarded to the Participant shall be forfeited and cease to be credited to the Participant on the date of the Retirement or Termination, as the case may be; however, the Board shall have the absolute discretion to modify the grant of the Performance Share Units to provide that the Performance Period would end at the end of the calendar quarter immediately before the date of the Retirement or Termination, as the case may be, and the amount payable to the Participant shall be calculated as of such date.

6.6 Death or Disability

During Performance Period, in the event of the death or total disability of a Participant during the Performance Period, the Performance Period shall be deemed to end at the end of the calendar quarter immediately before the date of death or total disability of the Participant and the amount payable to the Participant or its executors, as the case may be, shall be calculated as of such date.

6.7 Change of Control During Performance Period

In the event of a Change of Control, the Performance Period shall be deemed to end at the end of the calendar quarter immediately before the Change of Control and the amount payable to the Participant shall be calculated as of such date.

6.8 Payment to Participants

Subject to the terms of this Plan, the Board, in its sole discretion, may pay earned Performance Share Units in the form of cash or in Shares issued from treasury (or in a combination thereof) equal to the value of the Performance Share Units at the end of the applicable Performance Period. The determination of the Board with respect to the form of payout of such Performance Share Units shall be set forth in the Performance Share Unit Agreement for the grant of the Performance Share Unit or reserved for later determination. In no event will delivery of such Shares or payment of any cash amounts be made later than two and a half months after the end of the year in which such conditions or restrictions were satisfied or lapsed.

6.9 Payment of Dividends

Subject to the absolute discretion of the Board, in the event that a dividend (other than a stock dividend) is declared and paid by the Company on the Shares, an Eligible Director may be credited with additional Performance Share Units. The number of such additional Performance Share Units, if any, will be calculated by dividing (a) the total amount of the dividends that would have been paid to the Eligible Director if the Performance Share Units in the Eligible Director's account on the dividend record date had been outstanding Shares (and the Eligible Director held no other Shares), by (b) the Fair Market Value of the Shares on the date on which such dividends were paid.

PART 7
WITHHOLDING TAXES

7.1 Withholding Taxes

The Company or any Designated Affiliate may take such steps as are considered necessary or appropriate for the withholding of any taxes or other amounts which the Company or any Designated Affiliate is required by any law or regulation of any governmental authority whatsoever to withhold in connection with any Award including, without limiting the generality of the foregoing, the withholding of all or any portion of any payment or the withholding of the issue of any Shares to be issued under this Plan, until such time as the Participant has paid the Company or any Designated Affiliate for any amount which the Company or Designated Affiliate is required to withhold by law with respect to such taxes or other amounts. Without limitation to the foregoing, the Board may adopt administrative rules under this Plan, which provide for the automatic sale of Shares (or a portion thereof) in the market upon the issuance of such Shares under this Plan on behalf of the Participant to satisfy withholding obligations under an Award.

PART 8
GENERAL

8.1 Number of Shares

The aggregate number of Shares that may be issued under this Plan shall not exceed 20% of the outstanding issue from time to time, such Shares to be allocated among Awards and Participants in amounts and at such times as may be determined by the Board from time to time. Furthermore, the aggregate number of Shares issued or issuable to persons providing "investor relations activities" (as defined in the Exchange policies) as compensation within a 12-month period, may not exceed 2% of the total number of Shares then outstanding, or such other percentage as permit-ted by the policies of the Exchange.

For the purposes of this Section 8.1, "outstanding issue" means the total number of Shares, on a non-diluted basis, that are issued and outstanding immediately prior to the date that any Shares are issued or reserved for issuance pursuant to an Award.

8.2 Lapsed Awards

If Awards are surrendered, terminated or expire without being exercised in whole or in part, new Awards may be granted covering the Shares not issued under such lapsed Awards, subject to any restrictions that may be imposed by the Exchange, including, without limitation, the restriction that if an Option is cancelled prior to its expiry date, the Company shall post notice of the cancellation and shall not grant new Options to the same Participant until 30 days have elapsed from the date of cancellation.

8.3 Adjustment in Shares Subject to this Plan

If there is any change in the Shares through the declaration of stock dividends of Shares, through any consolidations, subdivisions or reclassification of Shares, or otherwise, the number of Shares available under this Plan, the Shares subject to any Award, and the exercise price of any Option shall be adjusted as determined to be appropriate by the Board, and such adjustment shall be effective and binding for all purposes of this Plan.

8.4 Transferability

Any Awards accruing to any Participant in accordance with the terms and conditions of this Plan shall not be transferable unless specifically provided herein. During the lifetime of a Participant all Awards may only be exercised by the Participant. Awards are non-transferable except by will or by the laws of descent and distribution.

8.5 Employment

Nothing contained in this Plan shall confer upon any Participant any right with respect to employment or continuance of employment with the Company or any Affiliate, or interfere in any way with the right of the Company or any Affiliate to terminate the Participant's employment at any time. Participation in this Plan by a Participant is voluntary.

8.6 Record Keeping

The Company shall maintain a register in which shall be recorded:

(a) the name and address of each Participant;

(b) the number of Awards granted to each Participant and relevant details regarding such Awards; and

(c) such other information as the Board may determine.

8.7 Amendments to Plan

The Board shall have the power to, at any time and from time to time, either prospectively or retrospectively, amend, suspend or terminate this Plan or any Award granted under this Plan without shareholder approval, including, without limiting the generality of the foregoing: changes of a clerical or grammatical nature, changes regarding the persons eligible to participate in this Plan, changes to the exercise price, vesting, term and termination provisions of the Award, changes to the cashless exercise right provisions, changes to the authority and role of the Board under this Plan, and any other matter relating to this Plan and the Awards that may be granted hereunder, provided however that:

(a) such amendment, suspension or termination is in accordance with applicable laws and the rules of any stock exchange on which the Shares are listed;

(b) no amendment to this Plan or to an Award granted hereunder will have the effect of impairing, derogating from or otherwise adversely affecting the terms of an Award which is outstanding at the time of such amendment without the written consent of the holder of such Award;

(c) the terms of an Option will not be amended once issued; and

(d) the expiry date of an Option Period in respect of an Option shall not be more than ten years from the date of grant of an Option except as expressly provided in Section 3.4.

If this Plan is terminated, the provisions of this Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force on the date of termination will continue in effect as long as any Award or any rights pursuant thereto remain outstanding and, notwithstanding the termination of this Plan, the Board shall remain able to make such amendments to this Plan or the Award as they would have been entitled to make if this Plan were still in effect.

8.8 No Representation or Warranty

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of this Plan.

8.9 Section 409A

It is intended that any payments under this Plan to US Taxpayers shall be exempt from or comply with Section 409A of the Code, and all provisions of this Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes and penalties under Section 409A of the Code.

8.10 Compliance with Applicable Law, etc.

If any provision of this Plan or any agreement entered into pursuant to this Plan contravenes any law or any order, policy, by-law or regulation of any regulatory body or stock exchange having authority over the Company or this Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

8.11 Term of the Plan

This Plan shall remain in effect until it is terminated by the Board.

PART 9
ADMINISTRATION OF THIS PLAN

9.1 Administration by the Board

(a) Unless otherwise determined by the Board, this Plan shall be administered by the Board or a Board committee designated by the Board.

(b) The Board (or Board committee, as the case may be) shall have the power, where consistent with the general purpose and intent of this Plan and subject to the specific provisions of this Plan, to:

(i) adopt and amend rules and regulations relating to the administration of this Plan and make all other determinations necessary or desirable for the administration of this Plan. The interpretation and construction of the provisions of this Plan and related agreements by the Board (or Board committee, as the case may be) shall be final and conclusive. The Board (or Board committee, as the case may be) may correct any defect or supply any omission or reconcile any inconsistency in this Plan or in any related agreement in the manner and to the extent it shall deem expedient to carry this Plan into effect and it shall be the sole and final judge of such expediency;

(ii) determine and designate from time to time the individuals to whom Awards shall be made, the amounts of the Awards and the other terms and conditions of the Awards;

(iii) delegate any of its responsibilities or powers under this Plan to a Board committee; and

(iv) otherwise exercise the powers under this Plan as set forth herein.

APPENDIX H
MARSHALL TECHNOLOGIES CORP. – AUDIT COMMITTEE CHARTER

(ATTACHED)

MARSHALL TECHNOLOGIES CORP.
CHARTER OF THE AUDIT COMMITTEE

MEMBERSHIP

The audit committee ("**Committee**") of the board of directors ("**Board**") of Marshall Technologies Corp. ("**Corporation**") shall consist of three or more directors. A majority of the members of the Committee must not be executive officers, employees or control persons of the Corporation or of an affiliate of the Corporation.

Each member of the Committee must be financially literate, as this term is defined under National Instrument 52-110 - *Audit Committees* ("**Instrument**").

The Board shall appoint members to the Committee. The members of the Committee shall be appointed for one-year terms after each annual securityholders' meeting and shall serve until a successor is duly appointed by the Board or until the member's earlier death, resignation, disqualification or removal. The Board may remove any member from the Committee at any time with or without cause. The Board shall fill Committee member vacancies by appointing a member from the Board. If a vacancy on the Committee exists, the remaining members shall exercise all the Committee's powers so long as a quorum exists.

New Committee members shall be provided with an orientation program to educate them on the Corporation, their roles and responsibilities on the Committee and the Corporation's financial reporting and accounting practices. Committee members shall also receive training as necessary, to increase their understanding of financial, accounting, auditing and industry issues applicable to the Corporation.

The Committee shall appoint the chair from one of its members ("**Chair**"). The Chair must be a non-executive Director. Subject to Section 1.4, the Committee shall determine the Chair's term of office.

A quorum for decisions of the Committee shall be two members.

COMMITTEE MEETINGS

The Committee shall meet at least quarterly at such times and places as determined by the Committee. The Committee is governed by the same rules regarding meetings (including the procedure used to call meetings, and conducting meetings electronically, in person or by telephone), notice of meetings and waiver of notice by committee members, written resolutions in lieu of a meeting and voting at meetings that apply to the Board.

Notice of the time and place of a Committee meeting shall be given by the Committee to the Corporation's external auditor ("**Auditor**") in the same manner notice is provided to Committee members. The Committee shall provide the Auditor with all meeting materials in advance of the meeting.

On request of the Auditor, the Chair shall convene a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the directors or shareholders of the Corporation.

The Chair shall seek input from Committee members, the Corporation's management, the Auditor and Board members when setting each Committee meeting's agenda.

Any written material to be provided to Committee members for a meeting must be distributed in advance of the meeting to give Committee members time to review and understand the information.

The chief executive officer of the Corporation ("**CEO**") and chief financial officer of the Corporation ("**CFO**") and any other member of senior management may, if invited by the Chair, attend, give presentations relating to their responsibilities and otherwise participate at Committee meetings. Other Board members may also, if invited by the Chair, attend and participate at Committee meetings.

The Committee may appoint a Committee member or any other attendee to be the secretary of a meeting. The Chair shall circulate minutes of all Committee meetings to the Corporation's Board members and its Auditor. The Committee shall report its decisions and recommendations to the Board promptly after each Committee meeting.

The Committee may meet for a private session, excluding management, non-independent directors or other third parties, following each Committee meeting or as otherwise determined by the Committee.

PURPOSE, ROLE AND AUTHORITY

The purpose of the Committee is to oversee the Corporation's accounting and financial reporting processes and the preparation and auditing of the Corporation's financial statements.

The Committee is authorized by the Board to investigate any matter set out in this Charter or otherwise delegated to the Committee by the Board.

DUTIES AND RESPONSIBILITIES

The Committee has the duties and responsibilities set out in Sections 5 to 14 of this Charter, as may be amended, supplemented or restated from time to time.

EXTERNAL AUDITOR - APPOINTMENT AND REMOVAL

The Committee shall:

Consider and recommend to the Board, to put forward for shareholder approval at the annual meeting, an Auditor that will be appointed or reappointed to prepare or issue an auditor's report and perform audit, review, attest or other services for the Corporation in compliance with the Instrument and, if necessary, recommend to the Board the Auditor's removal.

Recommend to the Board the Auditor's compensation and otherwise setting the terms of the Auditor's engagement (including reviewing and negotiating the Auditor's engagement letter).

Review and monitor the independence of the Auditor.

At least once per fiscal year, review the qualifications and performance of the Auditor and the Auditor's lead partners and consider and decide if the Corporation should adopt or maintain a policy of rotating the accounting firm serving as the Corporation's Auditor.

AUDITOR OVERSIGHT - AUDIT SERVICES

The Committee shall:

Require the Auditor to report directly to the Committee.

Be directly responsible for overseeing the work of the Auditor engaged for the purpose of preparing or issuing the Auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the Auditor regarding financial reporting.

Discuss with the Auditor: (a) before an audit commences, the nature and scope of the audit, the Auditor's responsibilities in relation to the audit, the overall audit strategy, the timing of the audit, the processes used by the Auditor to identify risks and reporting such risks to the Committee; and (b) any other matters relevant to the audit.

Review and discuss with the Auditor all critical accounting policies and practices to be used in the audit, all alternative treatments of financial information that have been discussed with management, the ramifications of the use of such alternative treatments and the treatment preferred by the Auditor.

Review any major issues regarding accounting principles and financial statement presentation with the Auditor and the Corporation's management, including any significant changes in the Corporation's selection or application of accounting principles; any significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements, including the effect of regulatory and accounting initiatives and off-balance sheet structures on the Corporation's financial statements.

Review and discuss with the Auditor and management any problems or difficulties encountered during the audit, including restrictions on the scope of activities or access to information, and any significant disagreements between the Auditor and management in relation to financial reporting. The Committee may meet with the Auditor and management (together or separately) to discuss and resolve such disagreements.

Review all material communications between management and the Auditor, including reviewing the Auditor's management letter and management's response.

Create, review and approve the Corporation's policies respecting the Corporation's hiring of any (former or current) Auditor's past or present employees or past or present partners.

Oversee any other matters relating to the Auditor and the performance of audit services on the Corporation's behalf.

AUDITOR OVERSIGHT - NON-AUDIT SERVICES

The Committee shall:

Pre-approve all non-audit services to be provided by the Auditor to the Corporation or its subsidiaries in accordance with the Instrument.

Notwithstanding Section 7.1, the Committee may delegate the pre-approval of non-audit services to a member or certain members of the Committee. These member or members shall notify the Committee at each Committee meeting of the non-audit services they approved since the last Committee meeting.

INTERNAL CONTROLS

The Committee shall:

Monitor and review the effectiveness of the Corporation's internal audit function, including ensuring that any internal auditors ("**Internal Auditors**") have adequate monetary and other resources to complete their work and appropriate standing within the Corporation and, if the Corporation has no Internal Auditors, consider, on an annual basis, whether the Corporation requires Internal Auditors and make related recommendations to the Board.

Require the Internal Auditors to report directly to the Committee.

Oversee an effective system of internal controls and procedures for the Corporation relating to the financial reporting process and disclosure of the financial results, including accounting, internal accounting controls, and auditing matters ("**Internal Controls**").

Review with management and the Internal Auditors (with each privately or together) the adequacy and effectiveness of the Corporation's Internal Controls, including any significant deficiencies or material weaknesses in the design or operation of the Internal Controls and determine if any special steps must be adopted by the Auditor during its audit in light of any such deficiencies or weaknesses.

Review management's roles, responsibilities and performance in relation to the Internal Controls.

Review, discuss and investigate: (a) any alleged fraud involving the Corporation's management or employees in relation to the Internal Controls, including management's response to any allegations of fraud; (b) implement corrective and disciplinary action in cases of proven fraud; and (c) determine if any special steps must be adopted by the Auditor during its audit in light of any proven fraud or any allegations of fraud.

Establish and monitor the procedures for: (a) the receipt, retention and treatment of complaints that the Corporation receives relating to its Internal Controls; (b) the confidential, anonymous submission of employees' concerns relating to questionable accounting or auditing matters engaged in by the Corporation; and (c) the independent investigation of the matters set out in Section 8.7(a) and Section 8.7(b), including appropriate follow up actions.

Review and discuss with the CEO and CFO, or those officers who perform the duties similar to a CEO or CFO, the steps taken to complete the required certifications of the annual and interim filings with applicable securities commissions.

FINANCIAL STATEMENTS

The Committee shall:

Review and discuss with the Auditor and management the Corporation's annual audited financial statements and the accompanying Auditor's report and management discussion and analysis ("**MD&A**"). The Committee's review of the annual audited financial statements will include a review of the notes contained in the financial statements, in particular the notes on: (a) significant accounting policies, including any changes made to them and the effect this may have on the Corporation; (b) significant estimates and assumptions; (c) significant adjustments resulting from an audit; (d) the going concern assumption; (e) compliance with accounting standards; (f) investigations and litigation undertaken by regulatory authorities; (g) the impact of unusual transactions; and (h) off-balance sheet and contingent asset and liabilities, and related disclosures.

Assess (a) the quality of the accounting principles applied to the financial statements; (b) the clarity of disclosure in the financial statements; and (c) whether the audited annual financial statements present fairly, in all material respects, in accordance with international financial reporting standards ("**IFRS**"), the Corporation's financial condition, operational results and cash flows.

Upon satisfactory completion of its review, recommend the annual audited financial statements, Auditor's report and annual MD&A for Board approval.

Review the interim financial statements and related MD&A with the Auditor and management, and if satisfied that the interim financial statements meet the criteria set out in Section 9.2 to recommend to the Board that it approve the interim financial statements and accompanying MD&A.

DISCLOSURE OF OTHER FINANCIAL INFORMATION

The Committee shall:

Review and discuss with management the design, implementation and maintenance of effective procedures relating to the Committee's prior review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements ("**Disclosure Procedures**"); ensure that the Disclosure Procedures put in place are followed by the Corporation's management and employees; and periodically assess the adequacy of the Disclosure Procedures.

Review the Corporation's profit and loss press releases and other related press releases before they are released to the public, including the Corporation's annual information form, earnings press releases and any other public disclosure documents required by applicable securities commissions; and review the nature of any financial information and ratings information provided to agencies and analysts in accordance with the Corporation's disclosure policy.

Monitor and review the Corporation's policy on confidentiality and disclosure on a yearly basis.

RISK MANAGEMENT

The Committee shall:

Review and discuss with management and the Internal Auditors (each privately or together) policies and guidelines to govern the processes by which management assesses and manages the Corporation's risks, including the Corporation's major financial risk exposures and fraud, and the steps management has taken to monitor and control such exposures.

Review the periodic reports delivered to the Committee by the Internal Auditors; and oversee the processes by which major Corporation risks are reviewed by either the Committee, another Board committee or the full Board.

LEGAL COMPLIANCE

The Committee shall review with legal counsel any legal matters, including inquiries received from regulators and governmental agencies, that may have a significant effect on the Corporation's financial statements, cash flows or operations; review and oversee any policies, procedures and programs designed by the Corporation to promote legal compliance.

RELATED PARTY TRANSACTIONS

The Committee shall review all proposed related party transactions, other than those reviewed by a special committee of disinterested directors in accordance with Canadian corporate or securities laws.

OTHER DUTIES AND RESPONSIBILITIES

The Committee shall complete any other duties and responsibilities delegated by the Board to the Committee from time to time.

MEETINGS WITH THE AUDITOR

Notwithstanding anything set out in this Charter to the contrary, the Committee may meet privately with the Auditor or Internal Auditors as frequently as the Committee deems appropriate, but not less than quarterly, for the Committee to fulfil its responsibilities and to discuss any concerns of the Committee or Auditor in relation to the matters covered by the Committee's Charter, including the effectiveness of the Corporation's financial recording procedures and systems and management's cooperation and responsiveness to matters arising from the audit and non-audit services performed by the Auditor.

MEETINGS WITH MANAGEMENT

The Committee may meet privately with management and the Corporation's Internal Auditors (together or separately) as frequently as the Committee deems appropriate for the Committee to fulfil its responsibilities, but not less than quarterly, to discuss any concerns of the Committee, management or the Internal Auditors.

OUTSIDE ADVISORS

The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of independent outside counsel and such other advisors as it deems necessary to fulfil its duties and responsibilities under this Charter. The Committee shall set the compensation and oversee the work of any outside counsel and other advisors to be paid by the Corporation.

REPORTING

The Committee shall report to the Board on all matters set out in this Charter and other matters assigned to the Committee by the Board, including: (a) the Auditor's independence; (b) the Auditor's performance and the Committee's recommendation to reappoint or terminate the Auditor; (c) the Internal Auditors' performance; (d) the adequacy of the Internal Controls; (e) the Committee's review of the Corporation's annual and interim financial statements, and any IFRS reconciliation, including any issues respecting the quality and integrity of financial statements, along with the MD&A; (f) the Corporation's compliance with legal and regulatory matters and such matters affect the financial statements; and (g) the Corporation's risk management programs and any risks identified in accordance with this program.

CHARTER REVIEW

The Committee shall review this Charter at least annually and recommend any proposed changes to the Board for approval. This Charter shall be posted on the Corporation's investor relations website.

PERFORMANCE EVALUATION

The Committee shall conduct an annual evaluation of the performance of its duties and responsibilities under this Charter and shall present the results of the evaluation to the Board. The Committee shall conduct this evaluation in such manner as it deems appropriate.

APPLICATION OF CHARTER

This Charter is a broad policy statement and is intended to be part of the Committee's flexible governance framework. While this Charter should comply with all applicable laws, regulations and listing requirements and the Corporation's articles and by-laws, this Charter does not create any legally binding obligations on the Committee, the Board or the Corporation.

Last approved by the Board: July 15, 2024.

CERTIFICATE OF THE CORPORATION

Dated: January 30, 2026

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of Provinces of Alberta, British Columbia and Ontario.

(signed) "Graydon Bensler"	*(signed) "Nico Mah"*
Graydon Bensler **Chief Executive Officer**	**Nico Mah** **Chief Financial Officer and Corporate Secretary**

ON BEHALF OF THE BOARD OF DIRECTORS

(signed) "Matthew Mingay"	*(signed) "Graydon Bensler"*
Matthew Mingay **Director**	**Graydon Bensler** **Director**

CERTIFICATE OF THE PROMOTERS

Dated: January 30, 2026

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of Provinces of Alberta, British Columbia and Ontario.

(signed) "Louis Dron"

Louis Dron

(signed) "Kristian Thorlund"

Kristian Thorlund

(signed) "Saman Shahrokhi"

Saman Shahrokhi

CERTIFICATE OF THE UNDERWRITERS

Dated: January 30, 2026

To the best of our knowledge, information and belief, this Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of Provinces of Alberta, British Columbia and Ontario.

VENTUM FINANCIAL CORP.

(signed) "Christine Young"

Christine Young
Head of Originations, Investment Banking

CANACCORD GENUITY CORP.

(signed) "Jamie Brown"

Jamie Brown, Managing Director,
Head of Capital Markets – Western Canada

SCHEDULE C

ADDITIONAL INFORMATION REGARDING CAPITALIZATION

(See attached)

Updated Public Float and Distribution Tables

(As at January 30, 2026)

Issued Capital	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non- diluted)	% of Issued (fully diluted)
Public Float				
Total outstanding (A)[1]	33,508,750	40,283,050	100%	100%
Number of issued securities that are pooled, escrowed or non-transferable, and the number of issued securities of the class beneficially owned, or over which control or direction is exercised by: (a) the Listed Issuer; (b) every senior officer or director of the Listed Issuer; and (c) every Principal Security Holder of the Listed Issuer (B)	5,496,425	5,526,425	16%	14%
Total Public Float (A-B)	28,012,325	34,756,625	84%	86%
Freely-Tradeable Float				
Number of issued securities subject to restrictions on resale or transfer, including restrictions imposed by pooling or other arrangements or in a shareholder agreement (C)	30,381,625	35,155,925	91%	87%
Total Tradeable Float (A- C)	3,127,125	5,127,125	9%	13%

Public Securityholders (Registered)

Common Shares

Size of Holding	Number of holders	Total number of securities
1 — 99 securities		
100 — 499 securities		
500 — 999 securities	121	92,500
1,000 — 1,999 securities		
2,000 — 2,999 securities	4	8,000
3,000— 3,999 securities		
4,000 — 4,999 securities		
5,000 or more securities	49	20,726,825
Total	**174**	**20,827,325**

Public Securityholders (Beneficial)

Common Shares

Size of Holding	Number of holders	Total number of securities
1 — 99 securities		
100 — 499 securities		
500 — 999 securities		
1,000 — 1,999 securities		
2,000 — 2,999 securities		
3,000— 3,999 securities		
4,000 — 4,999 securities	71	7,185,000
5,000 or more securities		
Unable to confirm		
Total	**71**	**7,185,000**

Non-Public Securityholders (Registered)

Common Shares

Size of Holding	Number of holders	Total number of securities
1 — 99 securities		
100 — 499 securities		
500 — 999 securities	1	1,250
1,000 — 1,999 securities		
2,000 — 2,999 securities		
3,000— 3,999 securities		
4,000 — 4,999 securities		
5,000 or more securities	7	5,495,175
Total	**8**	**5,496,425**