



## Management's Discussion and Analysis June 30, 2025

### **Caution Regarding Forward Looking Information**

*The following Management Discussion and Analysis ("MD&A") has been prepared in accordance with Form 51-102F1. This MD&A includes forward-looking statements. All statements other than statements of historical fact contained in this MD&A, including statements regarding the future financial position, business strategy, plans and objectives of management for future operations, are forward-looking statements. The words "believe", "may", "will", "estimate", "forecast", "continue", "anticipate", "intend", "should", "plan", "expect" and similar expressions, as they relate to the Company, are intended to identify forward-looking statements. The Company has based these forward-looking statements on the current expectations and projections about business strategy and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions as described elsewhere in this MD&A.*

*Other sections of this MD&A may include additional factors that could adversely affect the Company and its financial performance. Moreover, the Company operates in a very competitive and rapidly changing business environment. New risk factors emerge from time to time and it is not possible for management to predict all risk factors, nor can the Company assess the impact of all factors on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.*

*Readers should not rely upon forward-looking statements as predictions of future events or performance. The Company cannot provide assurance that the events and circumstances reflected in the forward-looking statements will be achieved or will occur. Although the Company believes that the expectations reflected in the forward-looking statements are within reason, the Company cannot assure future results, levels of activity, performance, or achievements.*

## Management's Discussion and Analysis

The following discussion is management's assessment and analysis of the results and financial condition of Revolve Renewable Power Corp. ("Revolve" or the "Company") and should be read in conjunction with the accompanying audited consolidated financial statements and related notes for the year ended June 30, 2025, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). All figures are reported in United States dollars unless otherwise indicated. The effective date of this report is October 22, 2025.

### 1. Corporate Governance

Revolve's Board of Directors is responsible for the stewardship of the Company. It has the duty to oversee the strategic direction of the Company and to supervise the management of the Company's business and affairs, with a view to the best interests of the Company and suitable governance and ethical leadership principles.

The Board of Directors of the Company is comprised as follows:

- Steve Dalton, Executive Chairman (non-independent)
- Michael Clark (non-independent)
- Omar Bojorquez (non-independent)
- Roger Norwich (independent)
- Joseph O'Farrell (independent)
- JP Maguire (independent)
- Craig Lindsay (independent)
- Susan Shaw (independent)

The Senior Management team is comprised as follows:

- Michael Clark, *Chief Executive Officer*
- Omar Bojorquez, *Chief Operating Officer*
- Tania Ontiveros, *Chief Financial Officer*
- Gerardo Villavicencio, *General Counsel & Head of Legal*
- Humberto Bustamante, *Group Technical Manager*
- Rigoberto Bojorquez, *Vice President, Head of Project Development*
- Eric Hickert, *Head of Distributed Generation*
- Janet Bates, *Financial Controller & Corporate Secretary*

On November 6, 2024, the Company announced significant enhancements to its Board of Directors and Senior Management team as follows:

- a) Steve Dalton, the former Chief Executive Officer ("CEO"), transitioned to the role of Executive Chairman.
- b) Roger Norwich, the former Chairman, stepped down from this position but will remain active as a Non-Executive Director.
- c) Michael Clark was appointed as the new CEO and Director of the Company. In connection with his appointment, the Company issued Mr. Clark 500,000 stock options to acquire common shares of the Company at an exercise price of \$0.50.
- d) Omar Bojorquez, previously serving as the President of the Company, was appointed Chief Operating Officer ("COO").

- e) Jonathan Clare, a Non-Executive Director of the Company, retired from his position as Director and will remain as a consultant of the Company.

## 2. Business Overview

The Company's principal business is a developer, owner and operator of renewable energy electricity generation projects located in the US, Mexico and Canada. Revolve has two business units: Utility Scale Assets and Distributed Generation. The Utility Scale Assets division develops large- and mid-sized renewable energy projects. The Company targets ownership of mid-sized projects up to 50 megawatts ("MW") and targets the sale of projects larger than 50MW. The Distributed Generation division is focused on smaller, rapidly deployable renewable energy projects that deliver low-cost electricity to commercial and industrial customers.

The Company employs a three-pillar approach to growth: (1) Develop and Sell – the Company develops large utility scale projects from greenfield to ready to build, at which point it sells the development rights to large utilities and independent power producers. The Company currently has more than 3,000 megawatts ("MW") under development and has successfully developed and sold over 1,550MW of projects; (2) Develop, Own and Operate – the Company develops, builds, owns and operates smaller utility scale projects as well as distributed generation projects. The Company currently owns and operates 12MW of wind, solar, hydro and battery storage projects located across the Canada and Mexico. The Develop, Own and Operate stream also includes the "distributed generation" (or "DG") projects division which develops "behind the meter" wind, solar, battery storage and energy efficiency projects in Mexico, the USA and Canada. These projects are typically less than 20MW per project; and, (3) Mergers and Acquisitions ("M&A") – the Company accelerates its growth through strategic acquisitions of operating and development assets.

Revolve has an accomplished management team with a demonstrated track record of taking projects from "greenfield" through to "ready to build" status and successfully concluding project sales to large operators of utility-scale renewable energy projects. To date, Revolve has developed and sold over 1,550MW of projects and operates more than 12 MW of wind, solar and hydro projects.

### 2.1. Utility Scale Assets

The Utility Scale Assets division of the Company consists of an active development portfolio of over 3,000MWs of wind, solar, hydro and battery storage projects. This portfolio currently includes projects ranging in capacity from 15MW to 400MW located in the USA (New Mexico, Utah and Colorado), Canada (British Columbia, Alberta and Saskatchewan) and Mexico (Tamaulipas and Nuevo Leon).

In March 2021, the Company formed a joint venture company, MRE US Wind & Solar Inc. ("MRE US"), with Running Foxes Wind & Solar Inc. ("RFW&S") based in Colorado, USA with a view to expanding its development activities into the US renewable energy market. Revolve owns 90% of MRE US and 10% is owned by RFW&S. The Company leads the development of the joint venture, including providing working capital funding at its discretion, with RFW&S providing land acquisition, rights of way and other project development support.

The Company's 90% owned subsidiaries; MRE US Wind & Solar Inc., Revolve Lordsburg Solar LLC, Revolve Vernal BESS LLC, Revolve Primus Wind LLC, and Revolve Limon Solar LLC serve as development entities for its utility scale renewable projects located in the USA.

In January 2023, the Company sold its 250MW Parker Solar and Storage project and its 1,000MW Bouse Solar and Storage project to ENGIE IR Holdings LLC through a Membership Interest Purchase Agreement ("MIPA") in which ENGIE IR Holdings LLC acquired 100% of the membership interest in Revolve Renewable Power AZ LLC and Revolve Parker Solar LLC ("the Parker & Bouse Sale"). Under the terms of the agreement, ENGIE is responsible for all future development costs & financial liabilities. The total purchase price is approximately US\$40-50k per MW (1,250MW)

- US\$2m payment - **Received**
- US\$4.25m further milestone payments – **Received**
- Two milestones remaining for each project – commencement of construction & commissioning

On February 13, 2024, the Company completed the acquisition of WindRiver Power Corporation (“WindRiver”), a Canadian based owner, operator and developer of wind and hydro projects in the Provinces of British Columbia and Alberta. Following the acquisition, WindRiver became a wholly-owned subsidiary of the Company. The acquisition adds 96.63MW of net operational and development capacity to the Company’s portfolio, which is split between 6.63MW of net operational capacity and 90MW of development assets, all located within Canada.

On January 15, 2025, the Company commissioned a 450-kilowatt solar project in Colima, Mexico (the “Colima Solar Project”). The Colima Solar Project is generating clean, renewable energy for a local commercial customer under a 15-year power purchase agreement.

On February 18, 2025, the Company sold a 3MW combined heat and power (“the CHP”) project from its distributed generation portfolio for a total cash consideration received of \$1,500,000. As a result of this transaction, the company recorded revenue of \$1,345,354 (net of costs).

On June 27, 2025, the Company sold its 100MW Afton Solar Project (“Afton Project”) located in New Mexico to a third party in the USA pursuant to a MIPA. As part of this transaction, the third party acquired 100% of the Company’s membership interest in Revolve Afton Solar LLC. Upon closing, the third party made an upfront payment of US\$400,000. The remaining sale consideration of \$700,000 is contingent on the successful completion of the two development milestones; notice to proceed and commercial operations.

## 2.2. Distributed Generation Assets

In April 2022, the Company established RRP Business Solutions S.A. de C.V. (“RRPBS”) to focus on the distributed generation market and sub-20MW renewable energy projects. This division targets both “behind the meter” and grid-connected wind, rooftop solar, ground-mounted solar, battery storage and energy efficiency (or “DG”) projects (collectively, “DG Projects”) in Mexico. The Company has since acquired a c.6MW portfolio of operating and under construction DG Projects and completed construction of a further 3.2MWh battery storage project (see below for further details). In addition to these, the Company is currently advancing a portfolio of over 195MW of additional DG Projects.

In August 2022, the Company completed the acquisition of a 100% interest in Centrica Business Solutions Mexico S.A. de C.V. (“CBS Mexico”). This acquisition provided the Company with an ongoing recurring revenue stream from six operating distributed generation projects totaling 2.85MW, and near-term visibility to revenues from one additional 3MW distributed generation project.

In September 2022, the Company signed an energy services contract with a hotel operator in Cancun, Mexico for a new 3.2MWh (“megawatt per hour”) Battery Energy Storage System (“BESS”) (the “Cancun BESS Project”). Revolve was responsible for the financing, installation and operation of the BESS system. During the fiscal year ended June 30, 2024, the Company redeployed 1.6MWh of the BESS system to a new customer under a 15-year energy services agreement on similar terms. This project is operational.

## 3. Overall Performance and Results of Operations

### 3.1. Assets

As at June 30, 2025, total assets increased to \$23,608,032 from \$18,552,532 at June 30, 2024 primarily resulting from an escrow amount receivable of \$8,000,000 (refer refer to Note 5 in the accompanying audited financial statements). Subsequent to year end, the proposed acquisition was not completed, and the escrowed funds were returned to the lender.

The most significant assets at June 30, 2025 were as follows:

- Distributed generation assets of \$1,731,032 (June 30, 2024: \$2,053,052 (refer to Note 10 in the accompanying audited financial statements);
- Utility scale assets of \$5,147,447 (June 30, 2024: \$5,588,915) related to the WindRiver acquisition (refer to Note 8 and 10 in the accompanying audited financial statements);
- Investments of \$1,446,637 (June 30, 2024 - \$1,442,375) related to the WindRiver acquisition (refer to Note 8 in the accompanying audited financial statements);
- Projects under development of \$975,201 (June 30, 2024 – Nil) (refer to Note 11 in the audited financial statements);
- Deferred income tax asset of \$926,364 (June 30, 2024 - \$1,412,848), (refer to Note 20 in the accompanying financial statements); and
- Cash of \$1,267,082 (June 30, 2024: \$3,181,827).

Other movements in assets include:

- Receivables increased to \$805,542 (June 30, 2024 - \$426,373) which is largely related to the upfront payment on the sale of the Afton Project; and
- Sales tax receivable decreased to \$1,349,922 (June 30, 2024 – \$1,898,503). The reduction was primarily due to (i) the expiration of certain tax receivable balances, (ii) exchange rate differences, and (iii) a decrease in operating sales tax receivable to \$206,822 (June 30, 2024 – \$613,905) as credits were applied against sales tax payable. In addition, the sales tax asset acquired in 2022 related to the CBS Mexico acquisition was reduced to \$1,123,357 (June 30, 2024 – \$1,227,497) following the expiration of tax receivable balances. The majority of the sales tax receivable continues to relate to the Company's Mexican operations.

### 3.2. Liabilities

As of June 30, 2025, total liabilities were higher at \$20,874,460, as compared to \$13,545,631 on June 30, 2024 primarily resulting to the issuance of a promissory note payable of \$8,000,000 (refer to Note 19 of the accompanying audited financial statements).

Other movements in liabilities include:

- Accounts payable decreased to \$1,107,431, compared to \$1,294,278 on June 30, 2024;
- Current tax liability increased to \$873,647 compared to \$796,016 on June 30, 2024; and
- Future income tax liability increased to \$319,757 compared to \$302,870 on June 30, 2024.

### 3.3. Three-months ended June 30, 2025 and 2024.

The Company recorded a net loss of \$425,467 for the three-months ended June 30, 2025, compared to a net income of \$2,717,036 for the three-months ended June 30, 2024.

- The Company recorded total revenue of \$981,300 for the three-months ended June 30, 2025, a decrease of \$4,092,796 compared to the same period in the prior year. A breakdown of the movement in total revenue is as follows:

- **Distributed Generation Sales** - The Company recorded revenue of \$131,704 from the sale of electricity generated by the Company's portfolio of operating distributed generation projects as compared to \$200,696 in the prior period;
  - **Distributed Generation Financing Income** – The Company recorded revenue of \$16,826 compared to \$Nil in the prior year as a result of the signing of a financial lease with an existing customer that took effect in the current year period;
  - **Project Asset Sale** – The Company recorded revenue of \$400,000 from the sale of the Afton Project compared to \$4,360,000 in the prior year due to the completion of interconnection milestones for the Bouse and Parker Solar and Storage Projects with respect to the Parker and Bouse Sale (refer to Note 12 in the accompanying financial statements);
  - **Utility Scale Electricity Sales** – The Company realized revenue of \$361,936 compared to \$432,752 in the prior year with respect to the operations of the Box Springs wind project; and
  - **Asset Management Income** - The Company recorded revenue of \$74,319 compared to \$80,648 in relation to asset management income generated by WindRiver through the operation of the Hunter Creek and Sakwi Creek hydro projects.
- Total operating expenses for the three-month period ended June 30, 2025, were \$773,584, which were \$468,032 lower than the three-month period ended June 30, 2024. A breakdown of the movements in operating expenses is as follows:
    - Development expenses of \$289 as compared to \$497,164 during the same period in the prior year. This decrease is primarily attributed to the capitalization of development costs that began to take effect in the current year;
    - General and administration expenses increased to \$612,981 as compared to \$497,683 in the prior year period primarily due to salaries and professional fees; and
    - A decrease in depreciation expenses to \$160,314 as compared to \$246,769 in the prior year period due to depreciation adjustments that increased the depreciation in the prior year period.
  - Other items that contributed to the quarterly results for the three-month period ended June 30, 2025, were as follows:
    - Share-based compensation expense increased to \$31,489, compared to \$1,316 in the prior-year period. The increase was primarily due to the quarterly vesting entries for Options granted during the current year; and
    - Interest and royalty expenses decreased to \$210,771, compared to \$428,614 in the prior year period. The decrease is primarily attributable to an adjusting entry done in the prior year period to move capitalized interest costs to interest expense.
  - Other items that contributed to the quarterly results are:
    - Transaction and acquisition costs were \$613, compared to a credit of \$7,009 in the prior year period due to discounts and adjustments recorded in the prior year period;
    - The unrealized gain on derivative instruments of \$26,713 as compared to a loss of \$33,140 in the period ended June 30, 2024, was as a result of the interest swap acquired for the Box Springs project; and



- Recorded a loss of \$213,469 in non-recoverable VAT as compared to \$Nil in the prior year period due to the expiration of VAT receivable in the current year period.
- During the three-month period ended June 30, 2025, the Company observed a foreign exchange loss of \$25,049 compared to a loss of \$978,711 in the period ended June 30, 2024.

### 3.4. Years ended June 30, 2025 and 2024

The Company recorded a net loss of \$2,354,725 for the year ended June 30, 2025, as compared to a net income of \$2,050,009 for the year ended June 30, 2024.

- The Company recorded total revenue of \$3,983,226 for the year ended June 30, 2025, a decrease of \$2,759,071, as compared to the same period in the prior year. The breakdown of the movement in total revenue is as follows:
  - **Distributed Generation Sales** - The Company recorded revenue of \$473,764 from the sale of electricity generated by the Company's portfolio of operating distributed generation projects compared to \$489,401 in the prior year;
  - **Distributed Generation Financing Income** – The Company recorded revenue of \$69,420 compared to \$Nil in the prior year as a result of the signing of a financial lease with an existing customer that took effect in the current year;
  - **Utility Scale Electricity Sales** – The Company realized revenue of \$1,425,446, as compared to \$671,738 in the prior year as a result of the acquisition of the WindRiver utility scale renewable assets acquired in February 2024;
  - **Project Asset Sale** – The Company recorded revenue of \$1,741,869 from the sale of the 3MW combined head and power ("CHP") project and the sale of the 100MW Afton Solar Project, as compared to \$5,450,000 due to milestone payments received for the Parker & Bouse projects in the prior year; and
  - **Asset Management Income** - The Company recorded revenue of \$272,727, as compared to \$131,158 in relation to asset management income generated by WindRiver through the operation of the Hunter Creek and Sakwi Creek hydro projects.
- Total operating expenses for the year ended June 30, 2025, were \$4,240,765, which were \$219,469 higher than the year ended June 30, 2024. A breakdown of the movements in operating expenses is as follows:
  - An increase in general and administration expenses to \$3,464,400 as compared to \$2,779,195 in the prior year period due to consulting activity, legal fees and salaries from newly hired employees in the current year as compared to the prior year;
  - A decrease in development expenses to \$67,168 as compared to \$702,014 in the prior year. This decrease is primarily attributed to the capitalization of development costs that began to take effect in the current year; and
  - An increase in depreciation expenses to \$709,197 as compared to \$540,087 in the prior year due to the addition of distributed generation and utility scale renewable assets which resulted in higher depreciation.
- Other items that contributed to the net loss for the year ended June 30, 2025, were as follows:

- Interest and royalty expenses increased to \$785,908, compared to \$593,867 in the prior year. The increase is primarily attributable to interest incurred on new non-recourse loans granted during the year;
  - The unrealized loss on derivative instruments of \$203,647 as compared to a gain of \$35,682 in the year ended June 30, 2024, was as a result of the interest swap acquired for the Box Springs project;
  - Transaction and acquisition costs increased to \$221,935, compared to \$110,705 in the prior year period due to the Company's continued activity in relation to potential acquisition opportunities; and
  - Recorded a loss of \$213,469 in non-recoverable VAT as compared to \$Nil in the prior year period due to the expiration of VAT receivable in the current year.
- During the year ended June 30, 2025, the Company observed a foreign exchange gain of \$69,714 compared to a loss of \$77,307 in the period ended June 30, 2024.

### 3.5. Liquidity and Capital Resources

As at June 30, 2025, the Company had working capital of \$777,035 (June 30, 2024: deficit of \$1,419,057). The Company has incurred negative cash flows from operations of \$697,004 and recorded loss of \$722,722 for the year ended June 30, 2025 (June 30, 2024: cash flow loss of \$1,480,259 and gain of \$1,234,908, respectively), and has an accumulated deficit of \$10,043,485 as at June 30, 2025 (June 30, 2024: \$7,158,180).

- **Distributed Generation Sales** - The Company generated revenues of \$473,764 from the sale of electricity generated by the Company's portfolio of operating distributed generation projects.
- **Distributed Generation Financing Income** - The Company generated revenues of \$69,420 from the sale of electricity generated by the Company's portfolio of operating distributed generation projects with an existing client that signed a financing lease.
- **Utility Scale Electricity Sales** – The Company generated revenue of \$1,425,446 from the sale of electricity generated by the Company's 51% owned Box Springs Wind project.
- **Project Asset Sale** – The Company recorded revenue of \$1,741,869 from the sale of the 3MW combined heat and power ("CHP") project and the sale of the 100MW Afton Solar Project.
- **Asset Management Income** - The Company generated revenue of \$272,727 in relation to asset management income generated by WindRiver through the operation of the Hunter Creek and Sakwi Creek hydro projects.

The accompanying condensed interim consolidated financial statements have been prepared on the basis of a going concern, which assumes that the Company will realize its assets and discharge its liabilities in the normal course of business. While the Company anticipates it has sufficient capital to meet its current obligations and planned activities for at least twelve months from June 30, 2025, the Company may need to raise additional capital to carry out its long-term objectives. 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.



## 4. Summary of Quarterly Results

| Values shown in US dollars.               | Three-months ended |           |           |             |
|-------------------------------------------|--------------------|-----------|-----------|-------------|
|                                           | June 30,           | Mar 31,   | Dec 31,   | Sept 30,    |
|                                           | 2025               | 2025      | 2024      | 2024        |
|                                           | \$                 | \$        | \$        | \$          |
| Revenue                                   | 981,300            | 1,931,157 | 621,927   | 448,842     |
| Net income (loss)                         | (722,722)          | 137,158   | (908,959) | (1,095,599) |
| Comprehensive income (loss)               | (637,849)          | 1,630,637 | (999,446) | (1,335,713) |
| Basic and diluted income (loss) per share | (0.01)             | 0.03      | (0.02)    | (0.02)      |

  

| Values shown in US dollars.               | Three-months ended |             |           |           |
|-------------------------------------------|--------------------|-------------|-----------|-----------|
|                                           | June 30,           | Mar 31,     | Dec 31,   | Sept 30,  |
|                                           | 2024               | 2024        | 2023      | 2023      |
|                                           | \$                 | \$          | \$        | \$        |
| Revenue                                   | 5,074,096          | 337,439     | 130,882   | 1,199,880 |
| Net income (loss)                         | 3,269,537          | (1,167,546) | (421,257) | 921,776   |
| Comprehensive income (loss)               | 3,728,053          | (859,562)   | (688,947) | 331,124   |
| Basic and diluted income (loss) per share | 0.06               | (0.01)      | (0.01)    | 0.01      |

The comprehensive loss for the period ended September 30, 2024 was primarily driven by a decrease in revenue to \$448,842, combined with higher general operating expenses of \$1,148,188 and other expenses totaling \$313,027, reflecting increased company activity during the period.

The comprehensive loss for the period ended December 31, 2024 was mainly due to an increase in revenue to \$1,070,769, offset by a rise in general operating expenses to \$2,298,177 and other expenses of \$563,822, also reflecting increased company activity.

The comprehensive loss for the period ended March 31, 2025 resulted from an increase in revenue to \$1,931,157, offset by general operating expenses of \$773,584 and other net expenses of \$350,477. The latter included expenses of \$403,484, partially offset by a foreign exchange gain of \$41,266 and interest income of \$11,594.

The comprehensive loss for the period ended June 30, 2025 was largely attributable to a decrease in revenue to \$981,300, combined with cost of sales of \$195,181, general and administrative costs of \$612,981, and other net expenses of \$438,002. These other expenses included a non-recoverable VAT expense of \$213,469 and interest and royalty expenses of \$210,771.

## 5. Outstanding Share Data

### 5.1. Issued and fully paid common shares

As at the date of this MD&A, there were 67,836,116 common shares outstanding. Share capital and equity reserves of \$461,482 were issued for the year ended June 30, 2025.

### 5.2. Escrowed shares

Certain shares were held in escrow pursuant to an Escrow Agreement dated March 7, 2022 (the "Escrowed Shares"). The Escrowed Shares were released as follows (i) 10% of the Escrowed Shares on the date of publication of the TSXV exchange bulletin in respect of the reverse takeover ("RTO"), and (ii) 15% of the Escrowed Shares every nine months thereafter. During the period ended June 30, 2025, the final escrow release was executed and there are no shares held in escrow as of the date of this report.

### 5.3. Incentive share options

As at June 30, 2025, the following share options were outstanding:

| Date of grant     | Options outstanding | Price | Vesting period | Expiry date       |
|-------------------|---------------------|-------|----------------|-------------------|
|                   |                     | C\$   |                |                   |
| November 7, 2022  | 1,050,000           | 0.50  | On grant       | November 7, 2025  |
| May 29, 2024      | 100,000             | 0.50  | 1 year         | May 29, 2027      |
| August 30, 2024   | 400,000             | 0.50  | 1 year         | August 30, 2027   |
| December 16, 2024 | 500,000             | 0.50  | 1 year         | December 16, 2027 |
|                   | <b>2,050,000</b>    |       |                |                   |

As of the date of this report, there were 2,050,000 share options outstanding.

### 5.4. Warrants

On November 16, 2023, as part of the first tranche of the non-brokered private placement unit offering the Company issued 5,267,062 non-transferrable warrants, exercisable at a price of C\$0.45 per share until May 16, 2025. The Company attributed no value to these warrants with all the value being attributed to the common shares the subscriber of the unit offering received. These warrants expired after the period ended June 30, 2025.

On December 22, 2023, as part of the second tranche of the non-brokered private placement unit offering the Company issued 1,147,947 non-transferrable warrants, exercisable at a price of C\$0.45 per share until June 22, 2025. The Company attributed no value to these warrants with all the value being attributed to the common shares the subscriber of the unit offering received.

On January 25, 2024, the Company closed the third and final tranche of a non-brokered private placement for a total of 1,715,542 units at a price of C\$0.285 per Unit. Each unit is comprised of one common share of the Company and one common purchase warrant. Each warrant is exercisable to acquire one additional Common Share at a price of C\$0.45 for a period of eighteen (18) months following the closing date, subject to certain acceleration rights.

On June 23, 2025, in connection with a non-brokered private placement unit offering, the Company issued 4,800,000 non-transferable warrants, each exercisable at a price of \$0.40 per share until June 23, 2027. No value was attributed to the warrants, with the full value of the unit offering allocated to the common shares issued to the subscribers.

As at June 30, 2025, there were 6,515,551 warrants outstanding, and as at the date of this report, there were 4,800,000 warrants outstanding.

The following table summarizes information about warrants outstanding at June 30, 2025:

| Number of Warrants | Exercise Price (C\$) | Expiry Date   |
|--------------------|----------------------|---------------|
| 1,715,542          | 0.45                 | July 25, 2025 |
| 4,800,000          | 0.40                 | June 23, 2027 |
| 6,515,551          |                      |               |

The table below summarizes the outstanding share capital of the Company as at the date of this MD&A:

|               | <b>Shares Issued or Issuable</b> |
|---------------|----------------------------------|
| Common shares | 67,836,116                       |
| Stock options | 2,050,000                        |
| Warrants      | 4,800,000                        |

## 5.5. Deferred share units (“DSUs”)

On July 6, 2022, the Company adopted an Omnibus Employee Incentive Plan (the “Incentive Plan”), which became effective on December 9, 2022, which contemplates the granting of DSUs to certain Participants at the discretion of the Board. On December 5, 2024, the Incentive Plan was re-approved by the Board.

The aggregate number of shares reserved for issuance under the Stock Option and DSU plan may not exceed 10% of the issued and outstanding common shares on the date of grant. The aggregate number of Shares reserved for issuance under the Omnibus Employee Incentive Plan may not exceed 6,303,612 Shares.

As at June 30, 2025, the Company had outstanding DSUs as follows:

| <b>Grant Date</b> | <b>DSUs Granted</b> | <b>Price</b> | <b>Fair Value</b>  | <b>US\$ FX rate at Date of Grant</b> | <b>US\$ Fair Value</b> | <b>Vesting Date</b> |
|-------------------|---------------------|--------------|--------------------|--------------------------------------|------------------------|---------------------|
| March 1, 2024     | 1,140,421           | C\$ 0.24     | C\$ 273,701        | 0.736954                             | \$ 201,705             | March 1, 2025       |
| April 18, 2024    | 335,784             | C\$ 0.30     | C\$ 88,983         | 0.726630                             | \$ 64,658              | April 18, 2025      |
| August 30, 2024   | 308,944             | C\$0.295     | C\$ 91,138         | 0.741434                             | \$ 67,573              | August 30, 2025     |
| December 16, 2024 | 300,957             | C\$0.245     | C\$ 73,735         | 0.702522                             | \$ 51,800              | December 16, 2025   |
| February 26, 2025 | 421,837             | C\$0.205     | C\$ 86,477         | 0.697728                             | \$ 60,337              | February 26, 2026   |
| May 28, 2025      | 421,339             | C\$0.260     | C\$ 109,548        | 0.723385                             | \$ 79,245              | May 28, 2026        |
|                   | <b>2,929,282</b>    |              | <b>C\$ 723,581</b> |                                      | <b>\$ 525,318</b>      |                     |

## 6. Related Party Transactions

Included within management fees, directors’ fees, and salaries are amounts paid to key management personnel, defined as individuals who have authority and responsibility for planning, directing, and controlling the activities of the Company. The Company has determined that key management personnel include the members of the Board of Directors and the Company’s corporate officers.

During the year ended June 30, 2025, key management personnel compensation, including directors and officers, was comprised of \$1,226,665 (June 30, 2024: \$1,070,716), of which \$46,024 related to share based compensation, \$22,383 related to prior year accrued directors fees were paid in cash, \$309,137 related to current directors’ fees, in which \$73,536 are accrued, \$216,676 were issued in the form of a deferred share unit grant, and \$18,925 were paid in cash, and \$871,504 related to management, consulting, administrative and accounting fees, and salaries (June 30, 2024: \$73,815, \$Nil, \$317,918, \$100,817, \$216,676, \$Nil and \$752,798, respectively).

As at June 30, 2025, amounts included in accounts payable and accrued liabilities due to related parties was \$76,860 (June 30, 2024: \$132,029), of which \$68,873 will be met via share-based compensation and not cash (June 30, 2024: \$117,730).

Craig Lindsay, a director of the Company, beneficially subscribed for 100,000 Units under the Offering (refer to Note 21 in the accompanying financial statements) for aggregate gross proceeds of \$25,000.

## 7. Critical Accounting Policies and Estimates

The Company has prepared the accompanying condensed interim consolidated financial statements in accordance with IFRS. Significant accounting policies are described in Note 2 of the Company's financial statements as at June 30, 2025, except for newly adopted accounting policies as noted below, if any.

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.

## 8. Financial instruments and Financial Risk Management

### ***Financial Instruments***

The Company's financial instruments consist of investments, cash, receivables, interconnection and security deposits and accounts payable.

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar

assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

As at June 30, 2025, the fair values of the Company's financial instruments approximate their carrying values due to the relatively short-term maturity of these instruments or market rates of interest.

### ***Financial Risk Management***

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

#### ***Liquidity risk***

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The WindRiver acquisition has brought to the Company a recurring source of income to settle its current liabilities. WindRiver has secured long-term power purchase agreements ("PPA") with the local utilities in the jurisdictions where its projects operate. As at June 30, 2025, the Company had a cash balance of \$1,267,082 (June 30, 2024 - \$3,181,827) to settle current liabilities of \$5,569,921 (June 30, 2024 - \$8,924,202). Most of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms, except for the RE Royalty Ltd. loans and the Box Springs loan and the Vancity loan (refer to Note 19 in the audited financial statements).

#### ***Credit risk***

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash, sales tax receivable and deposits. The Company limits its exposure to credit loss by placing its cash with major financial institutions. Majority of the sales tax receivable arose from refundable sales tax from government taxation authorities in Mexico.

### Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity prices.

### Interest rate risk

As of June 30, 2025, the Company has a cash balance of \$1,267,082 (June 30, 2024 - \$3,181,827) and fixed interest-bearing loans as follows:

| US\$ loan amount | C\$ loan amount | Maturity date    | Fixed interest rate | Interest rate swap | Credit spread |
|------------------|-----------------|------------------|---------------------|--------------------|---------------|
| \$ 967,119       | \$ 1,323,000    | July 31, 2025    | 13% p.a.            | -                  | -             |
| \$ 909,647       | \$ 1,244,379    | July 31, 2025    | 13% p.a.            | -                  | -             |
| \$ 303,367       | \$ 415,000      | March 20, 2026   | 12% p.a.            | -                  | -             |
| \$ 2,681,911     | \$ 3,668,800    | January 29, 2034 | 9.25% p.a.          | -                  | -             |
| \$ 4,147,813     | \$ 5,674,125    | March 8, 2030    | 4.61% p.a.          | 2.46%/2.80%        | 2.15%*        |

\*The credit spread of 2.15%, is fixed until March 8, 2030.

On January 29, 2025, the Company entered into a 9-year loan facility with a 9.25% fixed interest rate with Vancity Capital Corporation ("Vancity") to refinance the \$2,761,245 (CA\$3,968,800) for the WindRiver acquisition loan originally provided by RE Royalties.

Subsequent to year ended June 30, 2025, the first three loans listed above were combined into one loan agreement and the maturity date was further extended to July 31, 2026. Effective July 31, 2025, the interest rate on the consolidated loan is 13%.

Since all the loans have fixed interest rates, the Company is not significantly exposed to interest risk in the event of interest risk fluctuations.

### Foreign currency risk

The Company has operations in Canada, the Republic of Ireland, Mexico, and the USA and is therefore exposed to foreign exchange risk arising from transactions denominated in foreign currencies including revenues earned in Mexican Pesos, US Dollars and loan facilities in Canadian Dollars. The operating results and the financial position of the Company are reported in US dollars. The fluctuations of the operating currencies in relation to the US dollar will, consequently, have an impact upon the reported results of the Company and may also affect the value of the Company's assets and liabilities. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risk. The Company held a cash position of €8,502 in Euros, MXN\$4,189,851 in Mexican Peso, US\$21,992 and of C\$1,125,307 as of June 30, 2025, with the effect on profit or loss before tax of a 10% fluctuation to the US dollar would not be material.

### Price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices and the stock market to determine the appropriate course of action to be taken by the Company.

## 9. Risk and Uncertainties

The operations of the Company are speculative due to the high-risk nature of its business, which includes the acquisition, financing, development and operation of renewable energy projects. These risk factors could

materially affect the Company's future operations and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. The risks and uncertainties incorporated in this section by reference are not exhaustive but are considered by management to be the most important in the context of the Company's business.

#### *Development Activities and Going Concern*

While the Company has a history of profitable operations, the majority of its present portfolio of projects are still under development with no certainty on the likelihood of generating future profits for the Company. As such, the Company is subject to many risks including under-capitalization, cash shortages, and limitations with respect to personnel, financial and other resources and the lack of revenue. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the current stage of development of its portfolio of development projects.

The Company is currently actively seeking various sources of future revenue in order to maintain operations and seek further growth and expects to obtain financing in the future primarily through further equity and/or debt financing, as well as through joint venturing and/or optioning out the Company's projects to other larger companies operating in the renewable energy sector. With the acquisition of WindRiver, the Company has and will have a recurring source of income from the operations of the wind and hydro projects in Canada as these projects have long-term power purchase agreements for the sale of electricity.

The Company expects to incur further losses in the development of its business particularly as it relates to its expansion plans for the US and Canadian markets, all of which cast doubt on the Company's ability to continue as a going concern. It is expected that the Company will require additional financing in order to meet ongoing levels of corporate overhead, discharge its liabilities as they come due, to make further investments in both its current active project development portfolio and to take advantage of future growth opportunities. The ability of the Company to arrange such financing in the future will depend in part upon prevailing capital market conditions, as well as upon the business success of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing, or that such financing will be available on terms satisfactory to the Company. If additional financing is raised by the issuance of shares or other forms of convertible securities from treasury, control of the Company may change, and shareholders may suffer additional dilution. Failure to raise additional financing on a timely basis could cause the Company to suspend its operations and eventually to forfeit or sell its interest in one or more of its project development or operating assets.

#### *Dependence on Management and Key Personnel*

The Company depends on the business and technical expertise of its management team and there is little possibility that this dependence will decrease in the near term. The Company's success will depend in large measure on certain key personnel. The loss of the services of such key personnel may have a material adverse effect on the Company's business, financial condition, results of operations and prospects. The contributions of the existing management team are likely to be of central importance. In addition, the competition for qualified personnel in the Company's industry is significant and there can be no assurance that the Company will be able to continue to attract and retain all personnel necessary for the development and operation of its business. Investors must rely upon the ability, expertise, judgment, discretion, integrity, and good faith of the management of the Company. To mitigate these risks, the Company is committed to continually strengthening its management team to support its strategic goals and business growth.

#### *Economic Conditions*

Current and future unfavorable economic conditions could negatively impact the Company's financial viability. Unfavorable economic conditions could also increase the Company's financing costs, decrease net income or increase net loss, limit access to capital markets and negatively impact the availability of financing for the Company.



### *Regulations, Permits and Licenses*

The Company's operations are principally based in the US, Canada and Mexico where it is subject to various laws and regulations governing the electricity sector, the protection of the environment and government policy. The Company requires permits, licenses and authorizations from various Federal, State and local authorities within these countries and such operations are governed by laws and regulations applicable for the development, construction and operation of renewable electricity generation facilities. The Company believes that it is in substantial compliance with all material laws and regulations which currently apply to its activities.

There can be no assurance that all permits, licenses and authorizations which the Company may require for its project operational and development activities will be obtainable on reasonable terms or on a timely basis or that such laws and regulations would not have an adverse effect on any renewable energy project which the Company might undertake.

In addition, the Company's project development activities require the submission and approval of environmental impact assessments and reports as well as ongoing environmental monitoring for its operational projects. Environmental legislation is evolving in the direction of stricter standards and enforcement, and higher fines and penalties for noncompliance. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to increase the development cost associated with any project being undertaken by the Company. The Company intends to fully comply with all environmental regulations.

Finally, laws, regulations and support for renewable power generation can potentially change with new governments at federal, state, provincial and local levels, and these changes could have either an adverse, neutral or positive impact on the Company's operations.

### *Competition and Agreements with Other Parties*

The renewable energy industry is highly competitive in all its phases, and the Company competes with other companies that have greater financial resources and technical capacity. Competition could adversely affect the Company's ability to secure suitable project sites, secure interconnection capacity as well as generally affect the future prospects of the Company.

### *Customer Concentration*

The Company has established recurring revenue stream through the acquisition and construction of various distributed generation and utility scale operating projects. While the Company continues to diversify this revenue stream it currently relies on a small number of customers for the revenue generated through these projects. The Company also signed a MIPA for the sale of its Parker Solar and Storage Project and its Bouse Solar and Storage Project, with payments of \$6,200,000 received to date and further consideration to be received as certain development milestones are reached. In February 2024, the Company has established a revenue stream with the acquisition of the WindRiver hydro and wind projects in the Provinces of British Columbia and Alberta, in Canada.

### *Currency Risks*

The principal business activities of the Company will be denominated in Mexican pesos and US and Canadian dollars. As a result, the cost of the Company's ongoing activities will be affected by currency fluctuations between the US dollar, the Canadian dollar and the Mexican peso in particular.

### *Epidemics and Pandemics*

The spread of any outbreak has caused and could continue to cause severe disruptions in the global economy and financial markets and could potentially create future widespread business continuity issues of an as yet unknown magnitude and duration.

The actual or potential threatened spread of any pandemic or epidemic globally could adversely affect global economies and financial markets resulting in a prolonged economic downturn. The extent to which any disease, epidemic or pandemic impacts business activity or financial results, and the duration of any such negative impact, will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning current epidemics and the actions required to contain or treat its impact.

We continue to closely monitor the potential impact of any potential pandemic or epidemic on our financial results and cash flows at a Company and project level and at present do not expect any significant impact.

## **10. Off-Balance Sheet Arrangements**

In 2023, the Company began the second phase of the interconnection process for its Vernal BESS project. PacifiCorp, formerly Pacific Power & Light Company, a transmission system operator, confirmed that the upgrade costs for the Vernal BESS project were \$1.87 million dollars less \$60,000 in deposits made. To meet PacifiCorp's requirement for financial security equal to the upgrade costs from phase 1, the Company secured a Surety Bond Agreement for \$1.8 million and provided \$724,000 in cash as collateral. In the fiscal year ended June 30, 2024, the Company changed security providers and successfully reduced the cash collateral to \$452,500.

During the year ended June 30, 2025, as part of Tri-State Generation and Transmission Association Inc.'s ("Tri-State") network upgrade requirements under the interconnection process for the Primus Wind project, the Company was required to provide financial security in the form of a surety bond in the amount of \$2,546,502. To meet this requirement, the Company entered into a Surety Bond Agreement with a surety provider, posting \$636,626 in cash as collateral.

On January 6, 2025, the Company announced the closing of a \$2,900,000 Account Performance Security Guarantee ("APSG") facility with EDC, which was later increased to \$4,500,000 on January 23, 2025. The Company used this facility to replace the surety bonds previously issued to PacifiCorp and Tri-State with Irrevocable Letters of Credit ("iLoCs"), resulting in the release of \$1,089,126 in previously posted cash collateral.

## **11. Proposed Transactions**

The Company does not have any proposed transactions as at June 30, 2025, other than what has already been disclosed in the subsequent event section above.

## **12. Management's Report on Internal Control over 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 audited annual consolidated financial statements and respective accompanying MD&A. 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.sedar.com](http://www.sedar.com).