EDISON MOTORS

EDISON MOTORS LTD.
2815 Donald Road
Golden, BC
Canada

edisonmotors.ca

Offering Memorandum

A PRIVATE PLACEMENT OFFERING OF COMMON SHARES
TO QUALIFIED PURCHASERS IN CANADA

August 15, 2025

THIS OFFERING MEMORANDUM CONSTITUTES AN OFFERING OF SECURITIES ONLY IN THOSE JURISDICTIONS AND TO THOSE PERSONS TO WHOM THEY MAY BE LAWFULLY OFFERED FOR SALE.

THIS OFFERING MEMORANDUM SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THE SECURITIES IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL.

THIS OFFERING MEMORANDUM IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, A PROSPECTUS OR ADVERTISEMENT OR A PUBLIC OFFERING OF THESE SECURITIES.

THIS COVER PAGE IS PROVIDED FOR REFERENCE ONLY AND DOES NOT FORM PART OF THE OFFERING MEMORANDUM.

THE FOLLOWING IS A SUMMARY ONLY AND IS QUALIFIED IN ITS ENTIRETY BY THE MORE DETAILED INFORMATION APPEARING ELSEWHERE IN THIS OFFERING MEMORANDUM.

Form 45-106F2
Offering Memorandum for Non-Qualifying Issuers

Date: **August 15, 2025**

THE ISSUER

Full legal name	EDISON MOTORS LTD.
Head office address	2815 Donald Road, Golden, British Columbia, V0A 1H1, Canada
Phone number	1 (867) 536-5053
Website address	edisonmotors.ca
Email address	eric.little@edisonmotors.ca
Currently listed or quoted?	No. **These securities do not trade on any exchange or market.**
Reporting issuer?	No.

THE OFFERING

Securities offered	Common shares	see **Item 5.1**
Price per security	$55.00	
Minimum offering amount	**There is no minimum. You may be the only purchaser.**	
Maximum offering amount	$20,000,035.00 (363,637 Common shares)	
Minimum subscription amount	$275.00 (five (5) Common shares) per purchaser	
Payment terms	Via the selling agent's platform to be held in trust until a Closing.	see **Item 5.2**
Proposed closing date(s)	On one or more dates from time to time at the discretion of the Issuer.	

INSUFFICIENT FUNDS see **Item 2.6**

Funds available under the Offering may not be sufficient to accomplish the proposed objectives.

COMPENSATION PAID TO SELLERS AND FINDERS see **Item 7**

A person has received or will receive compensation for the sale of securities under this Offering.

RESALE RESTRICTIONS see **Item 10**

You will be restricted from selling your securities for an indefinite period.

PURCHASER'S RIGHTS see **Item 11**

You have two (2) business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this Offering Memorandum, you have a right to damages or to cancel the agreement to purchase these securities.

HIGH RISK INVESTMENT see **Item 8**

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence. This is a risky investment.

All dollar amounts ($) in this Offering Memorandum are expressed in Canadian Dollars unless otherwise indicated.

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OFFERING MEMORANDUM
TERMS AND CONDITIONS

The Offering

EDISON MOTORS LTD. ("**Edison**", **Edison Motors**", "**we**", "**us**", "**our**", or the "**Issuer**") has certified this Form 45-106F2 *Offering Memorandum for Non-Qualifying Issuers* dated as of August 15, 2025 (the "**Offering Memorandum**"), in respect of an offering of up to 363,637 Common shares in the capital of the Issuer (the "**Offered Securities**") at a price per security of $55.00 for gross proceeds of up to $20,000,035 (the "**Offering**"), available only under the prospectus exemption as is set out by section 2.9 *Offering Memorandum* (the "**OM Exemption**") of National Instrument 45-106 *Prospectus Exemptions* ("**NI 45-106**").

All offers to subscribe for the Offered Securities (a "**Subscription**") are conditional upon the Issuer's receipt from the purchaser of the aggregate purchase price for the number of Offered Securities to be purchased thereby (the "**Subscription Amount**") and are subject to the terms and conditions of the final and binding purchase agreements, including any accessions, acknowledgements, certificates, instruments, and schedules thereof (the "**Subscription Agreement**"). The Issuer is not obligated to accept any Subscription and may reject a Subscription (in part or in full) for any or no reason. Subscription Amounts rejected shall be returned without interest.

Notwithstanding, the Issuer may raise funds, under such terms of this Offering or otherwise, pursuant to other available exemptions from the requirement to produce a prospectus without the use of this Offering Memorandum or any "offering memorandum" as defined in applicable securities law.

The Offering Memorandum

This Offering Memorandum is not and under no circumstances is to be construed as, a prospectus or advertisement or a public offering of the securities by the Issuer or any person. This Offering Memorandum is not intended or permitted for general distribution, and if you have received this Offering Memorandum other than as directly provided by the Issuer or a duly appointed sales agent, **then you have not been delivered a valid Offering Memorandum and are not entitled or eligible to rely upon any information contained herein**. This Offering Memorandum is only for the use of prospective purchasers under the OM Exemption and the Issuer will furnish a certificate and receipt to be signed by you acknowledging your entitlement and receipt of such, and without such certificate and receipt, you are not entitled to rely on this Offering Memorandum, nor upon any rights provided to purchasers under the OM Exemption. Any other use is hereby expressly prohibited, and this Offering Memorandum shall not have the meaning ascribed to such under any applicable securities law.

This Offering Memorandum has been prepared in accordance with the requirements as set forth in the OM Exemption and does not purport to provide the disclosure or information as may be available under a prospectus or any other prescribed offering statement. **Other than the Issuer's financial statements for the years ended December 31, 2024, and December 31, 2023, all information in this Offering Memorandum is unaudited.**

Purchasers should rely only on the information contained in this Offering Memorandum and should not rely on some parts of this Offering Memorandum to the exclusion of others. No person is authorized to give any information or to make any representation not contained in this Offering Memorandum, and any information or representation other than those contained herein must not be relied upon. Any such information or representation which is given or received must not be relied upon. This Offering Memorandum contains summaries of the proposed terms of this Offering and of certain documents related to this Offering. Reference should be made to the actual documents for complete information concerning the rights and obligations of the parties thereto, and all such summaries are qualified in their entirety accordingly. Copies of certain documents referred to herein are available upon request to the Issuer at eric.little@edisonmotors.ca.

Links and OM Marketing Materials

This Offering Memorandum contains bookmarks, hyperlinks, machine-readable text, and other digital features enabled through Portable Document Format (PDF) programs or tools. Hyperlinks and bookmarks ("**Links**") are electronic navigational elements that act as clickable shortcuts, redirecting users to a website or a designated section within the Offering Memorandum. Links are typically identifiable, but not always, by specified anchor text, Text Chips, **coloured** or underlined text, or other applicable typeface in this Offering Memorandum. Links may lead to websites, documents, or resources that are not under our direct control or to a page, item, or section of this Offering Memorandum other than as was intended or may simply not function as desired. Notwithstanding, some or all Links may be automatically removed from the formatting of this Offering Memorandum by anti-virus software used to open the file, or if this Offering Memorandum is being viewed as a part of a Subscription Agreement (by the digital signature tool, Dropbox Sign). We provide Links for your convenience only and as a means to offer supplemental information. Links and any such external content therefrom do not form part of this Offering Memorandum. We do not endorse, guarantee, or assume responsibility for the accuracy, relevance, or completeness of the information contained in these third-party websites nor the functioning of any Link herein.

For purchasers resident in and/or otherwise subject to the securities law of Alberta, New Brunswick, Nova Scotia, Ontario or Saskatchewan, incorporated into and forming part of this Offering Memorandum shall be any written communication, other than an "OM standard term sheet" (as defined in NI 45-106) or any Links, intended for prospective purchasers under the OM Exemption that contains material facts relating to the Issuer, the Offered Securities or the Offering (the "**OM Marketing Materials**"). Any statement contained in OM Marketing Materials shall be deemed to be modified or superseded for the purposes of this Offering Memorandum to the extent that a statement contained herein or in any other subsequent document which also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that was required to be stated or that was necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Memorandum.

Warning about Forward-Looking Information

This Offering Memorandum contains "forward-looking information" and statements within the meaning of applicable securities laws in Canada. Forward-looking information may relate to anticipated events or results and may include information regarding the Issuer's financial position, business strategy, growth plans, budgets, operations, financial results, taxes, dividend and redemption policies, plans, and objectives. Particularly, information regarding the Issuer's expectations of future results, performance, achievements, prospects, or opportunities or the markets in which the Issuer operates is forward-looking information. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as 'plans', 'targets', 'wants', 'expects' or 'does not expect', 'is expected', 'an opportunity exists', 'budget', 'scheduled', 'estimates', 'outlook', 'forecasts', 'projection', 'prospects', 'strategy', 'intends', 'anticipates', 'does not anticipate', 'believes', or variations of such words and phrases or state that certain actions, events or results 'may', 'could', 'would', 'might', 'will', 'will be taken', 'occur' or 'be achieved' or similar expressions, but in any case, specifically in this Offering

Memorandum includes information provided in **Item 1: Use of Available Funds**, **Item 2: Business of the Issuer and Other Information and Transactions**, **Item 3: Compensation and Security Holdings of Certain Parties**, **Item 4: Capital Structure**, **Item 5: Securities Offered**, **Item 7: Compensation Paid to Sellers and Finders**, **Item 8: Risk Factors**, **Item 9: Reporting Obligations**, **Item 10: Resale Restrictions**, **Item 11: Purchasers' Rights** and elsewhere as the case may be, and includes, without limitation, statements regarding the amount of proceeds expected to be raised under the Offering; the Issuer's intended use of proceeds from the Offering; the expected timeline for development of the Issuer's products; the products currently being developed by the Issuer and their anticipated operations and features; the anticipated growth of the heavy-duty truck market; the expected regulatory acceptance in Canada and the United States of the Issuer's plug-in hybrid truck and other products; the Issuer's ability to obtain product certifications and other regulatory approvals; the construction of the Issuer's new manufacturing facility, including the expected timing and cost thereof; the expected production capacity of the new facility; the planned rollout of the Issuer's products and services; the Issuer's short-term and long-term business objectives; and the potential number of orders under the MOUs for truck production.

Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates, and projections regarding future events or circumstances. By its nature, forward-looking statements and information involve numerous assumptions, known and unknown risks, and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements and information or contribute to the possibility that predictions, forecasts, or projections will prove to be materially inaccurate. Although the Issuer believes that the expectations reflected in such forward-looking information are reasonable, such information involves risks and uncertainties, and undue reliance should not be placed on such information, as unknown or unpredictable factors could have material adverse effects on future results, performance or achievements of the Issuer.

The statements containing forward-looking information in this Offering Memorandum are based on a number of material factors and assumptions, including, without limitation, that the Issuer will be able to successfully complete the Offering on the terms anticipated; that the proceeds of the Offering will be sufficient to fund the Issuer's near-term objectives; that the Issuer will be able to design, develop, manufacture and commercialize its diesel and plug-in hybrid trucks in the timeframes and at the costs currently expected; that the Issuer will be able to obtain all required regulatory approvals, certifications and permits on commercially reasonable terms; that market demand for heavy-duty trucks, including diesel and plug-in hybrid models, will develop as expected; that skilled labour, materials and manufacturing equipment will be available at anticipated prices; that the Issuer will be able to enter into and maintain strategic relationships with suppliers, distributors and customers; and that there will be no material adverse changes in general economic, political or market conditions, including interest rates, inflation and foreign exchange rates. While management considers these assumptions to be reasonable, based on information available, they may prove to be incorrect. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These risks, uncertainties and other factors include, but are not limited to risks associated with general economic conditions; adverse industry events; interest rate fluctuations; inflation and rising input and manufacturing costs; loss of markets; inability to access sufficient capital from internal and external sources and/or on favourable terms; the EV and heavy-duty trucking industry generally; income tax and regulatory matters; the ability of the Issuer to implement its business strategies; competition; currency and macroeconomic trends; changes in government regulations; cost of goods subject to import tariffs and potential changes to those tariffs depending on the jurisdiction from which subject goods are imported; changes in government purchase

incentive programs; cost overruns or delays in constructing the new facility and the other risks discussed in **Item 8: Risk Factors** of this Offering Memorandum. Although the Issuer has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended and the foregoing factors are not intended to be exhaustive.

Forward-looking statements contained herein are made as of the date hereof and the Issuer and its directors, officers and employees disclaim any obligation to update or revise any forward-looking statements, 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. While management is not aware of any misstatements regarding any industry data or comparables presented herein, industry data and comparables are subject to change based on various factors. The Issuer has not independently verified any of this data from independent third-party sources. Accordingly, you should not place undue reliance on forward-looking statements due to the inherent uncertainty therein.

All forward-looking information is expressly qualified in its entirety by these cautionary statements.

Glossary of Terms Used in This Offering Memorandum

Certain words, terms and acronyms used in this Offering Memorandum, unless the context requires otherwise, have the meanings provided in the section of this Offering Memorandum or other source as indicated below.

Term	*Meaning provided in (or acronym)*	Term	*Meaning provided in (or acronym)*
Act	Item 2.1 ***Structure***	**NI 45-106**	*The Offering* (**Terms and Conditions**)
Class 5 Kit	*Current Operations* (**Item 2.2**)	**NSM**	**N**ational **S**afety **M**ark
Closing	*Closings* (**Item 5.2**)	**Offered Securities**	*The Offering* (**Terms and Conditions**)
CMVSS	**C**anada **M**otor **V**ehicle **S**afety **S**tandard	**Offering**	*The Offering* (**Terms and Conditions**)
Control person	*Securities Act* (British Columbia)	**Offering Memorandum**	*The Offering* (**Terms and Conditions**)
CRA	**C**anada **R**evenue **A**gency	**Offering Page**	Item 5.2 ***Subscription Procedure***
Director	*Securities Act* (British Columbia)	**Officer**	*Securities Act* (British Columbia)
ECCC	**E**nvironment and **C**limate **C**hange **C**anada	**OM Exemption**	*The Offering* (**Terms and Conditions**)
EMD	**E**xempt **M**arket **D**ealer	**OM Marketing Materials**	*Links* (**Terms and Conditions**)

TERMS AND CONDITIONS

Term	*Meaning provided in (or acronym)*	Term	*Meaning provided in (or acronym)*
EPA	**E**nvironmental **P**rotection **A**gency	**Options**	Item 3.1 ***Compensation and Securities***
EV	**E**lectric **V**ehicle	**Promoter**	*Securities Act* (British Columbia)
FMVSS	**F**ederal **M**otor **V**ehicle **S**afety **S**tandard	**R&D**	**R**esearch and **D**evelopment
Foundation	Item 2.1 ***Structure***	**Subscription**	*The Offering* (**Terms and Conditions**)
FrontFundr	*FrontFundr Agreement* (**Item 2.8**)	**Subscription Agreement**	*The Offering* (**Terms and Conditions**)
FrontFundr Agreement	*FrontFundr Agreement* (**Item 2.8**)	**Subscription Amount**	*The Offering* (**Terms and Conditions**)
GVWR	**G**ross **V**ehicle **W**eight **R**ating	**Trustee Voting Rights**	*Voting Rights* (**Item 5.1**)
Lands	*New Facility Agreement* (**Item 2.8**)	**Voting Trust Accession**	*Voting Rights* (**Item 5.1**)
MOU	**M**emorandum **o**f **U**nderstanding	**Voting Trust Agreement**	*Voting Trust Agreement* (**Item 2.8**)
NEM	**N**ational **E**missions **M**ark	**Voting Trustee**	*Voting Trust Agreement* (**Item 2.8**)
New Facility	Item 2.2 ***The Business***	**ZEV**	**Z**ero-**E**mission **V**ehicle

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Item 1: Use of Available Funds

1.1 *Funds*

Table 1.1.1 below provides the net funds expected to be available to the Issuer after completion of this Offering.

Table 1.1.1 ***Funds***

		Min. Offering	Max Offering
A	Amount to be raised by this offering	$ 0	$ 20,000,035
B	Selling commissions and fees [(1)]	$ 0	$ 1,000,002
C	Estimated offering costs [(2)]	$ 75,500	$ 123,000
D	Available funds: D = A – (B + C) [(3)]	$ 0	$ 18,877,033
E	Additional sources of funding required	$ 0	$ 0
F	Working capital deficiency	$ 0	$ 0
G	Total available funds from this offering: **G = (D + E) – F**	$ 0	$ 18,877,033

(1) We may pay a commission between 2.0% and 5.0% to certain sellers. For the purposes of this **Table 1.1.1**, the maximum rate has been assumed. See **Item 7: Compensation Paid to Sellers and Finders** for additional information.

(2) Including (i) legal, accounting and audit fees incurred in the preparation of this Offering and (ii) non-commission offering costs, service fees, and closing and regulatory fees paid, payable or expected in connection with this Offering.

(3) Estimated offering costs in the minimum Offering have been paid and will not require any additional source of funding.

1.2 *Use of Available Funds*

Table 1.2.1 below provides a breakdown of how the Issuer intends to use the total available funds from **Table 1.1.1**.

Table 1.2.1 ***Use of Available Funds***

Description of intended use of available funds, listed in order of priority	Min. Offering	Max Offering
Construction, buildout, and setup of the New Facility	$ 0	$ 4,719,258
Production of additional Class 8 prototype trucks	$ 0	$ 1,887,703
General and administrative, including salaries and working capital	$ 0	$ 1,887,703
Capital reserves	$ 0	$ 10,382,368
Total: Equal to **G** in **Table 1.1.1** ***Funds*** above	$ 0	$ 18,877,033

Item 2: Business of the Issuer and Other Information and Transactions

2.1 *Structure*

EDISON MOTORS LTD. was incorporated on October 5, 2021, under the *Business Corporations Act* (British Columbia) (the "**Act**").

On May 11, 2024, under the *Societies Act* (British Columbia), CHACE FOR A BETTER TOMORROW SOCIETY (the "**Foundation**") was formed, with the initial and current directors being Chace Barber, Eric Little, and Ray Matkin, all of whom are also directors of the Issuer, and the initial and sole member being the Issuer. On June 12, 2025, the Foundation's application to be a registered charity (Private Foundation) under the *Income Tax Act* (Canada), and accompanying tax-exempt status, was approved by the Canada Revenue Agency (**CRA**), and in connection therewith, on June 16, 2025, its name was changed to "EV CHALLENGE SOCIETY". In accordance with the *Societies Act* (BC) and the Foundation's constitution thereunder, its purpose is "*carrying on a business to advance or support commercial and work vehicle electrification, clean technology adoption and renewable energy infrastructure development in British Columbia for the benefit of society and future generations*" while also "*not hav[ing], as one of its purposes, the carrying on of a business for profit or gain*".

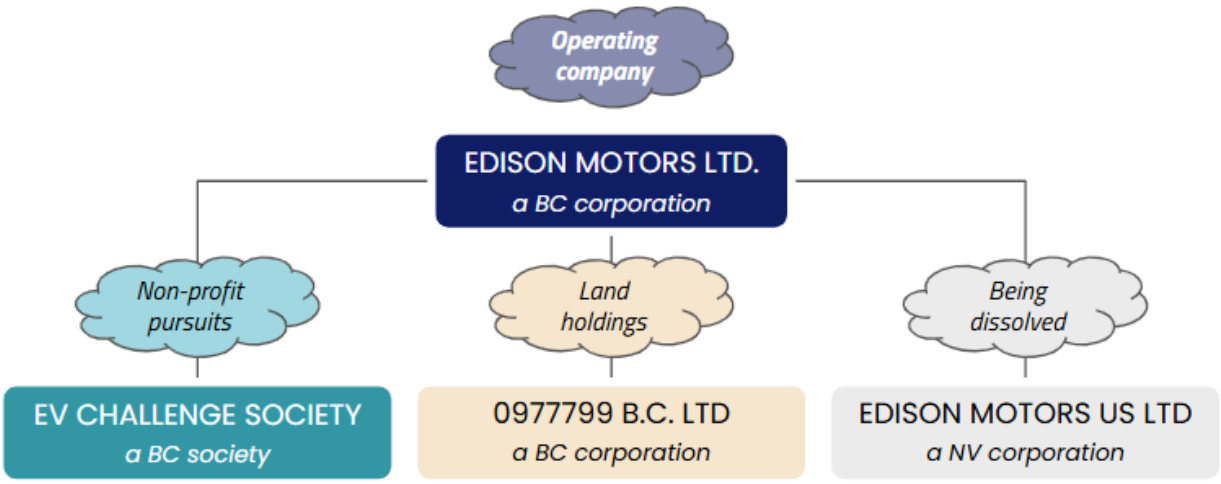
See also "***The Foundation***" in **Item 2.2**

We also have a wholly owned subsidiary, 0977799 B.C. LTD., incorporated under the Act on August 14, 2013, with the current directors being Chace Barber and Eric Little, and sole shareholder being the Issuer. 0977799 B.C. LTD. was acquired in December 2024 in connection with the purchase of the New Facility (defined below), and holds land and other associated assets.

See also "***New Facility Agreement***" in **Item 2.8**

In addition, we have a wholly owned subsidiary, EDISON MOTORS US LTD, incorporated under the *Nevada Revised Statutes* on December 5, 2023, for the purpose of securing a client transaction. In 2025, the client transaction was discontinued and as a result, management is in the process of the dissolution of EDISON MOTORS US LTD.

Figure 2.1.1 ***Corporate Org Chart***



2.2 *The Business*

This section contains forward-looking information.
See ***Warning about Forward Looking Statements*** at the beginning of this Offering Memorandum.

We are an early-stage Canadian original equipment manufacturer (OEM) of commercial trucks. The company is focused on the production of Class 5-8 vocational vehicles and truck chassis for fleet operators, servicing the resource, utility and construction industries in North America. We manufacture vehicles on our recently acquired 305-acre industrial facility at 2815 Donald Road, Golden, BC (the "**New Facility**").

Our immediate focus is launching a Tier 4-emissions-compliant (see "***Regulatory Environment***" below) Class 8 diesel truck in 2026. In parallel, we are developing a hybrid diesel-electric version of the same truck platform, with pilot units expected to be complete by year-end 2025. Both models share a common chassis, cab and components, simplifying manufacturing and testing of product lines. The hybrid platform, which behaves similarly to that of an electric vehicle (**EV**), leverages a diesel engine smaller than conventional trucks of equivalent weight rating to exclusively recharge batteries during vehicle operation. This *Edison Make* diesel-electric platform leverages all key benefits of EV technology; requiring less fuel to operate, higher motor efficiency, regenerative braking, higher torque, and quiet operation on work sites than conventional diesel trucks.

Industry and Market

In Canada (and similarly in the United States (**U.S.**) and elsewhere), vehicles are categorized by towing and payload capacity in pounds under a gross vehicle weight rating (**GVWR**) system with eight classes. Commercial trucks are generally Class 5 and above, and classified as medium or heavy duty.

Figure 2.2.1 ***GVWR and Market*** *(CA & U.S.)* [1]

	GROSS VEHICLE WEIGHT (LBS)	MARKET SIZE	
CLASS 5 medium duty	16,001 - 19,500	6,000,000 32,000,000	
CLASS 6 medium duty	19,001 - 26,000	2,000,000 13,000,000	
CLASS 7 heavy duty	26,000 - 33,000	1,500,000 10,000,000	
CLASS 8 heavy duty	33,000 - 80,000+	500,000 3,000,000	

Within the automobile manufacturing industry, we operate in the clean technology sector of the heavy-duty trucking and transportation segment, focusing on hybrid and diesel trucks designed for vocational use, such as logging and hauling. This industry has traditionally been dominated by diesel-powered trucks from established manufacturers like *Freightliner*, *Peterbilt* and *Volvo Trucks*,

[1] "*Truck market 2024: Class 4-8 anticipated growth in North America*" (09/2024). S&P Global Mobility.

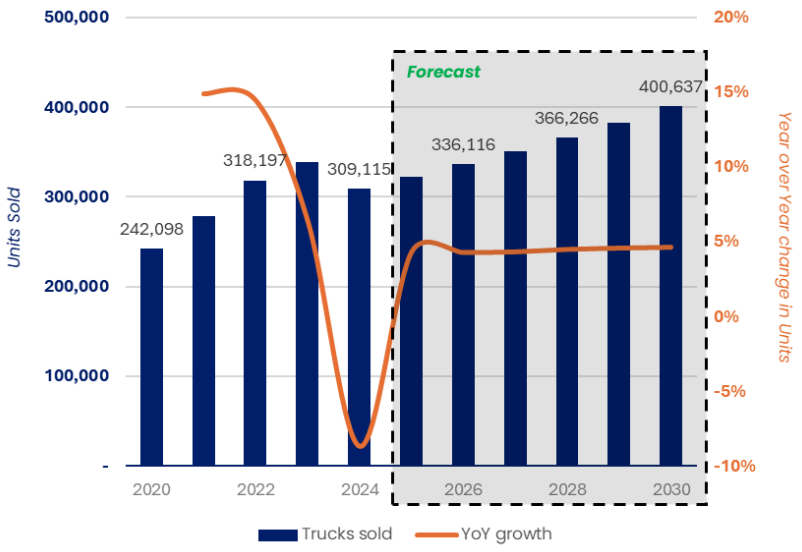
each with extensive brand recognition, dealer networks, and production capacity, as further described below. With increasing regulatory pressure and demand for reduced emissions, a shift toward electric and hybrid solutions is emerging across the industry. [2]

Freightliner Daimler Truck	Freightliner is the market leader in Class 8 trucks across North America, offering a broad range of long-haul, regional, and vocational models. As a subsidiary of Daimler Truck, with 460,409 trucks sold in 2024, Freightliner benefits from a global research and development (**R&D**) network and extensive dealer infrastructure. It has recently invested in electric (eCascadia) and is piloting hydrogen fuel cell enabled models (GenH2).
Peterbilt PACCAR	Peterbilt is a premium truck brand with strong brand loyalty, especially in vocational and long-haul segments. As part of PACCAR, which delivered 185,300 trucks in 2024, it benefits from shared platforms with sister brand Kenworth. Peterbilt offers both conventional diesel and electric drivetrains (Model 220EV and 579EV), and in partnership with Toyota Motors, is developing a hydrogen fuel cell enabled truck.
Volvo Trucks Volvo	Volvo combines advanced engineering with a focus on safety, fuel efficiency, and sustainability. It was one of the first to launch a commercially available electric truck in North America with the Volvo VNR Electric, targeting regional haul and loading applications. Volvo is investing heavily in autonomous driving and decarbonization, including battery-electric and hydrogen fuel cell R&D.

Market [3]

North America's medium- and heavy-duty truck sector was worth US$97.14 billion in 2024 and is forecast to reach US$134.85 billion by 2030, expanding at a 5.7% compounded annual growth rate (**CAGR**) from 2025. Class 8 rigs dominate, accounting for 63.8% of 2024 revenue and setting the pace for technology adoption across freight, construction, forestry and municipal fleets, with Class 8 volumes projected to top 400,000 units by 2030 (4.4% CAGR), as illustrated in **Figure 2.2.2**.

Figure 2.2.2 ***Class 8 Heavy-Duty Truck Market**, 2020-2030*



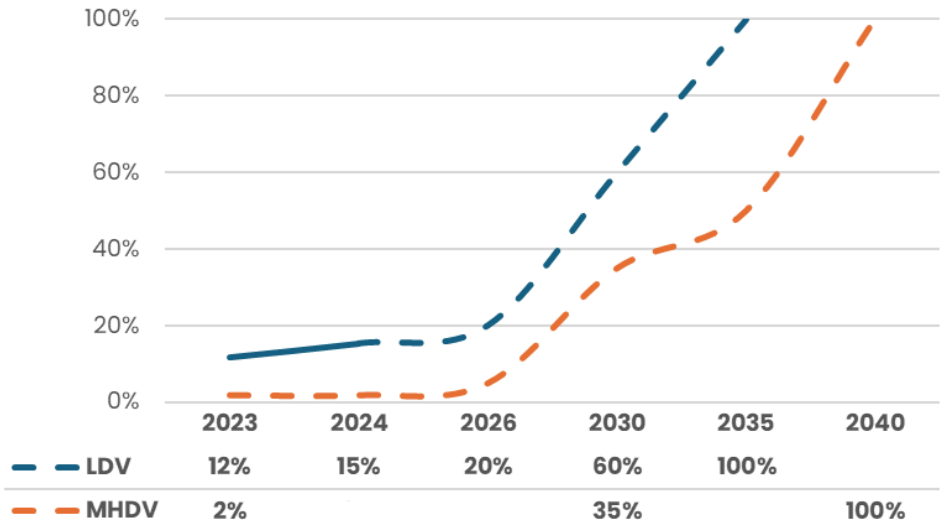
[2] "*The Future of the Trucking Industry: Electric Semi-Trucks*" (04/2023). Environmental and Energy Study Institute.

[3] "*North America Medium- and Heavy-Duty Truck Market*" (04/2025). Mordor Intelligence, *Custom Report*.

Regulatory Environment

Canada's comprehensive strategy on zero-emission vehicles (**ZEVs**) includes policies and actions aimed at reducing key barriers and making it easier for Canadians to purchase ZEVs. Actions to increase ZEV uptake include investments in purchase incentives, infrastructure and awareness initiatives, and research and development of alternative fuel opportunities. Under this strategy, the Government of Canada has aimed or committed for proportions of sales of light-duty vehicles (**LDV**) and medium- and heavy-duty vehicles (**MHDV**) to be ZEVs according to the following timelines: [4]

Figure 2.2.3 ***Target % of ZEV Sales in Canada***



Specifically for heavy-duty trucks and off-road purposes, such as construction, mining and farming use, regulations in Canada are derived from the *Canadian Environmental Protection Act* of 1999 ("**CEPA 1999**") and the December 2000 Ozone Annex to the 1991 Canada-United States Air Quality Agreement, whereby Canada committed to establishing emission regulations under CEPA 1999 for new off-road engines that aligned with the federal U.S. Environmental Protection Agency (**EPA**) requirements. This took the form of the *Off-Road Compression-Ignition Engine Emission Regulations*, promulgated February 2005 and amended November 2011. These regulations introduced emission standards for model year 2006 and later diesel engines used in off-road applications, and encompassed the U.S. EPA Tier 2 and Tier 3 standards, with the amendments made to align with the U.S. EPA Tier 4 standards for nonroad engines, including the emission limits, testing methods and effective dates. Most of these requirements are defined by reference to the pertinent sections of the U.S. regulations. Finally, in 2020, the regulations were recast into the *Off-road Compression-Ignition (Mobile and Stationary) and Large Spark-Ignition Engine Emission Regulation* that additionally set emission standards for large spark-ignition engines and for stationary diesel engines.

For U.S. EPA-certified engines, an EPA emission label is accepted as a proof of compliance, provided at least one engine of the same family is sold concurrently in the U.S. and Canada. If no engine of the

[4] "*2030 Emissions Reduction Plan – Canada's Next Steps for Clean Air and a Strong Economy*" (03/2022). ECCC, Government of Canada.

"*ZEV Council Dashboard*" (accessed 08/2025). Transport Canada, Government of Canada.

same family is sold concurrently in the U.S. or if the engine is not U.S. EPA-certified, a National Emission Mark (**NEM**) must be obtained from Environment and Climate Change Canada (**ECCC**) and a Canadian emission label must be affixed to the engine. Additionally, vehicles must homologate (*i.e.,* be approved) with a National Safety Mark (**NSM**) according to the Canada Motor Vehicle Safety Standard (**CMVSS**) by GVWR, which corresponds with the U.S. Federal Motor Vehicle Safety Standard (**FMVSS**), and have similar cross-exemptions as the NEM.

Need for Change

At this time, ECCC does not allow the certification or issuance of NEMs for heavy-duty series plug-in hybrid vehicles. As described above, engine certifications under Canada's emissions rules are tied closely to U.S. EPA standards; we intend to use diesel engines as generators (not main propulsion), so they meet the U.S. EPA "Tier 4 Final Industrial" (off-highway) standard, however, as these engines are also intended for 'on-highway' trucks, ECCC requires "Tier 4 Final On-Highway" certification.

To our knowledge, Edison Motors is the first in the world to offer on-highway power generation.

Thus the testing and rules are not aligned. We intend to pursue our NEM for our Class 8 diesel mechanical truck to accelerate our time to market.

In parallel, we are actively working with ECCC and Ministerial staff, with support from the National Research Council and Innovate BC, to seek an exemption to allow the sale of North America's first series plug-in hybrid heavy-duty commercial vehicle within all Canadian jurisdictions. In connection therewith, the following letters of support and requests on our behalf have been sent to the Honourable Julie Dabrusin, Minister, ECCC and other relevant officials:

Figure 2.2.4 ***Letters of Support and Lobbying Efforts***

Letter	***From***	***Context***
20250704	Dave Earle, *President and CEO;* BC Trucking Association	Seeking exemption
20250714	Rob Morrison, *M.P.;* Columbia–Kootenay–Southern Rockies	Seeking exemption
20250729	Omar Mawji, *Portfolio Manager;* NorthX Climate Tech	Future discussions
20250812	Harman Bhangu, *M.L.A.;* Langley-Abbotsford **(Official Opposition Critic for Transportation)** Scott McInnis, *M.L.A.;* Columbia River-Revelstoke **(Official Opposition Critic for Indigenous Relations and Reconciliation)**	Seeking exemption or regulation change
20250814	Elizabeth May, *M.P.;* Saanich-Gulf Islands **(Leader of the Green Party of Canada)**	Seeking exemption

Current Operations and the New Facility

We have manufactured and built two diesel-electric Class 8 prototype trucks to date. We have four additional diesel-electric and one diesel Class 8 prototypes underway, funded by strategic partners with plans to deliver in early 2026. These prototypes demonstrate ~~cover~~ a wide range of real world

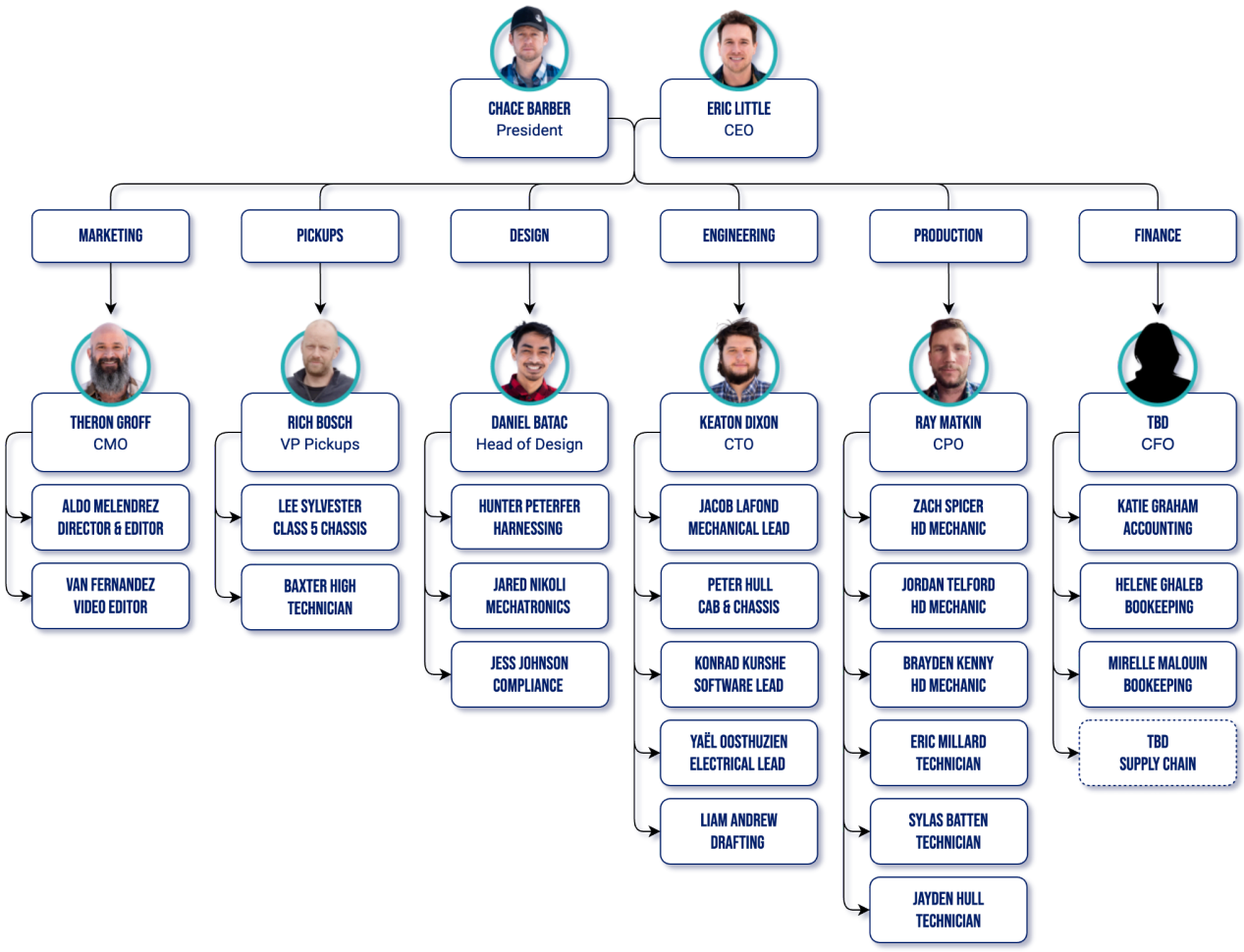
vehicle applications: a) single, dual- and tri-electric axle configurations, b) two Edison Motors electric hydraulic configurations, c) two electric power-take-off configurations and d) three utility off-shore power systems.

We have manufactured and built two diesel-electric Class 8 prototype trucks to date, and have four These unique projects aim to showcase the flexibility of Edion's diesel-electric platform operating within both challenging rural and urban environments. From such prototype vehicles, we intend to develop for production a single *Edison Make* Class 8 model: BDE, a twin seater cab with certain target specifications and other information provided in **Figure 2.2.8** below.

We have also received 2,106 pre-orders for our Class 5 hybrid conversion kits (the "**Class 5 Kit**"), and expressions of interest for almost 15,000 Class 8 trucks requests from over 1,150 parties. Additionally, we have partnered with 180 installer networks to provide installation services for our Class 5 Kits, and future servicing of our Class 8 trucks. To fund current operations, in addition to our capital raising efforts, which has brought in over $8,000,000 to date, we generate revenue from customer deposits, merchandise sales, social media and advertising, and leasing property. Our current team and planned hires over the next 1-2 years are as follows in **Figure 2.2.5**.

See also "***Planned Portfolio***" below, and "***Lease Agreements***" and "***MOUs for Truck Production***" in **Item 2.8**

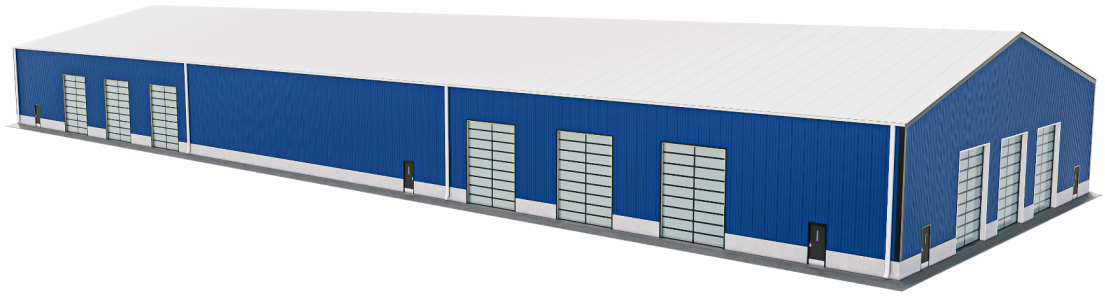
Figure 2.2.5 ***Team Org Chart***



The New Facility

Proceeds from this Offering will go towards the construction (in several phases) of the recently acquired New Facility and a truck plant capable of producing 500 trucks and 100 chassis annually. Construction is currently underway and we anticipate the truck plant to be operational by Q4 2025.

Figure 2.2.6 ***New Facility Mock-Up***



While we expect the New Facility to be operational within forecasted timelines, there are many factors that must be managed, including construction, planning and availability of resources. If we are able to advance and convert the prototypes underway into purchase orders and commercial production,

substantial additional funds will be required to add to our facilities and increase our work force to meet the anticipated customer demand and forecast production volumes desired.

Pipeline and Outlook

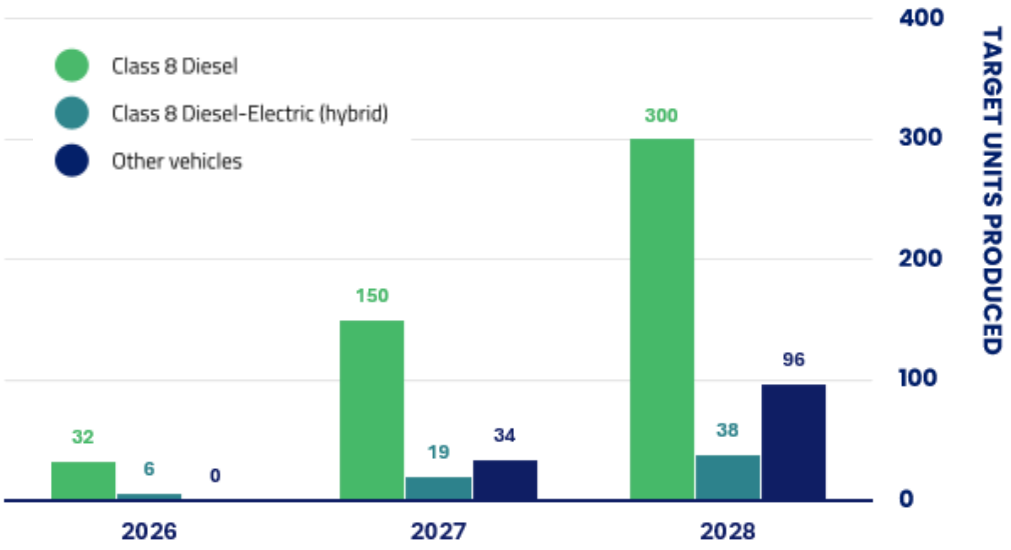
By focusing on commercial vehicles only, Edison can develop a robust heavy-duty platform which services a narrow vehicle segment using universal parts and manufacturing techniques.

By entering the market with a conventional diesel followed by a hybrid platform utilizing diesel generators, Edison can offer customers a solution that provides better performance as a first goal, with the second priority being ease of serviceability.

Our novel diesel-electric platform is expected to future proof our manufacturing operations as the market transitions to exclusively utilizing low emission solutions. By increasing fuel efficiency and allowing fleets to leverage existing fuel stations, customers will be able to access all the benefits of an electric commercial vehicle without requiring additional charging infrastructure and the investment associated. This dual focus enables Edison to stand out in the evolving landscape of EV companies as a truck manufacturer first, technology company second. Our narrow focus on commercial vehicles allows us to build a brand around heavy-duty and serviceability; which can extend beyond semi trucks to potentially include commercial pickup trucks.

Our three-year production plan (see **Figure 2.2.7** below) is to prioritize diesel truck rollout for near-term revenue while funding ongoing hybrid R&D, with plans to primarily deliver diesel trucks in 2026, with limited sales of hybrid units, subject to regulatory approval. By 2027, we expect volume to grow and the hybrid model to reach scaled production. Beyond our Class 8 diesel and diesel-electric trucks, we may execute speciality hybrid conversions and chassis projects outside of the Class 8 heavy-duty vehicle category. These projects include but are not limited to recreational vehicle (RV) conversion, 'incomplete' (within the meaning provided in *Motor Vehicle Safety Regulations* (Canada)) Hybrid Vehicle Class 5 Chassis, Class 6 buses, Class 5-7 service vehicles and various military vehicles.

Figure 2.2.7 ***Production Targets***



Planned Portfolio

Class 8 Trucks

Edison Motors' product strategy over the next three years centers on its Class 8 BDE truck platform and the associated hybrid vehicle technologies and components required for commercialization. BDE series trucks will consist of an Edison cab with integrated electronics and a heavy spec chassis capable of accepting all manner of electric axles, hydraulics and electric power takeoff configurations at any wheelbase. Importantly, the hybrid and diesel trucks share most of their parts – the frame, cab, axles, suspension, and many electronics are common. We can build both variants on one assembly line and service them with the same parts inventory. Trucks are expected to meet the target specifications provided in **Figure 2.2.8** below.

With 800+ components or stock-keeping units (**SKUs**) per vehicle and storage limitations of the New Facility, we intend to initially only hold SKUs on a 'just-in-time' basis for a half-capacity production run at a single time. As we grow, we intend to store additional inventory in separate warehouses built on company property as required. Our focus on building sub-assemblies from SKUs will facilitate a shorter production time. With all SKUs held in inventory, we hope to achieve a production time of 10 days per vehicle in 2026, and potentially two days per vehicle by 2028 if facilities and demand allow.

Edison Make *Class 8 Diesel Trucks*

A heavy-duty truck equipped with a modern Tier 4-compliant diesel engine. This truck is built for demanding vocational applications (logging, towing, plowing, *etc*.) with a robust *Edison Make* chassis and cab. It is intended to serve as our initial market offering in 2026.



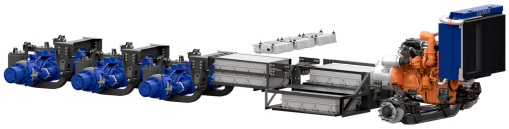
By using a conventional diesel powertrain, this model minimizes technology risk and allows fleets to adopt Edison trucks for their quality and serviceability. Our reliable diesel trucks deliver the performance fleet operators expect from a heavy-duty work truck while meeting the latest emissions requirements.

Edison Make *Class 8 Diesel-Electric (Hybrid)Trucks*

A plug-in hybrid electric version of the same truck, slated to follow closely behind the diesel launch. The hybrid model drives its wheels with electric motors powered by a battery pack, and it carries a diesel engine-generator on board that can recharge the battery or provide power when needed. It can be plugged in to charge, reducing diesel usage significantly, but it always has the generator as a backup for unlimited range.



Figure 2.2.8 ***Target Specifications of Initial Models***

	Class 8 Diesel	Class 8 Diesel-Electric (Hybrid)
Platform		
Drive	2-3 axles	1-3 axles
Power	575 kilowatts (770 horsepower)	1,080 kW (1,450 hp)
Battery	-	165 kWh (Lithium Manganese Oxide)
Max torque	68,400 ft-lbs	102,600 ft-lbs
Brake power	500 kW (670 hp)	800 kW (1000 hp)

Class 5 Kits

We accept pre-orders for our Class 5 Kits via our website for a deposit of $250 with an estimated delivery date of 2026. We expect to sell the kit for approximately $120,000, not including installation, which can be done at-home or by our installer networks (see "***Installer Networks***" below), with 50% due upon commitment and 50% due upon delivery.

To date, we have received approximately 2,106 pre-orders. In order to place a pre-order, customers had to acknowledge and accept the following terms and conditions:

- I understand that the $250 deposit on the kit is to reserve a place in line in order to have priority position as a benefit of being an early backer of the project;
- I understand that this deposit is non-refundable;
- I understand that this kit may take a couple years; and
- My kit will be installed in either Canada or the USA.

Class 5 Kits, using our technology and electronics package from our Class 8 trucks, will offer a drop-in chassis solution consisting of electric batteries, electronics, controls and charging port with electric truck axle, with options to include electric front axle and diesel engine with a pre-configured generator. Notwithstanding, we do not plan to prioritize Class 5 Kit production until the core Class 8 truck business is successfully launched. In the interim, we will continue developing and testing the kit on a limited basis, ensuring that it is ready for a future rollout as a follow-on revenue stream.

Installer Networks

We are exploring partnerships with various installer networks in Canada and the U.S. to provide installation services for our Class 5 Kits, and future servicing of our Class 8 trucks. In discussions with potential partners, we are generally looking for mechanic shops and vehicle dealerships equipped with sufficient floor space, experienced technician staff and equipment to execute EV conversions and vehicle service. Each partner installer network is required to provide a $2,500 initiation fee in order to move forward. To date, we have approximately 180 partners. We expect to

enter into contracts standard for transactions of a similar nature with each installer closer to the expected delivery date of our Class 5 Kits and Class 8 trucks.

The Foundation

The EV CHALLENGE SOCIETY is Edison's private foundation and was established to advocate industry EV adoption and EV education in high schools throughout Western Canada. The Foundation has to date supported 40+ high school student teams in building electric go-karts for racing competitions. This engineering design challenge allows student teams to design, build, and race small formula-style vehicles with kits provided by Edison Motors. This annual race day is structured similarly to formula and baja university student race competitions. Winning students may be awarded scholarships to attend post-secondary education or obtain trade certifications, as well as potentially providing a pipeline to employment with Edison Motors.

2.3 *Development of Business*

Table 2.3.1 below, organized by calendar quarter, describes major events that have occurred or conditions that have influenced (favourably or unfavourably) the development or financial condition of the Issuer.

Table 2.3.1 ***Development of Business***

Date	Milestone event
2021 Q4 - 2022 Q3	*Closed two financings, including* [1] • $395,200 for the issuance of 395,200 Common shares at $1.00 per share on Dec 20, 2021; and • $1,531,450 for the issuance of 153,145 Common shares at $10.00 per share on Sep 20, 2022
2023 Q3	1st Class 8 prototype complete ▶ Unveiling Edisons Electric Truck: A Detailed Tour of Topsy, Our Prototype!
2023 Q4	Launched pre-sales and executed memorandums of understanding (**MOUs**) with prototype buyers
2024 Q2	Established the Foundation, aimed at advancing EV policies and skilled workers in Western Canada
2024 Q2	Obtained Provincial On-Road certification in BC including insurance & registration for prototype truck
2024 Q3	Topsy demo-day, towing 160,000 pounds ▶ Worlds First Log Haul with a Diesel Electric Truck!
2024 Q4	Launched a crowdfunding offering with FrontFundr to further fund production and manufacturing
2024 Q4	Entered into land purchase agreement for the New Facility subject to financing
2024 Q4 - 2025 Q2	*Closed several financing tranches, including* [2] • $4,460,555 for the issuance of 81,101 Common shares at $55.00 per share; and • USD$3,446,240 for the issuance of 86,156 Common shares at USD$40.00 per share
2025 Q1	Closed purchase of the New Facility
2025 Q2	Commenced multi-phase construction at the New Facility
2025 Q2	Commenced construction of CMVSS approved test track on the New Facility
2025 Q2	Renovated office space to accommodations 30 workers, built 12 employee accommodations

Date	Milestone event
2025 Q2	Received CRA registration of the Foundation as a Private Foundation in Canada
2025 Q3	Onboarding of 25th employee, geotechnical report certified for shop and test track construction
2025 Q3	ECCC compliance package submitted, assigned vehicle family name "EML"

(1) See also **Item 3.3 *Penalties, Sanctions, Bankruptcy, Insolvency and Criminal or Quasi-Criminal Matters***.

(2) See also **Table 4.1.1 *Securities***.

2.4 *Long Term Objectives*

Table 2.4.1 below provides information about the objectives the Issuer wishes to accomplish **after** August 15, 2026.

See also ***Warning about Forward Looking Statements*** at the beginning of this Offering Memorandum.

Table 2.4.1 ***Long Term Objectives***

Objective	Actions to be taken	Target	Budget
Scale production of Class 8 trucks	New Facility build-out completed	Q2 2026	$3,500,000
	Prototype/trial productions, targeting 1 diesel truck per monthly run	Q1 2026	$500,000
	Prototype/trial productions, targeting 1 hybrid truck per monthly run	Q1 2027	$500,000
	Full production, targeting 4 diesel trucks per monthly run	Q4 2026	$2,000,000
	Full production, targeting 4 hybrid trucks per monthly run	Q4 2027	$5,000,000
Scale production of Class 5 Kits	Production line build-out completed	Q2 2027	$3,500,000
	Prototype/trial productions, targeting 1 chassis' per monthly run	Q1 2027	$1,000,000
	Full production, targeting 4 chassis' per monthly run	Q4 2027	$2,000,000
Regulatory approval to sell trucks in the U.S.	Fulfill FMVSS requirements, including testing, labeling and filing	Q3 2028	$2,000,000
	Fulfill EPA requirements, including possible testing, door labeling and filing	Q3 2028	$1,000,000
	Obtain FMVSS and EPA approval to sell *Edison Make* trucks across the U.S.	Q4 2028	$2,000,000
Grow the Foundation	Provide donation to Foundation, obtain student sponsorships, raise awareness and host race day event to accommodate 20 student teams	Q3 2026	$100,000
	Provide donation to Foundation, obtain student sponsorships, raise awareness and host race day event to accommodate 25 student teams	Q3 2027	$100,000
	Provide donation to Foundation, obtain student sponsorships, raise awareness and host race day event to accommodate 30 student teams	Q3 2028	$100,000

2.5 *Short Term Objectives*

Table 2.5.1 below provides information about the objectives the Issuer wishes to accomplish **before** August 15, 2026.

See also ***Warning about Forward Looking Statements*** at the beginning of this Offering Memorandum.

Table 2.5.1 ***Short Term Objectives***

Objective	Actions to be taken	Target	Budget
Deliver prototypes to strategic partners	Deliver 4 prototype trucks with multiple configurations	Q4 2025	$2,000,000
	Complete chassis prototypes	Q4 2025	$1,000,000
	Complete 1 BDE Class 8 prototype Powered by Detroit or Cummins Diesel	Q4 2025	$500,000
	Complete 1 BDE Class 8 prototype Powered by Scania-powered V8 Diesel	Q3 2026	$500,000
New Facility production ready	Receipt of building materials, deployment of contractors and labourers	Q3 2025	$1,000,000
	Pouring of concrete pad, septic system installation, raising of structure	Q3 2025	$500,000
	Electrical interconnection, Gantry crane installation, HVAC system	Q4 2025	$500,000
Regulatory approval to sell trucks in Canada	Fulfill Transport Canada CMVSS NSM requirements, including the preparation of our list of certified parts and testing for submission to Transport Canada	Q4 2025	$200,000
	Fulfill ECCC NEM requirements and/or obtain approval for exemption	Q4 2025	$50,000
	Qualify under Transport Canada iMHZEV program list for purchase subsidy	Q1 2026	$50,000
Establish Charity Operations	Provide donation to foundation, automate registration & sponsorship process for schools, teachers, students and school boards.	Q4 2025	$40,000
	Host Student Race day at test track facility in Golden, BC	Q2 2026	$10,000

2.6 *Insufficient Funds*

The funds available as a result of this Offering may not be sufficient to accomplish all of the Issuer's proposed objectives and there is no assurance that alternative financing will be available.

2.7 *Additional Disclosure for Issuers without Significant Revenue*

Table 2.7.1 below provides a breakdown of the material components of certain assets or expenses recognized during the periods for which financial statements are enclosed in **Item 12: Financial Statements**.

Table 2.7.1 ***Additional Disclosure for Issuers without Significant Revenue***

	Jan 1 - Mar 31, 2025 (unaudited)	Jan 1 - Mar 31, 2024 (unaudited)	Jan 1 - Dec 31, 2024 (audited)	Jan 1 - Dec 31, 2023 (audited)
R&D expenses	$827,196	$252,144	$2,710,159	$464,594

2.8 *Material Contracts*

The following summaries of contracts and agreements are provided for convenience of reference only and are not indicative of the full terms and conditions of any such agreement or contract, nor may it represent all contracts or agreements under which the Issuer is currently party. Summaries are provided based on our reasonable interpretation of such agreements or contracts, and as a result, may unintentionally omit (or add) terms or features to the agreement or contract that are (non-) enforceable, nonetheless. Agreements and contracts described below are subject to standard terms of agreements of such applicable nature, including the rights provided thereunder for parties to amend, cancel, or modify such contracts, by virtue of applicable law or contractual terms between the parties. Any such modification, entering into, or termination of agreements, contracts, or undertakings are expected in the ordinary course of the Issuer's business and the Issuer does not undertake to update, supplement, or revise the summaries of such agreements or contracts contained below or otherwise, except as may be required under applicable securities legislation.

Certain capitalized terms used may have the meanings given to them in the applicable agreement.

New Facility Agreement

Pursuant to a Share Purchase Agreement dated October 25, 2024, and Addendum thereto dated December 12, 2024, between the Issuer and arms-length parties, being all then-shareholders of 0977799 B.C. LTD., the Issuer obtained all issued and outstanding shares of 0977799 B.C. LTD., and by extension, title to the 305 acre lands and improvements of the New Facility, legally described as "Lot 1 Section 16 Township 29 Range 23 West of the 5th Meridian Kootenay District Plan 11465 except plans NEP65102 AND NEP85651" (the "**Lands**") in exchange for cash consideration of $2,900,000.

Lease Agreements

We have leased approximately 32 acres of the Lands to arms-length parties, pursuant to land lease agreements effective as of July 1, 2025 (the "**Lease Agreements**"), to assist in our operations, as these parties will be providing biomass and wood products storage and build out of test track. The total monthly lease payments payable to the Issuer under the Lease Agreements is $6,000. Other terms of the Lease Agreements include (i) 12-month term, subject to the right of earlier termination upon 60-days' notice from either party at any time, (ii) requirement that the tenant carries all appropriate insurance, and (iii) standard waste-removal clauses.

The Issuer will continue to seek opportunities to strategically lease portions of the Lands.

The Issuer has also entered into a gravel pit lease agreement dated February 12, 2025 for a 20 acre gravel pit located on the Lands with an arms-length party. Under the agreement, the Issuer is owed royalties of $6.50 per metric tonne (MT) of materials removed from the gravel pit and sold. The Issuer estimates the gravel pit contains approximately 8,000,000 MTs and forecasts 25% to be of sale value over its lifetime. As of the date of this Offering Memorandum, we have received approximately $232,143 in royalty payments.

MOUs for Truck Production

We have entered into three MOUs for the commencement of engineering work required to design electric hybrid semi-trucks, as further described in the table below. These three partners were strategically chosen as they represent future fleet buyers, potentially ordering 100+ trucks.

MOU date	*Cash paid* [1]	*Terms of funds received* [2]	*Minimum truck spend*
Nov 23, 2023	$450,000	Consideration [3]	*Not stated*
Jan 18, 2024	$450,000	Commitment	$750,000 ($450,000 net after rebates, *etc.*)
Dec 11, 2024	$300,000	Deposit	$750,000

(1) Amounts paid in connection with the entering of the MOU.

(2) MOUs do not specify any other payment terms or any specific future obligations of the parties.

(3) Both parties also agree that intellectual property developed relative to the use of the truck for hydrovac purposes shall be the exclusive property of the purchaser.

Voting Trust Agreement

On October 28, 2024, the Issuer and Eric Little as "**Voting Trustee**" settled a trust pursuant to a Trust Declaration and Voting Trust Agreement between the Issuer, the Voting Trustee, and shareholders of the Issuer as listed on the Schedule A thereto (as may be amended, supplemented or restated from time to time, the "**Voting Trust Agreement**"). There are 1,810 shareholders party to the Voting Trust Agreement, holding an aggregate 85,005 Common shares and representing 1.7% of the voting power of the Issuer's securities.

The purpose of the Voting Trust Agreement is to establish a trust for certain shareholders to deposit their shares with the Voting Trustee, who shall hold the deposited shares in trust for each shareholder and vote those shares in accordance with the terms of the agreement, including, without limitation, in respect of any matter that, under the Act, requires approval by the holders of shares of the Issuer voting separately as a class or in respect of any matter to be approved by shareholders of the Issuer pursuant to the constating documents of the Issuer or under the Act.

The Voting Trust Agreement will automatically terminate without any notice or other action of the Voting Trustee, the Issuer, or any shareholder thereunder, upon the earlier of (a) October 28, 2045, unless extended as provided by law; (b) upon the dissolution or bankruptcy of the Issuer or the making by the Issuer of an assignment under provisions of the *Bankruptcy and Insolvency Act* (Canada) or the *Companies' Creditors Arrangement Act* (Canada); (c) upon the Issuer completing a public offering of shares through a prospectus, registration statement or similar disclosure document that is filed and cleared with one or more securities regulatory authorities; or (d) with the written consent of the Voting Trustee and the Issuer.

See also "***Voting Rights***" in **Item 5.1**

FrontFundr Agreement

Pursuant to an agency agreement with FRONTFUNDR FINANCIAL SERVICES INC. ("**FrontFundr**") made on October 21, 2024, amended January 16, 2025, and as may be further amended, restated, or supplemented from time to time (the "**FrontFundr Agreement**"), FrontFundr has been engaged to act as a selling agent in connection with the Offering and to provide other services, including administration and marketing services in connection therewith. FrontFundr is acting as an agent for

the Offering on a "best-efforts" basis only, meaning FrontFundr is not obligated to purchase any securities under the Offering.

FrontFundr is registered as an 'exempt market dealer' (**EMD**) in accordance with National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* in Alberta, British Columbia, Manitoba, New Brunswick, Nova Scotia, Ontario, Québec, Saskatchewan, and Yukon.

We have paid FrontFundr a total of $21,500 for onboarding and review, drafting of certain offering materials and other setup services. At each Closing, we will pay FrontFundr a trade fee per Subscription equal to (a) two percent (2.0%) of the Subscription Amount for purchasers introduced by the Issuer or (b) five percent (5.0%) of the Subscription Amount for purchasers introduced by FrontFundr. At our discretion, we may engage FrontFundr for certain other services at each Closing, including (i) $500 for the drafting of certain closing documents and (ii) $2,000 for the drafting and filing of Form 45-106F1 *Report of Exempt Distribution*.

See also **Item 7: Compensation Paid to Sellers and Finders**

Item 3: Compensation & Security Holdings of Certain Parties

3.1 *Compensation and Securities Held*

Table 3.1.1 below provides the specified information for **(a)** each director, officer and promoter of the Issuer; **(b)** each person that has beneficial ownership of, or direct or indirect control over, or a combination of beneficial ownership and direct or indirect control over, 10% or more of any class of voting securities of the Issuer (a "**Principal**"); and **(c)** any related party not specified in **(a)** or **(b)** that is expected by the Issuer to receive compensation in the current year.

Table 3.1.1 ***Compensation and Securities Held***

Full legal name and residence	Affiliation and date began	Annual compensation [1]	Securities owned on August 15, 2025 [2]	Ownership after min. Offering [3]	Ownership after max Offering [4]
Chace Clifford Donald Barber *Golden, BC*	Director, Officer and Principal; October 5, 2021 [5]	2024: $73,307 2025: $80,000	2,000,117 shares 2,750 Options	Basic: **40.2%** Diluted: **40.0%**	Basic: **37.5%** Diluted: **37.3%**
Eric Scott Little *Golden, BC*	Director, Officer and Principal; October 5, 2021 [6]	2024: $70,304 2025: $80,000	1,999,497 shares 2,750 Options	Basic: **40.2%** Diluted: **39.9%**	Basic: **37.5%** Diluted: **37.2%**
Theron Neal Groff *Golden, BC*	Director and Officer; June 10, 2023	2024: $80,970 2025: $80,000	33,750 shares 2,750 Options	Basic: **0.7%** Diluted: **0.7%**	Basic: **0.6%** Diluted: **0.7%**
Raymond Wayne Matkin *Chilliwack, BC*	Director and Officer; August 8, 2022	2024: $65,270 2025: $80,000	20,010 shares 2,750 Options	Basic: **0.4%** Diluted: **0.5%**	Basic: **0.4%** Diluted: **0.4%**
Keaton Theodore Dixon-Reusz *Golden, BC*	Officer; March 10, 2025 [7]	2024: $63,947 2025: $80,000	5,250 Options	Basic: nil (**0%**) Diluted: **0.1%**	Basic: nil (**0%**) Diluted: **0.1%**

Full legal name and residence	Affiliation and date began	Annual compensation [1]	Securities owned on August 15, 2025 [2]	Ownership after min. Offering [3]	Ownership after max Offering [4]
Richard Matthew Bosch *Dunnville, ON*	Officer; October 10, 2024	2024: $17,296 2025: $80,000	5,250 Options	Basic: nil (**0%**) Diluted: **0.1%**	Basic: nil (**0%**) Diluted: **0.1%**
Matthew Kent Elliot *Lone Butte, BC*	Director; March 12, 2022	2024: $0 2025: $0	None	Nil (**0%**)	Nil (**0%**)
Wendy Lorraine Barber *Golden BC*	Related person; January 1, 2023 [8]	2024: $73,578 2025: $20,377	None	Nil (**0%**)	Nil (**0%**)

(1) Compensation figures for 2024 (the Issuer's most recently completed financial year) includes any form of remuneration including, for certainty, cash, shares and options paid by the Issuer or any related party, and for 2025 (the Issuer's current financial year), includes any remuneration paid to date or expected to be paid in 2025.

(2) No person listed in the table above shall receive any securities as a result of this Offering. Notwithstanding, such persons may purchase Offered Securities hereunder and may from time to time, be granted options for Common shares ("**Options**") at the discretion of the Issuer's directors.

(3) Percentage ownership after the minimum Offering is determined on a (i) "basic" basis using the number of Common shares issued and outstanding as of the date of this Offering Memorandum, being 4,970,031, plus the number of Offered Securities issuable in the minimum Offering, being zero (0) Common shares, and (ii) "diluted" basis using the "basic" capitalization plus the number of Options issued, being 42,910, equal to a total of 5,012,941 securities.

(4) Percentage ownership after the maximum Offering is determined on a (i) "basic" basis using the number of Common shares issued and outstanding as of the date of this Offering Memorandum, being 4,970,031, plus the number of Offered Securities issuable in the maximum Offering, being 363,637 Common shares, equal to a total of 5,333,668 Common shares and (ii) "diluted" basis using the "basic" capitalization plus the number of Options issued, being 42,910, equal to a total of 5,376,578 securities.

See also Table 4.1.1 *Securities*

(5) Chace Barber currently serves as President of the Issuer. Prior to January 25, 2025, he was Chief Executive Officer (**CEO**).

(6) Eric Little currently serves as CEO of the Issuer. Prior to January 25, 2025, he was Chief Technology Officer (**CTO**).

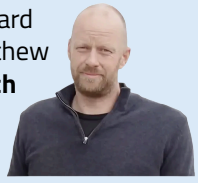
(7) Prior to serving as an CTO of the Issuer, Keaton Dixon began his employment in October 2023 as an electrical engineer-in-training.

(8) Wendy Barber, the mother of Chace Barber, President of the Issuer, leased the Issuer space for operations and prototyping between January 1, 2023, and March 31, 2025. Compensation figures provided represent the amounts paid under such lease in the applicable periods.

3.2 *Management Experience*

Table 3.2.1 below provides the specified information for each officer and director of the Issuer.

Table 3.2.1 ***Management Experience***

Full legal name	Principal occupation and description of experience associated with the occupation
Chace Clifford Donald **Barber** 	Chace Barber is President and Director of Edison Motors. A veteran truck driver and entrepreneur with over 15 years in the trucking industry and first-hand knowledge of vocational truck fleet operation and maintenance. He ensures Edison's products remain practical and easy to repair. Chace is also the public face of the company, engaging actively with the trucking community, building on Edison's strong social media presence.
Eric Scott **Little** 	Eric Little is Chief Executive Officer and Director of Edison Motors. Clean technology entrepreneur with background in hybrid energy systems design, manufacturing and project finance. Eric leads Edison's growth and business strategy. He has overseen the development of Edison's hybrid drivetrain and manages partnerships and fundraising efforts. His technical and managerial leadership keeps the company on track to meet its production goals.
Theron Neal **Groff** 	Theron Groff is Chief Marketing Officer and Director of Edison Motors. A celebrity logging truck driver with over a decade of commercial vehicle and heavy-duty equipment operation in Western Canada's most remote and challenging environments, Theron brings his Discovery Channel's "Mud Mountain Haulers" experience as both a seasoned trucker and video producer; building Edison's storytelling and growing brand media presence.
Raymond Wayne **Matkin** 	Ray Matkin is Chief Production Officer and Director of Edison Motors. A former industrial HVAC technician and contractor with decade experience building complex cooling systems, Ray brings a deep understanding of climate control technologies and commissioning. His experience in procurement, sales and commissioning ensures the customer needs are identified and executed professionally during production.
Matthew Kent **Elliot** 	Matt Elliott is a Director of Edison Motors. Logging truck and harvester operator with two decades of experience. Matt processes a deep understanding of the forestry industry and the extreme demands required by the trucks which service logging and off-road equipment heavy haul applications.
Keaton Theodore **Dixon**-Reusz 	Keaton Dixon is Chief Technology Officer of Edison Motors. Experienced in High voltage, Low voltage and PCB systems design and installation, Keaton has been enthusiastically leading Edison's electrical design, software and systems integration since 2023.
Richard Matthew **Bosch** 	Rich Bosch is Vice-President of Edison Motors leading our Class 5 chassis design and manufacturing efforts. Rich has two decades of heavy- and medium-duty mechanical work experience. A popular mechanic with his Youtube channel "Deboss Garage", Rich is respected for his knowledge and technical abilities in building complex truck projects.

3.3 *Penalties, Sanctions, Bankruptcy, Insolvency and Criminal or Quasi-Criminal Matters*

Penalties and Sanctions

Except as described below, at no time the last 10 years has any director, executive officer or control person of the Issuer, or an issuer of which any of those persons was a director, executive officer or control person at the time, been subject to (i) a penalty or other sanction imposed by a court relating to a contravention of securities legislation; (ii) a penalty or other sanction imposed by a regulatory body relating to a contravention of securities legislation; or (iii) an order restricting trading in securities, not including an order that was in effect for less than 30 consecutive days.

In 2023, the British Columbia Securities Commission (**BCSC**) conducted an investigation into the Issuer's crowdfunding offerings completed in 2021 and 2022. Following its review, the BCSC determined that the Issuer had distributed shares in contravention of section 61 of the *Securities Act* (British Columbia), as the distributions were made without filing a prospectus and did not comply with the requirements of the crowdfunding exemption under National Instrument 45-110 – *Start-Up Crowdfunding Registration and Prospectus Exemptions*. As a result, the Issuer and its then officers, Chace Barber and Eric Little, delivered undertakings to the BCSC dated December 19, 2023 (the "**Undertakings**"). Under the terms of the Undertakings, the Issuer, Mr. Barber, and Mr. Little undertook to comply with specified conditions in connection with any future distributions made in reliance on an exemption from the prospectus requirement. The Issuer fully cooperated with the BCSC throughout the course of the investigation and believes it has complied, in all respects, with the terms of the Undertakings since their execution.

Bankruptcy and Insolvency

At no time during the last 10 years has any director, executive officer or control person of the Issuer, or an issuer of which any of those persons was a director, executive officer or control person at the time, been subject to (i) a declaration of bankruptcy; (ii) a voluntary assignment in bankruptcy; (iii) a proposal under bankruptcy or insolvency legislation; or (iv) a proceeding, arrangement or compromise with creditors or appointment of a receiver, receiver manager or trustee to hold assets.

Criminal and Quasi-Criminal Matters

None of the Issuer or any director, executive officer or control person of the Issuer have ever pled guilty to or been found guilty of (i) a summary conviction or indictable offence under the *Criminal Code* (Canada); (ii) a quasi-criminal offence in any jurisdiction of Canada or a foreign jurisdiction; (iii) a misdemeanour or felony under the criminal legislation of the U.S., or any state or territory of the U.S.; or (iv) an offence under the criminal legislation of any other foreign jurisdiction.

Item 4: Capital Structure

4.1 *Securities*

Table 4.1.1 below describes the outstanding securities of the Issuer.

The Issuer does not have any debt for which all or a portion is due, or may be outstanding, after August 15, 2026.

Table 4.1.1 ***Securities***

Description of security	Price per security	Number authorized to be issued	Number outstanding on August 15, 2025	Number outstanding after the min. Offering	Number outstanding after the max Offering
Common shares	$55.00 (1)	Unlimited	4,970,031	4,970,031 (2)	5,333,668 (3)
Options *for Common shares*	$0.01	Unlimited	42,910 (4)	42,910 (5)	42,910 (5)

(1) The offered price of the Offered Securities under this Offering.

(2) There is no minimum Offering.

(3) There are 363,637 Common shares issuable in the max Offering.

(4) All outstanding Options were issued between June and July 2025 and vest immediately upon grant with an expiration date of the earlier of three (3) years after the date of grant or the date the Issuer's shares are listed on a recognized stock exchange in Canada or the U.S.

(5) The Issuer's directors may from time to time, including while this Offering is ongoing, issue additional Options.

4.2 *Prior Sales*

Table 4.2.1 below provides the specified information for all issuances of Common shares since August 15, 2024.

Table 4.2.1 ***Prior Sales***

Date of issuance	Type of security issued	Number of securities issued	Price per security	Total funds received (1)
May 31, 2025	Common shares	50,440	USD$40.00	$2,017,600
May 6, 2025	Common shares	4,949	$55.00	$272,195
Apr 30, 2025	Common shares	24,755	$55.00	$1,361,525
Apr 11, 2025	Common shares	213	USD$40.00	$8,520
Apr 11, 2025	Common shares	1,200	$55.00	$66,000
Mar 28, 2025	Common shares	8,804	$55.00	$484,220
Mar 10, 2025	Common shares	4,910	USD$40.00	$196,400
Feb 25, 2025	Common shares	4,488	$55.00	$246,840
Jan 21, 2025	Common shares	14,803	USD$40.00	$592,120
Jan 21, 2025	Common shares	32,155	$55.00	$1,768,525
Jan 8 , 2025	Common shares	13,765	USD$40.00	$550,600
Dec 24, 2024	Common shares	2,050	USD$40.00	$82,000
Oct 16, 2024	Common shares	500	$20.00	$10,000
Oct 10, 2024	Common shares	750	$20.00	$15,000
Oct 8, 2024	Common shares	1,000	$20.00	$20,000

Date of issuance	Type of security issued	Number of securities issued	Price per security	Total funds received [1]
Oct 3, 2024	Common shares	3,000	$20.00	$60,000
Oct 3, 2024	Common shares	19,000	USD$14.00	$266,000
Sep 20, 2024	Common shares	14,203	USD$14.00	$198,842

(1) Before any share issuance costs and/or trade fees, as the case may be. In CAD unless purchase price is USD.

Item 5: Securities Offered

5.1 *Terms of Securities*

Prospective purchasers should review the Subscription Agreement, the Voting Trust Agreement, Form 45-106F4 *Risk Acknowledgement*, and all other applicable acknowledgements, certificates, and schedules forming part of the binding purchase documents before making an investment in the Offered Securities.

The following contains brief summaries of material restrictions or conditions that are attached to the Offered Securities pursuant to the foregoing and purchasers should refer thereto for a complete and authoritative description of such summaries and for all applicable terms and conditions.

Voting Rights

Holders of Common shares may attend and vote at all meetings of the shareholders of the Issuer either in person or by proxy. Each Common share shall entitle the holder thereof to one (1) vote at all meetings of the shareholders, subject to the following.

Unless waived at the sole discretion of the Issuer, each purchaser shall complete and deliver an instrument of accession to the Voting Trust Agreement (the "**Voting Trust Accession**"), whereby the purchaser shall become party to, and bound by, the Voting Trust Agreement as if the purchaser had been an original signatory thereto.

Each purchaser agrees that once the purchaser has assigned and transferred the purchaser's legal interest in the Common shares to be held in trust by the Voting Trustee as pursuant to the Voting Trust Agreement and Voting Trust Accession, and for so long as the purchaser is the beneficial owner of any Common shares, any and all right and power to make any and all decisions with respect to any and all matters respecting the Issuer which the purchaser would otherwise have authority to vote upon, consent to, approve, waive, ratify or otherwise authorize which such purchaser may have or may in the future have by virtue of such purchaser's ownership of the Common shares or by virtue of the Issuer's constating documents (the "**Trustee Voting Rights**") will be exercised exclusively by the Voting Trustee in accordance with the voting, consent, approval and waiver instructions of the purchaser set out in section 3.6.2 of the Voting Trust Agreement, including, without limitation, in respect of any matter that, under the Act, requires approval by the holders of shares of the Issuer voting separately as a class or in respect of any matter to be approved by shareholders of the Issuer pursuant to the constating documents of the Issuer or under the Act.

As set forth in the Voting Trust Agreement, each shareholder irrevocably instructs and authorizes the Voting Trustee to at all times and from time to time during the term of the agreement exercise all Trustee Voting Rights in favour of the following matters:

(a) the annual waiver of the requirement for the Issuer to appoint an auditor in accordance with the Act;

(b) the annual waiver of the requirement for the Issuer's directors to produce and publish financial statements in accordance with the Act, or the annual approval of such financial statements, as applicable;

(c) any debt or equity financing of the Issuer which has been determined by the Issuer's directors to be in the best interests of the Issuer to proceed with, including, without limitation, any changes to the rights, privileges, restrictions and conditions attaching to any shares or to the Issuer's constating documents that may, in the opinion of the Issuer's directors, be necessary or desirable to facilitate any such debt or equity financing of the Issuer (including any initial public offering); and

(d) any other matter for which shareholders of the Issuer are being asked to vote upon, consent to, approve, waive, ratify or otherwise authorize, only to the extent that the Issuer's directors has notified the Voting Trustee that such matter has been approved by holders of at least 50.1% of the Issuer's shares, provided, however, that if with respect to the matter to be approved pursuant to (d), the Issuer's directors has notified the Voting Trustee that such matter has not received the approval by holders of at least 50.1% of the Issuer's shares, the Voting Trustee is hereby irrevocably instructed and authorized by each shareholder to exercise all Trustee Voting Rights against such matter.

See also "***Voting Trust Agreement***" in **Item 2.8**

Dividend Rights

Holders of Common shares are entitled, subject to the rights, privileges, restrictions and conditions attaching to any other class or series of shares in the capital of the Issuer then outstanding, to receive dividends if, as and when declared by the Issuer's directors upon the Common shares.

Dissolution Rights

Holders of Common shares are entitled, subject to the rights, privileges, restrictions and conditions attaching to any other class or series of shares in the capital of the Issuer then outstanding, to receive the remaining property of the Issuer on a liquidation, dissolution or winding-up of the Issuer, whether voluntary or involuntary, or any other distribution of the assets of the Issuer among its shareholders for the purpose of winding up its affairs.

The Offered Securities do not have any "drag-along" rights, "tag-along" rights, "pre-emptive" rights, any conversion rights, or repurchase/redemption rights.

5.2 *Subscription Procedure*

The Issuer has retained FrontFundr as a selling agent under this Offering. FrontFundr operates an online investment platform accessible at www.frontfundr.com and may be contacted by email to support@frontfundr.com or toll-free at 1 (800) 804-1524, and has offices in Vancouver, BC and Toronto, Ontario.

FrontFundr has designated www.frontfundr.com/edisonmotors as the investment page for this Offering (the "**Offering Page**"). Subscriptions under this Offering shall be made pursuant to the instructions provided on the Offering Page and as briefly described below.

Investment Process

How do I invest and what information will I need to share?

You will need to open an account with FrontFundr through the Offering Page or their online platform. As an EMD, FrontFundr has "know-your-client" (KYC) and suitability obligations that require FrontFundr to ask certain questions to determine your financial circumstances, affiliation or connection with the Issuer or in the securities industry, portfolio diversification, investment objectives, risk tolerance, among other criteria in order to determine the "suitability" of your proposed investment. Such information shall only be disclosed to FrontFundr personnel that are registered with the securities regulatory authorities in the required categories in jurisdictions in which FrontFundr operates and for the use of determining such purchaser's suitability.

Are there any FrontFundr fees?

There are no fees associated with opening or holding an account with FrontFundr. FrontFundr may charge an investment fee equal to 1.0% of the Subscription Amount (to a maximum of $100) and depending on payment method, payment processing fees may be applicable. Any such fees will be described at the time of purchase.

How do I pay?

After signing all documents, you will be able to make payment online (debit or credit) via the Offering Page, or in-branch (wire transfer or direct deposit). You may also be able to invest via registered accounts (*e.g.,* registered retirement savings plan (RRSP), tax free savings account (TFSA)) held with certain institutions. Payments for registered plan investments may be made via pre-authorized payments, cheque, or using existing funds in account.

If using a registered plan, the institution will charge purchasers a fee at the time of purchase as well as an annual fee. Refer to the institution's fee schedule for applicable fee descriptions and amounts.

How much can I invest?

The following information is provided for convenience only; please refer to the Offering Page for full information.

FrontFundr, as an EMD, shall determine your eligibility to use the OM Exemption, the amount you are able to invest, and provide advice regarding the suitability of your proposed investment.

Depending on your jurisdiction of residence, the maximum amount you are permitted to invest may vary depending on if you are an "'eligible' investor" or "'accredited' investor" within the meaning of

the OM Exemption and NI 45-106. Figure 5.2.1 describes some methods of qualifying as an eligible or accredited investor, and Figure 5.2.2 provides the investment limits under the OM Exemption by type and jurisdiction.

Figure 5.2.1 ***Investor Types under the OM Exemption***

Attribute	**Eligible**	**Accredited**
Net income before tax, last 2 years and expected this year	$75,000+	$200,000+
Net income before tax, last 2 years and expected this year (incl. spouse)	$125,000+	$300,000+
Net financial assets (incl. spouse)	-	$1,000,000+
Net total assets (incl. spouse)	$400,000+	$5,000,000+

You only need to meet one of the criteria. Financial assets include cash and securities, but do not include any real estate (to be included in total assets). Net amounts are determinable after subtracting related debt.

*For additional accredited or eligible investor qualifications, refer to section 1.1 of **NI 45-106**.*

Figure 5.2.2 ***Investment Limits under the OM Exemption***

Province of Residence	**Any person**	**Eligible** investor	**Accredited** investor	**FFBA** [1]
BC, NFL	*No limit*			
MB, NT, NWT, PEI, YK	$10,000	*No limit*		
AB, NB, NS, ON, QC, SK	$10,000 [2]	$30,000 [2] [3]	*No limit*	

(1) Persons who are a "**f**amily member", "close personal **f**riend" or "close **b**usiness **a**ssociate" (**FFBA**) of a director, officer, or control person of the Issuer as such terms are described in section 2.5 of NI 45-106.

(2) Total value of all securities purchased under the OM Exemption in the last 12 months from any issuer.

(3) Up to $100,000 if deemed suitable by an EMD.

Purchase Documents

Purchasers must complete and deliver to FrontFundr on behalf of the Issuer (electronically via the Offering Page) all purchase and subscription documents, including those described below, in the forms provided via the Offering Page, in addition to any other certificates, instruments, schedules or other documents requested by the Issuer, its agent, or counsel, in order to establish the purchaser's qualification to utilize the OM Exemption to purchase the Offered Securities under this Offering.

Document	***Required by***
Subscription Agreement	All purchasers
Voting Trust Agreement	All purchasers must join via the Voting Trust Accession
Offering Memorandum Certificate	All purchasers
Form 45-106F4 Risk Acknowledgement	All purchasers
Instrument of Accession	All purchasers

Document	*Required by*
Accredited Investor Certificate	Purchasers relying on their status as an "accredited investor"
FFBA Certificate	Persons relying on their relation as a FFBA

Closings

Subscriptions under this Offering shall be held in trust for a minimum of the two day period described in (1) of **Item 11: Purchasers' Rights** or as otherwise required under the OM Exemption. The Issuer may conduct a closing and subsequent issuance to affect the purchase and sale of Offered Securities to purchasers (a "**Closing**") under this Offering on any such dates in any number of tranches at its sole discretion, subject to:

(1) The Issuer having received the Subscription Amount and a duly executed Subscription Agreement from the purchaser;

(2) The satisfaction of any applicable escrow provisions, such as those outlined above;

(3) The issue and sale of the Common shares being exempt from the requirement to file a "prospectus" (as defined in applicable securities law) relating to the sale of the securities, or the Issuer having received such orders, consents or approvals as may be required to permit such sale without the requirement to file a prospectus; and

(4) The Issuer having authorized the issuance of the Common shares to the purchaser as may be evidenced only by the signature of the Issuer duly executing the Subscription Agreement.

In the event a Subscription is not accepted by the Issuer, either in whole or in part, funds shall be returned without interest to purchasers. Closings under this Offering Memorandum may occur on any dates no later than April 30, 2026.

Item 6: Income Tax Consequences and RRSP Eligibility

You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you.

Not all securities are eligible for investment in a registered retirement savings plan (RRSP). You should consult your own professional advisers to obtain advice on the RRSP eligibility of these securities.

Item 7: Compensation Paid to Sellers and Finders

Pursuant to the FrontFundr Agreement, we have paid FrontFundr (a) $20,000 for onboarding, campaign preparation, offering review, and drafting and preparation of certain offering materials and (b) $1,500 for setup with WESTERN PACIFIC TRUST COMPANY.

If we conduct a Closing under this Offering, we will pay FrontFundr a trade fee per Subscription equal to (a) two percent (2.0%) of the Subscription Amount for purchasers introduced by the Issuer or (b) five percent (5.0%) of the Subscription Amount for purchasers introduced by FrontFundr. If the entirety of the maximum Offering is raised via FrontFundr, the total trade fee payable would be not

less than $400,001, assuming the minimum rate of 2.0%, and not greater than $1,000,002, assuming the maximum rate of 5.0%.

At our discretion, we may also retain FrontFundr to (a) draft and prepare closing documents for $500 or (b) to prepare and file Form 45-106F1 *Report of Exempt Distribution* with applicable securities regulatory authorities for $2,000 plus SEDAR+ fees.

Item 8: Risk Factors

The Issuer is using one or more exemptions from the requirement under securities law for an issuer to produce a "prospectus" and therefore this Offering should be considered inherently risky for purchasers.

An investment in the Offered Securities may result in total loss of investment for a purchaser.

Certain risk factors are described in this Offering Memorandum, including those below, however, prospective purchasers should be aware, and take consideration, of the following when reviewing the proceeding risk factors:

- The Issuer has attempted to provide all risk factors, in order of importance, that a reasonable investor would consider important in deciding whether to purchase the Offered Securities, notwithstanding, any of the risk factors listed below, regardless of order, or risk factors not identified below or elsewhere in this Offering Memorandum, may result in a total loss of investment or material adverse effect on the Issuer or its business.
- The order of the risk factors does not mean that a given risk is less likely to occur or cause less of a material adverse effect on the Issuer or its business (*i.e.*, all risks may be equal and have an equally detrimental effect).
- The headings "***Investment Risk***", "***Issuer Risk***", and "***Industry and Other Risk***" below, in addition to each subheading, are provided for convenience of reference only and do not mean that a given risk is only applicable under such heading (*i.e.*, an "issuer risk" is not exclusively an 'issuer' risk) or that the subheading is a full description of the applicable risk.

The Issuer advises prospective purchasers to carefully read this Offering Memorandum, including the information contained the Subscription Agreement, the Voting Trust Agreement, Form 45-106F4 *Risk Acknowledgement,* and the certificates, instruments and schedules thereto, in their entirety and consider the risks relating to the Issuer and the Offered Securities with a legal and financial advisor.

See also ***Warning about Forward Looking Statements*** at the beginning of this Offering Memorandum

Investment Risk

The Offered Securities are speculative and high risk.

No assurance can be given that purchasers will realize a profit on their investment. Moreover, investors may lose some or all of their investment. Any return, whether of the original amount or greater, is not guaranteed and is based upon many performance assumptions, including business expenses and market conditions. Due to the nature of our business and the present stage of development of our business, we are subject to significant risks. Our actual operating results may be

very different from those expected and described in this Offering Memorandum. Only potential purchasers who are experienced in investments that involve significant risk and who may afford to lose their entire investment should consider an investment in the Offered Securities.

You may never be able to sell or otherwise transfer the Offered Securities.

There is presently no public market for the Offered Securities, and none is expected to develop in the foreseeable future. Our Common shares are subject to substantial restrictions on transfer under applicable securities laws and the Voting Trust Agreement. Accordingly, the Common shares may not be resold or otherwise transferred, except in accordance with such laws and the Voting Trust Agreement.

See also **Item 10: Resale Restrictions**

We have arbitrarily set the price of Offered Securities.

The offered price of the Common shares was not established in a competitive market and has been determined by management in its sole discretion. Such price should not be considered an indication of the actual value of Common shares and is not based on our asset value, net worth, revenues or other established criteria of value. We cannot guarantee that the Offered Securities can be resold at the offering price or at any other price.

We have sole discretion over the use of proceeds from this Offering.

The proceeds from this Offering are intended as described in this Offering Memorandum, however, we reserve the right to use the proceeds for any general business purposes and such other purposes not presently contemplated which we deem to be in the best interests of Edison Motors and our shareholders. As a result of the foregoing, our success may be substantially dependent upon the discretion and judgment of our management with respect to the application and allocation of the net proceeds of the Offering. Purchasers will be entrusting their investment to our management, upon whose judgment and discretion, the purchaser must depend.

The ownership the securities you purchase represent may decrease and your ownership may be diluted over time.

Purchasers may experience dilution or reduction of their ownership interest. The issuance, conversion or exercise of outstanding convertible securities, stock options, or warrants may have a dilutive effect on the interests of the new purchasers of the securities. In the event we require additional equity financing after the completion of this offering, purchasers may experience further dilution with each additional issuance of equity shares. There is no assurance that any such future issuance will be made at a price equal to or greater than the price paid by purchasers under the Offering. The Issuer may issue additional securities at prices that are lower than the offering price, which could result in a greater dilution of the purchasers' ownership interest.

Issuer Risk

We have not earned a profit and have a history of net losses.

We have incurred significant net losses and negative operating cash flow since founding and cannot assure that we will become profitable or avoid net losses into the future or that there will not be any earnings or revenue declines for any future quarterly or other periods. Additionally, we expect that our

operating expenses will increase in the future, including allocating substantial resources for sales, marketing, product development, and other growth-related expenses, including significant capital expenditures. As a result, any decrease or delay in generating revenues could result in material operating losses that may not be sustainable.

We are heavily reliant on current key personnel and their experiences and skills.

Our business is significantly dependent on our founders and other key persons in order to conduct operations, execute our business plan, and secure meaningful long-term growth. The loss of any of these persons or their associated contacts and organizations could have a material adverse effect on our ability to successfully grow our business and maintain operations.

We have a limited operating history upon which to evaluate our future prospects and performance.

Our operations are subject to all business risks associated with new enterprises and require qualified teams and management in order to execute those plans. The likelihood of our success must be considered in light of the problems, expenses, difficulties, complications, and delays frequently encountered in connection with the expansion of a business, operation in a competitive industry, and the development of a customer base. There is a possibility that we could sustain losses in the future and not be able to continue operations.

Our technology is unproven and may not perform as intended, particularly at commercial scale or under varying regulatory and operational conditions across jurisdictions.

Edison is in the early stages of developing heavy-duty truck platforms that incorporate plug-in hybrid electric drivetrain technologies. These technologies have not been commercially deployed by the Issuer in either Canada or the United States, and there can be no assurance that they will perform as intended in diverse and demanding real-world conditions, including long-haul and extreme-weather applications. Failure to meet reliability, durability, or efficiency expectations may adversely affect customer adoption, regulatory approvals, and the Issuer's brand.

We may experience delays, cost overruns, or other adverse outcomes in the development and commercialization of our products.

The successful development, validation, and market introduction of a new class of heavy-duty vehicles is a complex, resource-intensive, and iterative process. There can be no assurance that our development activities will proceed as planned or result in commercially viable products. We may encounter unforeseen challenges at various stages of the development cycle, and the time and cost required to bring products to market may be significantly greater than anticipated. Such challenges may delay the achievement of key milestones, necessitate design changes, increase capital requirements, or adversely affect our ability to comply with applicable regulatory standards in Canada, the United States, or other target markets. Any failure to successfully advance our product development and commercialization efforts could have a material adverse effect on our business, financial condition, and prospects.

We may have difficulties obtaining additional capital in the future that may be necessary for our growth.

In order to achieve Edison Motors' near and long-term goals, we will need to procure funds in addition to the amount raised in the Offering. We may have difficulty raising needed capital in the future as a result of, among other factors, the inherent business risks associated with our business

and present and future market conditions. We have not generated profits since inception and have a history of losses. Additionally, our future sources of revenue may not be sufficient to meet our future capital requirements. As such, we may require additional funds to execute our business strategy and conduct our operations. If adequate funds are unavailable, we may be required to delay, reduce the scope of or eliminate one or more of our research, development or commercialization programs, product launches or marketing efforts, any of which may materially harm our business, financial condition and results of operations. There is no guarantee we will be able to raise such funds on acceptable terms or at all. We may also need to raise capital by incurring long-term or short-term indebtedness to fund our business objectives. Security holders are cautioned that there can be no assurance as to the terms of such financing and whether such financing will be available. The level of indebtedness could impair our ability to obtain additional financing in the future on a timely basis to take advantage of business opportunities that may arise, as well, the associated interest payments could limit the free cash flow available for investment and allocation towards growth initiatives and regular business operations. If we are not able to raise sufficient capital in the future, we may not be able to execute our business plan, our continued operations will be in jeopardy and we may be forced to cease operations and sell or otherwise transfer all or substantially all of our remaining assets, which could cause a purchaser to lose all or a portion of their investment.

Securities laws are complex, and we could potentially be found to have not complied with all relevant securities law in prior offerings of securities.

The Issuer has conducted previous offerings of securities and may not have complied with all relevant provincial, state and federal securities laws. If a court or regulatory body with the required jurisdiction ever concluded that the Issuer may have violated state or federal securities laws, any such violation could result in the Issuer being required to offer rescission rights to purchasers in such offering. If such purchasers exercised their rescission rights, the Issuer may have to pay to such purchasers an amount of funds equal to the purchase price paid by such purchasers plus interest from the date of any such purchase. No assurances can be given the Issuer will, if it is required to offer such purchasers a rescission right, have sufficient funds to pay the prior purchasers the amounts required or that proceeds from this Offering would not be used to pay such amounts. In addition, if the Issuer violated federal or provincial/state securities laws in connection with a prior offering and/or sale of its securities, federal or state/provincial regulators could bring an enforcement, regulatory and/or other legal action against the Issuer which, among other things, could result in the Issuer having to pay substantial fines and be prohibited from selling securities in the future.

See also **Item 3.3** ***Penalties, Sanctions, Bankruptcy, Insolvency and Criminal or Quasi-Criminal Matters***

We may not be able to effectively manage the potential growth of the business.

The growth of our operations may place a strain on managerial, financial and human resources and our ability to continue our rate of growth will depend on a number of factors, including the availability of working capital, existing and emerging competition, the ability to maintain sufficient profit margins and to recruit and train additional qualified personnel, both with respect to sales and product development, the ability to expand our product offering and the ability to identify and successfully integrate acquisitions of other companies or products. Our ability to manage growth effectively will require us to continue to implement and improve effective oversight, operations, and financial

systems and to expand, train, and manage our employee and stakeholder base. Any expansion of operations we undertake will entail direct risks including failure and indirect risks including opportunity cost; such actions may involve specific operational activities, which may negatively impact our profitability. Consequently, prospective purchasers must assume the risk that such expansion may ultimately involve expenditures of funds beyond our available resources, and management of such expanded operations may divert our attention and resources away from any other operations, all of which may have a material adverse effect on our present and prospective business activities.

There may be delays and cost overruns in the design and construction of the New Facility.

There can be no assurance that construction of the New Facility will be completed on time, within budget, or according to specifications. Delays and cost overruns may occur with the construction of the New Facility. Several factors which could cause such delays or cost overruns include, without limitation, delays in obtaining necessary permits and approvals; zoning and land use issues; construction pricing escalation; changing engineering and design requirements; the performance of contractors; labour shortages or disruptions; supply chain disruptions; adverse weather conditions; and the availability of financing required to fund construction. Even if the New Facility is completed as planned, it may not become fully operational within the anticipated timeline or may fail to perform as expected due to design flaws, construction deficiencies, manufacturing errors, or unforeseen technical or regulatory challenges. The failure of the New Facility to function as intended could have a material adverse effect on the Issuer's operations, revenue, and growth prospects.

The Issuer has limited experience with commercial-scale manufacturing and may face significant challenges in establishing and operating the New Facility.

The Issuer intends to manufacture its vehicles at the New Facility, which is currently under development. The transition from prototype development to in-house commercial production involves substantial operational risk. As a company with limited manufacturing history, we may encounter unforeseen challenges in commissioning the New Facility, scaling production capacity, implementing effective quality control systems, managing supply chains, or recruiting and retaining a skilled workforce. Delays or inefficiencies in bringing the New Facility into full operation, or in ramping up production to meet anticipated demand, could result in increased costs, missed delivery timelines, or reputational harm, any of which could have a material adverse effect on our business and financial performance.

Damage to brand perception and company reputation could negatively impact our operating results.

Our reputation and the quality of our brand are critical to our business and success in existing markets and will be critical to our success as we enter new markets. Maintaining, promoting, and positioning our brand will depend on, among other factors, the reliability and usability of our product and services, continuous product and service development, a positive brand image, and our ability to provide a consistent, high-quality experience for our customers. Brand value is based on perceptions of subjective qualities, and any incident that erodes the loyalty of users or buyers, including adverse publicity or a governmental investigation or litigation, regardless of its accuracy or validity, could significantly reduce the value of our brand and adversely affect our business, results of operations,

and financial condition. Also, there has been a marked increase in the use of social media platforms and similar devices, including blogs, social media websites and other forms of internet-based communications that provide individuals with access to a broad audience of consumers and other interested persons. The availability of information on social media platforms is virtually immediate as is its impact. Information posted may be adverse to our interests or may be inaccurate, each of which may harm our performance, prospects or business. The harm may be immediate and may disseminate rapidly and broadly, without affording us an opportunity for redress or correction. Without a favorable perception of the brand and products, our sales and profits could be impacted.

We may be exposed to significant product liability, warranty, and recall risks, which could materially adversely affect our business and financial performance.

As a manufacturer of heavy-duty vehicles intended for commercial and industrial use, we may be subject to product liability claims and other legal or regulatory proceedings arising from actual or alleged defects, malfunctions, design flaws, or performance issues associated with our products. Such claims may result from accidents, property damage, bodily injury, or death and may give rise to litigation, regulatory investigations, fines, or penalties, regardless of whether we are ultimately found liable. In addition, we may be required to initiate product recalls, retrofits, or safety-related service campaigns, whether voluntarily or as required by regulatory authorities in Canada, the United States, or other jurisdictions. Any such actions may result in substantial costs, divert management attention, and cause significant reputational harm. We may also be obligated to provide product warranties or maintenance and service agreements, the costs of which may be difficult to predict and may exceed established reserves or insurance coverage. If we fail to adequately manage product risk, or if existing insurance coverage is insufficient or unavailable, the resulting liability could have a material adverse effect on our financial condition, operating results, and prospects.

Founders, management and other key personnel may have conflicts of interest.

We can not ensure that our founders, officers, directors, and other key persons will not have conflicts of interest from time to time. Any of those persons may now or in the future serve in similar roles or capacities of other companies or have significant shareholdings in other companies and, to the extent that such other companies may participate in ventures in which we may participate, that person may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of our directors, a director who has such a conflict will abstain from voting for or against any resolution involving any such conflict. In accordance with the Act, specified persons are required to act honestly, in good faith, and in the best interests of the Issuer. In determining whether or not we will participate in an undertaking at any given time, the directors will primarily consider the upside potential for the undertaking to be accretive to our shareholders, the degree of risk to which the business may be exposed, and our financial position at that time.

We may implement new lines of business or products within or offer new products and services within existing lines of business that may not be successful.

To succeed in our industry, we must continually improve, refresh and expand our product and service offerings to include newer features, functionality or solutions, and keep pace with changes in the industry. In addition, bringing new products or solutions to the market entails a costly and lengthy

process, and requires us to accurately anticipate changing customer needs and trends. We must continue to respond to changing market demands and trends or our business operations may be adversely affected. There are substantial risks and uncertainties associated with these efforts, particularly in instances where the markets are not fully developed. In developing and marketing new lines of business and/or new products and services, we may invest significant time and resources. Initial timetables for the introduction and development of new lines of business and/or new products or services may not be achieved, and price and profitability targets may not prove feasible. We may not be successful in introducing new products and services in response to industry trends or developments in technology, or those new products may not achieve market acceptance. As a result, we could lose business, be forced to price products and services on less advantageous terms to retain or attract clients or be subject to cost increases, which may adversely affect our business, financial condition or results of operations.

We must attract and retain specialized personnel in order to grow our business.

Recruiting and retaining highly qualified personnel is critical to our success. These demands may require us to hire additional personnel and will require our existing management and other personnel to develop additional expertise. We face intense competition for personnel, making recruitment time-consuming and expensive. Furthermore, the Issuer's relatively remote location may make such recruitment more challenging. The failure to attract and retain personnel or to develop such expertise could delay or halt the development and commercialization of our products and services. If we experience difficulties in hiring and retaining personnel in key positions, we could suffer from delays in product and vehicle development, loss of customers and sales and diversion of management resources, which could adversely affect operating results. Any consultants and advisors may be employed by third parties and may have commitments under consulting or advisory contracts with third parties that may limit their availability to us, which could further delay or disrupt our product development and growth plans.

We rely on various IP rights in our business and may not be able to adequately protect such rights.

Our intellectual property (IP) and other intangible assets, including our utility patents, trademarks, copyrights, trade secrets, and industrial designs, are paramount to the success of our business and ability to operate. Our IP rights may not be sufficiently broad or otherwise may not provide us a significant competitive advantage. In addition, the steps that we have taken to maintain and protect our IP may not prevent it from being challenged, invalidated, circumvented or designed around, particularly in countries where IP rights are not highly developed or protected. In some circumstances, enforcement may not be available to us because an infringer has a dominant IP position or for other business reasons, or countries may require compulsory licensing of our IP. We might be required or may opt to seek a license for rights to intellectual property held by others, which may not always be available on commercially reasonable terms, or at all. Even if a license is available, we could be required to pay significant royalties, which would increase our operating expenses and ultimately harm the Issuer's results of operations. We also rely on nondisclosure and noncompetition agreements with employees, consultants and other parties to protect, in part, trade secrets and other proprietary rights. There can be no assurance that these agreements will adequately protect our trade

secrets and other proprietary rights and will not be breached, that we will have adequate remedies for any breach, that others will not independently develop substantially equivalent proprietary information or that third parties will not otherwise gain access to our trade secrets or other proprietary rights. As we expand our business, protecting our IP will become increasingly important. Although we will seek to protect our proprietary rights through available means, those actions may be inadequate to protect any proprietary rights or to prevent others from claiming violations of their proprietary rights.

Public statements and social media activity by Chace Barber could have a material adverse effect on our brand and operations.

Our President, Chace Barber, is an influential public figure whose personal and professional actions, including public statements and activity on social media platforms, have at times attracted significant media attention and controversy. Mr. Barber's statements—whether or not they relate directly to our operations—can impact public perception of Edison and influence the perceived value of the Issuer. For example, prior social media posts by Mr. Barber regarding MNP's involvement in the advanced research and commercialization (ARC) and commercial vehicle innovation challenge (CVIC) grant programs have resulted in significant press coverage, government investigations into such claims, and threatened litigation, of which the Issuer does not believe to have any ongoing exposure. While we maintain internal policies governing external communications, including those on social media, we may not be able to control or influence all statements made by Mr. Barber in his personal capacity.

Additionally, any reputational harm to Mr. Barber—arising from his public commentary, business ventures, or personal conduct—could negatively affect Edison's brand, customer sentiment, investor confidence, and our ability to attract and retain employees. Given Mr. Barber's central role in our strategic direction and public image, any such adverse developments could have a material adverse effect on our business, financial condition, and results of operations.

We will need to maintain public credibility and confidence in our long-term prospects in order to succeed.

As we have not produced any trucks at scale, in order to maintain and grow our business, we must build and maintain credibility and confidence among customers, suppliers, investors and other parties in our long-term financial viability and business prospects until such time as our historical production figures are strong. Maintaining such confidence may be challenging due to our limited operating history relative to established competitors; customer unfamiliarity with our products; any delays we may experience in scaling manufacturing, delivery and service operations to meet demand; competition and uncertainty regarding the future of EVs or our other products and services; our quarterly production and sales performance compared with market expectations; and other factors including those over which we have no control. In particular, our products, business, results of operations, and statements and actions of Edison and its management are subject to significant amounts of commentary by a range of third parties. Such attention can include criticism, which may be exaggerated or unfounded. Any such negative perceptions, whether caused by us or not, may harm our business and make it more difficult to raise additional funds if needed.

Industry and Other Risk

Our operations are subject to government regulation and changes thereto could have adverse effects.

Our products must comply with a wide range of federal, provincial/state, and municipal regulations governing transportation safety, emissions, noise, energy efficiency, and vehicle design. These requirements vary between jurisdictions and may change over time. Non-compliance may result in fines, recalls, enforcement actions, or the inability to market or sell vehicles in certain jurisdictions. Heavy-duty vehicles must undergo extensive testing and certification before being approved for use on public roads, particularly in the U.S. under federal and state-level standards (*e.g.*, EPA, FMVSS, NHTSA) and in Canada under Transport Canada regulations. Delays in obtaining these approvals, or changes in applicable standards mid-development, could materially impact the timing and cost of product launches.

There can be no assurance that we will be compliant with all such laws and regulations, have all necessary approvals, certifications, permits and licenses, and will be able to comply with such laws and regulations or obtain such approvals, certifications, permits and licenses in the future. New laws and regulations may impose new and significant obligations and other operational and compliance-related obligations and requirements, which may lead to additional costs, risks of noncompliance, and diversion of our management's time and attention from strategic initiatives. Additionally, federal, provincial/state and local legislators or regulators may change current laws or regulations which could adversely impact our business. Further, court actions or regulatory proceedings could also change our rights and obligations under applicable federal, provincial/state, and local laws, which cannot be predicted. Modifications to existing requirements or imposition of new requirements or limitations could also have an adverse impact on our business. Failure to comply with applicable laws and regulations and approvals, certifications, permits and licenses could subject us to revocation or suspension of our approvals, certifications, or license to operate the subject business or civil remedies, including cease-and-desist orders, fines, injunctions, recalls, or seizures, as well as potential criminal sanctions, which could have a material adverse effect on our financial condition and results of operations. In addition, enforcement of existing laws and regulations, changes in legal requirements, and/or evolving interpretations of existing regulatory requirements may result in increased compliance costs and create other obligations, financial or otherwise, that could adversely affect our business, financial condition, or results of operations.

We face strong competition from a growing list of established and new competitors.

The worldwide automotive market is highly competitive today and we expect it will become even more so in the future. A significant and growing number of established and new automobile manufacturers, as well as other companies, have entered, or are reported to have plans to enter, the market for electric and other alternative fuel vehicles, including hybrid, plug-in hybrid and fully electric vehicles, as well as the market for self-driving technology and other vehicle applications and software platforms. In addition, certain government and economic incentives which provide benefits to manufacturers who assemble domestically or have local suppliers, may provide a greater benefit to our competitors, which could negatively impact our profitability. Many of our competitors have significantly more or better-established resources than we do to devote to the design, development,

manufacturing, distribution, promotion, sale and support of their products. Increased competition could result in lower vehicle unit sales, price reductions, revenue shortfalls, loss of customers and loss of market share, which may harm our business, financial condition and operating results.

We are reliant on many third parties throughout our supply chain.

Insufficient or delayed supply of materials for the manufacturing of our products threatens our ability to meet customer demands while over-capacity threatens our ability to generate profit. Any failure by us to properly manage our supply chain could have a material adverse effect on our business, financial condition, and results of operations. As we continue to grow, we may need to shift or change partners and suppliers on a frequent basis to ensure quality control, manage cost and production schedules, and maintain necessary vertical integration to ensure sustainable operations. Any time we change such partners or suppliers could result in subsequent delays or other unintended consequences, such as an increase in costs and a decrease in quality. As a result, any border restrictions, delays, or closures may threaten our ability to meet customer demands and generate optimal profitability.

We do not have any control or influence over the input costs of our supply chain.

Costs of the raw materials and packaging for our products are volatile and can fluctuate due to conditions that are difficult to predict, including global competition for resources, weather conditions, inflation, consumer demand, and changes in governmental trade and agricultural programs. Volatility in the prices of raw materials and other supplies we purchase could increase our cost of sales and reduce profitability. Moreover, we may not be able to implement product price increases to cover any increased costs, or any price increases implemented may result in lower sales volumes. If we are not successful in managing our raw materials and production costs and are unable to increase our prices to cover increased costs or if such price increases reduce sales volumes, then such increases in costs will adversely affect our business, results of operations, and financial condition.

There may be changes and interruptions in our supply chain outside of our control.

The Issuer is subject to the risk of disruption arising from events such as natural disasters, climate-related incidents, armed conflicts, geopolitical instability, inflationary pressures, labour unrest, trade restrictions, pandemics or public health emergencies, and other significant macroeconomic developments. These events may adversely affect global supply chains, transportation networks, commodity markets, or the availability and cost of labour and materials. Any resulting supply shortages, cost increases, or delays in the procurement or delivery of critical components could impair our ability to scale production, meet customer demand, or maintain development timelines. Such disruptions could have a material adverse effect on our business, results of operations, financial condition, and cash flows.

Our growth and success are dependent upon demand for electric heavy-duty trucks.

Though we continue to see increased interest and adoption of electric vehicles, if the market for electric vehicles in general and Edison Motors vehicles in particular do not develop as we expect, develop more slowly than we expect, or if demand for our vehicles decreases in our markets or our vehicles compete with each other, our business, prospects, financial condition and operating results may be harmed. In addition, electric vehicles still constitute a small percentage of overall vehicle

sales, in particular in the heavy-duty segment. Fleet operators may be hesitant to adopt new vehicle platforms due to cost, perceived performance risks, maintenance concerns, or operational disruptions. The Issuer's business model assumes a level of demand that may not materialize within the expected timeframe, or at all. The market for our vehicles could be negatively affected by numerous factors, such as (i) perceptions about electric vehicle features, quality, safety, performance and cost; (ii) perceptions about the limited range over which electric vehicles may be driven on a single battery charge, and access to charging facilities; (iii) competition, including from other types of alternative fuel vehicles, plug-in hybrid electric vehicles and high fuel-economy internal combustion engine vehicles; (iv) volatility in the cost of oil, gasoline and energy; (v) government regulations and economic incentives and conditions; and (vi) concerns about our future viability. The target demographics for our vehicles are highly competitive. Sales of vehicles in the automotive industry tend to be cyclical in many markets, which may expose us to further volatility. We also cannot predict the duration or direction of current global trends or their sustained impact on consumer demand. Ultimately, we continue to monitor macroeconomic conditions to remain flexible and to optimize and evolve our business as appropriate, and attempt to accurately project demand and infrastructure requirements globally and deploy our production, workforce and other resources accordingly. Rising interest rates may lead to consumers pulling back spending, including on our products, which may harm our demand, business and operating results. If we experience unfavorable global market conditions, or if we cannot or do not maintain operations at a scope that is commensurate with such conditions or are later required to or choose to suspend such operations again, our business, prospects, financial condition and operating results may be harmed.

Rapid technological change may reduce the competitiveness of our products.

The electric and hybrid vehicle industry is characterized by rapid innovation, frequent product introductions, and evolving customer expectations. Advances by competitors in battery chemistry, hydrogen propulsion, autonomous systems, or vehicle connectivity may render our products and technology less competitive or obsolete. Our ability to maintain a technological edge will depend on our ongoing investment in research and development, which may be constrained by available capital.

Our business may be adversely affected by changes in government incentives or environmental policy.

Adoption of electric and hybrid technology is partially driven by government policies and incentives, including grants, tax credits, fuel efficiency standards, and zero-emissions mandates. Changes in political priorities or economic conditions may result in the reduction, elimination, or deferral of such incentives in either Canada or the U.S. This could negatively affect demand for our products or reduce the attractiveness of its value proposition to fleet operators.

Infrastructure limitations may impair customer adoption of our products.

The widespread deployment of electric and plug-in hybrid vehicles requires access to adequate charging infrastructure at depots, maintenance yards, and along transportation corridors. While some Canadian and U.S. jurisdictions have initiated infrastructure programs, many regions still lack sufficient coverage. Inadequate charging or service infrastructure may deter potential customers or limit the operational range of our trucks .

We may face regulatory challenges or limitations on our ability to sell vehicles directly.

While we intend to continue to leverage our most effective sales strategies, including sales through our website, we may not be able to sell our vehicles in certain jurisdictions with laws that may be interpreted to impose limitations on this direct-to-consumer sales model. The application of laws in areas applicable to our operations is difficult to predict and there may be laws in jurisdictions we have not yet entered or laws we are unaware of in jurisdictions we have entered that may restrict our sales or other business practices. Regulatory limitations and other obstacles interfering with our ability to sell vehicles directly to consumers may harm our financial condition and operating results.

Fluctuations in foreign currency exchange rates may adversely affect our operating results.

We may be exposed to foreign currency exchange rate risk with respect to our sales, expenses, profits, assets and liabilities. We generally do not use instruments to hedge certain foreign currency risks and are not protected against foreign currency fluctuations. As a result, our reported earnings may be affected by changes in foreign currency exchange rates. Moreover, any favourable impacts on profit margins or financial results from fluctuations in foreign currency exchange rates are likely to be unsustainable over time.

Changes in interest rates could affect our ability to finance capital expenditures.

Fluctuations in interest rates can significantly affect our borrowing costs, potentially leading to increased debt service payments and reduced project profitability. The economic viability and feasibility of our development initiatives may be subject to variations in interest rates, potentially impacting project returns and overall profitability. Rising interest rates may pose challenges for refinancing existing debt or securing favorable financing terms, which could affect our liquidity position and financial stability. While we may implement risk management strategies such as interest rate hedging and diversification of financing sources, there is no guarantee that such measures will fully mitigate interest rate risks.

Future effective tax rates could be subject to volatility or adversely affected by a number of factors.

Our future effective tax rates could be subject to volatility or adversely affected by a number of factors, including (i) changes in the valuation of our deferred tax assets and liabilities; (ii) expected timing and amount of the release of any tax valuation allowances; (iii) tax effects of stock-based compensation; (iv) costs related to intercompany restructurings; (v) changes in tax laws, regulations or interpretations thereof; or (iv) future earnings being lower than anticipated in countries where we have lower statutory tax rates and higher than anticipated earnings in jurisdictions where we have higher statutory tax rates.

Item 9: Reporting Obligations

The Issuer is not a “reporting issuer” (or equivalent thereof) under the securities laws of any jurisdiction nor does it expect it will be a “reporting issuer” as a result of this Offering and therefore the Issuer is not and will not be subject to the continuous disclosure requirements of a reporting issuer under such securities legislation, including the requirements relating to the production and filing of quarterly financial statements and other business information.

We are required under the Act to produce annual financial statements before each annual general shareholder meeting, together with an independent auditor's report on those financial statements, unless such requirements are unanimously waived by our shareholders in accordance with the Act.

Pursuant to NI 45-106 and the OM Exemption, if we conduct a Closing under this Offering, we will be obligated annually and from time to time to file and deliver certain forms and other materials, as set out in **Figure 9.1.1** below, to the securities regulatory authority or regulator of applicable jurisdictions through the Canadian Security Administrator's SEDAR+ system, accessible at www.sedarplus.ca. Our SEDAR profile number is 000105886.

Figure 9.1.1 ***Filing Requirements under the OM Exemption***

Filing	*Trigger*
Annual audited financial statements [1]	Within 120 days of each financial year end
Form 45-106F1 Report of Exempt Distribution [2]	Within 10 days of a Closing
Form 45-106F16 Notice of Use of Proceeds [3] [4]	Within 120 days of each financial year end
Form 45-106F17 Notice of Specified Key Events [5]	Within 10 days of a specified event
OM Marketing Materials [3]	Within 10 days of a Closing

(1) Only if Closings are conducted in Alberta, New Brunswick, Ontario, Québec, or Saskatchewan.

(2) We must also file Form 45-106F1 within 10 ten days of distribution of securities under certain other prospectus exemptions set out in NI 45-106.

(3) Only if Closings are conducted in Alberta, New Brunswick, Nova Scotia, Ontario, Québec, or Saskatchewan.

(4) Unless aggregate gross proceeds received at Closing are disclosed in prior Form 45-106F16.

(5) Only if Closings are conducted in New Brunswick, Nova Scotia or Ontario; key events meaning (a) a discontinuation of our business; (b) a change in our industry; or (c) a change of control.

Item 10: Resale Restrictions

All trades of securities will be restricted by such restrictions on transfers as attached to the Offered Securities pursuant to the articles of the Issuer and the Voting Trust Agreement in addition to any and all transfer and resale restrictions under applicable law, including those set out below.

Restricted Period

For trades in any province or territory in Canada, other than Manitoba: Unless permitted under securities legislation, you cannot trade the securities before the date that is four (4) months and a day after the date the Issuer became a reporting issuer in any province or territory of Canada.

Restrictions in Manitoba

For trades in Manitoba: Unless permitted under securities legislation, you must not trade the securities without the prior written consent of the regulator in Manitoba unless

(a) the Issuer has filed a prospectus with the regulator in Manitoba with respect to the securities you have purchased and the regulator in Manitoba has issued a receipt for that prospectus, or

(b) you have held the securities for at least 12 months.

The regulator in Manitoba will consent to your trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

Item 11: Purchasers' Rights

11.1 *Statements Regarding Purchasers' Rights*

If you purchase these securities, you will have certain rights, some of which are described below. For information about your rights, you should consult a lawyer.

The following is subject to the express provisions of applicable securities law and the rules, regulations and other instruments thereunder, and reference is made to the complete text of such provisions. Such provisions may contain limitations and statutory defences on which the Issuer or other persons may rely.

(1) Two Day Cancellation Right

You can cancel your agreement to purchase these securities. To do so, you must send a notice to us by midnight on the second (2nd) business day after you sign the Subscription Agreement to buy the Offered Securities.

You can send a notice to our contact information provided on the first page of this Offering Memorandum or to FrontFundr at support@frontfundr.com.

(2) Statutory Rights of Action in the Event of a Misrepresentation

The following summaries of purchasers' legal rights are subject to the express provisions of the securities laws of the applicable province or territory in which they are resident, and reference is made thereto for the complete text of such provisions. The rights of action described below are without derogation from any right or remedy available at law to the investor and are intended to correspond to the provisions of the relevant securities legislation and are subject to the defenses contained therein.

For purchasers in Alberta, British Columbia, Manitoba, Newfoundland and Labrador, Northwest Territories, Nunavut, Prince Edward Island, or Yukon

If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue

(a) the Issuer to cancel your Subscription Agreement to buy the Offered Securities, or

(b) for damages against the Issuer, every director, and every person who signed the Offering Memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the Subscription Agreement within 180 days of the date of purchase. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the misrepresentation, or three (3) years of the date of purchase.

For purchasers in New Brunswick

If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue

(a) the Issuer to cancel your Subscription Agreement to buy the Offered Securities, or

(b) for damages against the Issuer, every director and every person who signed the Offering Memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the Subscription Agreement within 180 days of the date of purchase. You must commence your action for damages within the earlier of one (1) year after you first had knowledge of the misrepresentation, or six (6) years of the date of purchase.

For purchasers in Nova Scotia

If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue

(a) the Issuer to cancel your Subscription Agreement to buy the Offered Securities, or

(b) for damages against the Issuer, every director, and every person who signed the Offering Memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in (a) or (b) above, you must do so within 120 days after the date on which the initial payment was made for the Offered Securities.

For purchasers in Ontario

If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue

(a) the Issuer to cancel your Subscription Agreement to buy the Offered Securities, or

(b) for damages against the Issuer.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the Subscription Agreement within 180 days of

the date of purchase. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the misrepresentation, or three (3) years of the date of purchase.

For purchasers in Québec

If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue

(a) the Issuer to cancel your Subscription Agreement to buy the Offered Securities, or

(b) for damages against the Issuer.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the Subscription Agreement within 180 days of the date of purchase. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the misrepresentation, or three (3) years of the date of purchase.

For purchasers in Saskatchewan

If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue

(a) the Issuer to cancel your Subscription Agreement to buy the Offered Securities, or

(b) for damages against the Issuer, every director, every promoter, any dealer under contract, and every person who signed the Offering Memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the Subscription Agreement within 180 days of the date of purchase. You must commence your action for damages within the earlier of one (1) year after you first had knowledge of the misrepresentation, or six (6) years of the date of purchase.

(3) Contractual Rights of Action in the Event of a Misrepresentation

Without derogation to the foregoing, the Issuer shall (and hereby, in the absence of such terms in the Subscription Agreement, as the case may be), provide(s) the following contractual rights to purchasers resident in Canada duly relying on the OM Exemption:

If there is a misrepresentation in this Offering Memorandum, you have a contractual right to sue the Issuer

(a) to cancel your Subscription Agreement to buy the Offered Securities, or

(b) for damages.

This contractual right to sue is available to you whether or not you relied on the misrepresentation. However, in an action for damages, the amount you may recover will not exceed the price that you paid for the Offered Securities and will not include any part of the damages that the Issuer proves does not represent the depreciation in value of the securities resulting from the misrepresentation. The Issuer has a defence if it proves that you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the Subscription Agreement within 180 days after you signed the agreement to purchase the securities. You must commence your action for damages within the earlier of 180 days after learning of the misrepresentation, or three (3) years after you signed the Subscription Agreement to buy the Offered Securities.

11.2 *Cautionary Statement Regarding Report by Expert*

This Offering Memorandum includes, in **Enclosure 12.2** of **Item 12**, an independent auditor's report from SHESSEL & RANA CPA PROFESSIONAL CORPORATION made July 21, 2025, in respect of the Issuer's financial statements for the year ended December 31, 2024.

You do not have a statutory right of action against this party for a misrepresentation in this Offering Memorandum. You should consult with a legal adviser for further information.

Item 12: Financial Statements

Enclosure 12.1: Financial statements for the 3-month period ended March 31, 2025 **(UNAUDITED)**

Enclosure 12.2: Financial statements for the year ended December 31, 2024

All financial statements include, for the applicable period and the corresponding period in the immediately preceding financial year, **(i)** a statement of comprehensive income, **(ii)** a statement of changes in equity, **(iii)** a statement of cash flows, **(iv)** a statement of financial position, and **(v)** notes to the statement(s).

Enclosure 12.1: *Interim Financial Statements*

3-month period ended March 31, 2025
with comparative period

(UNAUDITED)

[enclosed on the following 16 pages]

Edison Motors Ltd.

Interim Management Financial Statements

January 01, 2025 to March 31, 2025 Quarter 1

Edison Motors Ltd.

January 01, 2025 to March 31, 2025

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Edison Motors Ltd.

Interim Statement of Financial Position

March 31, 2025

	Note	Q1 2025	Q1 2024
Assets			
Current Assets			
Cash		**$ 3,106,423**	$ 940,357
Accounts receivable		**358,376**	18,316
Merchandise inventory		**-**	6,210
Prepaid and deposits	5	**38,069**	-
Goods and services tax recoverable		**135,507**	8,370
Due from related party	6	**3,145**	-
Income taxes recoverable		**-**	14,219
Deferred tax asset	7b	**311,582**	11,444
Total Current Assets		**3,953,102**	998,916
Long Term Assets			
Property, plant and equipment (net)	8	**284,193**	64,691
Investment in 0977799 B.C. Ltd.	9	**2,923,515**	-
Total Assets		**$ 7,160,810**	$ 1,063,607

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

Edison Motors Ltd.

Interim Statement of Financial Position

March 31, 2025

Liabilities and Shareholders' Equity			
Current Liabilities			
Accounts payable and accrued liabilities		**$ 331,110**	$ 12,485
Taxes payable		**-**	17,762
Due to related parties	6	**-**	54,600
Total Current Liabilities		**331,110**	84,847
Long Term Liabilities			
Deposits on account	10	**1,946,837**	1,375,178
Total Liabilities		**2,277,947**	1,460,025
Deficit			
Share capital	11	**10,756,523**	2,347,775
Deficit		**(5,873,660)**	(2,744,193)
Total Equity (Deficit)		**4,882,863**	(396,418)
Total Liabilities and Deficit		**$ 7,160,810**	$ 1,063,607

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

Edison Motors Ltd.

Interim Statement of Loss and Other Comprehensive Loss

For the Period January 01, 2025 to March 31, 2025

	Note	Q1 2025	Q1 2024
Revenue			
General sales		**$ 300,000**	$ -
Merchandise sales		**8,682**	20,735
YouTube revenue		**25,234**	12,852
Freight, delivery, shipping revenue		**2,430**	3,885
Consulting fee revenue		**100,000**	46,383
Rental income		**10,313**	-
Royalty income		**16,289**	-
Total revenue		**462,948**	83,855
Cost of goods sold			
Purchases/materials		**14,144**	8,627
Gross profit		**448,804**	75,228
Total operating expenses	13	**1,358,529**	486,524
Loss from operations		**(909,725)**	(411,296)
Non operating income and expenses			
Subsidies and grants		**213,655**	1,015
Foreign exchange gains		**(28,213)**	-
Other revenue		**4,933**	-
Total non operating income and expenses		**190,375**	1,015
Loss before income taxes		**(719,350)**	(410,281)
Income taxes			
Current taxes		**5,144**	1,326
Future income taxes		**(79,694)**	(11,444)
Total income taxes		**(74,550)**	(10,118)
Net loss		**(644,800)**	(400,163)
Deficit		**(5,228,860)**	(2,344,030)
Deficit - end of year		**$ (5,873,660)**	$ (2,744,193)

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

Edison Motors Ltd.

Statement of Changes in Equity

For the Period January 01, 2025 to March 31, 2025

		Common Shares		Total
	Note 11	Shares	Amount	
Balance at January 1, 2025				
Majority shareholders		4,000,000	$ 400	$ 400
Minority shareholders		809,549	4,198,366	4,198,366
Balance at January 1, 2025		4,809,549	4,198,766	4,198,766
Changes in equity Q1 2025				
Common shares issued		78,925	6,558,157	6,558,157
Balance at December 31, 2024		4,888,474	$ 10,756,923	$ 10,756,923

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

Edison Motors Ltd.

Interim Statement of Cash Flows

For the Period Ended January 01, 2025 to March 31, 2025

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss) for the period	**$ (644,800)**	$ (400,163)
Depreciation, depletion and amortization	**(15,895)**	-
Decrease (increase) in receivables	**(345,920)**	13,749
Decrease (increase) in inventory	**-**	(6,210)
Decrease (increase) in prepaid expense	**112,665**	-
Decrease (increase) in sales tax recoverable	**(58,863)**	(3,866)
Decrease (increase) in income tax receivable	**-**	(3,413)
Decrease (increase) in deferred tax assets	**(79,694)**	174,668
Increase (decrease) in account payable and accrued liabilities	**(101,895)**	(38,401)
Increase (decrease) in HST payable	**-**	7,648
Increase (decrease) in deposits	**(154,428)**	911,597
Increase (decrease) in due to related party	**(26,649)**	(5,400)
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	**$ (1,315,479)**	$ 650,209
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of capital assets	**$ (120,916)**	$ (2,515)
Payment to acquire investment	**$ (2,923,515)**	$ -
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of common stock	**$ 6,557,757**	$ (51,830)
Net cash increase (decrease) in cash and cash equivalents	**$ 2,197,847**	$ 595,864
Cash and cash equivalents at beginning of period	**908,576**	344,493
Cash and cash equivalents at end of period	**$ 3,106,423**	$ 940,357

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

Edison Motors Ltd.

Notes to the Financial Statements

For the Period Ended January 01, 2025 to March 31, 2025

1 Significant Accounting Policies

a Basis of presentation

The financial statements were prepared in accordance with International Financial Reporting Standards (IFRS). The company adopted International Financial Reporting Standards commencing on January 1, 2024. The prior year audited financial statements were prepared in accordance with Canadian Accounting Standards for Private Enterprises (ASPE).

b Inventory

Inventory is valued at the lower of cost and net realizable value. The cost is determined on a first-in, first-out basis.

c Property, plant and equipment

Property, plant and equipment is carried at cost. Amortization is calculated using the declining balance method over estimated useful life using the following prescribed rates outlined by the Canada Revenue Agency:

Automotive equipment	30% declining balance method
Buildings	6% declining balance method
Computer equipment	55% declining balance method
Machinery & equipment	30% declining balance method
Tools and dies	20% declining balance method

The company regularly reviews property, plant and equipment for obsolete items. Government grants for property, plant and equipment are treated as a reduction of property, plant and equipment cost.

Property, plant and equipment acquired is not amortized until put to use.

d Research and development

The company annually incurs costs on activities that relate to research and development of new products. Research and development costs are expensed, except in the event development costs meet identifiable criteria for deferral. Deferred development costs are amortized commencing with the start of commercial production. In the case of serviceable property, the development costs are included in property, plant and equipment and amortized over their useful lives.

1 Significant Accounting Policies

e Income taxes

i Liability method

The company follows the liability method of accounting for income taxes. Under this method, future income tax liabilities and assets are recognized for the estimated income tax consequences attributable to differences between the financial statement carrying amounts of assets and liabilities and their respective tax basis. Future income tax liabilities and assets are measured using enacted tax rates. The effect on future income tax liabilities and assets of a change in tax rates is recognized in income in the period that the change occurs.

ii Future income taxes, enacted rates and valuation allowance

Future income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amount and their tax bases. Future income tax assets are recognized for the benefit of any deductions or losses available to be carried forward to future periods for tax purposes that are likely to be realized. These amounts are measured using enacted or substantively enacted tax rates and are remeasured annually for changes in these rates. Any future income tax assets are reassessed each quarter to determine if a valuation allowance is required. Any effect of the re-measurement or reassessment is recognized in the period of the change.

f Revenue recognition

Sales revenue is recognized in accordance with industry practice which is when all the risks and benefits of ownership of products have been transferred to customers under executed sales agreements.

Consulting fee revenue is recorded at the time the service is rendered in the normal course of business.

g First-time Adoption of IFRS

i Basis of Transition to IFRS

These financial statements are the first annual financial statements of Edison Motors Limited prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). The Company previously prepared its financial statements in accordance with Accounting Standards for Private Enterprises (ASPE) in Canada.

The Company has applied IFRS 1 First-time Adoption of International Financial Reporting Standards. The transition date is January 1, 2024. An opening IFRS statement of financial position was prepared as of that date, and the comparative financial information for the year ended December 31, 2023, has been restated accordingly.

Edison Motors Ltd.

Notes to the Financial Statements

For the Period Ended January 01, 2025 to March 31, 2025

1 Significant Accounting Policies

g First-time Adoption of IFRS

ii Exemptions Applied under IFRS 1

In preparing these financial statements, the Company has elected to apply the following optional exemptions permitted under IFRS 1:

- Share-based payments: The Company has elected not to apply IFRS 2 Share-based Payment to equity instruments that vested before the transition date.

- Intangible assets - R&D (IFRS 1 optional exemptions): The Company has elected not to retrospectively capitalize development costs incurred prior to the transition date. All such costs were expensed under ASPE and remain expensed under IFRS.

iii Mandatory Exceptions Applied

The Company has applied the following mandatory exceptions under IFRS 1:

- Estimates: Estimates under IFRS as of the transition date are consistent with those made under ASPE, as no use of hindsight was permitted.

iv Impact of Transition to IFRS

The transition to IFRS did not have a significant impact on the Company's total equity, given that:

- All research and pre-development expenditures were expensed under ASPE and continue to be expensed under IFRS in accordance with IAS 38 Intangible Assets.

- No primary revenue-generating activities have commenced, and thus no changes arose related to revenue recognition.

v Notes to the Changes

- Research and Development: Under both ASPE and IFRS, research costs are expensed. Although IFRS allows capitalization of development costs when strict criteria are met, the Company has determined that such criteria were not met prior to the transition date due to the early-stage nature of its automotive development.

-Future tax : The company did not recognize any future tax position. Under IAS 12 Future tax assets due to temporary differences need to be capitalized. (Note 7b)

2 Description of business

Edison Motors Ltd. (the "company") was incorporated provincially under the Business Corporations Act of British Columbia on October 5, 2021. The company is engaged in the business of designing electric drivetrain equipment.

3 Development stage companies

The company intends to develop, produce and market electric drivetrain equipment. Activities to date have involved primarily product research and development, marketing of systems to customers for the performance of field trials, establishing facilities, and hiring employees.

The company's successful completion of its development program, and its transition to the attainment of profitable operations, is ultimately dependent upon the company's ability to achieve successful commercialisation of its products and sales levels adequate to support the company's cost structure. It is not possible at this time to predict with assurance the outcome of these activities.

4 Going concern

These interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the company will continue to operate in the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Should the company be unable to continue as a going concern, the basis of reporting the carrying values of assets may be adjusted.

5 Prepaid and deposits

Prepaid expenses and deposits consist of the following:

	2025	2024
Prepaid insurance	$ 8,837	$ -
Deposit for Odoo Software	29,232	-
Total	$ 38,069	$ -

6 Related Party Receivable/Loan

a Edison Motors US Ltd.

The company collected a deposit from a client on behalf of Edison Motors US Ltd. The client terminated the transaction and the deposit was returned January 7, 2025 by the company. As a result of the repayment there was an exchange diffence and expenses paid by the company. The company is in the process of dissolving Edison Motors US Ltd.

7 Income Taxes

a Income tax expenses

Income tax expense recognized in net income comprise the following.

	2025	2024
Current tax expense	**$ 5,144**	$ 1,326
Deferred tax expenses	**$ (79,694)**	$ (11,444)

b Deferred tax balances

Significant components of the company's future tax assets are as follows:

	2025	2024
Non-capital loss carryforwards	$ 311,582	$ 11,444
Net deferred/future tax asset	$ 311,582	$ 11,444

8 Property, plant and equipment

Amortization expense for December 31, 2025 was $34,475 (2024 - $ 34,475).

Property, plant and equipment consist of the following:

			2025	2024
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Automotive equipment	$ -	$ -	$ -	$ 79,312
Buildings	-	-	-	23,247
Computer equipment	-	-	-	9,780
Machinery and equipment	-	-	-	30,191
Tools and dies	-	-	-	4,849
Total	$ -	$ -	$ -	$ 147,379

9 Investment in 0977799 B.C. Ltd.

On January 23 2025, the company acquired the issued and outstanding shares in the capital of 0977799 B.C. Limited at a cost of $2,923,515. The 0977799 B.C. Limited owns a former mill site in Donald, British Columbia.

10 Deposit on account

Client deposits consist of non-refundable advance payments for the research and development of Electric Vehicles (EV) and Pickup Conversion Kits to Electric Vehicles. These deposits will be fully applied toward the purchase of the final product.

In accordance with IFRS 15, these deposits do not relate to the immediate transfer of goods or services and are therefore recognized as contract liabilities. Revenue will be recognized when the related performance obligations are satisfied.

Management expects successful delivery based on historical development outcomes and current funding progress.

Deposits are as follows:

	2025	2024
Research and development client deposit electric vehicles	$ 916,540	$ 377,840
Research and development client pickup truck conversion kits to electric vehicle	1,030,297	997,338
Client deposits for research and development	1,946,837	1,375,178
Deposits on account	$ 1,946,837	$ 1,375,178

11 Shareholders' equity

The company has an unlimited number of authorized common shares without par value only determined by the Board of Directors. The issued and outstanding number of only common shares for 2024 is 4,809,549 and for 2023 is 4,719,970.

Common shares carry one vote each and participate equally in the earnings of the company and the net assets of the company upon dissolution. Dividends are payable on the common shares as and when declared by the Board of Directors.

12 Related party transactions

Key Executive Salary: Normal course of business

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, and which in management's opinion is comparable to amounts that would have been paid to non-related parties.

Chief Executive Officer	$18,038
President	$18,760
Chief Production Officer	$20,893
Chief Marketing Officer	$22,057

13 Operating Expenses

	2025	2024
Research and Development	**$ 827,196**	$ 252,144
Salaries and wages	**201,422**	109,530
Professional fees	**169,537**	11,961
Computer-related expenses	**10,221**	2,710
Travel expenses	**26,130**	19,237
Advertising	**33,404**	6,374
Rental	**20,377**	18,778
Vehicle expenses	**19,017**	13,971
Insurance	**14,866**	16,717
Interest and bank charges	**3,354**	22,401
Amortization of tangible assets	**15,895**	-
Meals and entertainment	**5,763**	10,733
Office expenses	**1,773**	1,046
Memberships and licenses	**7,599**	591
Telephone and telecommunications	**1,415**	331
Supplies	**529**	-
Repairs and maintenance	**31**	-
Total Operating Expenses	**$ 1,358,529**	$ 486,524

14 Subsequent events

a Entered into agreement of purchase and sale

On January 23 2025, the company acquired the issued and outstanding shares in the capital of 0977799 B.C. Limited at a cost of $2,923,515. The Corporation owns a former mill site in Donald, British Columbia.

b Subsequent closure

In June of 2025, the company's management team decided to dissolve Edison Motors US Inc. The company was incorporated on December 5, 2023 for the purpose of securing a client transaction. In 2025 the client transaction was discontinued with Edison Motors US Inc. Management has decided to dissolve Edison Motors US Inc. and is in the process of the dissolution of Edison Motors US Inc. The company estimates it will incur nominal costs in 2026 to provide for closure and dissolution.

c Stock options granted

Subsequent to the quarter ended December 31, 2025, the company granted and aggregate of 36,910 stock options (each, an "Option") to certain employees and consultants of the Company, where each Option is exercisable into one Common Share at a price of $0.01 per share, until the earlier of (i) 3 years following the date of grant, and (ii) the date on which the company's Common shares are listed on a recognized stock exchange in Canada or the U.S.

Enclosure 12.2: *Annual Financial Statements*

Year ended December 31, 2024
with comparative period

[enclosed on the following 17 pages]

Edison Motors Ltd.

Financial Statements

December 31, 2024

Audited

Edison Motors Ltd.

December 31, 2024

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S&R

SHESSEL & RANA
CPA PROFESSIONAL CORPORATION

17070 Yonge Street, Suite 205, Newmarket, Ontario L3Y 8Z4
Tel: (905) 895-7328 • Fax: (905) 895-0677

Auditors' Report

To the Shareholders
Edison Motors Ltd.

We have audited the accompanying financial statements of Edison Motors Ltd., which comprise the statement of financial position as at December 31, 2024, the statement of loss and other comprehensive loss, statement of changes in equity and statement of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with International Financial Reporting Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Edison Motors Ltd. as at December 31, 2024, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Shessel & Rana CPA Professional Corporation
Authorized to practise public accounting by the
Chartered Professional Accountants of Ontario

Newmarket, ON
July 21, 2025

Edison Motors Ltd.

Statement of Financial Position

December 31, 2024

	Note	2024	2023
Assets			
Current Assets			
Cash		**$ 908,576**	$ 478,775
Accounts receivable		**12,456**	32,465
Merchandise inventory		**-**	6,210
Prepaid and deposits	6	**150,734**	-
Goods and services tax recoverable		**76,644**	4,504
Income taxes recoverable		**-**	10,806
Deferred tax asset	7b	**231,888**	186,112
Total Current Assets		**1,380,298**	718,872
Long Term Assets			
Property, plant and equipment (net)	8	**147,379**	62,176
Total Assets		**$ 1,527,677**	$ 781,048
Liabilities and Shareholders' Equity			
Current Liabilities			
Accounts payable and accrued liabilities		**$ 433,005**	$ 57,496
Provincial sales tax payable		**-**	10,114
Due to related parties	9a	**23,504**	-
Total Current Liabilities		**456,509**	67,610
Long Term Liabilities			
Deposits on account	10	**2,101,262**	463,581
Due to related parties	9b	**-**	60,000
Total Liabilities		**2,557,771**	591,191
Deficit			
Share capital	11	**4,198,766**	2,399,605
Deficit		**(5,228,860)**	(2,209,748)
Total Equity (Deficit)		**(1,030,094)**	189,857
Total Liabilities and Deficit		**$ 1,527,677**	$ 781,048

Approved on Behalf of the Board:

_____ Director

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

Edison Motors Ltd.

Statement of Loss and Other Comprehensive Loss

For the Year Ended December 31, 2024

	Note	2024	2023
Revenue			
Merchandise sales		**$ 66,763**	$ 67,133
YouTube revenue		**115,278**	61,024
Freight, delivery, shipping revenue		**11,691**	13,588
Consulting fee revenue		**630,475**	113,080
Total revenue		**824,207**	254,825
Cost of goods sold			
Purchases/materials		**27,569**	18,472
Gross profit		**796,638**	236,353
Total operating expenses	13	**4,205,956**	1,148,370
Loss from operations		**(3,409,318)**	(912,017)
Non operating income and expenses			
Subsidies and grants		**81,155**	-
Foreign exchange gains		**11,881**	-
SRED recovered tax credits		**255,324**	77,332
Other revenue		**26,244**	-
Interest income		**2,312**	-
Total non operating income and expenses		**376,916**	77,332
Loss before income taxes		**(3,032,402)**	(834,685)
Income taxes			
Current taxes		**32,486**	-
Future income taxes		**(45,776)**	(23,769)
Total income taxes		**(13,290)**	(23,769)
Net loss		**(3,019,112)**	(810,916)
Deficit		**(2,209,748)**	(1,398,832)
Deficit - end of year		**$ (5,228,860)**	$ (2,209,748)

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

Edison Motors Ltd.

Statement of Changes in Equity

For the Year Ended December 31, 2024

	Note 11	Common Shares		Total
		Shares	Amount	
Balance at January 1, 2024				
Majority shareholders		4,000,000	$ 400	$ 400
Minority shareholders		719,970	2,399,205	2,399,205
Balance at January 1, 2024		4,719,970	2,399,605	2,399,605
Changes in equity, 2024				
Common shares issued		89,579	1,799,161	1,799,161
Balance at December 31, 2024		4,809,549	$ 4,198,766	$ 4,198,766

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

Edison Motors Ltd.

Statement of Cash Flows

For the Year Ended December 31, 2024

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss) for the period	**$ (3,019,112)**	$ (810,916)
Depreciation, depletion and amortization	**34,475**	21,440
Decrease (increase) in receivables	**20,009**	(31,581)
Decrease (increase) in inventory	**6,210**	(4,056)
Decrease (increase) in prepaid expense	**(150,734)**	(161,943)
Decrease (increase) in sales tax recoverable	**(72,140)**	34,065
Decrease (increase) in income tax receivable	**10,806**	(10,806)
Decrease (increase) in due from related party	**-**	(60,000)
Decrease (increase) in deferred tax assets	**(45,776)**	250,004
Increase (decrease) in account payable and accrued liabilities	**375,509**	36,540
Increase (decrease) in HST payable	**(10,114)**	10,114
Increase (decrease) in deferred revenue	**1,637,681**	463,581
Increase (decrease) in due to related party	**(36,496)**	60,000
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	**$ (1,249,682)**	$ (203,558)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of capital assets	**$ (119,678)**	$ (13,743)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of common stock	**$ 1,799,161**	$ 275,070
Net cash increase (decrease) in cash and cash equivalents	**$ 429,801**	$ 57,769
Cash and cash equivalents at beginning of period	**478,775**	421,006
Cash and cash equivalents at end of period	**$ 908,576**	$ 478,775

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

Edison Motors Ltd.

Notes to the Financial Statements

For the Year Ended December 31, 2024

1 Significant Accounting Policies

a Basis of presentation

The financial statements were prepared in accordance with International Financial Reporting Standards (IFRS). The company adopted International Financial Reporting Standards commencing on January 1, 2024. The prior year audited financial statements were prepared in accordance with Canadian Accounting Standards for Private Enterprises (ASPE).

b Inventory

Inventory is valued at the lower of cost and net realizable value. The cost is determined on a first-in, first-out basis.

c Property, plant and equipment

Property, plant and equipment is carried at cost. Amortization is calculated using the declining balance method over estimated useful life using the following prescribed rates outlined by the Canada Revenue Agency:

Automotive equipment	30% declining balance method
Buildings	6% declining balance method
Computer equipment	55% declining balance method
Machinery & equipment	30% declining balance method
Tools and dies	20% declining balance method

The company regularly reviews property, plant and equipment for obsolete items. Government grants for property, plant and equipment are treated as a reduction of property, plant and equipment cost.

Property, plant and equipment acquired is not amortized until put to use.

d Research and development

The company annually incurs costs on activities that relate to research and development of new products. Research and development costs are expensed, except in the event development costs meet identifiable criteria for deferral. Deferred development costs are amortized commencing with the start of commercial production. In the case of serviceable property, the development costs are included in property, plant and equipment and amortized over their useful lives.

1 Significant Accounting Policies

e Income taxes

i Liability method

The company follows the liability method of accounting for income taxes. Under this method, future income tax liabilities and assets are recognized for the estimated income tax consequences attributable to differences between the financial statement carrying amounts of assets and liabilities and their respective tax basis. Future income tax liabilities and assets are measured using enacted tax rates. The effect on future income tax liabilities and assets of a change in tax rates is recognized in income in the period that the change occurs.

ii Future income taxes, enacted rates and valuation allowance

Future income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amount and their tax bases. Future income tax assets are recognized for the benefit of any deductions or losses available to be carried forward to future periods for tax purposes that are likely to be realized. These amounts are measured using enacted or substantively enacted tax rates and are remeasured annually for changes in these rates. Any future income tax assets are reassessed each year to determine if a valuation allowance is required. Any effect of the re-measurement or reassessment is recognized in the period of the change.

f Revenue recognition

Sales revenue is recognized in accordance with industry practice which is when all the risks and benefits of ownership of products have been transferred to customers under executed sales agreements.

Consulting fee revenue is recorded at the time the service is rendered in the normal course of business.

g First-time Adoption of IFRS

i Basis of Transition to IFRS

These financial statements are the first annual financial statements of Edison Motors Limited prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). The Company previously prepared its financial statements in accordance with Accounting Standards for Private Enterprises (ASPE) in Canada.

The Company has applied IFRS 1 First-time Adoption of International Financial Reporting Standards. The transition date is January 1, 2024. An opening IFRS statement of financial position was prepared as of that date, and the comparative financial information for the year ended December 31, 2023, has been restated accordingly.

1 Significant Accounting Policies

g First-time Adoption of IFRS

ii Exemptions Applied under IFRS 1

In preparing these financial statements, the Company has elected to apply the following optional exemptions permitted under IFRS 1:

- Share-based payments: The Company has elected not to apply IFRS 2 Share-based Payment to equity instruments that vested before the transition date.

- Intangible assets - R&D (IFRS 1 optional exemptions): The Company has elected not to retrospectively capitalize development costs incurred prior to the transition date. All such costs were expensed under ASPE and remain expensed under IFRS.

iii Mandatory Exceptions Applied

The Company has applied the following mandatory exceptions under IFRS 1:

- Estimates: Estimates under IFRS as of the transition date are consistent with those made under ASPE, as no use of hindsight was permitted.

iv Impact of Transition to IFRS

The transition to IFRS did not have a significant impact on the Company's total equity, given that:

- All research and pre-development expenditures were expensed under ASPE and continue to be expensed under IFRS in accordance with IAS 38 Intangible Assets.

- No primary revenue-generating activities have commenced, and thus no changes arose related to revenue recognition.

v Notes to the Changes

- Research and Development: Under both ASPE and IFRS, research costs are expensed. Although IFRS allows capitalization of development costs when strict criteria are met, the Company has determined that such criteria were not met prior to the transition date due to the early-stage nature of its automotive development.

-Future tax : The company did not recognize any future tax position. Under IAS 12 Future tax assets due to temporary differences need to be capitalized. (Note 7b)

2 Description of business

Edison Motors Ltd. (the "company") was incorporated provincially under the Business Corporations Act of British Columbia on October 5, 2021. The company is engaged in the business of designing electric drivetrain equipment.

3 Development stage companies

The company intends to develop, produce and market electric drivetrain equipment. Activities to date have involved primarily product research and development, marketing of systems to customers for the performance of field trials, establishing facilities, and hiring employees.

The company's successful completion of its development program, and its transition to the attainment of profitable operations, is ultimately dependent upon the company's ability to achieve successful commercialisation of its products and sales levels adequate to support the company's cost structure. It is not possible at this time to predict with assurance the outcome of these activities.

4 Going concern

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the company will continue to operate in the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Should the company be unable to continue as a going concern, the basis of reporting the carrying values of assets may be adjusted.

5 Prior period adjustments

Prior period error and restatement of future taxes for IFRS

The company has restated the equity amount as of December 31, 2023 due to error in the common share balance. The company has also restated future income tax balance in adopting IFRS. The effects of the company's restatement on previously reported financial statements and for the period ended December 31, 2023 :

	2023		
	As Previously Reported	Adjustments	As Restated
Statement of Operations			
General and administrative expenses	$ (1,075,100)	$ (51,830)	$ (1,126,930)
Amortization	(21,440)	-	(21,440)
Operating expenses	(1,096,540)	(51,830)	(1,148,370)
Gross profit	236,353	-	236,353
SRED recovered tax credits	77,332	-	77,332
Income (loss) before income taxes	(782,855)	(51,830)	(834,685)
Net income (loss)	$ (782,855)	$ (51,830)	$ (834,685)
Net income (loss) per share			
Balance Sheet			
Property and equipment, net	$ 62,176	$ -	$ 62,176
Other assets	572,360	146,512	718,872
Total assets	$ 634,536	$ 146,512	$ 781,048
Other liabilities	$ 591,191	$ -	$ 591,191
Total liabilities	591,191	-	591,191
Share capital	47,080	2,352,525	2,399,605
Contributed Surplus	2,340,295	(2,340,295)	-
Retained earnings, (deficit)	(2,344,030)	134,282	(2,209,748)
Total equity	43,345	146,512	189,857
Total liabilities and equity	$ 634,536	$ 146,512	$ 781,048

6 Prepaid and deposits

Prepaid expenses and deposits consist of the following:

	2024	2023
Deposit for share purchase - 0977799 B.C. Ltd.	$ 100,000	$ -
Deposit for research & development purchases	27,530	-
Legal fee retainers	13,000	-
Prepaid insurance	10,204	-
Total	$ 150,734	$ -

7 Income Taxes

a Income tax expenses

Income tax expense recognized in net income comprise the following.

	2024	2023
Current tax expense	**$ 32,486**	$ -
Deferred tax expenses	**(45,776)**	(23,769)
Total Income taxes	**$ (13,290)**	$ (23,769)

b Deferred tax balances

Significant components of the company's future tax assets are as follows:

	2024	2023
Non-capital loss carryforwards	$ 231,888	$ 186,112
Net deferred/future tax asset	$ 231,888	$ 186,112

8 Property, plant and equipment

Amortization expense for December 31, 2024 was $34,475 (2023 - $ 21,440).

Property, plant and equipment consist of the following:

			2024	2023
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Automotive equipment	$ 126,919	$ (47,607)	$ 79,312	$ 42,922
Buildings	25,375	(2,128)	23,247	8,705
Computer equipment	17,747	(7,967)	9,780	5,613
Machinery and equipment	36,127	(5,936)	30,191	-
Tools and dies	7,856	(3,007)	4,849	4,936
Total	$ 214,024	$ (66,645)	$ 147,379	$ 62,176

9 Related Party Loan

a Funds collected in Trust for Edison Motors US Ltd.

The company collected a deposit from a client on behalf of Edison Motors US Ltd. The client terminated the transaction and the deposit was returned in 2025. The company is in the process of dissolving Edison Motors US Ltd.

b Repayment of SEI Logistics

During the year, the company repaid the full amount of $60 000 due to SEI Logistics.

10 Deposit on account

Client deposits consist of non-refundable advance payments for the research and development of Electric Vehicles (EV) and Pickup Conversion Kits to Electric Vehicles. These deposits will be fully applied toward the purchase of the final product.

In accordance with IFRS 15, these deposits do not relate to the immediate transfer of goods or services and are therefore recognized as contract liabilities. Revenue will be recognized when the related performance obligations are satisfied.

Management expects successful delivery based on historical development outcomes and current funding progress.

Deposits are as follows:

	2024	2023
Research and development client deposit electric vehicles	$ 910,764	$ -
Research and development client pickup truck conversion kits to electric vehicle	997,338	463,581
Client deposits for research and development	1,908,102	463,581
Deposits for share purchases occurring in 2025	193,160	-
Deposits on account	$ 2,101,262	$ 463,581

11 Shareholders' equity

The company has an unlimited number of authorized common shares without par value only determined by the Board of Directors. The issued and outstanding number of only common shares for 2024 is 4,809,549 and for 2023 is 4,719,970.

Common shares carry one vote each and participate equally in the earnings of the company and the net assets of the company upon dissolution. Dividends are payable on the common shares as and when declared by the Board of Directors.

Edison Motors Ltd.

Notes to the Financial Statements

For the Year Ended December 31, 2024

12 Related party transactions

Key Executive Salary: Normal course of business

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, and which in management's opinion is comparable to amounts that would have been paid to non-related parties.

Chief Executive Officer	$70,307
President	$73,304
Chief Production Officer	$65,270
Chief Marketing Officer	$80,970

13 Operating Expenses

	2024	2023
Research and Development	**$ 2,710,159**	$ 464,594
Salaries and wages	**730,602**	392,060
Professional fees	**177,200**	84,055
Computer-related expenses	**112,148**	4,163
Travel expenses	**101,959**	36,914
Advertising	**76,729**	6,556
Rental	**73,578**	72,800
Vehicle expenses	**64,176**	23,891
Insurance	**40,693**	7,535
Interest and bank charges	**38,558**	20,796
Amortization of tangible assets	**34,475**	21,440
Meals and entertainment	**24,619**	10,254
Office expenses	**6,800**	-
Memberships and licenses	**8,443**	1,481
Telephone and telecommunications	**2,601**	1,790
Supplies	**2,218**	-
Repairs and maintenance	**998**	41
Total Operating Expenses	**$ 4,205,956**	$ 1,148,370

14 Subsequent events

a Entered into agreement of purchase and sale

On January 23 2025, the company acquired the issued and outstanding shares in the capital of 0977799 B.C. Limited at a cost of $2,900,000. The Corporation owns a former mill site in Donald, British Columbia.

b Subsequent closure

In June of 2025, the company's management team decided to dissolve Edison Motors US Inc. The company was incorporated on December 5, 2023 for the purpose of securing a client transaction. In 2025 the client transaction was discontinued with Edison Motors US Inc. Management has decided to dissolve Edison Motors US Inc. and is in the process of the dissolution of Edison Motors US Inc. The company estimates it will incur nominal costs in 2025 to provide for closure and dissolution.

c Stock options granted

Subsequent to the year ended December 31, 2024, the company granted and aggregate of 36,910 stock options (each, an "Option") to certain employees and consultants of the Company, where each Option is exercisable into one Common Share at a price of $0.01 per share, until the earlier of (i) 3 years following the date of grant, and (ii) the date on which the company's Common shares are listed on a recognized stock exchange in Canada or the U.S.

Item 13: Date and Certificate

Dated August 15, 2025.

This Offering Memorandum does not contain a misrepresentation.

Eric Scott Little

Eric Little
Chief Executive Officer and Director
AS ACTING CHIEF FINANCIAL OFFICER OF EDISON MOTORS LTD.

Chace Barber

Chace Barber
President and Director
ON BEHALF OF THE DIRECTORS OF EDISON MOTORS LTD.

Theron groff

Theron Groff
Chief Marketing Officer and Director
ON BEHALF OF THE DIRECTORS OF EDISON MOTORS LTD.

APPENDIX I: Supplemental Certificate

EDISON MOTORS LTD. (the "**Issuer**") hereby certifies, with respect to the Issuer's Form 45-106F2 *Offering Memorandum for Non-Qualifying Issuers* dated August 15, 2025 (the "**Offering Memorandum**"), to which this certificate is appended, that each of the following is true and correct:

1. The Offering Memorandum does not contain a misrepresentation when read as of August 15, 2025;
2. There has been no material change in relation to the Issuer that is not disclosed in the Offering Memorandum; and
3. The Offering Memorandum, when read as of August 15, 2025, provides a reasonable purchaser with sufficient information to make an informed investment decision.

This certificate is incorporated into and forms part of the Offering Memorandum.

IN WITNESS WHEREOF the Issuer has caused this certificate to be signed on August 15, 2025.

Eric Scott Little

Eric Little
Chief Executive Officer and Director
AS ACTING CHIEF FINANCIAL OFFICER OF EDISON MOTORS LTD.

Chace Barber

Chace Barber
President and Director
ON BEHALF OF THE DIRECTORS OF EDISON MOTORS LTD.

Theron groff

Theron Groff
Chief Marketing Officer and Director
ON BEHALF OF THE DIRECTORS OF EDISON MOTORS LTD.