

EDISON

MOTORS

EDISON MOTORS LTD.

2815 Donald Road
Golden, BC
Canada

edisonmotors.ca

Offering Memorandum

August 4, 2026

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

Up to 363,637 Common shares at \$55.00 for gross proceeds of \$20,000,035

SECURITIES ISSUED UNDER THIS OFFERING SHALL BE SUBJECT TO THE TERMS AND CONDITIONS OF THE VOTING TRUST AGREEMENT, WHEREBY, AMONG OTHER THINGS, THE PURCHASER SHALL TRANSFER ANY VOTING RIGHTS TO CHACE BARBER, THE CHIEF EXECUTIVE OFFICER OF THE ISSUER.

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.



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

Date: **August 4, 2026**

THE ISSUER

Full legal name	EDISON MOTORS LTD.
Head office address	2815 Donald Road, Golden, British Columbia, V0A 1H1, Canada
Phone number	1 (250) 280-2997
Website address	edisonmotors.ca
Email address	investment@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 (subject to the Voting Trust Agreement)	see Item 5.1
Price per security	\$55.00 per Common share	
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 (CAD) 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 4, 2026 (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 \$20,000,035.00 (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.

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 investment@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

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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.

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

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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; the Company's current expectations for executive compensation for the financial year ending December 31, 2026; the Company's intention to retain an independent, arm's length compensation consultant; and the potential number of orders under the sales contracts.

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; that the Company's financial condition will permit executive compensation to be paid at levels consistent with the amounts disclosed; the Company will obtain and consider the recommendations of an independent, arm's length executive compensation consultant; 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; the Board's ongoing review of executive compensation may result in compensation arrangements that differ from those currently expected; the recommendations of the Company's independent compensation consultant may differ from the Board's current expectations; and the other risks discussed in **Item 8: Risk Factors** of this Offering

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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 has no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable law (including where a change to any forward-looking statements occurs which constitutes a material change with respect to the Issuer, in which case the Issuer will be required to amend or update this Offering Memorandum in accordance with applicable Canadian securities laws). 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.

Forward-Looking Financial Information

This Offering Memorandum also contains future-oriented financial information and financial outlook information (collectively, “**Forward-Looking Financial Information**”) regarding the Issuer’s projected sources of revenue and projected revenues from the sales of its products which is subject to the same assumptions, risk factors, limitations and qualifications as set in “**Forward-Looking Information**” above. Forward-Looking Financial Information contained in this Offering Memorandum was prepared using the same accounting principles that the Issuer expects to use in preparing its financial statements for the applicable periods covered by such Forward-Looking Financial Information. Forward-Looking Financial Information was made as of the date of this Offering Memorandum and is provided for the purpose of describing anticipated sources of revenues and anticipated revenues from the sale of the Issuer’s products, and is not an estimate of profitability or any other measure of financial performance. The Issuer has no obligation to update or revise any Forward-Looking Financial Information contained in this Offering Memorandum, whether as a result of new information, future events or otherwise, except as required by applicable law (including where a change to any Forward-Looking Financial Information occurs which constitutes a material change with respect to the Issuer, in which case the Issuer will be required to amend or update this Offering Memorandum in accordance with applicable Canadian securities laws). Forward-Looking Financial Information contained in this Offering Memorandum should not be used for purposes other than for which it is disclosed herein.

Glossary of Terms

Certain words and terms 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.

<i>For</i>	<i>See</i>
Act	Item 2.1 Structure
Class 5 Kit	<i>Current Operations (Item 2.2)</i>
Closing	<i>Closings (Item 5.2)</i>
Control person	<i>Securities Act (British Columbia)</i>

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<i>For</i>	<i>See</i>
Director	<i>Securities Act (British Columbia)</i>
Discretionary Grants	Note (2) to Table 3.1.1 <i>Securities Held and Compensation</i>
Foundation	Item 2.1 <i>Structure</i>
FrontFundr	<i>FrontFundr Agreement (Item 2.8)</i>
FrontFundr Agreement	<i>FrontFundr Agreement (Item 2.8)</i>
Future-Looking Financial Information	<i>Future-Looking Financial Information (Terms and Conditions)</i>
Gravel Pit Agreement	<i>Lessor Agreements (Item 2.8)</i>
Industry Prototype	<i>Current Operations (Item 2.2)</i>
Installer Network	<i>Pipeline and Planned Portfolio (Item 2.2)</i>
Internal Prototype	<i>Current Operations (Item 2.2)</i>
Lands	<i>New Facility Agreement (Item 2.8)</i>
Lease Agreements	<i>Lessor Agreements (Item 2.8)</i>
Main Facility	Item 2.2 <i>The Business</i>
MOU Prototype	<i>MOUs for Truck Production (Item 2.8)</i>
New Facility	Item 2.2 <i>The Business</i>
Offered Securities	<i>The Offering (Terms and Conditions)</i>
Offering	<i>The Offering (Terms and Conditions)</i>
Offering Memorandum	<i>The Offering (Terms and Conditions)</i>
Offering Page	Item 5.2 <i>Subscription Procedure</i>
Officer	<i>Securities Act (British Columbia)</i>
OM Exemption	<i>The Offering (Terms and Conditions)</i>
OM Marketing Materials	<i>Links and OM Marketing Materials (Terms and Conditions)</i>
Options	Note (2) to Table 3.1.1 <i>Securities Held and Compensation</i>
Promoter	<i>Securities Act (British Columbia)</i>
Prototype Partner	<i>MOUs for Truck Production (Item 2.8)</i>
Quarterly Grants	Note (2) to Table 3.1.1 <i>Securities Held and Compensation</i>
Special Prototype	<i>Pipeline and Planned Portfolio (Item 2.2)</i>
Subscription	<i>The Offering (Terms and Conditions)</i>
Subscription Agreement	<i>The Offering (Terms and Conditions)</i>
Subscription Amount	<i>The Offering (Terms and Conditions)</i>
Trustee Voting Rights	<i>Voting Rights (Item 5.1)</i>
Voting Trust Accession	<i>Voting Rights (Item 5.1)</i>

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For

Voting Trust Agreement

See

Voting Trust Agreement (Item 2.8)

Voting Trustee

Voting Trust Agreement (Item 2.8)

For convenience of reference, the meaning of certain acronyms used in this Offering Memorandum are compiled below.

BOM	Bill of Materials
BOS	Bill of Sale
CEPA	<i>Canadian Environmental Protection Act</i>
CMVSS	Canada Motor Vehicle Safety Standard
ECCC	Environment and Climate Change Canada
EMD	Exempt Market Dealer
EPA	Environmental Protection Agency
ERP	Enterprise Resource Planning
EV	Electric Vehicle
FMVSS	Federal Motor Vehicle Safety Standard
GVWR	Gross Vehicle Weight Rating
HDZEV	Heavy-Duty Zero-Emission Vehicles
IP	Intellectual Property
MOU	Memorandum of Understanding
NEM	National Emissions Mark
NHTSA	National Highway Traffic Safety Administration
NI 45-106	National Instrument 45-106 Prospectus Exemptions
NSM	National Safety Mark
PHEV	Plug-in Hybrid Electric Vehicle
QC	Quality Control
R&D	Research and Development
U.S.	United States (of America)
ZEV	Zero-Emission Vehicle



Item 1: Use of Available Funds

1.1 Funds

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	\$ 130,500
D Available funds: D = A – (B + C)	\$ (75,500)	\$ 18,869,533
E Additional sources of funding required ⁽³⁾	\$ 1,139,134	\$ 1,139,134
F Working capital deficiency	\$ 0	\$ 0
G Total available funds from this offering: G = (D + E) – F	\$ 1,063,634	\$ 20,008,667

- (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) service, closing, and regulatory fees paid, payable or expected in connection with this Offering.
- (3) Represents cash on hand as of July 31, 2026, including funds raised under this and other offerings described in **Item 4.2 Prior Sales**, which we intend to use to achieve the objectives described in **Item 1.2** and elsewhere in this Offering Memorandum.

1.2 Use of Available Funds

Table 1.2.1 below, describes, in order of priority, the Issuer's intended use of available funds from this offering. For additional information about how the Issuer intends to use available funds, see **Item 2.4** and **Item 2.5**.

The Issuer intends to use all funds available to advance its business goals as described below. The Issuer will allocate funds as cash is available, either as a result of Closings or business operations, including, without limitation, revenue and other proceeds, in accordance herewith in its discretion.

Table 1.2.1 Use of Available Funds

	Min. Offering	Max Offering
Construction and setup of Test Track and Main Facility	\$ 1,063,634	\$ 5,000,000
Production of prototypes	\$ 0	\$ 6,500,000
Trial production run of 10 trucks ⁽¹⁾	\$ 0	\$ 5,000,000
Attain regulatory approval to sell Class 8 & 5 trucks in Canada	\$ 0	\$ 1,100,000
General and administrative	\$ 0	\$ 2,168,667
Grow the Foundation through grants, sponsorships and hosting annual race days	\$ 0	\$ 240,000
Total: Equal to G in Table 1.1.1 Funds above	\$ 1,063,634	\$ 20,008,667

- (1) We expect the total costs to complete the trial production run of 10 Class 8 trucks to be not less than \$8,000,000 which we expect to fund through future offerings and available cash flow. However, there is no assurance that we will be able to raise funds in the future. See also **Item 2.6**.



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 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, and in connection therewith, on June 16, 2025, the Foundation’s 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 BC 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*”.

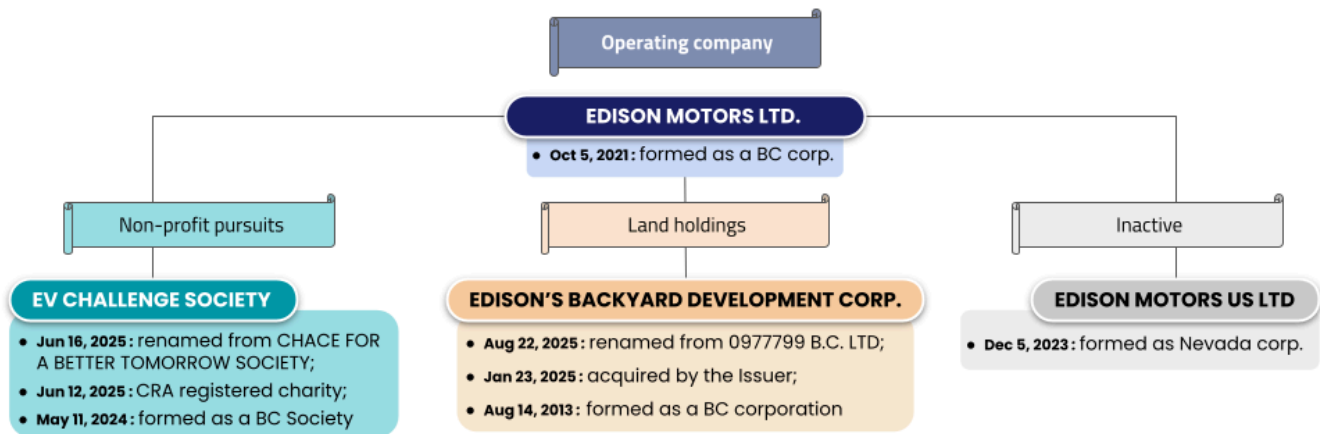
See also “*The Foundation*” in [Item 2.2](#)

We also have a wholly owned subsidiary, 0977799 B.C. LTD., incorporated under the Act on August 14, 2013. 0977799 B.C. LTD. was acquired in January 2025 in connection with the purchase of the New Facility (defined below), and holds the Lands (defined below) and other associated assets. On August 22, 2025, 0977799 B.C. LTD. was renamed “EDISON’S BACKYARD DEVELOPMENT CORP.”

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 an American transaction. EDISON MOTORS US LTD is inactive at this time as we consider options for American sales.

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.

Edison Motors is focused on the production of approval-pending Class 5-8 vocational vehicles and truck chassis, servicing the resource, utility and construction industries in North America. With prototypes (*Topsy*) built in our backyard, we have progressed additional prototypes, with the goal of scaled production, at our 305-acre property at 2815 Donald Road, Golden, BC (the “**New Facility**”), where we are constructing a 30,000 square foot production facility (the “**Main Facility**”).

In order for a company to sell its vehicles in Canada or the United States (**U.S.**), it must ensure each model is in compliance with all federal and provincial/state safety, environmental and other regulations and laws. Vehicles must undergo rigorous testing, documentation and certification to demonstrate that the model meets standards in crash safety, emissions, lighting, braking and labeling requirements set by the applicable regulators. This process is called ‘homologation’, and in Canada, requires issuance of a National Safety Mark (**NSM**) by Transport Canada according to standards set out by the Canada Motor Vehicle Safety Standard (**CMVSS**) and a National Emission Mark (**NEM**) from Environment and Climate Change Canada (**ECCC**). In the U.S., the former is a self-certification and registration process with the National Highway Traffic Safety Administration (**NHTSA**) according to standards set out by the U.S. Federal Motor Vehicle Safety Standard (**FMVSS**) and the latter, an emissions certificate and label from the U.S. Environmental Protection Agency (**EPA**). A general overview of homologation is described in **Figure 2.2.1** below.

Figure 2.2.1 Homologation Requirements

	SAFETY			EMISSIONS	
	Authority	Standards	Approval	Authority	Approval
Canada	Transport Canada	CMVSS	NSM	ECCC	NEM
U.S.	NHTSA	FMVSS	self-certification	EPA	EPA emissions label

As of the date of this Offering Memorandum, we have not achieved homologation in Canada, the U.S., or any other jurisdiction, and as such, are currently unable to sell our trucks in the market. Our progress to-date towards homologation is summarized in **Figure 2.2.7** below.

Regulatory Environment

Transport Canada defines heavy-duty zero-emission vehicles (**HDZEVs**) as vehicles with a gross vehicle weight rating (**GVWR**) above 8,500 lb that have the potential for zero tailpipe emissions, including battery-electric and plug-in hybrid electric vehicles (**PHEV**). Edison Motors’s prototypes to-date, Class 5 Chassis, and our Class 8 BDE diesel-electric hybrid trucks, are expected to be considered HDZEVs.

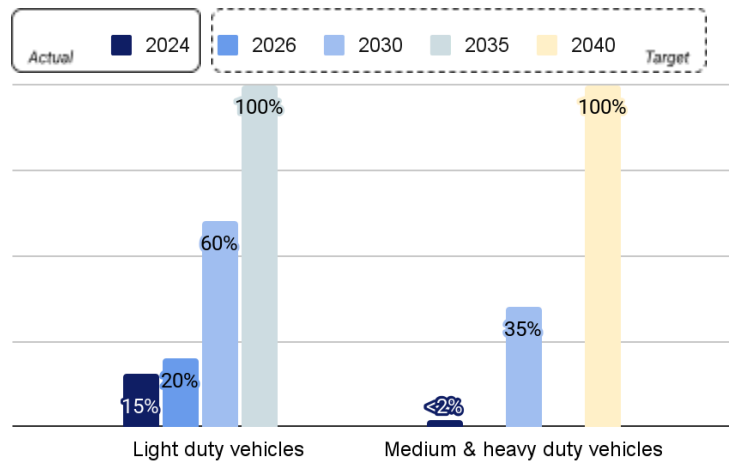
For additional information about our vehicles and other projects, see “**Current Operations**” below.



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.

Federal and other government actions to increase ZEV uptake include investments in purchase incentives (e.g., the Incentives for Medium and HDZEVs (**iMHEV** or **iMHZEV**) program), infrastructure and awareness initiatives, and research and development (**R&D**) of alternative fuel opportunities. Under this strategy, the Government of Canada has aimed or committed for proportions of sales of light-duty vehicles and medium- and heavy-duty vehicles to be ZEVs according to the timelines summarized in **Figure 2.2.2** beside.¹

Figure 2.2.2 **Federal ZEV Target Mandates**



Emissions Regulations

The U.S. and Canada maintain similar safety and emissions standards for heavy-duty vehicles due to high volumes of land cross-border trade and road traffic. Both countries employ the harmonized North American vehicle identification number (VIN) system and conform to EPA standards. To access the U.S. market however, there may be unforeseen costs and certifications to register and maintain additional authorizations beyond those required to sell heavy-duty vehicles in Canada.

Emission regulations in Canada for heavy-duty trucks and off-road purposes, such as construction, mining and farming use, are derived from the *Canadian Environmental Protection Act* of 1999 ("**CEPA**") and the December 2000 Ozone Annex to the 1991 Canada-United States Air Quality Agreement, whereby Canada committed to establishing emission regulations under CEPA for new off-road engines that aligned with 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 off-road 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, Canadian authorities will recognize an EPA emission label as a proof of compliance, provided at least one engine of the same family is sold concurrently in the U.S. and

¹ "[2030 Emissions Reduction Plan – Canada's Next Steps for Clean Air and a Strong Economy](#)" (March 2022). ECCC, Government of Canada.

"[ZEV Council Dashboard](#)" (accessed August 2025 and January 2026). Transport Canada, Government of Canada.



Canada. If no engine of the same family is sold concurrently in the U.S. or if the engine is not U.S. EPA-certified, a NEM must be obtained from ECCC and a Canadian emission label must be affixed to the engine.

Need for Change

At this time, there exists only the *hybrid alternative engine standard* for heavy-duty PHEV. As described above, engine certifications under Canada's emissions rules are tied closely to U.S. EPA standards; hybrid vehicles use diesel generator engines, not on-road diesel engines. This is because the diesel engine exclusively charges a battery from electrical power, not from mechanical energy. Generators are different from mechanical diesel engines, which operate at variable speeds and loads to propel a vehicle's drivetrain directly. This compared to diesel generator engines, which meet U.S. EPA "Tier 4 Final Industrial" (non-road) standards because of their increased efficiency and reduced emissions from operating at a constant speed and load.

Edison is actively working with ECCC, Ministerial staff and the Senate of Canada with support from the National Research Council and Innovate BC, to amend the *hybrid alternative engine standard* set out by CEPA to allow the use of "Tier 4 Final Industrial" (non-road) diesel engines hybrid heavy-duty commercial vehicles without need for re-certification and therefore qualify our engines for 'on-road' use. These and other letters and actions require ECCC Minister approval and we have not been provided with a timeline on when any changes or amendments may be made.

In support of the foregoing changes, we became a registered federal lobbyist and are "actively working with Minister of ECCC staff to amend CEPA to allow the manufacture of hybrid heavy duty vehicles by amending the regulations" (as stated under our registration, [#963087-384208](#)). In addition, 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 2.2.3 **Letters of Support and Lobbying Efforts**

Letter	From	Context
 20250814	Elizabeth May, M.P.; Saanich-Gulf Islands	Seeking exemption
 20250812	Harman Bhangu, M.L.A.; Langley-Abbotsford Scott McInnis, M.L.A.; Columbia River-Revelstoke	Seeking exemption or regulation change
 20250729	Omar Mawji, Portfolio Manager; NorthX Climate Tech	Future discussions
 20250714	Rob Morrison, M.P.; Columbia-Kootenay-Southern Rockies	Seeking exemption
 20250704	Dave Earle, President and CEO; BC Trucking Association	Seeking exemption

Industry and Market

In Canada (and similarly in the U.S. and elsewhere), vehicles are categorized by towing and payload capacity in pounds under a GVWR system with eight classes. Commercial trucks are generally Class 5 and above, and are classified as medium or heavy duty. The bounds of each class and market size ([S&P Global Mobility, 2024](#)) are described in Figure 2.2.4 below.



Figure 2.2.4 **Market Information**

	GROSS VEHICLE WEIGHT RATING (LBS)	MARKET SIZE	
CLASS 5 ex. ambulance	16,001 - 19,500	6,000,000 32,000,000	
CLASS 6 ex. box truck	19,001 - 26,000	2,000,000 13,000,000	
CLASS 7 ex. garbage truck	26,000 - 33,000	1,500,000 10,000,000	
CLASS 8 ex. semi-truck	33,000 - 80,000+	500,000 3,000,000	

The heavy-duty trucking and transportation industry, focused on hybrid and diesel trucks designed for vocational use (our industry and segment, e.g., logging and hauling), has traditionally been dominated by diesel-powered trucks from established manufacturers like *Freightliner*, *Peterbilt* and *Volvo Trucks*, each with extensive brand recognition, dealer networks, and production capacity, as further described in **Figure 2.2.5** below. With increasing regulatory pressure and demand for reduced emissions, a shift toward electric and hybrid solutions is emerging across the industry. ²

Figure 2.2.5 **Competitor Information**

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 R&D network and extensive dealer infrastructure. It has recently invested in electric (<i>eCascadia</i>) and is piloting hydrogen fuel cell enabled models (<i>GenH2</i>).
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 (<i>Model 220EV</i> and <i>579EV</i>), 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.

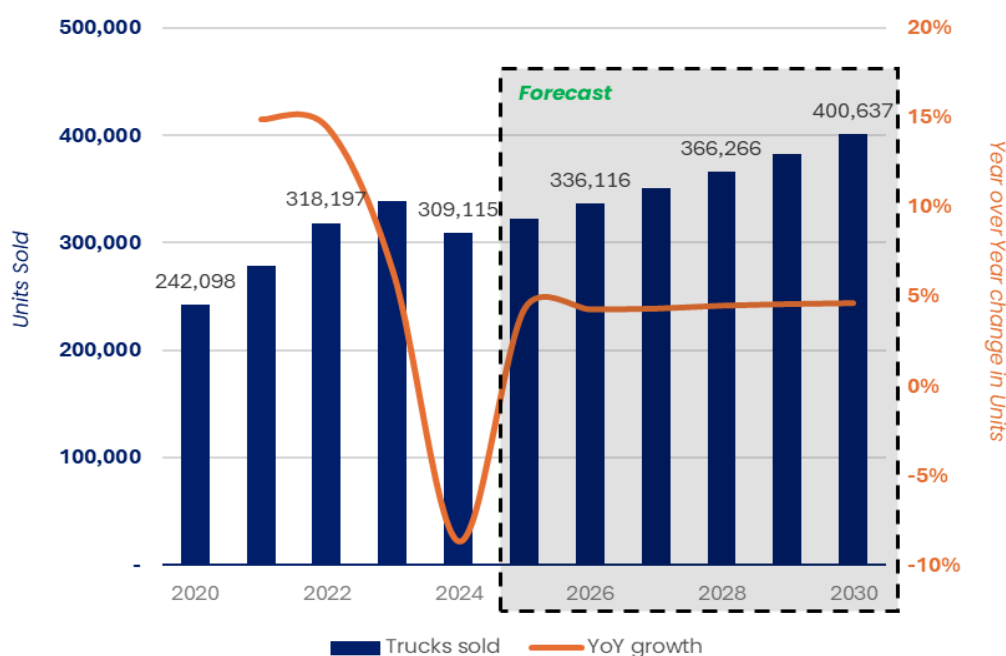
² [“The Future of the Trucking Industry: Electric Semi-Trucks”](#) (04/2023). Environmental and Energy Study Institute.



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 2.2.6** below.

Figure 2.2.6 **Class 8 Heavy-Duty Market, North America; 2020-2030**



Current Operations

As we do not yet possess Transport Canada permission to sell road legal vehicles in Canada, we have instead raised grants and research sponsorship revenues with early demonstration partners and military defence contractors to deliver vehicle prototypes which serve to validate our platforms in the field and advance Edison's commercialization pathway internally. We have grown thanks to raising substantial equity financing since our founding, and have developed a number of alternative revenue sources and cash channels to fund our operations to date, including customer deposits, merchandise sales, advertising, royalties and other income from leasing property.

For additional info, see **Item 2.3 Development of Business** and "**MOUs for Truck Production**" in **Item 2.8**.

Our immediate focus is completing homologation of a Tier 4-emissions-compliant Class 8 diesel truck in 2027. We are concurrently developing a diesel-electric hybrid version on the same truck platform. Both models—named **BDE**—share a common chassis, cab, engine and certified components. Common components simplify manufacturing and testing of product lines. Edison's series-hybrid platform leverages electric vehicle (**EV**) batteries and motors to drive wheels or power take-offs, utilizing the same diesel engine from our diesel truck platform solely as an onboard generator,

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



operating only when required and strictly within its most efficient parameters. 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, lower maintenance costs, less diesel particulate matter, and quieter operation on work sites than conventional diesel trucks.

Our progress to-date for homologation of both models is summarized in **Figure 2.2.7** below.

Figure 2.2.7 **Edison Homologation Progress**

Model (jurisdiction)	Safety		Emissions		
	<u>In-progress</u>	<u>Remaining</u>	<u>Achieved</u>	<u>In-progress</u>	<u>Remaining</u>
Class 8 Diesel (Canada)	Submission package	CMVSS certification	NEM + Engine Approval		
Class 8 Hybrid (Canada)					
Class 5 Kit (Canada)			NEM authorization	Lobbying for change	Engine approval
All models (U.S.)		FMVSS certification			EPA certification

We have designed and manufactured two Class 8 diesel-electric hybrid prototype trucks to date, *Topsy* and *Carl*, used for internal R&D, homologation and vehicle testing purposes (an “**Internal Prototype**”), with three (3) additional Class 8 hybrid trucks funded by strategic partners (an “**Industry Prototype**”) under memorandums of understanding (“**MOUs**”) with plans to deliver these prototypes in mid 2026. We have also built prototypes of a Class 5 retrofit kit, which allows pick-up truck owners to replace their gas or diesel powertrains with our hybrid diesel-electric solution (the “**Class 5 Kit**”).

For additional information, see **Figure 2.2.8** and “**Pipeline and Planned Portfolio**” below.

Figure 2.2.8 **Production to-date**

	Internal prototypes		Industry prototypes	
	Completed	Incomplete	Completed	Incomplete
Class 8 Diesel	1	1	0	0
Class 8 Hybrid	2	1	0	3
Class 5 Kit	0	2	1	0

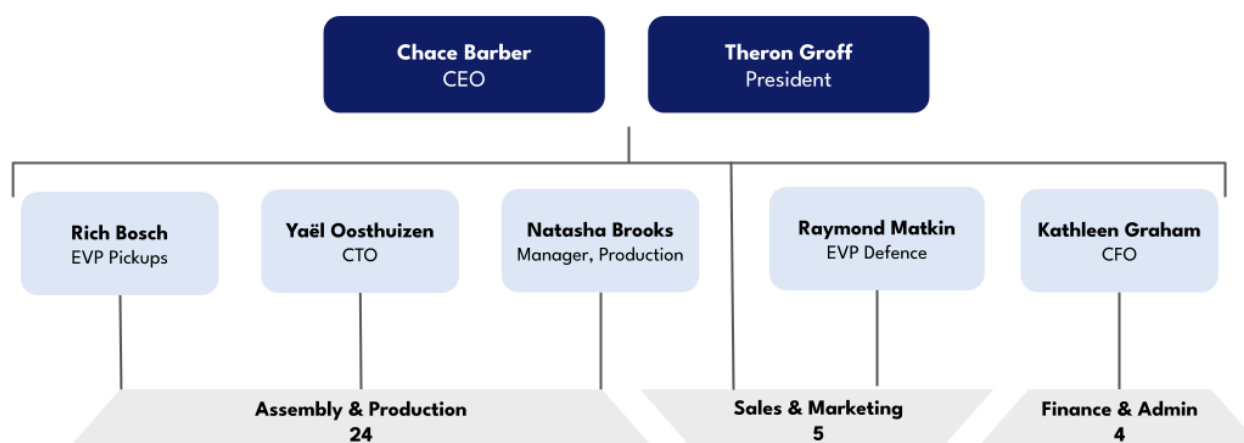
Our Class 8 prototypes demonstrate a wide range of real world vehicle applications: a) single, dual- and tri-electric axle configurations, b) two Edison Motors electric hydraulic configurations, c) two electric power-take-off configurations and d) three utility off-shore power systems. These unique projects aim to showcase the flexibility of Edison’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 a long nose hood.

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 Class 8 truck followed by the hybrid platform of this vehicle utilizing diesel generators, Edison can offer customers a product that provides better serviceability as a primary goal, with the second priority being increased vehicle performance. Building conventional diesel trucks also allows the company to potentially expedite regulatory approvals

In the last year we have grown our team to 38 employees. As we continue to scale, our team will grow to meet business needs. We are committed to providing an environment for employees to develop skills, progress through trades school, and build a strong family values culture.

Figure 2.2.9 **Employee Org Chart**



For additional information, see **Item 3: Compensation and Security Holdings of Certain Parties**.

The New Facility

The Main Facility sits on 305 acres which we expect to use according to the breakdown set out in **Figure 2.2.10** below. A rendering of the completed Main Facility is provided in **Figure 2.2.11**, and a recent photograph of the in-progress Main Facility is provided in **Figure 2.2.12**.

Figure 2.2.10 **Breakdown of the Lands**

Lands breakdown	Current	Plans
Production space (e.g., Main Facility, offices)	30,000 sqft	35,000 sqft
Production-related space (e.g., test tracks)	50 acres	60 acres
Miscellaneous facilities (e.g., staff housing)	2 acres	4 acres
Leased space	52 acres	60 acres

Figure 2.2.11 **Main Facility Visual Rendering**

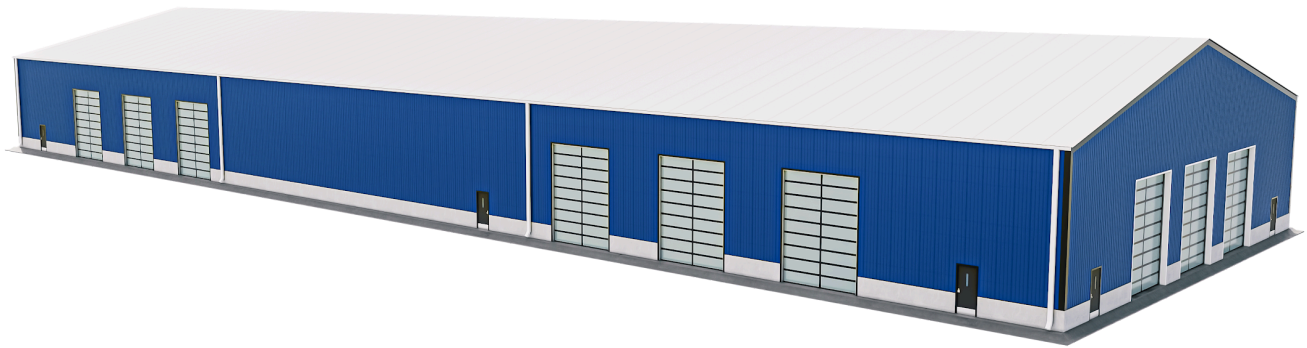


Figure 2.2.12 **Main Facility**



The above photograph was taken on April 25, 2026

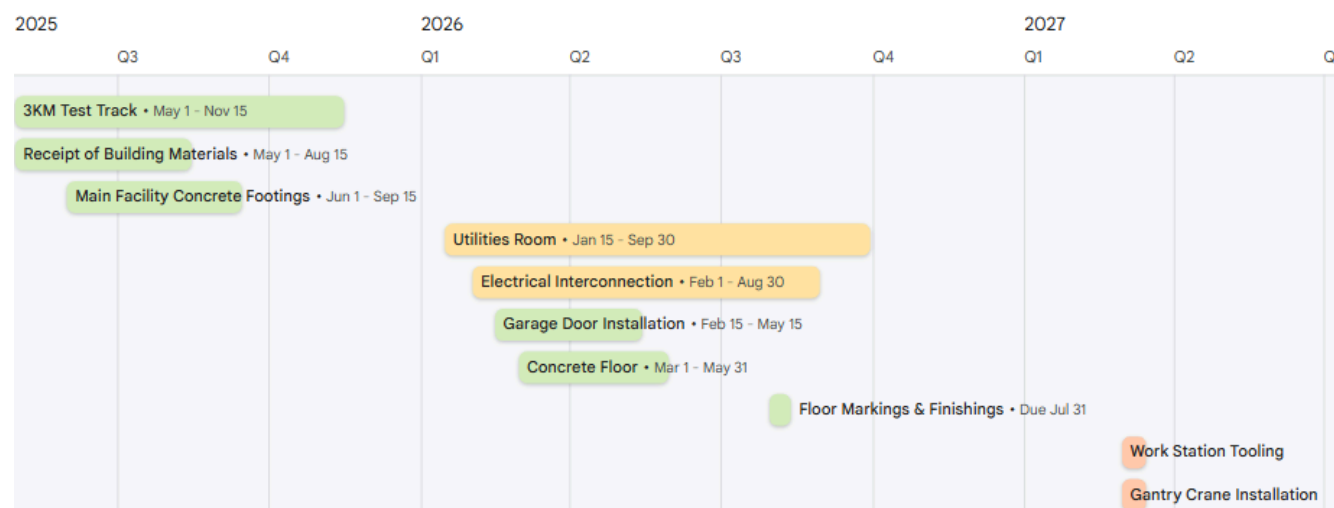
While we expect the Main Facility to be operational within forecasted timelines, including those set out in **Figure 2.2.13** below, there are many factors that may change those timelines, including construction, weather, and availability of resources. If we are able to advance the prototypes into commercial 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. In order to meet our timelines, we must complete and equip the Main Facility with work station tools, inventory handling infrastructure, overhead cranes and three individual assembly lines capable of efficiently executing simultaneous vehicle production under one roof. Scaling up from



prototyping to commercial production entails the development and subsequent optimization of assembly processes.

The implementation of such processes may take longer than anticipated, which could impact our ability to reach full production capacity within stated timelines.

Figure 2.2.13 **New Facility Construction Schedule**



Production Plan

The following includes forward-looking statements and Forward-Looking Financial Information based on management information and assumptions. For information on how to interpret these statements, see **Warning about Forward Looking Statements** and specifically, “**Forward-Looking Financial Information**” at the beginning of this Offering Memorandum.

Our production plan prioritizes Class 8 diesel truck rollout for near-term revenue while funding ongoing diesel-electric hybrid R&D. We plan to do a test production run of ten Class 8s in 2027. These prototypes will be used for testing, trade shows, and as demonstration trucks for customers. By 2028, we expect to transition to commercial production of Class 8 trucks. Production volume is expected to increase as manufacturing processes are optimized, subject to customer demand and available capital.

We are also focused on testing the Class 5 hybrid prototype and designing the incomplete chassis platform. We do not expect to be in production of class 5 until 2028.

Additionally, we may execute speciality hybrid conversions and chassis projects outside of the Class 8 heavy-duty vehicle category, including recreational vehicle conversion, ‘incomplete chassis’ (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 which do not need to meet strict federal safety certifications (each, a “**Special Prototype**”). In connection with Special Prototypes, we may from time to time receive cash from the counterparty for prototype development and other expenses, but generally, will not enter into any binding agreements or MOUs.

Truck Development Process for Production Line Efficiency

This section covers Edison Motors' approach to engineering customer requirements since vocational trucks can have unique requirements. There are firm stages to the process, and strict requirements before moving into the next stage.

Figure 2.2.14 below outlines how Edison Motors will ensure a consistent production process by implementing a structured approach of the design and assembly of customer vehicles.

Figure 2.2.14 **Production Line Rendering**



Overview

Edison Motors' truck development process allows for scalable production of both standardized and custom vocational trucks through a highly structured and repeatable engineering workflow. This workflow efficiently translates unique customer requirements into production-ready vehicles.

Edison's design uses predominantly off-the-shelf (**OTS**) components. This reduces engineering complexity, procurement risk, and testing costs. These components make up our bill of materials (**BOM**) which is shared with customers. This ensures transparency, supports ease of customer truck repairs; which aligns with our right-to-repair philosophy. Remaining components are designed and engineered by Edison Motors. Customers can make customizations, which generally increase complexity of the system.

The combination of configurable product design, disciplined engineering controls, and integrated production processes allows for flexibility within our manufacturing capabilities with ability to build customized vehicles cost-effectively.

Our strict stage-gated development process further reduces manufacturing risks by ensuring that all vehicle designs are validated, reviewed, and finalized prior to entering production.

Sales

A bill of sale (**BOS**) is mandated for Transport Canada to complete the purchase of a vehicle. The sales team uses a custom software for customers to identify specific vehicle requirements (e.g., specifying wheelbase length, number of drive axles, rig-up, etc.) which generates BOS. Edison offers standard truck configuration options and can accommodate new configurations with an added sales cost for engineering development. Due to the nature of vocation vehicles requiring customization, we have implemented a design process which accounts for the additional engineering validation required prior to entering production.

Engineering Services

Edison Motors' Engineering Services validate each truck's design for the customer's application post generation and payment of customer BOS. Edison Motors uses predominantly OTS parts. Regardless if parts are designed internally or OTS, engineering services are required to meet strict safety, environmental and structural requirements to validate parts fitment and compatibility. The outcome of this is a completed BOM, which includes supplier information. This document provides the added



benefit for the customer to source replacement parts. The stages of this Engineering Process are explored in detail in “**Engineering Services**” below.

Procurement

Once a BOM has been generated and finalized by the Engineering Team, it can be sent to Procurement. Using our enterprise resource planning (**ERP**) system, each BOM Item has purchasing information for multiple vendors, each with accurate and automatically updated price and lead times.

Inventory

BOM items specific to each assembly line work station will be continuously refilled as required. Just-In-time inventory and manufacturing practices will be used for all BOM items, assemblies, sub-assemblies, and consumables.

Bar codes will be used to track in real-time which items are received and subsequently installed onto vehicles using our ERP software. This allows for the accurate accounting of raw materials, work in progress and ultimately cost of goods sold. An internal part numbering system has been implemented which identifies the exact product release and ties items on the BOM to the exact release and design information.

In addition to work station stocking of inventory, an incoming storage area will house semi long-term components since lead time variance can be upwards of 6 months. Inventory will be closely controlled and limited to BOS truck order fulfilments with small excess in inventory for contingency purposes.

Production

Figure 2.2.15 below illustrates a conceptual rendering of Edison Motors’ anticipated production process. The diagram reflects management’s current expectations regarding the proposed layout and workflow for the Class 8 truck chassis build sequence. This rendering is illustrative only and is forward-looking in nature, and is subject to the same risks, uncertainties and assumptions as the other forward-looking statements described elsewhere in this Offering Memorandum, and actual facility configuration, processes and production timelines may differ.

Figure 2.2.15 **Production Line Rendering**



Quality Control

In order to ensure that all products have been assembled correctly and that there are no defects in any product, Edison Motors has established quality control (**QC**) measures which involve a number of short operational trials using our test track. Issues will be addressed if identified, with repeatable failure resulting in changes to production process or BOM items to resolve QC issue(s) identified.

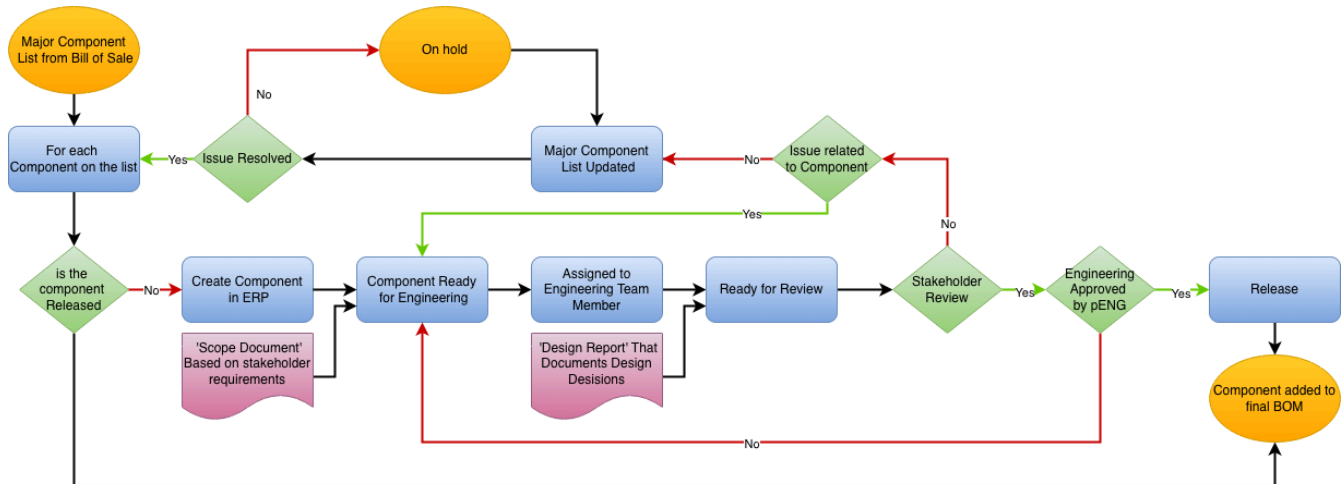
Delivery

Customer delivery of vehicle occurs either at the Edison Motors facility or Edison Motors delivers the completed vehicle to a vehicle upfitter for body installation. Edison Motors does not have any involvement with any dealership model.

Engineering Services

Figure 2.2.16 below outlines how Edison Motors' engineering team follows a structured engineering product life-cycle management process, as further detailed in this section, that ensures that each product in the BOM meets its requirements in order to reach full scale production

Figure 2.2.16 **Production Line Rendering**



Customer Purchase Requirements

Unique truck design requirements need to be specified by the customer to the engineering team during the vehicle purchase process. This is completed using software that creates the vehicle BOS. The draft BOM is then generated. Standard and custom items will require product life-cycle management analysis prior to finalizing vehicle BOM. From this, a virtual twin 3D model can be generated for reference by the assembly team.

Defining Component Requirements

Component requirements are defined through experience on previous prototypes, simulated forces, input from red-seal mechanics, and veteran truckers. Many off-the-shelf components meet standards set by their manufacturers. By defining component scope, we ensure that all items integrated exceed industry standards in durability and ease of repairability.

Edison Motors' Engineering Services

Edison designed components are engineered to meet structural integrity, functionality, and fitment. This is done by creating a virtual twin 3D model, and testing it in a force effects analysis software. Edison Motors strives to make components easy to install and repair through the help of virtual assembly, demonstrating room for tools and validation of ease in component assembly and disassembly. This, as well as managing routing and fitment constraints, requires the use of advanced computer aided design softwares.

Review and Approval Process

All design decisions are thoroughly documented in a design report which is then used in the Design Review. First, a product is sent to a design review involving key stakeholders such a representative red-seal certified mechanic, an experienced trucker, and an engineering team peer reviewer for each relevant system. In this review, it is determined if the component meets quality standards. If a component does have design review notes, often small changes can be made for structural integrity, ease of installation and repairability, using more widely available parts, or reducing cost and complexity. In this case, a component's scope document is updated with the design review notes and it is sent back to the backlog of engineering tasks. However, some issues involve inter-system



fitment or functionality issues such as moving assemblies interfering, thermal keep out zones being violated, or non compatible off-the-shelf parts. In this case, the BOM may need to be updated to resolve the issue. Once the Component has passed the Design Review, it is sent to a registered Profession Engineer for sign-off before being published onto vehicle BOM.

BOM Review

Before a BOM can be sent to Procurement, a complete review of the Virtual Twin 3D Model which at this point must include every item on the completed BOM, and a re-review of each component's system functions, must be completed.

Class 8 Trucks

For additional information, see “*MOUs for Truck Production*” in [Item 2.8](#).

Edison Motors’ product strategy over the next three years centres 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, engine, 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 2.2.17](#) below.

Edison Make Class 8 Diesel Trucks

A heavy-duty truck equipped with a modern Tier 4 Final compliant diesel engine. This truck is built for demanding vocational applications (logging, towing, plowing, *etc.*) with a robust *Edison Make* chassis and cab. Management believes it will serve as our initial market offering in 2028.

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

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. The Company expects the Class 8 hybrid platform to remain in the prototype and field-validation stage until management is satisfied, based on extensive real-world testing, that the platform has demonstrated sufficient reliability, durability and performance for commercial production. The timing of commercial production will depend on the results of this testing and cannot presently be predicted with certainty.



Figure 2.2.17 **BDE Target Specs**

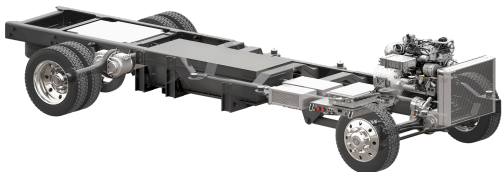
	<u>Class 8 Diesel</u>	<u>Class 8 Diesel-Electric (Hybrid)</u>
Body		
Platform		
Drive	2-3 axles	1-3 axles
Power	445 kilowatts (605 horsepower)	1,080 kW (1,450 hp)
Battery	-	120 kWh (Lithium Iron Phosphate)
Max torque	68,400 ft-lbs	102,600 ft-lbs
Brake power	415 kW (565 hp)	800 kW (1000 hp)

Class 5 Chassis

Edison has accepted pre-orders for our Class 5 Chassis via our [website](#) for a deposit of \$250, and to date, have received over 2,500 pre-orders. We anticipate continuing to accept deposits until inventory levels allow for immediate delivery.

Class 5 Chassis, using our technology and electronics package from our Class 8 trucks, will offer a drop-in 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.

Figure 2.2.18 **Class 5 Chassis Concept**



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.*

Installer Networks

We are exploring partnerships with various installer networks in Canada and the U.S. to provide installation services for our Class 5 Chassis, and future servicing of our Class 8 trucks (the “**Installer Network**”). 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 in the Installer Network is required to provide a \$2,500 initiation fee in order to move forward. We have approximately 182 partners, and stopped accepting new installer partners in 2024. 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 8 trucks and Class 5 Chassis.

Intellectual Property

The Issuer has developed an intellectual property (IP) portfolio within both Canada and the U.S to protect its brand identity, inventions, and novel designs. We have filed certain trademark applications in Canada and the U.S., as described below in **Figure 2.2.19** and **Figure 2.2.20**, respectively.

Figure 2.2.19 **Canadian Trademarks**

Trademark	Application number	Filing date	Registration number	Registration date
	2248137	Mar 27, 2023	TMA1349340	Sep 22, 2025
EDISON MOTORS	2295455	Nov 28, 2023	TMA1349739	Sep 22, 2025
	2389497	Apr 1, 2025	TMA 1415956	May 29, 2026
BUILT BY TRUCKERS	2393935	Apr 22, 2025	TMA 1418406	June 5, 2026
	2415769	Aug 5, 2025	Pending	Pending
	2415758	Aug 5, 2025	Pending	Pending

Figure 2.2.20 **U.S. Trademarks**

Trademark	Application number	Filing date	Registration number	Registration date
	97910329 (merchandise)	Apr 27, 2023	7575581	Nov 26, 2024



Trademark	Application number	Filing date	Registration number	Registration date
	97910318 (trucks)	Apr 27, 2023	Pending	Pending
	99389558	Sep 12, 2025	Pending	Pending
	99389575	Sep 12, 2025	Pending	Pending
	99389586	Sep 12, 2025	Pending	Pending
BUILT BY TRUCKERS	99389536	Sep 12, 2025	Pending	Pending
EDISON MOTORS	99409630	Sep 24, 2025	Pending	Pending

Pending Patents and other IP

Edison Motors has filed Canadian and U.S. industrial design/design patent applications covering key vehicle systems, including our novel radiator, truck cabs, truck fenders and truck hood. Edison filed two (2) U.S. provisional patent applications claiming novel thermal management approaches for our heavy duty hybrid vehicles. These applications will be priority filings for subsequent corresponding regular patent applications filed throughout the world. This growing cross-border IP portfolio reflects our commitment to protecting our mechanical designs and brand equity.

The Foundation

The EV CHALLENGE SOCIETY is Edison's private foundation and was established to advocate industry EV adoption and high school EV education throughout Western Canada. The Foundation has to date supported 40+ high school student teams in building electric go-karts for racing competitions. This 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

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

Figure 2.3.2 below describes some of the cash sources of the Issuer, including income and deposits.



Figure 2.3.1 **Development of Business**

2021	
Q4	• Raised \$395,200 for the issuance of 395,200 Common shares at \$1.00 per share per share ⁽¹⁾
2022	
Q2	• Launched online merchandise sales and YouTube channel
Q3	• Raised \$1,531,450 for the issuance of 153,145 Common shares at \$10.00 per share ⁽¹⁾
2023	
Q3	• Completion and Showcasing of <i>Topsy</i>, our first prototype EV Semi truck, at Everything Electric Vancouver
	• Began design and work of <u>MOU Prototype #1</u> (\$50,000 deposit; \$650,000 cash received as of Dec 2025)
Q4	• Began accepting \$250 deposits for our Class 5 Chassis
	• Began accepting \$2,500 reservation fees to join our Installer Network
2024	
Q1	• Began design and work of <u>MOU Prototype #2</u> (\$44,642 deposit; \$394,643 cash received as of Dec 2025)
Q2	• Established the Foundation, aimed at advancing EV policies and skilled workers in Western Canada • Obtained Provincial On-Road certification in BC including insurance and registration for prototype truck
Q3	• Topsy demo-day, towing 160,000 pounds ▶ Worlds First Log Haul with a Diesel Electric Truck!
Q4	• Began design and work of <u>MOU Prototype #3</u> (\$50,000 deposit; \$300,000 cash received as of Dec 2025) • Entered into the <u>New Facility Agreement</u> with 0977799 B.C. LTD. for the New Facility subject to financing
2025	
Q1	• Closed purchase of the New Facility, paying cash proceeds of \$2,900,000 for the Lands • Raised an aggregate of USD\$1,339,120 for the issuance of 33,478 Common shares at USD\$40 per share ⁽²⁾ • Raised an aggregate of \$2,499,585 for the issuance of 45,447 Common shares at \$55 per share ⁽²⁾ • Entered into the <u>Gravel Pit Agreement</u> • Industrial design filed in Canada with respect to our novel truck radiator design
Q2	• Commenced multi-phase construction at the New Facility • Raised an aggregate of USD\$2,093,760 for the issuance of 52,344 Common shares at USD\$40 per share ⁽²⁾ • Raised an aggregate of \$1,606,715 for the issuance of 29,213 Common shares at \$55 per share ⁽²⁾ • Commenced construction of CMVSS approved test track on the New Facility



2025

	- Renovated office space to accommodate 30 workers, built 12 employee accommodations - Foundation registration as a Private Foundation in Canada approved - Completed a \$350,000 Class 8 hybrid Special Prototype, vehicle was showcased at Burning Man - Industrial design filed in Canada with respect to our novel BDE Class 8 truck hood design
	- Leased 32 acres of our Lands under the <u>Lease Agreements</u> - ECCC compliance package submitted, assigned vehicle family name "EML" ⁽³⁾
	- Raised an aggregate of \$1,489,455 for the issuance of 27,081 Common shares at \$55 per share ⁽²⁾ - Geotechnical report certified for New Facility and 3KM test track construction completed
	- Proof of concept Class 5 Kit completed and delivered to customer, being a modified Toyota <i>Landcruiser</i> - Industrial design filed in Canada with respect to our novel BDE Class 8 cab design
Q3	- New Facility foundation poured and steel structure raised - Completed 3KM test track as part of our Transport Canada Certification Process and ongoing testing regime - Issued NEM from ECCC, authorizing us to apply for engine approvals and apply labels onto our vehicles ⁽³⁾ - Raised an aggregate of \$758,890 for the issuance of 13,798 Common shares at \$55.00 per share ⁽²⁾ - Raised USD\$378,160 for the issuance of 9,454 Common shares at USD\$40.00 per share ⁽²⁾ - Industrial design filed in the U.S. with respect to our novel BDE Class 8 cab design

2026

	- Main Facility walls and roof fully installed - Implementation of new ERP Software Odoo for manufacturing, accounting and inventory management - Delivery for First Production Intent Class 8 hybrid vehicle to customer for body upfitting
	- Raised USD\$289,660 for the issuance of 7,242 Common shares at USD\$40.00 per share ⁽²⁾ - Raised \$1,447,600 for the issuance of 26,320 Common shares at \$55.00 per share ⁽²⁾ - Obtained ECCC engine approval to sell Edison Class 8 diesel vehicles ⁽³⁾ - Thermal management utility patents filed in U.S. with respect to our radiator and battery heating operation
	- Raised \$989,670 for the issuance of 17,994 Common shares at \$55.00 per share ⁽²⁾ - Raised USD\$68,360 for the issuance of 1,709 Common shares at USD\$40.00 per share ⁽²⁾
	- Main Facility garage doors installed, concrete poured and sealed - Obtained ECCC engine approval to sell Edison Class 8 hybrid diesel-electric vehicles ⁽³⁾ - Demonstrated Pickup Conversion at CANSEC, trade show targeting Defence procurement
Q1	
Q2	



2026

- On June 4, 2026, restructured our executive leadership team, appointing Chace Barber as CEO, Theron Groff as President, Katie Graham as CFO, and Ray Matkin as EVP, Defence, and, Eric Little ceased serving as CEO ⁽⁴⁾

- Received Industrial design patent for Truck cab and wheels

Q3

- Raised USD\$57,000 from the issuance of 1,425 Common shares at USD\$40.00 per share ⁽²⁾
- Raised \$16,115 from the issuance of 293 Common shares at \$55.00 per share ⁽²⁾

(1) See also **Item 3.3 Disclosures**.

(2) See also **Item 4.2 Prior Sales**.

(3) See also **"We may be unable to sell our Class 8 hybrid trucks until ECCC approval or applicable regulations are changed"** in **Item 8**.

(4) See also **"We are heavily reliant on current key personnel and their experiences and skills"** in **Item 8**.

Figure 2.3.2 **Historical Revenues and Cash Flows**

Annual information obtained from the Issuer's audited financial statements, enclosed hereto as **Enclosure 12.1 Annual Financial Statements**, and quarterly information obtained from the Issuer's unaudited financial statements, enclosed hereto as **Enclosure 12.2 Interim Financial Statements**.

	3-mo ended Mar 31, 2026	Year ended Dec 31, 2025	3-mo ended Mar 31, 2025	Year ended Dec 31, 2024
Merchandise sales ⁽¹⁾	\$24,432	\$256,191	\$11,308	\$78,454
Social media revenue ⁽²⁾	\$39,109	\$167,615	\$25,234	\$115,278
Lease and gravel income ⁽³⁾	\$62,929	\$472,786	\$26,601	\$0
Consulting service revenue ⁽⁴⁾	\$42,042	\$618,366	\$400,000	\$215,914
Class 5 Kit deposits and Installer Network fees ^{(5) (7)}	\$1,085,777	\$1,073,578	\$1,030,297	\$997,338
Class 8 deposits ^{(6) (7)}	\$250,000	\$250,000	\$910,764	\$910,764

(1) Although not a contractual source of recurring revenue, we expect to generate similar sales for the foreseeable future.

(2) Although not a contractual source of recurring revenue, we expect to generate similar levels of revenues in this category for the foreseeable future. As of July 2026, our media channels have accumulated over 2.5M subscribers and 460M views.

(3) We have entered into a mining agreement where we receive royalties for gravel extracted from a preexisting gravel pit located on the Lands. We intend to expand opportunities available for aggregate product extraction and processing. We have also been able to lease portions of our Lands that would otherwise be currently unproductive and intend to continue to seek such opportunities as available. See **"Lessor Agreements"** in **Item 2.8** for additional information.

(4) We have received payments for design consultation, including for Special Prototypes. We intend to take on less projects of similar nature as we work toward commercialization with standard design and less customization.

(5) We continue to accept Class 5 Kit deposits. We closed our Installer Network buildout in 2024.

(6) We have collected deposits from our MOU Prototype Partners and in connection with Special Prototypes.

(7) These amounts represent the cash balance in the period for the particular activity. These activities are recorded as liabilities and will not be recognized as cash (revenue) until the related performance obligations are satisfied (e.g., delivery). Client deposits consist of non-refundable advance payments for R&D of EVs and Class 5 Chassis. Edison continues to accept client deposits for \$250 per Class 5 Kit.



2.4 Long Term Objectives

Table 2.4.1 below provides information about the objectives the Issuer wishes to accomplish **after** August 4, 2027. Such objectives are subject to, among other things, successful completion of (i) this Offering, (ii) the buildout of the New Facility and Main Facility, (iii) homologation of our trucks and chassis in Canada and the U.S., and (iv) our ability to (a) efficiently produce and manufacture units at the Main Facility, and (b) raise additional funds in the future.

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
Produce Class 8 trucks	Trial production run of ten diesel BDE trucks	Q3 2027	\$ 8,000,000
	Working capital to for commercial production	Q2 2028	\$ 3,000,000
Expand offices	Administration office and furnishings	Q3 2027	\$ 500,000
Produce Class 5 Chassis	Class 5 chassis prototype testing	Q3 2027	\$ 1,000,000
	Initial production of class 5 chassis	Q2 2028	\$ 2,000,000
Grow the Foundation	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 4, 2027. Such objectives are subject to, among other things, successful completion of (i) this Offering, (ii) the buildout of the New Facility and Main Facility, (iii) homologation of our trucks and chassis in Canada and the U.S., and (iv) our ability to (a) efficiently produce and manufacture units at the Main Facility, and (b) raise additional funds in the future.

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
Build Prototypes	Complete 1 BDE class 8 diesel prototype	Q3 2026	\$500,000
	Complete 2 BDE class 8 hybrid prototype	Q4 2026	\$2,000,000
	Complete Ram class 5 conversion. Function test by driving across Canada.	Q4 2026	\$50,000
Main Facility production ready	Electrical connection	Q3 2026	\$15,000
	Work station tooling, gantry cranes, HVAC system and fire suppression	Q1 2027	\$1,000,000



Objective	Actions to be taken	Target	Budget
Regulatory approval to sell trucks in Canada	Fulfill CMVSS NSM requirements, including the preparation of our list of certified parts and testing for submission to Transport Canada	Q2 2027	\$200,000
	Obtain ECCC approval to sell Edison Class 5 kit hybrid vehicle chassis	Q2 2027	\$100,000
Grow the Foundation	Provide donation to foundation, automate registration & sponsorship process for donors, teachers, students and school boards	Q4 2026	\$40,000

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 the total and 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**.

All items in the below table relate to research and development (R&D) expenses.

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

Period	Total	Approximate breakdown of material components of total amount
Jan 1 - Mar 31, 2026	\$556,173	\$490K: mechanical component designs; \$21K: electrical component designs ⁽¹⁾
Jan 1 - Dec 31, 2025	\$2,382,729	\$2.07M: mechanical component designs; \$315K: electrical component designs ⁽²⁾
Jan 1 - Mar 31, 2025	\$816,389	\$514K: mechanical component designs; \$302K: electrical component designs ⁽¹⁾
Jan 1 - Dec 31, 2024	\$2,710,159	\$1.7M: mechanical component designs; \$1M: electrical component designs ⁽²⁾

(1) Based on management information and derived from unaudited financial statements. See note 12 (Operating Expenses) to **Enclosure 12.2 Interim Financial Statements** for additional information.

(2) Based on management information and derived from audited financial statements. See note 16 (Operating Expenses) to **Enclosure 12.1 Annual Financial Statements** for additional information.

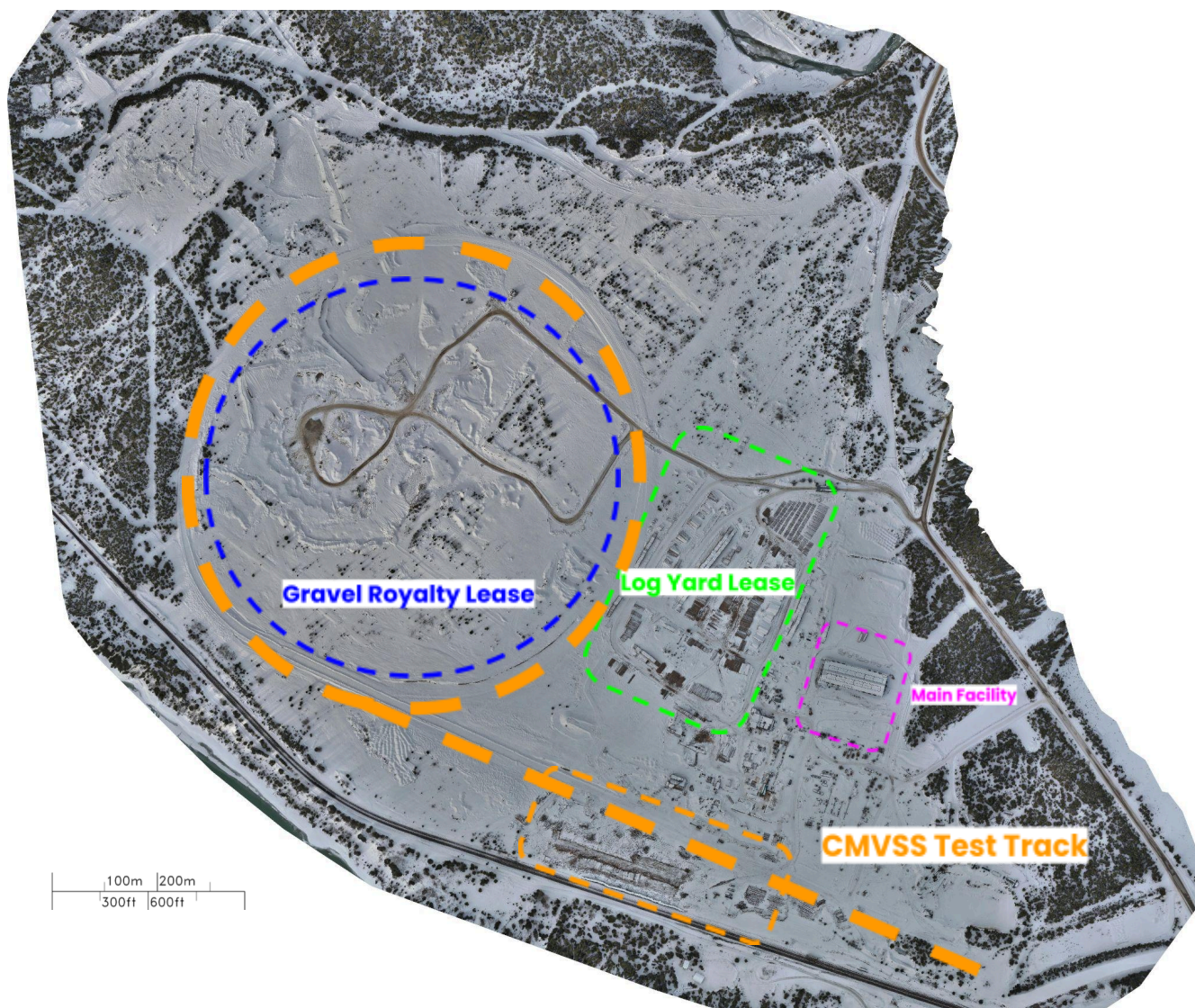
2.8 **Material Contracts**

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.

New Facility Agreement

Pursuant to a share purchase agreement between the Issuer and arms-length parties, being all then-shareholders of 0977799 B.C. LTD., dated October 25, 2024, and addendum thereto dated December 12, 2024, with a final closing date of January 23, 2025, the Issuer obtained all issued and outstanding shares of 0977799 B.C. LTD. (since renamed EDISON'S BACKYARD DEVELOPMENT CORP), 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. For an aerial view of the Lands, see **Figure 2.8.1** below.

Figure 2.8.1 ***Aerial View of the Lands***



The above photograph was taken on February 22, 2026

Lessor Agreements

The Issuer has strategically entered into three (3) agreements with arms-length parties where it has leased portions a total of 34 acres of the Lands in exchange for rent (the "**Lease Agreements**") or



royalties (the “**Gravel Pit Agreement**”, and collectively with the Lease Agreements, the “**Lessor Agreements**”). The Issuer expects it will continue to seek similar opportunities to benefit company operations and employees, and provide a source of cash flow. For additional information, see below and **Figure 2.3.2**.

Redacted copies of the Lessor Agreements may be accessed at the following Links:

20250701 Lease Agreement A

20250701 Lease Agreement B

20250212 Gravel Pit Royalty Agreement

Lease Agreements

The Issuer leased 34 acres of the Lands to arms-length parties, pursuant to Lease Agreements effective as of July 1, 2025, to assist in our operations, as these parties will be providing biomass and wood products storage and build out of our 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 (extended for an additional 12 months), 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.

Gravel Pit Agreement

On February 12, 2025, the Issuer entered into the Gravel Pit Agreement to provide an arms-length party a month-to-month lease of a 20 acre gravel pit located on the Lands. 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, in conjunction with an engineering consultant, that the gravel pit contains approximately 4,000,000 MT of material, providing approximately 40 more years of mining assuming 100,000 MT sold annually.

Figure 2.8.2 **Lessor Agreements Income**

	3-months ended Mar 31, 2026 ⁽¹⁾	Year ended Dec 31, 2025 ⁽²⁾
Lease Agreements	\$17,689	\$68,833
Gravel Pit Agreement	\$42,840	\$408,952

(1) See **Enclosure 12.2 Interim Financial Statements** for additional information.

(2) See **Enclosure 12.1 Annual Financial Statements** for additional information.

MOUs for Truck Production

We have entered into three (3) brief memorandums of understanding (**MOU**) with arms-length parties (the “**Prototype Partners**”), as further described in **Figure 2.8.3** below, for the commencement of engineering work required to design three (3) Industry Prototype Class 8 diesel-electric hybrid semi-trucks (the “**MOU Prototypes**”). Prototype Partners were strategically chosen as they represent future fleet buyers.

The Issuer and each Prototype Partner intended to negotiate a definitive truck purchase agreement within three (3) months of each MOU as the engineering work advanced, however, as the scope of work expanded, each Prototype Partner continued to fund development of their respective prototype, with Edison receiving additional cash from time to time. Notwithstanding, we expect to finalize



definitive agreements once the engineering phase concludes and the prototype is completed and delivered.

Figure 2.8.3 **MOU Summary**

Financial information compiled by management. No additional amounts have been received under these MOUs between January 1 to March 31, 2026.

MOU	Description of Prototype Partner	Timeline and delivery status	Minimum Partner commitment	Partner deposit	Paid by Partner in 2024	Paid by Partner in 2025	Total paid to Edison as of Dec 31, 2025	Other terms
#1	Utility services operator in ON	38 months - 2026 delivery	Not stated	\$50,000	\$400,000	\$200,000	\$650,000	See note ⁽¹⁾
#2	Highway services operator in AB, BC, and ON	28 months - 2026 delivery	\$450,000 ⁽²⁾	\$44,642	\$350,001	\$0	\$394,643	See note ⁽³⁾
#3	Forest services operator in AB, BC, ON and southern US	24 months - 2026 delivery	\$750,000	\$50,000	\$0	\$250,000	\$300,000	None

(1) IP developed relative to the use of the truck for vocational purposes will be the partner's exclusive property.

(2) \$750,000 before rebates, incentives or refunds by Edison resulting in a final price of \$450,000.

(3) Tenco Equipment will be the preferred supplier of snow removal bodies for the Issuer until 2030.

Voting Trust Agreement

A copy of the Voting Trust Agreement may be viewed here: [Voting Trust Agreement](#)

On October 28, 2024, the Issuer and Eric Little, as voting trustee (the voting trustee appointed pursuant to the Voting Trust Agreement from time to time, the "**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**"). On July 27, 2026, Chace Barber was appointed by the Issuer as the successor Voting Trustee.

All purchasers under this Offering will be required to enter into the Voting Trust Agreement.

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. **Figure 2.8.4** below a summary of the parties and deposited shares under the Voting Trust Agreement.



Figure 2.8.4 **Voting Trust Information**

As of	Participants (unique)	Shares deposited	Voting power
August 4, 2026	3,847 (3,424)	160,297	3.2%
Assuming completion of the max Offering and all Offered Securities deposited	TBD	448,173	8.4%

For additional information, see [Item 4.1 Securities](#).

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, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island, Québec, Saskatchewan, and Yukon.

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. We will also pay FrontFundr \$50 per Subscription made through a registered plan. At our discretion, we may engage FrontFundr for certain other services at each Closing, including (i) \$500 for the drafting of a closing resolution, (ii) \$500 for the preparing an update to our central securities register, and (iii) \$2,000 for the drafting and filing of Form 45-106F1 *Report of Exempt Distribution*.

Since the inception of the FrontFundr Agreement, we have paid FrontFundr the following amounts:

Category	Description	Total paid to date
Upfront and other service fees	<i>Due diligence, document preparation, and other services</i>	\$33,000
Trade fees	<i>Commission received at a closing</i>	\$234,905



Category	Description	Total paid to date
Registered plan fee	Administration fee	\$ 1,850
Trade fees	Additional services performed at a closing	\$ 31,000
		\$ 300,755

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

Item 3: Compensation and 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 thereof	Annual compensation ⁽¹⁾	Securities owned on July 27, 2026 ⁽²⁾	Ownership after min. Offering ⁽³⁾	Ownership after max Offering ⁽³⁾
Chace Clifford Donald Barber <i>Golden, BC</i>	Director, Officer, Promoter, Principal; October 5, 2021	2025: \$75,920 6,500 Options 2026: \$100,000 6,500 Options ^{(4) (7)}	Shares: 2,000,117 Options: 13,750 ⁽⁴⁾	Basic: 39.4% Diluted: 38.1%	Basic: 37.3% Diluted: 36.2%
Eric Scott Little <i>Golden, BC</i>	Director, Principal; October 5, 2021	2025: \$82,252 6,500 Options 2026: \$36,923 3,292 Options ^{(4) (7)}	Shares: 1,999,497 Options: 13,292 ⁽⁴⁾	Basic: 39.4% Diluted: 38.1%	Basic: 37.3% Diluted: 36.1%
Theron Neal Groff <i>Golden, BC</i>	Director, Officer; June 20, 2023	2025: \$80,891 6,500 Options 2026: \$108,000 6,500 Options ^{(4) (7)}	Shares: 33,750 Options: 13,750 ⁽⁴⁾	Basic: 0.7% Diluted: 0.9%	Basic: 0.6% Diluted: 0.9%
Raymond Wayne Matkin <i>Chilliwack, BC</i>	Director; August 8, 2022 Officer; June 10, 2026	2025: \$78,586 6,500 Options 2026: \$100,000 6,500 Options ^{(4) (7)}	Shares: 20,010 Options: 18,750 ⁽⁴⁾	Basic: 0.4% Diluted: 0.7%	Basic: 0.4% Diluted: 0.7%
Dean Donald Barber <i>Golden, BC</i>	Related person (father of Chace Barber)	2025: \$55,295 ⁽⁵⁾ 2026: \$76,960 1,000 Options ⁽⁴⁾	Shares: 1,000 Options: 4,000 ⁽⁴⁾	Basic: 0.0% Diluted: 0.1%	Basic: 0.0% Diluted: 0.1%
Richard Matthew Bosch <i>Dunnville, ON</i>	Officer; October 10, 2024 Director; June 10, 2026	2025: \$79,742 14,000 Options 2026: \$100,000 6,500 Options ^{(4) (7)}	Shares: 0 Options: 21,750 ⁽⁴⁾	Basic: nil (0%) Diluted: 0.4%	Basic: nil (0%) Diluted: 0.4%



Full legal name and residence	Affiliation and date thereof	Annual compensation ⁽¹⁾	Securities owned on July 27, 2026 ⁽²⁾	Ownership after min. Offering ⁽³⁾	Ownership after max Offering ⁽³⁾
Yaël David Oosthuizen <i>Golden, BC</i>	Officer; December 1, 2025	2025: \$40,742 7,285 Options 2026: \$80,000 5,500 Options ⁽⁴⁾	Shares: 0 Options: 10,035 ⁽⁴⁾	Basic: nil (0%) Diluted: 0.2%	Basic: nil (0%) Diluted: 0.2%
Kathleen Marie Graham <i>Golden, BC</i>	Officer; December 1, 2025	2025: \$23,593 1,750 Options 2026: \$100,000 4,375 Options ⁽⁴⁾	Shares: 0 Options: 5,375 ⁽⁴⁾	Basic: nil (0%) Diluted: 0.1%	Basic: nil (0%) Diluted: 0.1%
Matthew Jordan Elliott <i>Lone Butte, BC</i>	Director; March 12, 2022	2025: 0 2026: 1,000 Options ⁽⁷⁾	Shares: 0 Options: 4,500	Nil (0%)	Nil (0%)
Wendy Lorraine Barber <i>Golden, BC</i>	Related person (mother of Chace Barber)	2025: \$21,440 ⁽⁶⁾ 2026: \$0	Shares: 0 Options: 0	Nil (0%)	Nil (0%)

- (1) Compensation includes cash, shares, options and any other form of remuneration, paid by the Issuer or any related party between January 1 to December 31, 2025, and paid or expected to be paid by the Issuer or any related party between January 1 to December 31, 2026. The amounts disclosed for the year ending December 31, 2026 reflect the Company's current expectations regarding executive compensation. Those compensation arrangements remain under review by the Board, including with input from an independent, arm's length compensation consultant that the Company intends to retain. Accordingly, the amounts disclosed for 2026 may change. See also note (4) below.
- (2) No person listed in this **Table 3.1.1** shall receive any securities as a result of this Offering. Notwithstanding, such persons may purchase Offered Securities hereunder pursuant to a Subscription Agreement, and may from time to time, be granted options for Common shares ("Options") at the discretion of the Issuer's directors ("Discretionary Grants") or on a quarterly basis ("Quarterly Grants").
- (3) Percentage ownership of the Issuer's securities is determined as follows:

	Min. Offering	Max Offering
A Common shares outstanding, August 4, 2026	5,075,667	5,075,667
B Common shares available in the Offering	-	363,637
C (Less) Common shares issued under the OM Exemption prior to August 4, 2026	N/A	(75,761)
D Net Common shares issuable in the Offering: D = B - C	-	287,876
E "Basic" capitalization: E = A + D	5,075,667	5,363,543
F Options outstanding, August 4, 2026	204,533	204,533
G "Diluted" capitalization: G = E + F	5,280,200	5,568,076

See also **Table 4.1.1 Securities**

- (4) Option compensation in 2026 consists of two (2) completed Quarterly Grants and two (2) expected Quarterly Grants, all in equal installments, as well as certain Discretionary Grants completed in 2026. Option ownership is as of August 4, 2026; therefore, it includes only 50% of the 2026 Quarterly Grant compensation.
- (5) Dean Barber is a full-time salaried employee of the Issuer. Disclosed compensation does not include any amounts paid under the office lease described in note (6) below.
- (6) The Issuer leased office space in Merritt, BC, from Dean and Wendy Barber, the parents of Chace Barber, President of the Issuer, prior to moving to Donald, BC, and ending the lease, in March 2025. This amount is included only in the compensation figures for Wendy Barber, notwithstanding that Dean Barber and Wendy are spouses.



(7) Directors of the Issuer are entitled to an annual grant of 1,000 Options.

3.2 Management Experience

Table 3.2.1 below provides the specified information for the last five years 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 <i>Director & CEO</i>	Veteran truck driver and entrepreneur with 20+ years in the trucking industry and first-hand knowledge of vocational truck fleet operation and maintenance. Chace is the visionary that had the idea to start Edison Motors; combining his lifelong passion for trucks and technology to build a hybrid semi truck. Chace leads the strategic direction of the company, overseas engineering, design and production, communicates with suppliers, customers, investors, and supporters to align long term vision with short term goals.
Theron Neal Groff <i>Director & President</i>	A celebrity logging truck driver (Discovery Channel's "Mud Mountain Haulers") with two decades of commercial vehicle and heavy-duty equipment experience. Drawing on this background and public profile, he has been instrumental in turning Edison's values and projects into a clear, compelling brand narrative, helping to build a significant social media presence and a broad audience of potential customers and investors. As President, Theron is responsible for long-term strategy, values-driven decision-making, and stewardship of Edison's brand and public narrative.
Raymond Wayne Matkin <i>Director & Executive VP, Defense</i>	A former tradesman, Raymond brought his experience in assisting Edison's development from proof of concept to production prototype. Along with pulling wrenches, Raymond liaises with suppliers, develops production plans, and debugging code before his first cup of coffee. His focus on government and military contracts, and grants ensures Edison Motors' technology expands into opportunistic markets.
Richard Matthew Bosch <i>Director & Executive VP, Pickups</i>	Rich leads our Class 5 design and manufacturing efforts, with 2 prototypes rolling so far. 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. Rich's approach to the class 5 pickup kit is meticulous and methodical, ensuring the best quality and mechanic friendly product available on the market.
Yaël David Oosthuizen <i>CTO</i>	With a background in electric vehicle development and project management with a degree in electrical engineering, Yaël leads Edison's technology and engineering team with a structured and efficient approach that enables fast paced innovation and a positive, accountable team culture.
Kathleen Marie Graham <i>CFO</i>	Two decades experience in corporate reporting, business controls, ERP implementation, procurement, financial analysis, project management, oil and gas, mining and construction has prepared Kathleen to mature Edison from backyard builders into a professional, efficient organization. She is a CPA and FRCGS (Fellow of the Royal Canadian Geographical Society).
Eric Scott Little <i>Director</i>	Clean-tech entrepreneur with a background in hybrid energy systems design, manufacturing and project finance. He oversaw development of Edison's hybrid drivetrain and fundraising efforts. He supports Edison's long term growth and business strategy as a Director.



Full legal name	Principal occupation and description of experience associated with the occupation
Matthew Jordan Elliott <i>Director</i>	A logging truck and harvester operator with two decades of experience in the field and managing a business. Matt possesses a deep understanding of the forestry industry, cash flow, and the extreme demands required by the trucks which service logging and off-road equipment heavy haul applications.

3.3 Disclosures

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

Except as described below, 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.

Mr. Barber previously made a consumer proposal in connection with personal guarantees he had provided in support of another business of which he was a director and officer. The consumer proposal was fully performed and completed in April 2020, and Mr. Barber was discharged from all obligations thereunder.



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 ***Securities***

Description of security	Price per security	Authorized to be issued	Outstanding as of August 4, 2026	Outstanding after min. Offering	Outstanding after max Offering
Common shares ⁽¹⁾	\$55.00	Unlimited	5,075,667	5,075,667	5,363,543
Common share Options ⁽²⁾	\$0.01	Unlimited	204,533	204,533	204,533

(1) There is no minimum Offering. There are 363,637 Common shares issuable in the max Offering. Pursuant to closings under the OM Exemption conducted prior to the date of this Offering Memorandum, a total of 75,761 Common shares have been issued under the terms of this Offering. The remaining number of Common shares issuable in the max Offering is therefore 287,876 Common shares. See note (3) to **Table 3.1.1** for additional information.

(2) The Issuer's directors may from time to time, including while this Offering is ongoing, issue additional Options, including by Quarterly Grant or Discretionary Grant. Options vest immediately upon grant and have 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 United States. The below provides a summary of the expiry dates of outstanding Options, assuming the Issuer's shares are not listed before such time.

	2028-Jun	2028-Jul	2028-Sep	2028-Dec	2029-Mar	2029-Jun
Options expiring	34,910	8,000	26,600	52,715	18,875	63,433

4.2 Prior Sales

Table 4.2.1 below provides the specified information for all issuances of Common shares since August 4, 2025.

Table 4.2.1 ***Prior Sales***

Date of issuance	Type of securities issued	Number of securities issued	Price per security	Total funds received ⁽¹⁾
Jul 9, 2026	Common shares	293	\$55.00	\$ 16,115
Jul 9, 2026	Common shares	1,425	USD\$40.00	USD\$57,000
May 26, 2026	Common shares	7,726	\$55.00	\$ 424,930
Apr 28, 2026	Common shares	1,709	USD\$40.00	USD\$68,360
Apr 27, 2026	Common shares	9,738	\$55.00	\$ 535,590
Apr 8, 2026	Common shares	530	\$55.00	\$ 29,150



Date of issuance	Type of securities issued	Number of securities issued	Price per security	Total funds received ⁽¹⁾
Mar 30, 2026	Common shares	20,737	\$55.00	\$ 1,140,535
Feb 27, 2026	Common shares	1,605	USD\$40.00	USD\$64,200
Jan 26, 2026	Common shares	5,637	USD\$40.00	USD\$225,480
Jan 9, 2026	Common shares	5,583	\$55.00	\$ 307,065
Dec 29, 2025	Common shares	830	\$55.00	\$ 45,650
Dec 10, 2025	Common shares	9,454	USD\$40.00	USD\$378,160
Nov 17, 2025	Common shares	1,145	\$55.00	\$ 62,975
Nov 17, 2025	Common shares	62	USD\$40.00	USD\$2,480
Oct 31, 2025	Common shares	12,081	\$55.00	\$ 664,455
Sep 29, 2025	Common shares	27,081	\$55.00	\$ 1,489,455

(1) Before any share issuance costs and/or trade fees, as the case may be. In CAD\$ unless otherwise noted.

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.

Requirement to enter Voting Trust Agreement

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.

Pursuant to the Voting Trust Agreement, each purchaser shall assign and transfer 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) 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
- (b) 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 (b), 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.



Information Rights

As required under provincial securities laws, the Issuer will make reasonably available to all shareholders its audited annual financial statements not later than 120 days after the end of each of our financial years.

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 2.5% of the Subscription Amount (to a maximum of \$250) and depending on payment method, third party 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**

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](#).

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)	N/A	\$1,000,000+
Net total assets (incl. spouse)	\$400,000+	\$5,000,000+

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, NU, 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 “family member”, “close personal friend” or “close business associate” (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.



Attribute	Required by
 Subscription Agreement	All purchasers
 Voting Trust Agreement	All purchasers must join via the  Voting Trust Accession
 Form 45-106F4 Risk Acknowledgement	All purchasers
 Offering Memorandum Certificate	All purchasers
 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 Issuer having received a duly executed Voting Trust Accession, unless waived in the sole discretion of the Issuer;
- (3) The satisfaction of any applicable escrow provisions, such as those outlined above;
- (4) 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
- (5) 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, 2027.

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

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.

The below provides some different scenarios for the aggregate trade fees payable to FrontFundr using different assumptions for the percentage of the Offering raised and the source of the Subscription Amount.

	100% via FrontFundr	75% via FrontFundr	50% via FrontFundr	25% via FrontFundr	0% via FrontFundr
25% of Offering	\$250,000	\$212,500	\$175,000	\$137,500	\$100,000
50% of Offering	\$500,001	\$425,001	\$350,001	\$275,000	\$200,000
75% of Offering	\$750,001	\$637,501	\$525,001	\$412,501	\$300,001
100% of Offering	\$1,000,002	\$850,001	\$700,001	\$550,001	\$400,001
Effective rate	5.0%	4.3%	3.5%	2.8%	2.0%

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.

For additional information, and amounts paid under prior offerings, see “*FrontFundr Agreement*” in **Item 2.8**

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 (e.g., “**The Offered Securities are speculative and high risk**”), 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.

The Company recently underwent a change in executive management following the departure of its former Chief Executive Officer. The Company is currently involved in a dispute with its former Chief Executive Officer arising from his departure. The outcome of the dispute cannot presently be determined and may result in legal costs, management distraction and other expenses. While the Company does not currently expect the dispute to have a material adverse effect on its business, financial condition or results of operations, there can be no assurance regarding its outcome or its ultimate impact on the Company.

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 U.S., 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 U.S., or other potential 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 “*Penalties and Sanctions*” in [Item 3.3 Disclosures](#)

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 favourable 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 U.S., 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

We may be unable to sell our Class 5 kit hybrid vehicles until ECCC approval or applicable regulations are changed.

We have received authorization to affix a NEM to our heavy-duty vehicles and as such this grants Edison the ability to submit to ECCC letters of conformity which request engine approval for use in vehicle models. At this time, the Issuer only possesses ECCC approval to sell and export Class 8 diesel and diesel-electric hybrid heavy duty vehicles, with applications still pending for Class 5 diesel-electric hybrid vehicle models.

Under CEPA, *Heavy-duty Vehicle and Engine Greenhouse Gas Emission Regulations* (SOR/2013-24), a special provision exists for hybrid vehicles called the hybrid alternative engine standard (Section 12.4). This special provision allows the use of “on-road” U.S. EPA certified engines, or engines which meet equivalent standards, in hybrid vehicles. Edison has applied for provisional approval with ECCC to use “non-road” U.S. EPA certified engines in our diesel-electric hybrid vehicle models. Until provisional approval by ECCC is granted, there exists significant uncertainty in the ability to commercialize and sell hybrid vehicle models in Canada.

Edison Motors Ltd. is a federally registered lobbyist (RN963087-384208) and is actively petitioning regulators to update or amend the hybrid alternative engine standard SOR/2013-24 Section 12.2(4) to allow “non-road” EPA certified diesel generator engines for “on-road” use in hybrid vehicles. Notwithstanding, there are no assurances that our efforts will be successful. If we are unable to obtain permission to sell our hybrid vehicles, we will need to adjust our business model and outlook, which would take considerable time, and could immediately and into the future, provide a material adverse effect on our business, results of operations, financial condition, and cash flows.

See also “*Need for Change*” in **Item 2.2 The Business**



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 other inputs for our trucks 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.

As we have previously conducted a Closing under the OM Exemption, we are required under applicable provincial securities laws to file with certain provincial securities regulatory authorities, and



make reasonably available to our shareholders, audited annual financial statements within 120 days after the end of each of our financial years, as described below. Consequently, waiving the requirement to appoint an auditor or to produce audited annual financial statements under the Act is not permitted.

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 Restriction

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.

(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

- (a) the Issuer to cancel your Subscription Agreement to buy the Offered Securities, or
- (b) for damages against the Issuer.

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 12.1** of **Item 12**, an independent auditor's report from SHESSEL & RANA CPA PROFESSIONAL CORPORATION made April 26, 2026, in respect of the Issuer's financial statements for the years ended December 31, 2025 and 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: *Annual Financial Statements*

Years ended December 31, 2025 and 2024

[enclosed on the following 19 pages]

Edison Motors Ltd.

Consolidated Financial Statements
(Stated in Canadian Dollars)



For the years ended December 31, 2025 and 2024



Edison Motors Ltd.
2815 Donald Rd
Golden, BC
Incorporated Under the Laws of British Columbia

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Independent Auditor's Report

To the Shareholders and Directors
Edison Motors Ltd.

Opinion

We have audited the accompanying financial statements of Edison Motors Ltd. (the "Company"), which comprise the statement of financial position as at December 31, 2025 and December 31, 2024, and the statement of loss and other comprehensive loss, statement of changes in equity and statement of cash flows, for the years then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (the "financial statements").

In our opinion, the accompanying financial statements of the Company are presented fairly, in all material respects, the financial position of the Company as at December 31, 2025 and December 31, 2024, and its financial performance, and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

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

Emphasis of Matter - Material Uncertainty Related to Going Concern

We draw attention to Note 4 of the financial statements, which indicates that the Company incurred net losses of **\$ 1,628,952** and **\$ 3,019,112** for the years ended December 31, 2025 and December 31, 2024, respectively. In addition, the Company reported negative operating cash flows in both years. These losses were primarily attributable to significant investments in technological research and development initiatives undertaken to support the Company's long-term growth strategy. Management considers these expenditures to be non-recurring in nature

and necessary to enhance the Company's future operating capabilities.

Management has assessed the Company's current cash position, expected cash flows from existing orders, and plans for cost control, and believes that the Company has adequate resources to continue operations for at least the next twelve months. These factors mitigate the risks associated with the conditions noted above.

Our opinion is not modified in respect of this matter. The financial statements are prepared on a going concern basis, and no adjustments to the carrying amounts of assets or liabilities have been made that would be required if the going concern basis were not appropriate.

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

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

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

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

Auditors' Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the

financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

- Significant deficiencies in internal control;
- Identified fraud or suspected fraud; and
- Other matters related to fraud that are, in our judgement, relevant to the responsibilities of those charged with governance.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Shessel & Rana CPA Professional Corporation

Authorized to practice public accounting by the Chartered Professional Accountants of Ontario

Newmarket, ON
April 26, 2026



Edison Motors Ltd.
2815 Donald Rd
Golden, BC
Incorporated Under the Laws of British Columbia

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Stated in full Canadian Dollars (\$)

As at	December 31, 2025	December 31, 2024
ASSETS		
Current assets		
Cash	1,619,477	908,576
Accounts receivable [note 15]	2,096,668	12,456
Prepays and deposits [note 6]	274,471	150,734
Goods and services tax recoverable	209,692	76,644
Deferred tax asset [note 7]	350,483	231,888
Total current assets	4,550,791	1,380,298
Non current		
Property, plant and equipment [note 8]	6,776,885	147,379
Due from related parties [note 9]	4,222	-
Total assets	11,331,898	1,527,677
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	161,493	433,005
Loans payable to related parties [note 9]	-	23,504
Deferred consolidation	135,082	-
Total Current liabilities	296,575	456,509
Long term liabilities		
Deposits on account [note 10]	1,995,228	2,101,262
Total Liabilities	2,291,803	2,557,771
EQUITY		
Share capital [note 11]	15,897,907	4,198,766
Deficit	(6,857,812)	(5,228,860)
Total Equity	9,040,095	(1,030,094)
Total Liabilities and Equity	11,331,898	1,527,677

Going Concern [note 4]
Subsequent Events [note 19]

 Director

Approved by the Board on April 26, 2026.



Edison Motors Ltd.
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CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

Stated in full Canadian Dollars (\$)

As at	December 31, 2025	December 31, 2024
Revenue		
Consulting service revenue	618,366	215,914
Merchandise sales	256,191	78,454
Social Media revenue	167,615	115,278
Lease and gravel income	472,786	-
Total Revenue	1,514,958	409,646
Cost of Sales	97,727	27,569
Gross Profit	1,417,231	382,077
Total Operating Expenses [note 16]	6,256,323	4,205,956
Loss from operations before interest, accretion and foreign exchange	(4,839,092)	(3,823,879)
Non operating income and expenses		
Sponsorship research income	1,129,699	414,561
Subsidies and grants	541,790	81,155
Interest income	62,859	2,312
Other revenue	14,933	26,244
SR&ED recovered tax credits	1,584,074	255,324
Foreign exchange gains (loss)	(221,693)	11,881
Total non-operating income and expenses	3,111,662	791,477
Loss before income taxes	(1,727,430)	(3,032,402)
Income taxes		
Current taxes [note 7]	21,160	32,486
Future income taxes [note 7]	(119,638)	(45,776)
Total income taxes	(98,478)	(13,290)
Net Loss	(1,628,952)	(3,019,112)
Deficit, Beginning of year	(5,228,860)	(2,209,748)
Deficit, End of the year	(6,857,812)	(5,228,860)



Edison Motors Ltd.
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CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Stated in full Canadian Dollars (\$), except for share quantities

Share Capital			
Issued and Outstanding	Number of shares	Amount	Total
Balance, December 31, 2024			
Majority shareholders	4,089,579	1,799,561	1,799,161
Minority shareholders	719,970	2,399,205	2,399,205
Balance, December 31, 2024	4,809,549	4,198,766	4,198,766
Shares issued	211,135	11,699,142	11,699,142
Balance, December 31, 2025	5,020,684	15,897,908	15,897,908

See accompanying notes to the consolidated financial statements



Edison Motors Ltd.
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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

Stated in full Canadian Dollars (\$)

As at	December 31, 2025	December 31, 2024
OPERATING ACTIVITIES		
Loss for the period	(1,667,853)	(3,019,112)
Depreciation	256,044	34,475
Cash used in operating activities before changes in non-cash items	(1,411,809)	(2,984,637)
Changes in non-cash items:		
Accounts receivable [Note 15]	(2,084,212)	20,009
Inventory	-	6,210
Payable to subsidiary	135,082	-
Prepaid expenses	(123,737)	(150,734)
Sales tax recoverable	(133,048)	(72,140)
Income tax received	-	10,806
Due from related parties	(4,222)	-
Deferred tax assets	(79,694)	(45,776)
Account payable and accrued liabilities	(271,512)	375,509
HST payable	-	(10,114)
Deferred revenue	(106,034)	1,637,681
Due to related party	(23,504)	(36,496)
Total Cash flows from operating activities	(4,102,690)	(1,249,682)
Cash flows from investing activities		
Purchase of property, plant, and equipment [Note 8]	(6,885,550)	(119,678)
Cash flows from financing activities		
Proceeds from issuance of shares	11,699,141	1,799,161
Net (decrease) increase in cash	710,901	429,801
Cash, beginning of period	908,576	478,775
Cash, end of period	1,619,477	908,576

See accompanying notes to the consolidated financial statements



Edison Motors Ltd.
2815 Donald Rd
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Stated in full Canadian dollars (\$)

1. NATURE OF BUSINESS

Edison Motors Ltd. (the "Corporation", "Company" or "Edison") was incorporated under the laws of the Province of British Columbia on October 5th, 2021. The principal business activity of the Corporation is the prototyping, commercialization and manufacturing of EV heavy duty trucks & drivetrains. The office address of the Corporation is 2815 Donald Road, Golden BC, V0A-1H1, Canada.

The Corporation is developing prototype vehicles, and drivetrains and chooses to expense these costs to develop intellectual property rights and investigate commercializing vehicles.

The future sales of vehicles in Canada are contingent on Federal NEM (National Emission Mark) certification and NSM (National Safety Mark) certification. The Corporation has applied for these certifications. Future sales of vehicles to countries outside Canada may have additional regulatory requirements.

A key step in NSM certification is proving road worthiness on a test track. The need for a test track motivated the January 23, 2025 acquisition of Edison Backyard Development Corp ("EBD" or the "Subsidiary"). Edison Motors owns a 305 acre industrial property through EBD, on which Edison is building a test track. The property provides additional income streams from gravel royalties and sub leasing land.

2. MATERIAL ACCOUNTING POLICIES

Basis of presentation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. 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).

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its Subsidiary as at the reporting date. The Subsidiary is the entity with which the Company has control. Control exists when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of Subsidiary are prepared for the same reporting period as the company, using consistent accounting policies. All intercompany balances, transactions, unrealized gains and losses, and income and expenses arising from intercompany transactions are eliminated on consolidation.

The Corporation's financial statements consolidate results of its subsidiaries. The subsidiaries are:

Entity	Ownership	Jurisdiction	Principal activity
Edison Backyard Development Corporation	100%	British Columbia, Canada	Property Development
Edison Motors US Ltd.	100%	Nevada, USA	Prototype Development



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Stated in full Canadian dollars (\$)

Inventory

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

Property, plant and equipment

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

Automotive equipment	30%
Buildings	6%
Computer equipment	55%
Machinery & equipment	30%
Tools and dies	20%
Construction and excavation	30%
Signage	20%
Furniture and fixtures	20%
Solar Panels	100%
Test Track	6%

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 are not amortized until put to use.

Leasehold Improvements

Amortization for the leasehold improvements is calculated using the straight-line method over the shorter of their useful life or the the remaining lease term, including reasonably assured renewable options. The leasehold improvements revert to the landlord upon termination of lease. Any change in lease term requires prospective adjustment to amortization.

Research and development

The company annually incurs costs on activities that relate to research and development of new products. The Corporation has adopted the policy of expensing production costs and research & development costs incurred prior to the determination that a vehicle has potential for economic recovery from future sales.

Income Taxes

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.



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Stated in full Canadian dollars (\$)

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 re-measured 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.

Revenue recognition

The company recognizes revenue primarily from five categories of goods and services:

- 1) Merchandise sales
- 2) Social Media revenue and advertising
- 3) Feasibility and concept consultation
- 4) Gravel royalty income
- 5) Yard lease income

To determine whether to recognize revenue, the Company follows a five step process:

- 1) identifying the contract with a customer;
- 2) identifying the performance obligations;
- 3) determining the transaction prices;
- 4) allocation the transaction price to the performance obligations; and
- 5) recognizing revenue when performance obligations are satisfied.

Most of the company's current contracts are research partnerships, whereby the testing partner uses an Edison built truck and provides performance and design feedback. Revenues from consultancy services are recognized as the services are performed.

The Company earns royalty income from granting rights to extract, process, and sell sand and gravel materials originating from the leased premises. Royalty income is calculated at a fixed rate of \$6.50 per metric ton ("Royalty Unit Price") of material.

Yard lease income represents revenue earned from leasing yard space to third parties. Contracts are short term, and recognized monthly, in accordance with payments.

3. DEVELOPMENT STAGE COMPANIES

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



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The completion of the development program, and transition to profitable operations, is dependent upon successful commercialization of Edison's technologies 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 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.

During the year, the Company incurred operating losses. These losses were primarily attributable to significant investments in technology research and development initiatives undertaken to support the Company's long-term growth strategy. Management considers these expenditures to be non-recurring in nature and necessary to enhance the Company's future operating capabilities.

Based on the Company's current cash position, expected cash flows from combined equity financing, research grants and partnership contributions, management believes that the Company has adequate resources to continue operations for at least the next twelve months. Accordingly, the use of the going concern basis of accounting is appropriate, and no adjustments to the carrying amounts of assets or liabilities have been made.

5. RECENT ACCOUNTING PRONOUNCEMENTS

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The IASB has published Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) which clarifies the guidance on whether a liability should be classified as either current or non-current. The amendments:

- clarify that the classification of liabilities as current or non-current should only be based on rights that are in place "at the end of the reporting period.
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability
- make clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishment of the liability.

This amendment is effective for annual periods beginning on or after January 1, 2024. Earlier application was permitted. The adoption of this amendment did not have any impact on the Company's consolidated financial statements.

Standard issued but not yet effective

The following is a new standard issued by the IASB which is applicable to the Company's consolidated financial statements:



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements, which is intended to give investors more transparent and comparable information about companies' financial performance, thereby enabling better investment decisions. It will affect all companies using IFRS Accounting Standards. IFRS 18 introduces new sets of requirements to improve companies' reporting of financial performance and give investors a better basis for analyzing and comparing companies through.

- Improved comparability in the statement of profit or loss or income statement
- Enhanced transparency of management-defined performance measures; and
- More useful grouping of information in the financial statements.

IFRS 18 also requires companies to provide more transparency about operating expenses, helping investors to find and understand the information they need. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, but companies can apply it earlier. IFRS 18 replaces IAS 1. It carries forward many requirements from IAS 1 unchanged. The Company will assess the impact of adoption of IFRS 18 on its financial statements.

Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*

The IASB has issued amendments to IFRS 9 and IFRS 7 to clarify the classification and measurement of financial instruments and to enhance disclosure requirements. The amendments include guidance on the assessment of contractual cash flow characteristics, including financial assets with environmental, social, and governance (ESG)-linked features, as well as additional disclosure requirements to improve transparency regarding such instruments. The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted. Management is currently assessing the impact of these amendments on the Company's consolidated financial statements.

6. PREPAID AND DEPOSITS

Prepaid expenses and deposits consist of the following:

As at	December 31, 2025	December 31, 2024
Deposit for research & development purchases	234,167	27,530
BC mine bond	24,000	-
Rent Deposit	11,400	-
Prepaid insurance	4,904	10,204
Deposit for share purchase - 0977799 B.C. Ltd.	-	100,000
Legal fee retainers	-	13,000
Total	274,471	150,734



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Stated in full Canadian dollars (\$)

7. INCOME TAXES

a. Income tax expenses

Income tax expenses recognized in net income comprise the following. Current tax expense for the period includes \$21,160 (2024 - \$32,486) in non-recoverable foreign withholding taxes paid on social media service income.

As at	December 31, 2025:	December 31, 2024
Current tax expense	21,160	32,486
Deferred tax expenses	(119,638)	(45,776)
Total Income taxes	(98,478)	(13,290)

b. Deferred tax balances

Significant components of the company's future tax assets comprise the following.

As at	December 31, 2025:	December 31, 2024
Deferred tax asset	350,483	231,888
Net deferred/future tax asset	350,483	231,888

8. PROPERTY, PLANT, AND EQUIPMENT

The Corporation on January 23, 2025 acquired Edison Backyard Development Corp ("EBD" or the "Subsidiary"). Edison Motors controls a 305 acre industrial property through EBD.

Amortization expense for December 31, 2025 was \$256,044 (2024 - \$ 34,475).

The following is a summary of changes in Property, plant and equipment for the year ended December 31, 2025 and 2024:

As at	December 31, 2025		December 31, 2024	
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Buildings-WIP	3,021,262	-	3,021,262	-
Land-Gravel Mining	1,459,589	-	1,459,589	-
Land	1,440,411	-	1,440,411	-
Automotive equipment	443,712	(167,160)	276,552	79,312
Leasehold improvements-WIP	408,685	-	408,685	-
Machinery and equipment	157,226	(70,524)	86,702	30,191
Tools and dies	83,695	(26,729)	56,966	4,849
Computer equipment	59,618	(55,217)	4,401	9,780
Buildings	25,375	(3,058)	22,317	23,247
Total	7,099,573	(322,688)	6,776,885	147,379



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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9. RELATED PARTY LOANS

On January 23, 2025, Edison Motors covered the cost of EBD's mine permit bond. This cost will be recovered from lease payments to EBD from Edison Motors.

In 2025, a payment was made on the behalf of Edison Motors US Ltd. for ongoing company registration.

10. DEPOSITS 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. Client deposits are provided by both individuals and potential vehicle outfitters. These deposits will be 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 development progress and current funding progress.

Deposits are as follows:

As at	December 31, 2025	December 31, 2024
Deposit type		
Prototype client deposit for EV	250,000	910,764
Research & development client pickup truck conversion kits to EV	1,073,578	997,338
Client deposits for research & development	1,323,578	1,908,102
Deposits for share purchases occurring in 2025	671,650	193,160
Total deposits on account	1,995,228	2,101,262

11. SHARE CAPITAL AND RESERVES

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 December 31, 2025 is 5,020,684 (December 31, 2024 is 4,809,549).

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.

Stock Options

The company has granted 122,225 common share options to certain employees and consultants. Each option is exercisable for one common share at \$0.01 per share, until the earlier of three years from the grant date or the date the company's common shares are listed on a recognized Canadian or U.S. stock exchange.



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12. RELATED PARTY EXPENSES

The Company's related parties include key management personnel and entities over which they have control or significant influence.

Key management remuneration includes the following amounts:

These transactions are in the normal course of operations, 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. Amounts below stated in full Canadian Dollars (\$).

Chief Executive Officer	82,252
President	75,920
Vice President	79,742
Chief Marketing Officer	80,891
Procurement Officer	78,586
Millright	55,294

Leased office space

The company leased office space in Merritt BC, from a relative of the President of the Company prior to moving to Donald, BC. Lease payments for 2025 - \$21,440 and for 2024 - \$53,400). The consideration paid, in management's opinion, is comparable to amounts that would have been paid to non-related parties.

13. SUBSIDIES AND GRANTS

Subsidies and grants consist of non-refundable government assistance received by the Company in support of its operating activities. Subsidies and grants are recognized on a systematic basis over the periods in which the Company recognizes the related costs that the assistance is intended to compensate. Where subsidies and grants are not related to specific future expenditures, they are recognized in income when the Company's entitlement to receive the assistance is established.

14. SCIENTIFIC RESEARCH AND EXPERIMENTAL DEVELOPMENT TAX CREDITS

The Company is eligible to receive refundable investment tax credits under the Scientific Research and Experimental Development (SR&ED) program for qualifying research and development expenditures incurred in Canada. Refundable SR&ED tax credits are recorded as other income (or as a reduction of research and development expenses, depending on presentation) in the statement of profit or loss.

15. ACCOUNTS RECEIVABLE

Accounts receivable at December 31, 2025 are primarily funds owed from research partners.



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16. OPERATING EXPENSES

As at	December 30, 2025	December 30, 2024
Research and Development	2,382,729	2,710,159
Salaries and wages	1,757,304	730,602
Professional fees	856,631	177,200
Computer-related expenses	102,268	112,148
Travel expenses	105,443	101,959
Advertising	95,719	76,729
Rental	41,469	73,578
Vehicle expenses	255,183	64,176
Insurance	62,840	40,693
Interest and bank charges	22,098	38,558
Amortization of tangible assets	256,044	34,475
Meals and entertainment	37,077	24,619
Office expenses	53,889	6,800
Memberships and licenses	37,081	8,443
Telephone and telecommunications	10,069	2,601
Supplies	48,880	2,218
Repairs and maintenance	40,315	998
Donations	64,972	-
Property taxes	8,357	-
Other utilities	17,955	-
Total Operating Expenses	6,256,323	4,205,956

17. ACQUISITIONS

On January 23, 2025, the Company acquired all 200 issued and outstanding shares of 0977799 B.C. LTD., later changed to Edison Backyard Development Corp ("EBD" or the "Subsidiary"), pursuant to a Share Purchase Agreement which holds title to a 305 acre land parcel that is mostly undeveloped and zoned for industrial use. The land parcel has a gravel pit, and a timber yard storage facility, both operated through agreements with local third parties.

The acquisition-date fair value of the total consideration paid for EBD was \$2,900,000 in cash and includes an assumed value for the identifiable assets. The transaction has been accounted for as a business combination in accordance with IFRS 3, Business Combinations, using the fair-value accounting method.

The primary purpose of the EBD transaction was to acquire sufficient land to construct a truck fabrication facility, and a test track. The transaction is stated in full Canadian dollars.



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18. FINANCIAL INSTRUMENTS AND RELATED RISKS

The Corporation examines the various financial risks to which it is exposed and assesses the impact and likelihood of occurrence. These risks may include credit risk, liquidity risk, currency risk, interest rate risk and other risks. Where material, these risks are reviewed and monitored by the Board of Directors.

Credit risk

Counterparty credit risk is the risk that the financial benefits of contracts with a specific counterparty will be lost if a counterparty defaults on its obligations under the contract. This includes any cash amounts owed to the Corporation by those counterparties, less any amounts owed to the counterparty by the Corporation where a legal right of offset exists and also includes the fair values of contracts with individual counterparties which are recorded in the financial statements.

Trade credit risk

The Company closely monitors its financial assets and does not have any significant concentration of trade credit risk. The historical level of defaults is nil and, as a result, the credit risk associated with trade receivables is considered to be negligible.

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation manages liquidity risk through the management of its capital structure.

Accounts payable and accrued liabilities are due within the current operating period.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Corporation will realize a significant loss as a result of a decline in the fair market value is limited as the Corporation is not financed with debt and does not have long term obligations.

Currency risk

The Corporation is exposed to the financial risk related to the fluctuation of foreign exchange rates. The functional and reporting currency of the Corporation is the Canadian dollar. Changes in the currency exchange rates between the Canadian dollar relative to the US dollar could have an effect on the Corporation's results of operations, financial position or cash flows. The Corporation has not hedged its exposure to currency fluctuations. The Corporation does not invest in financial instruments, such as derivatives, to mitigate these risks.

19. SUBSEQUENT EVENTS

Subsequent to the year ended December 31, 2025, the company granted and aggregate of 18,625 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: *Interim Financial Statements (UNAUDITED)*

3-months ended March 31, 2026 and 2025

[enclosed on the following 16 pages]

Edison Motors Ltd.

Consolidated Interim Financial Statements



For the Three Months Ended March 31, 2026, and 2025
(Unaudited)



Edison Motors Ltd.

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EDISON MOTORS LTD.

NOTICE TO SHAREHOLDERS

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited condensed consolidated interim financial statements of Edison Motors Ltd. were prepared by management in accordance with International Financial Reporting Standards ("IFRS"). Only changes in accounting policies have been disclosed in these unaudited condensed consolidated interim financial statements. Management acknowledges responsibility for the preparation and presentation of the unaudited condensed consolidated interim financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Corporation's circumstances.

Management has established processes, which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the unaudited condensed consolidated interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed consolidated interim financial statements and (ii) the unaudited condensed consolidated interim financial statements fairly present in all material respects the financial position, results of operations and cash flows of the Corporation, as of the date of and for the periods presented by the unaudited condensed consolidated interim financial statements.

Management recognizes its responsibility for conducting the Corporation's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

The Board of Directors is responsible for reviewing and approving the unaudited condensed consolidated interim financial statements together with other financial information of the Corporation and for ensuring that management fulfills its financial reporting responsibilities.

Notice of Non-Review of Condensed Consolidated Interim Financial Statements

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed consolidated interim financial statements, they must be accompanied by a notice indicating that these condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The attached condensed consolidated interim financial statements for the three months ended March 31, 2026 and 2025 have not been reviewed by the Company's auditors.



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CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

Stated in full Canadian Dollars

As at	3/31/2026	3/31/2025
Assets		
Current		
Cash	1,206,033	3,252,645
Accounts receivable (Note 4)	1,675,241	-
Prepays and deposits (Note 5)	472,322	65,399
Goods and services tax recoverable	280,346	135,498
Deferred tax asset (Note 6)	299,421	311,582
Total Current Assets	3,933,364	3,765,124
Non-current		
Property and equipment (Note 7)	7,182,951	3,184,193
Due from related parties (Note 8)	4,222	3,145
Total Assets	11,120,537	6,952,463
Liabilities		
Current		
Accounts payable and accrued liabilities	44,641	867,877
Deferred Consideration	10,000	158,409
Non-current		
Deposits on account (Note 9)	1,656,655	1,158,723
Total Liabilities	1,711,295	2,185,008
Equity		
Share capital (Note 10)	17,742,040	10,681,393
Shareholder's Deficit	(8,332,800)	(5,913,938)
Total Shareholder's Equity	9,409,242	4,767,455
Total Liabilities and Shareholder's Equity	11,120,537	6,952,463

Approved by the Board on: July 30, 2026



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CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

Stated in full Canadian Dollars

	For the three months ended March 31	
	2026	2025
Revenue		
Consulting fee revenue	42,042	400,000
Merchandise sales	24,432	11,308
Social Media Revenue	39,109	25,234
Lease and gravel income	62,929	26,601
Total Revenue	168,511	463,142
Cost of goods Sold		
Purchases/materials	3,033	14,144
Gross Profit	165,479	448,998
Total Operating Expenses (Note 12)	1,601,918	1,414,206
Loss from operations before interest, accretion and foreign exchange	(1,436,440)	(965,208)
Non-operating income and expenses		
Subsidies and grants	21,117	218,587
Foreign exchange gains	(14,022)	(28,213)
Unrealized gain or loss	(829)	20,550
Interest income	6,249	-
Total non-operating income and expenses	12,514	210,925
Loss before income taxes	(1,423,925)	(754,283)
Income taxes		
Current taxes (Note 6)	-	-
Future income taxes (Note 6)	51,062	(79,694)
Total income taxes	51,062	(79,694)
Net Loss	(1,474,988)	(674,589)
Deficit, Beginning of year	(6,857,812)	(5,239,349)
Deficit, End of the year	(8,332,800)	(5,913,938)



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CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Stated in full Canadian Dollars

Issue and Outstanding	Share Capital		Reserves	
	Number of Common shares	Amount	Deficit	Total
Balance, December 31, 2024	4,809,549	4,198,766	(5,239,349)	(1,030,094)
Shares issued for cash	78,925	6,482,627		6,482,627
Net loss for the period				(674,589)
Balance, March 31, 2025	4,888,474	10,681,393	(5,913,938)	4,767,455
Shares issued for cash	133,216	5,216,515		5,216,515
Net loss for the period				(946,533)
Balance, December 31, 2025	4,809,549	15,897,907	(6,860,471)	9,037,436
Shares issued	53,265	1,844,134		1,844,134
Net loss for the period				(1,474,988)
Balance, March 31, 2026	4,997,112	17,742,042	(8,332,800)	9,409,242



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CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

Stated in full Canadian Dollars

	March 31, 2026	March 31, 2025
Cash flows from (used in) operating activities		
Loss for the period	(1,474,988)	(674,589)
Items not affecting cash		
Allowance (recovery) for credit losses		
Depreciation	28,685	15,895
Cash flow used in operating activities before changes in non-cash items	(1,446,303)	(658,693)
Changes in non-cash items:		
Accounts receivable	421,427	12,456
Prepays and deposits	(197,851)	85,335
Goods and services tax recoverable	(70,654)	(58,854)
Accounts payable and accrued liabilities	(116,855)	434,872
Future tax assets	51,062	(79,694)
Due to related parties	-	(23,504)
Due from related parties	-	(3,145)
Others	-	(10,491)
Deferred consideration	(125,082)	158,409
	(1,484,256)	(143,310)
Cash flows from (used in) investing activities		
Purchase of property and equipment	(434,750)	(3,052,709)
	(434,750)	(3,052,709)
Cash flows from (used in) financing activities		
Loans from / (repayments to) related parties		
Deposits	(338,573)	(942,539)
Proceeds from issuance of shares	1,844,135	6,482,627
	1,505,562	5,540,088
Foreign exchange on cash		
Net (decrease) increase in cash	(413,444)	2,344,069
Cash, beginning of period	1,619,477	908,576
Cash, end of period	1,206,033	3,252,645

See accompanying notes to the consolidated financial statements



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Stated in full Canadian dollars

1. NATURE OF BUSINESS

Edison Motors Ltd. (the "Corporation", "Company" or "Edison") was incorporated under the laws of the Province of British Columbia on October 5th, 2021. The principal business activity of the Corporation is the prototyping, commercialization and manufacturing of EV heavy duty trucks & drivetrains. The office address of the Corporation is 2815 Donald Road, Golden BC, V0A-1H1, Canada.

The Corporation is developing prototype vehicles, and drivetrains and chooses to expense these costs to gain intellectual property rights and commercialize vehicles.

The future sales of vehicles in Canada are contingent on NEM (National Emission Mark) Certification and NSM (National Safety Mark) Certification. The Corporation is in the process of obtaining these certifications. Future sales of vehicles to countries outside Canada may have additional regulatory requirements.

Going Concern

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes 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.

During the year, the Company incurred operating losses. These losses were primarily attributable to significant investments in technology research and development initiatives undertaken to support the Company's long-term growth strategy. Management considers these expenditures to be non-recurring in nature and necessary to enhance the Company's future operating capabilities.

Based on the Company's current cash position, expected cash flows from existing orders, and management's plans, management believes that the Company has adequate resources to continue operations for at least the next twelve months. Accordingly, the use of the going concern basis of accounting is appropriate, and no adjustments to the carrying amounts of assets or liabilities have been made.

2. MATERIAL ACCOUNTING POLICIES

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board on a basis consistent with the accounting policies is closed in the Company's audited consolidated financial statements for the year ended December 31, 2025 which includes information necessary or useful to understanding the Company's business and financial statement presentation.

In particular, the Company's accounting policies are presented as Note 2 in the audited consolidated financial statements for the year ended December 31, 2025, and have been consistently applied in the preparation of these unaudited condensed interim consolidated financial statements.



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Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its Subsidiary as at the reporting date. The Subsidiary is the entity with which the Company has control. Control exists when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of Subsidiary are prepared for the same reporting period as the company, using consistent accounting policies. All intercompany balances, transactions, unrealized gains and losses, and income and expenses arising from intercompany transactions are eliminated on consolidation.

Inventory

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

Property, plant and equipment

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

Research and development

The company annually incurs costs on activities that relate to research and development of new products. The Corporation has adopted the policy of expensing production costs and research & development costs incurred prior to the determination that a vehicle has potential for economic recovery from future sales.

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.

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



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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.

Revenue recognition

The company recognizes revenue primarily from five categories of goods and services:

- 1) Merchandise sales
- 2) YouTube revenue and advertising
- 3) Feasibility and concept consultation
- 4) Royalty income
- 5) Yard lease income

To determine whether to recognize revenue, the Company follows a five step process:

- 1) identifying the contract with a customer;
- 2) identifying the performance obligations;
- 3) determining the transaction prices;
- 4) allocation the transaction price to the performance obligations; and
- 5) recognizing revenue when performance obligations are satisfied.

Most of the company's contracts have a single performance obligation as the promise to transfer the individual goods or services. Revenues from the sale of products are recognized when the goods are shipped or accepted by the customer, depending on the delivery conditions, and title and risk have passed to the customer. Revenues from consultancy services are recognized as the services are performed. The company also has not historically, but may in the future, earn product repair and maintenance revenues, which may relate to warranty contracts, which would be recognized over the periods and according to the terms of the warranty or other contract.

The company enters a few transactions that represent multiple-element arrangements, which may include any combination of products, support and consultancy services. The allocation of consideration to the multiple element is dependent on the explicit stand-alone selling price stipulated in the contract term.

The Company earns royalty income from granting rights to extract, process, and sell sand and gravel materials originating from the leased premises. Royalty income is calculated at a fixed rate of \$6.50 per metric ton ("Royalty Unit Price") of material.

Yard lease income represents revenue earned from leasing yard space to third parties. Contracts are short term, and recognized monthly, in accordance with payments.

Development stage companies

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



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The transition to profitable operations is dependent upon successful commercialization of its products and attainment of sales levels adequate to support the company's cost structure. It is not possible at this time to predict the outcome of these activities.

3. RECENT ACCOUNTING PRONOUNCEMENTS

Accounting standards issued but not yet effective

Amendments to IFRS 9 and IFRS 7

Amendments to the Classification and Measurement of Financial Instruments ("Amendments to IFRS 9 and IFRS 7"): In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 which clarify the date of recognition and derecognition of some financial assets and liabilities with a new exception for some financial liabilities settled through an electronic cash transfer system, clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion, add new disclosures for certain instruments with contractual terms that can change cash flows such as instruments with features linked to the achievement of environment, social and governance targets; and update the disclosures for equity instruments designated at FVOCI.

Amendments to IFRS 9 and IFRS 7 are effective for periods beginning on or after January 1, 2026, with early adoption permitted. The Company is assessing the impact of this standard on its disclosures. IFRS 18, Presentation and Disclosure in Financial Statements ("IFRS 18"): In April 2024, the IASB issued IFRS 18, which will replace IAS 1. IFRS 18 is effective for periods beginning on or after January 1, 2027, with early adoption permitted. IFRS 18 will require defined categories and subtotals in the statement of income or loss, require disclosure about management-defined performance measures, and adds new principles for aggregation and disaggregation of information. The Company is assessing the impact of this standard on its disclosures.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements, which is intended to give investors more transparent and comparable information about companies' financial performance, thereby enabling better investment decisions. It will affect all companies using IFRS Accounting Standards. IFRS 18 introduces new sets of requirements to improve companies' reporting of financial performance and give investors a better basis for analyzing and comparing companies through.

- Improved comparability in the statement of profit or loss or income statement
- Enhanced transparency of management-defined performance measures; and
- More useful grouping of information in the financial statements.

IFRS 18 also requires companies to provide more transparency about operating expenses, helping investors to find and understand the information they need. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, but companies can apply it earlier. IFRS 18 replaces IAS 1. It carries forward many requirements from IAS 1 unchanged. The Company will assess the impact of adoption of IFRS 18 on its financial statements.



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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4. CURRENT ASSETS

Accounts Receivable

Accounts receivable at March 31, 2026 are primarily SRED credits receivable by the company.

5. Prepaid and Deposits

Prepaid expenses and deposits consist of the following:

	March 31, 2026	March 31, 2025
Prepaid expenses	10,000	10,000
Prepaid deposit	434,784	27,861
Prepaid insurance	3,538	3,538
BC mine bond	24,000	24,000
Total	472,322	65,399

6. INCOME TAXES

a. Income tax expenses

Income tax expenses recognized in net income comprise the following.

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Current tax expense	-	-
Deferred tax expenses / (Recovery)	51,062	(79,694)
Total Income taxes		

b. Deferred tax balances

The company's future tax assets are as follows:

	For the nine months ended March 31, 2026	For the nine months ended March 31, 2025
Net deferred/future tax asset	299,421	311,582
Deferred tax Asset	299,421	311,582



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7. PROPERTY, PLANT AND EQUIPMENT

The following is a summary of changes in Property, plant and equipment for the nine months ended March 31, 2026 and 2025:

	2026	2025
Property and Equipment, end of prior year	6,776,885	147,379
Leasehold improvements, Building	402,176	
Land	-	2,900,000
Machinery, equipment, tools	32,574	152,709
Add : Acquisitions	434,750	3,052,709
Less : Depreciation	(28,685)	(15,895)
Property, plant and equipment at March 31	7,182,951	3,184,193

8. RELATED PARTY LOANS

Intercompany receivables/(payable) has been eliminated while consolidating the financials of Edison Backyard Development Corp ("EBD" or the "Subsidiary") into the financials of Edison Motors Ltd. (the "Parent").

9. DEPOSITS 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 development progress and current funding progress. Deposits are as follows:

	March 31, 2026	March 31, 2025
Deposit type		
Research and development pickup truck conversion kits to EV	1,085,777	1,030,297
Funds held in trust for share purchase occurring in Q1	570,877	128,425
Total deposits on account	1,656,655	1,158,844

10. SHARE CAPITAL AND RESERVES

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 March 31, 2026 is 4,997,112 (March 31, 2025 is 4,888,474).

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.



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Stated in full Canadian dollars

Stock Options

The company has granted 141,100 stock options to certain employees and consultants. Each option is exercisable for one common share at \$0.01 per share, until the earlier of three years from the grant date or the date the company's common shares are listed on a recognized Canadian or U.S. stock exchange.

11. RELATED PARTY EXPENSES

The Company's related parties include key management personnel and entities over which they have control or significant influence.

Key management remuneration includes the following amounts:

These transactions are in the normal course of operations, 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	21,538
President	22,400
Chief Media Officer	22,400
Chief Technology Officer	22,277
Millright	21,549

12. OPERATING EXPENSES

Particulars	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Research and development	556,173	816,389
Salaries and Wages	596,941	201,422
Professional Fees	162,077	222,508
Computer related expenses	20,518	13,779
Travel Expenses	46,685	25,618
Advertising	24,858	33,404
Rental	36,278	20,377
Vehicle expenses	37,013	19,151
Insurance	2,876	20,166
Interest and Bank charges	4,116	3,549
Amortization of tangible assets	28,685	15,895
Meals and entertainment	5,379	6,242
Office expenses	6,951	1,193
Membership and licenses	13,440	7,599
Other Utilities	14,359	0



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Supplies	12,599	809
Repairs and maintenance	23,544	31
Property taxes	6,584	4,659
Telephone and telecommunications	2,842	1,415
Total Operating Expenses	1,601,918	1,414,206

13. SUBSIDIES, GRANTS AND RESEARCH TAX CREDITS

Subsidies and grants consist of non-refundable government assistance received by the Company in support of its operating activities. Subsidies and grants are recognized on a systematic basis over the periods in which the Company recognizes the related costs that the assistance is intended to compensate. Where subsidies and grants are not related to specific future expenditures, they are recognized in income when the Company's entitlement to receive assistance is established.

The Company is eligible to receive refundable investment tax credits under the Scientific Research and Experimental Development (SR&ED) program for qualifying research and development expenditures incurred in Canada. Refundable SR&ED tax credits are recorded as other income (or as a reduction of research and development expenses, depending on presentation) in the statement of profit or loss.

14. FINANCIAL INSTRUMENTS AND RELATED RISKS

The Corporation examines the various financial risks to which it is exposed and assesses the impact and likelihood of occurrence. These risks may include credit risk, liquidity risk, currency risk, interest rate risk and other risks. Where material, these risks are reviewed and monitored by the Board of Directors.

Credit risk

Counterparty credit risk is the risk that the financial benefits of contracts with a specific counterparty will be lost if a counterparty defaults on its obligations under the contract. This includes any cash amounts owed to the Corporation by those counterparties, less any amounts owed to the counterparty by the Corporation where a legal right of offset exists and includes the fair values of contracts with individual counterparties which are recorded in the financial statements.

Trade credit risk

The Company closely monitors its financial assets and does not have any significant concentration of trade credit risk. The historical level of defaults is nil and, as a result, the credit risk associated with trade receivables is considered to be negligible.

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation manages liquidity risk through the management of its capital structure. Accounts payable and accrued liabilities are due within the current operating period.

Interest rate risk



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Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Corporation will realize a significant loss because of a decline in the fair market value is limited as the Corporation holds all its funds in cash and high interest savings accounts.

Currency risk

The Corporation is exposed to the financial risk related to the fluctuation of foreign exchange rates. The functional and reporting currency of the Corporation is the Canadian dollar. Changes in the currency exchange rates between the Canadian dollar relative to the US dollar could influence the Corporation's results of operations, financial position or cash flows. The Corporation has not hedged its exposure to currency fluctuations. The Corporation does not invest in financial instruments, such as derivatives, to mitigate these risks.

15. SUBSEQUENT EVENTS

During the fiscal year, the company raised funds by offering its shares to investors on a private placement basis, including through certain online platforms. This share offering represents a non-adjust subsequent event because it relates to conditions that arose after the reporting date. The estimated amount of gross proceeds raised between March 31, 2026 and the date of approval of these financial statements is approximately \$1.06 million.

The Company recently underwent a change in executive management following the departure of its former Chief Executive Officer. The Company is currently involved in a dispute with its former Chief Executive Officer arising from his departure. The outcome of the dispute cannot presently be determined and may result in legal costs, management distraction and other expenses. While the Company does not currently expect the dispute to have a material adverse effect on its business, financial condition or results of operations, there can be no assurance regarding its outcome or its ultimate impact on the Company.



Item 13: Date and Certificate

Dated August 4, 2026.

This Offering Memorandum does not contain a misrepresentation.

AS CHIEF EXECUTIVE OFFICER AND PROMOTER OF EDISON MOTORS LTD.

Date of signature: August 4, 2026

Chace Clifford Donald Barber

AS CHIEF FINANCIAL OFFICER OF EDISON MOTORS LTD.

Date of signature: August 4, 2026

Kathleen Marie Graham

ON BEHALF OF THE DIRECTORS OF EDISON MOTORS LTD.

Date of signature: August 4, 2026

Raymond Wayne Matkin

Date of signature: August 4, 2026

Matthew Jordan Elliott