



NORTHSTAR

CLEAN TECHNOLOGIES

ANNUAL INFORMATION FORM
FOR THE FINANCIAL YEAR ENDED
DECEMBER 31, 2025

April 28, 2026

TABLE OF CONTENTS

ADVISORIES	1
GLOSSARY OF TERMS.....	4
CORPORATE STRUCTURE	9
GENERAL DEVELOPMENT OF THE BUSINESS OF THE COMPANY.....	10
DESCRIPTION OF THE BUSINESS OF THE COMPANY	17
RISK FACTORS	31
DIVIDENDS AND DISTRIBUTIONS	42
DESCRIPTION OF CAPITAL STRUCTURE.....	43
MARKET FOR SECURITIES.....	44
PRIOR SALES	45
ESCROWED SECURITIES.....	46
DIRECTORS AND OFFICERS.....	46
CORPORATE CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS.....	50
AUDIT COMMITTEE.....	51
LEGAL PROCEEDINGS AND REGULATORY ACTIONS.....	54
INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS.....	54
AUDITOR, TRANSFER AGENT AND REGISTRAR	54
MATERIAL CONTRACTS	54
INTERESTS OF EXPERTS	55
ADDITIONAL INFORMATION	55

SCHEDULES

SCHEDULE A – Audit Committee Charter

ADVISORIES

In this AIF (as defined herein), unless otherwise specified or if the context otherwise requires, references to “we”, “us”, “our”, “its”, the “Company” or “Northstar” mean Northstar Clean Technologies Inc. The information in this AIF is stated as at April 28, 2026 unless otherwise indicated. For additional information and details, readers are referred to the reviewed consolidated financial statements for the period ended December 31, 2025 and notes that follow, as well as the accompanying annual MD&A (as defined herein), which are available on SEDAR+ (as defined herein).

Cautionary Statement Regarding Forward-Looking Information and Statements

This AIF contains forward-looking information and statements (collectively, “**forward-looking statements**”). These forward-looking statements relate to Northstar’s current expectations, estimates and projections as to future events or Northstar’s future performance and are provided to allow readers a better understanding of Northstar’s business and prospects and may not be suitable for other purposes. All statements, other than statements of historical fact, may be considered forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “aims”, “anticipate”, “plan”, “continue”, “envision”, “estimate”, “expect”, “goal”, “may”, “will”, “likely”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in, or suggested by, such forward-looking statements. Northstar believes the expectations reflected in the forward-looking statements included in this AIF are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. These statements speak only as of the Effective Date (as defined herein) and are expressly qualified, in their entirety, by this cautionary statement. Northstar assumes no obligation to revise or update these statements except as required pursuant to applicable securities laws.

In particular, this AIF contains forward-looking statements pertaining to the following:

- the intentions, plans and future actions of the Company and its operations;
- anticipated cash requirements, proposed expenditures and other business expenses related to the Company;
- the Company’s dependency on future financings on acceptable terms;
- the requirements for additional capital;
- the intention of the Company to develop its business and its operations;
- expectations with respect to the Company obtaining required licenses and permits;
- expectations with respect to future commodity prices, government regulations and future production costs and capacity;
- the Company’s competitive position and the regulatory environment in which it operates; and
- the impact of the Russia-Ukraine conflict, the conflict in the Middle East, the potential global trade war, and their respective effects on the global economy.

With respect to forward-looking statements contained in this AIF, the Company has made assumptions regarding, among other things:

- the Company’s access to adequate services, equipment and supplies;
- that laws, rules and regulatory requirements will be maintained;
- general business and economic conditions;
- the Company’s ability to successfully execute its plans and intentions;
- the Company’s ability to enter into supply and sale agreements on commercially reasonable terms;
- the availability of financing on reasonable terms;

- the Company's ability to successfully compete with market competition;
- the products and technology offered by the Company's competitors;
- that the Company's current relationships with our service providers, equipment manufacturers, strategic partners and investors, lenders, government organizations and other third parties will be maintained;
- the Company's ability to obtain and maintain financing on acceptable terms;
- the Company's ability to retain and attract key personnel and skilled staff; and
- the absence of material adverse changes in the waste management industry or the Canadian or global economy, including as a result of the Russia-Ukraine conflict, the conflict in the Middle East or the potential global trade war.

The Company's actual results could differ materially from those anticipated in the forward-looking statements as a result of the risk factors set forth below and elsewhere in this AIF:

- the Company's limited operating history, engineering risk and, as such, its success being substantially dependent on its establishment as a new business venture;
- that the Company may not be able to obtain all necessary permits and approvals, governmental or otherwise, required to undertake production activities contemplated, or commence construction or operate facilities;
- that environmental laws and regulations may become more onerous;
- increased competition in the waste management industry;
- failure to obtain or maintain required regulatory approvals;
- evolving market and difficulty of evaluation of future prospects;
- the Company's reliance on management and key employees or personnel;
- changes in laws, regulations and guidelines relating to the Company's business, including tax and accounting requirements;
- uncertainty about adverse changes in the economy, including those due to the Russia-Ukraine conflict, the conflict in the Middle East or the potential global trade war;
- dilution as a result of future Common Share (as defined herein) issuances;
- conflicts of interest of the Company's directors and officers;
- adverse impacts on the Company's reported results of operations as a result of adopting new accounting standards or interpretations;
- changes in accounting standards and subjective assumptions, estimates and judgments by management related to complex accounting matters; and
- other factors considered under the heading "*Risk Factors*" in this AIF and other filings made by the Company with Canadian securities authorities.

The Company has included the above summary of assumptions and risks related to forward-looking statements contained in this AIF in order to provide investors with a more complete perspective on the Company's current and future operations and such information may not be appropriate for other purposes.

Additional information on these and other factors is available in the reports filed by the Company with Canadian securities regulators and available on SEDAR+ at www.sedarplus.ca. The forward-looking statements and information contained in this AIF are made as of the Effective Date.

Readers are cautioned that the preparation of financial statements in accordance with generally accepted accounting principles in Canada requires management to make certain judgments and estimates that affect the reported amounts of assets, liabilities, revenues and expenses. These estimates may change, having either a negative or positive effect on net earnings as further information becomes available and as the economic environment changes. The information contained in this AIF, including the documents incorporated by reference herein, identifies additional factors that could affect the operating results and performance of the Company. Readers are encouraged to carefully consider such factors.

Readers are also cautioned against placing undue reliance on forward-looking statements, which are given as of the date expressed in this AIF, or the MD&A disclosure incorporated by reference herein, and not to use future-oriented information or financial outlooks for anything other than their intended purpose. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The Company undertakes no obligation to publicly update or revise any forward-looking statements in this AIF or the MD&A or other disclosure incorporated by reference herein, whether as a result of new information, future events or otherwise, except as required by law.

Market and Industry Data

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

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

Monetary References

Except as otherwise indicated, all dollar amounts in this AIF are expressed in Canadian dollars and references to \$ are to Canadian dollars. References to US\$ are to United States dollars.

GLOSSARY OF TERMS

In this AIF, unless otherwise indicated or the context otherwise requires, the following terms shall have the indicated meanings. Words importing the singular include the plural and vice versa and words importing any gender include all genders. A reference to an agreement means the agreement as it may be amended, supplemented or restated from time to time.

“**ABCA**” means the *Business Corporations Act* (Alberta), as amended from time to time, including the regulations promulgated thereunder;

“**affiliate**” or “**associate**” when used to indicate a relationship with a Person, has the meaning set forth in the *Securities Act* (British Columbia), as amended from time to time, including the regulations promulgated thereunder;

“**AIF**” means this Annual Information Form dated April 28, 2026, together with all schedules attached hereto;

“**Alberta Innovates**” means Alberta Innovates, a provincial Crown corporation and Alberta’s largest research and innovation corporation;

“**Allmine**” means Allmine Paving LLC, a wholly owned subsidiary of TAMKO;

“**April 2023 Units**” has the meaning ascribed to that term under “*General Development of the Business of the Company – Three Year History – Fiscal 2023*”;

“**Audit Committee**” means the audit committee of the Board, as constituted from time to time;

“**BBA**” means BBA Engineering Ltd.;

“**BCBCA**” means the *Business Corporations Act* (British Columbia), as amended from time to time, including the regulations promulgated thereunder;

“**BDC**” means the Business Development Bank of Canada;

“**BDC Financing**” has the meaning ascribed to that term under “*General Development of the Business of the Company – Three Year History – Fiscal 2023*”;

“**Board**” means the board of directors of the Company, as constituted from time to time;

“**Brokering License**” has the meaning ascribed to that term under “*Description of the Business of the Company – Empower Pilot Facility – Delta, British Columbia*”;

“**CEM**” has the meaning ascribed to that term under “*Directors and Officers – Name, Occupation and Security Holding*”;

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

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

“**CIPO**” means the Canadian Intellectual Property Office;

“**Colas**” means Colas SA, a wholly owned subsidiary of Bouygues Group (BYG.F) since December 2023, a large multinational company based in Paris, France with operations in over 80 countries globally;

“Colas Canada” means Colas Canada Inc., a wholly owned subsidiary of Colas and the parent company of McAsphalt;

“Common Shares” means common shares in the capital of the Company, as constituted from time to time;

“Company” or **“Northstar”** means Northstar Clean Technologies Inc.;

“Compensation Committee” means the compensation committee of the Board, as constituted from time to time;

“COO” means Chief Operating Officer;

“CSA” means the Canadian Securities Administrators;

“CSE” means the Canadian Securities Exchange;

“CVW” means CVW CleanTech Inc.;

“CVW Royalty Debenture” has the meaning ascribed to that term under *“General Development of the Business of the Company – Three Year History – Fiscal 2024”*;

“CVW Royalty Financing” has the meaning ascribed to that term under *“General Development of the Business of the Company – Three Year History – Fiscal 2024”*;

“December 2023 Convertible Debenture Units” has the meaning ascribed to that term under *“General Development of the Business of the Company – Three Year History – Fiscal 2023”*;

“December 2023 Private Placement” has the meaning ascribed to that term under *“General Development of the Business of the Company – Three Year History – Fiscal 2023”*;

“Detailed Engineering Design” has the meaning ascribed to that term under *“General Development of the Business of the Company – Three Year History – Fiscal 2024”*;

“EBITDA” means earnings before interest, taxes, depreciation and amortization, which is a non-GAAP financial measure and refers to earnings determined in accordance with IFRS, before depreciation and amortization, interest expense (finance costs) and income tax expense. EBITDA should not be construed as alternatives to net income/loss determined in accordance with IFRS. EBITDA does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The Company believes that EBITDA is a meaningful financial metric as it measures cash generated from operations which the Company can use to fund working capital requirements, service future interest and principal debt repayments and fund future growth initiatives;

“Ecco Recycling” means Ecco Recycling & Energy Corporation, a Calgary-based landfill solutions provider;

“Ecco Recycling Supply Agreement” has the meaning ascribed to that term under *“General Development of the Business of the Company – Three Year History – Fiscal 2024”*;

“Effective Date” means the effective date of this AIF, being April 28, 2026;

“Emissions Reduction Alberta” or **“ERA”** means Emissions Reduction Alberta, an Alberta-based government entity funded by the Government of Alberta;

“Empower Calgary” means Empower Environmental Solutions Calgary Ltd., a wholly owned subsidiary of the Company and a company that was incorporated pursuant to the provisions of the ABCA on January 18, 2022;

“Empower Calgary Facility” means the expanded-capacity full scale up commercial asphalt shingle reprocessing facility in Calgary, Alberta;

“Empower Calgary Facility Landlord” means MEP Developments Inc., the landlord under the terms of the Empower Calgary Facility Lease, and part of the Mook Group of Companies;

“Empower Calgary Facility Lease” means the long-term 15-year lease agreement between the Company, Empower Calgary and the Empower Calgary Facility Landlord for the selected site of the Empower Calgary Facility in Rocky View County, Alberta, as amended, supplemented or replaced from time to time;

“Empower Delta” means Empower Environmental Solutions Ltd., a wholly owned subsidiary of the Company and a company that was incorporated pursuant to the provisions of the BCBCA on November 24, 2010;

“Empower Hamilton” means Empower Environmental Solutions Hamilton Ltd., a wholly owned subsidiary of the Company and a company that was incorporated pursuant to the provisions of the OBCA on January 20, 2022;

“Empower Hamilton Facility” has the meaning ascribed to that term under *“Description of the Business of the Company – Three Year History – Fiscal 2024”*;

“Empower Lease” means the lease dated January 1, 2021, as amended by the amended and restated lease agreement dated March 1, 2025, among Selarc Developments Ltd., as landlord, Empower Delta, as tenant, and Northstar, as indemnifier, for lands and the Empower Pilot Facility situated thereon located at 7046 Brown Street, Delta, British Columbia;

“Empower Pilot Facility” means the approximately 20,000 square foot asphalt shingle reprocessing and recovery facility located in Delta, British Columbia leased by Empower Delta pursuant to the Empower Lease;

“ERA Contribution Agreement” has the meaning ascribed to that term under *“General Development of the Business of the Company – Three Year History – Fiscal 2023”*;

“ERA Grant” has the meaning ascribed to that term under *“General Development of the Business of the Company – Three Year History – Fiscal 2023”*;

“February 2023 Convertible Debentures” has the meaning ascribed to that term under *“Description of the Business of the Company – Three Year History – Fiscal 2023”*;

“February 2024 Convertible Debenture Units” has the meaning ascribed to that term under *“Description of the Business of the Company – Three Year History – Fiscal 2024”*;

“GLPM” means Great Lakes Port Management Inc., a subsidiary of the Hamilton-Oshawa Port Authority;

“IFRS” means International Financial Reporting Standards;

“IKO” means IKO Industries Ltd.;

“IKO Supply Agreement” has the meaning ascribed to that term under *“General Development of the Business of the Company – Three Year History – Fiscal 2024”*;

“Insider” has the meaning ascribed to that term under TSXV Policy 1.1 – *Interpretation*;

“Interest Conversion Price” has the meaning ascribed to that term under *“General Development of the Business of the Company – Three Year History – Fiscal 2023”*;

“Investor Rights Agreement” has the meaning ascribed to that term under *“General Development of the Business of the Company – Three Year History – Fiscal 2023”*;

“ITG” means Independent Traders Group Inc.;

“McAsphalt” means McAsphalt Industries Limited, a wholly owned subsidiary of Colas Canada;

“McAsphalt Offtake Agreement” has the meaning ascribed to that term under *“General Development of the Business of the Company – Three Year History – Fiscal 2023”*;

“McAsphalt Offtake Term Sheet” has the meaning ascribed to that term under *“Description of the Business of the Company – Empower Calgary Facility Customer”*;

“MD&A” means management’s discussion and analysis;

“NI 51-102” means National Instrument 51-102 – *Continuous Disclosure Obligations*, of the CSA, as amended from time to time;

“NI 52-110” means National Instrument 52-110 – *Audit Committees*, of the CSA, as amended from time to time;

“OBCA” means the *Business Corporations Act* (Ontario), as amended from time to time, including the regulations promulgated thereunder;

“OTCQB” means the venture market of the United States OTC Markets;

“PCT” means the Patent Cooperation Treaty, which assists applicants in seeking patent protection internationally for their inventions, helps patent offices with their patent granting decisions, and facilitates public access to technical information relating to those inventions;

“Person” is to be construed broadly and includes any individual, company, partnership, joint venture, association, trust, trustee, executor, administrator, unincorporated association, governmental entity or other entity, whether or not having legal status;

“Preferred Shares” means preferred shares in the capital of the Company, as constituted from time to time;

“PSUs” means the performance share units of the Company;

“RAS” means ground asphalt shingle processed for recycling;

“RSUs” means the restricted share units of the Company;

“SEDAR+” means the System for Electronic Document Analysis and Retrieval, which can be viewed at www.sedarplus.ca;

“Shareholders” means the holders of Common Shares;

“Stock Options” means options to acquire Common Shares;

“Strategic MOU” has the meaning ascribed to that term under *“General Development of the Business of the Company – Three Year History – Fiscal 2023”*;

“TAMKO” means TAMKO Building Products LLC, a major shingle manufacturer based in Missouri, U.S., and a significant strategic investor in the Company;

"TAMKO Phase 2A Investment" has the meaning ascribed to that term under *"General Development of the Business of the Company – Three Year History – Fiscal 2023"*;

"TAMKO Strategic Investment" has the meaning ascribed to that term under *"General Development of the Business of the Company – Three Year History – Fiscal 2023"*;

"tpa" means tonnes per annum;

"tpd" means tonnes per day;

"TSXV" means the TSX Venture Exchange;

"Units" means units of the Company;

"United States" or **"U.S."** means the United States of America and its territories and possessions;

"Updated Project Economics" has the meaning ascribed to that term under *"General Development of the Business of the Company – Three Year History – Fiscal 2023"*;

"U.S. Expansion Facility" means the Company's first planned commercial asphalt shingle reprocessing facility in the United States;

"USPTO" means the United States Patent and Trademark Office;

"VWAP" means the volume weighted trading price of the Company's Common Shares on the TSXV;

"Warrants" means Common Share purchase warrants of the Company; and

"YORK1" means York1 Environmental Waste Solutions Ltd., as general partner for and on behalf of York1 Environmental Waste Solutions, LP.

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated as “Blocktech Ventures Inc.” under the BCBCA on August 21, 2017. On August 13, 2018, the Company changed its name to “Northstar Venture Technologies Inc.” and subsequently divested its cryptocurrency business assets in 2019. On January 29, 2021, Northstar Venture Technologies Inc. changed its name to “Northstar Clean Technologies Inc.” The Company continues to focus on developing its technology and advancing towards commercialization for reprocessing asphalt shingles at its Empower Pilot Facility and its Empower Calgary Facility.

The Company’s head office is located at 101, 12111 – 40th Street SE, Calgary, Alberta, T2Z 4E6 and its registered office is located at 2900 – 550 Burrard Street, Vancouver, British Columbia, V6C 0A3.

The Common Shares are listed and trade on the TSXV under the symbol “ROOF” and on the OTCQB under the symbol “ROOOF”. The Company is a reporting issuer in each of the provinces and territories of Canada, and files its continuous disclosure documents on SEDAR+ at www.sedarplus.ca.

Intercorporate Relationships

The table below describes the Company’s material subsidiaries, their place of incorporation, continuance or formation, and the percentage of the outstanding voting securities beneficially owned, controlled or directed by the Company:

Name of Subsidiary	Focus	Percentage of Voting Securities Owned	Jurisdiction of Incorporation or Continuation
Empower Environmental Solutions Ltd.	Empower Pilot Facility	100% (direct)	British Columbia
Empower Environmental Solutions Calgary Ltd.	Empower Calgary Facility	100% (direct)	Alberta
Empower Environmental Solutions Hamilton Ltd.	Empower Hamilton Facility	100% (direct)	Ontario
1284041 BC Ltd.	n/a	100% (direct)	British Columbia

Empower Delta was amalgamated under the BCBCA as “Empower Environmental Solutions Ltd.” on December 23, 2020 and is the successor of “Empower Environmental Solutions Ltd.”, which was incorporated under the BCBCA on November 24, 2010, and “1257848 British Columbia Ltd.”, which was incorporated under the BCBCA on July 20, 2020.

Empower Calgary was incorporated under the ABCA under the name “Empower Environmental Solutions Calgary Ltd.” on January 18, 2022.

Empower Hamilton was originally incorporated under the OBCA under the name “Empower Environmental Solutions Toronto West Ltd.” on January 20, 2022 and subsequently changed its name on January 8, 2025 to “Empower Environmental Solutions Hamilton Ltd.”

1284041 BC Ltd. was incorporated under the BCBCA on January 15, 2021 under the name “1284041 BC Ltd.”

GENERAL DEVELOPMENT OF THE BUSINESS OF THE COMPANY

Overview

Northstar is a Canadian waste to value technology company focused on the sustainable recovery and reprocessing of asphalt shingles. Northstar developed and owns a proprietary design process for taking discarded asphalt shingles, otherwise destined for already over-crowded landfills, and extracts the liquid asphalt for use in new hot mix asphalt shingle manufacturing and asphalt flat roof systems while also extracting aggregate, limestone and fibre for use in construction products and other industrial applications. Focused on the circular economy, Northstar plans to reprocess used or defective asphalt shingle waste back into its four primary components for reuse/resale starting with its first commercial facility in Calgary, Alberta, the Empower Calgary Facility. As an emerging innovator in sustainable processing, Northstar's mission aims at leading the recovery and reprocessing of asphalt shingles in North America that would otherwise be sent to landfills, addressing numerous stakeholder objectives.

Three Year History

A detailed description on the significant developments of the business of the Company during the last three fiscal years ended December 31st is set out below.

Fiscal 2023

On February 13, 2023, Northstar announced that its Empower Calgary Facility was approved for a non-repayable government grant of up to approximately \$7.1 million (the “**ERA Grant**”) by Emissions Reduction Alberta, an Alberta-based government entity funded by the Government of Alberta. The lead applicant organization is Empower Calgary, a wholly owned subsidiary of Northstar, and the net proceeds received by the Company from the ERA Grant will be used to further design, construct and commission the Empower Calgary Facility. As of the Effective Date, the Company has received \$5.9 million of the ERA Grant.

On February 24, 2023, Northstar signed the Empower Calgary Facility Lease for the Empower Calgary Facility, a long-term 15-year lease agreement with the Empower Calgary Facility Landlord for an industrial-zoned property of 3.98 acres located in Rocky View County, a municipal district adjacent to the City of Calgary, Alberta, as the site for the Company's Empower Calgary Facility. The Empower Calgary Facility Lease is for an initial term of 15 years, with two extension options of five years each. The 125m x 125m site is strategically located outside of metropolitan Calgary, 4.4km southeast of the City of Calgary East Landfill. The Company commenced occupancy of the site on September 1, 2023. On December 23, 2024, Northstar signed a new Empower Calgary Facility Lease which supersedes and replaces the previous Empower Calgary Facility Lease dated February 24, 2023 and the Empower Calgary Facility Lease's initial term was extended to February 29, 2040, with two extension options of five years each. Under the Empower Calgary Facility Lease, Northstar is required to pay basic rent plus operating costs. In addition to normal security deposits, the Company provided a second security deposit to the Empower Calgary Facility Landlord in return for reduced rent over a defined period. This second security deposit will be returned at predetermined dates that fall within the initial 15-year term. On January 10, 2025, the Empower Calgary Facility Lease was further amended to clarify certain non-material provisions and on August 1, 2025 was amended for a third time to revise the basic rent schedule to accommodate additional costs incurred by the landlord.

On February 28, 2023, Northstar announced the closing of a \$625,000 non-brokered private placement of unsecured convertible debentures (the “**February 2023 Convertible Debentures**”). The February 2023 Convertible Debentures bear interest at a rate of 10% per year, paid semi annually in arrears, and mature 36 months from the date of issue. The principal amount of the February 2023 Convertible Debentures may be converted, for no additional consideration, into Units at the option of the holder at any time after the date of issue at a conversion price of \$0.25 per Unit. In addition, at the time of any conversion of the principal amount, the holder may also elect to convert accrued and outstanding interest into Units at a conversion price equal to the market price in effect on the conversion date (the “**Interest Conversion Price**”). Each Unit will consist of one Common Share and

one-half of one non-transferable Warrant, with each Warrant entitling the holder thereof to purchase one additional Common Share at a price of \$0.35 per Common Share until the maturity date, which is 36 months from the date of issuance. The Company has the right to force the conversion of the principal amount and any accrued and unpaid Interest then outstanding on the February 2023 Convertible Debentures at the respective conversion price and Interest Conversion Price on not more than 60 days' and not less than 30 days' notice in the event that the daily volume weighted average trading price of the Common Shares on the TSXV is greater than \$0.75 per Common Share for ten consecutive trading days preceding such notice. Combining the total raised from convertible debentures issued in December 2022 and the February 2023 Convertible Debentures, the Company closed a total of \$2,065,000 of convertible debentures, including an aggregate of \$365,000 from Insiders of the Company.

On March 2, 2023, Northstar announced the signing of a definitive offtake agreement (the "**McAsphalt Offtake Agreement**") with McAsphalt for a five-year take-or-pay agreement whereby Northstar will sell and McAsphalt will buy, on an exclusive basis, 100% of liquid asphalt production from the Company's Empower Calgary Facility. The key commercial terms of the McAsphalt Offtake Agreement are unchanged from the McAsphalt Offtake Term Sheet, as previously announced by the Company on October 6, 2022.

On April 6, 2023, Northstar announced a non-brokered private placement of up to 13,333,333 units of the Company (the "**April 2023 Units**") at a purchase price of \$0.15 per April 2023 Unit for aggregate gross proceeds of up to \$2,000,000. Each April 2023 Unit consisted of one Common Share and one Warrant, with each such Warrant entitling the holder thereof to acquire one additional Common Share at an exercise price of \$0.20 per Warrant for a period of 36 months following the closing date of the private placement, subject to an acceleration right whereby, if during the period beginning four months and one day after the closing date, the Common Shares trade on TSXV at or above a volume weighted average price of \$0.75 per Common Share for a period of ten consecutive trading days, the Company may accelerate the expiry of the Warrants by giving notice to the holders thereof (by disseminating a news release advising of the acceleration) and, in such case, the Warrants will be deemed to have expired on the day which is 30 days after the date of such notice.

On April 19, 2023, Northstar closed its upsized non-brokered private placement of April 2023 Units with total gross proceeds raised of \$2.73 million, increased from an initial \$2.0 million. The Company issued 18,195,367 April 2023 Units at a purchase price of \$0.15 per April 2023 Unit. The Company paid finders fees of \$76,733 and issued 511,819 non-transferable broker Warrants to the finders, with each such broker Warrant exercisable for a period of 36 months and entitling the holder thereof to acquire one Common Share at an exercise price of \$0.20 per Warrant.

On June 15, 2023, Northstar announced that it entered into a non-binding term sheet with BDC for project financing of up to \$8.75 million in non-revolving senior secured debt (the "**BDC Financing**"). Proceeds from the BDC Financing will be used for the development and construction of the Empower Calgary Facility.

On July 7, 2023, Northstar announced that following its previous announcement on June 15, 2023, the Company entered into a binding credit agreement with BDC for the BDC Financing. The terms included a 15-year repayment period, a 2-year interest only payment period and a fixed five-year interest rate of 8.35%, payable monthly. The BDC Financing is subject to a one-time fee of \$43,750 (already paid by Northstar) and an annual fee of \$1,000. In connection with the BDC Financing, the Company paid a finders fee to ITG of \$87,500 in cash and issued 250,000 finders Warrants exercisable at \$0.35 per Warrant for a period of 24 months.

On July 31, 2023, Northstar completed an arm's length significant strategic investment of US\$10.0 million (the "**TAMKO Strategic Investment**") with Allmine, a subsidiary of TAMKO, one of America's largest independent manufacturers of residential roofing shingles, commercial roofing products and waterproofing solutions. The Company closed an \$8.5 million (US\$6.4 million) non-brokered private placement of Preferred Shares at \$0.29 per Preferred Share, as Phase 1 of the TAMKO Strategic Investment, resulting in the issuance of 29,244,756 Preferred Shares to TAMKO. The Preferred Shares will not be listed for trading on the TSXV. Each Preferred Share is

convertible, at the sole option of TAMKO, at any time and from time to time, into one Common Share of the Company. The TAMKO Strategic Investment included two phases:

Phase 1: \$8.5 million (US\$6.4 million) of Preferred Shares; and

Phase 2: \$4.72 million (US\$3.58 million) of unsecured three-year convertible debentures convertible into Units at \$0.29 per Unit with 10% interest to be purchased in two tranches and conditional on the attainment of certain milestones as agreed upon by the parties. Each Unit will consist of one Common Share and one-half of one non-transferable Warrant. Each Warrant shall entitle the holder thereof to purchase one additional Common Share at a price of the greater of (i) \$0.50 per Warrant or (ii) the minimum price permitted by the policies of the TSXV, with such convertible debentures containing customary blockers and anti-dilution provisions, until the maturity date, which is 36 months from the date of issuance.

- Phase 2A: \$2.36 million (US\$1.79 million) (the “**TAMKO Phase 2A Investment**”) – closed in May 2024
- Phase 2B: \$2.36 million (US\$1.79 million)

Concurrently, the Company also signed a non-binding Memorandum of Understanding (the “**Strategic MOU**”) with TAMKO dated July 31, 2023, as amended by the Revised Memorandum of Understanding dated May 24, 2024, under which Northstar and TAMKO agreed to work together with respect to the initial Northstar U.S. facilities. Among other terms, during the exclusivity period under the Strategic MOU, TAMKO agreed to enter into offtake agreements providing for the acquisition of a significant portion of the asphalt and aggregate produced by the Northstar U.S. facilities. The parties agreed to work together to determine the location of each of the Northstar U.S. facilities. In May 2024, the exclusivity between Northstar and TAMKO was subsequently updated to a term of four years and now includes TAMKO’s right to four U.S. facilities.

In connection with the TAMKO Strategic Investment, Northstar entered into an investor rights agreement dated July 31, 2023 with Allmine and TAMKO (the “**Investor Rights Agreement**”), which grants certain rights to Allmine, including the right to appoint a director to the Board, a right to participate in future equity offerings and a top up right in respect of outstanding convertible securities, subject to the terms of the Investor Rights Agreement. Allmine and TAMKO are also subject to certain standstill restrictions under the Investor Rights Agreement.

On July 31, 2023, Northstar announced that the Company’s wholly owned subsidiary, Empower Calgary, and ERA signed a contribution agreement (the “**ERA Contribution Agreement**”) dated July 31, 2023 whereby ERA will fund up to \$7,088,856 for the development and construction of the Company’s Empower Calgary Facility, subject to certain customary conditions.

On November 21, 2023, Northstar announced a private placement offering (the “**December 2023 Private Placement**”) of unsecured convertible debenture units of the Company (collectively, the “**December 2023 Convertible Debenture Units**”) at a price of \$5,000 per December 2023 Convertible Debenture Unit for aggregate gross proceeds of up to \$3,500,000. The December 2023 Private Placement was conducted on both a brokered and non-brokered basis. In connection with the brokered offering of the December 2023 Convertible Debenture Units, the Company entered into an engagement agreement with ITG to act as lead agent and sole bookrunner to sell, on a best-efforts basis, the December 2023 Convertible Debenture Units. Each December 2023 Convertible Debenture Unit in the December 2023 Private Placement was comprised of: (i) one 12.5% unsecured convertible debenture in the principal amount of \$5,000.00 convertible into Common Shares; and (ii) 25,000 Warrants. The convertible debentures bear interest at a rate of 12.5% per annum, payable in cash, semi-annually in arrears and mature three years from the date of issue. Each Warrant entitles the holder thereof to purchase one additional Common Share at a price of \$0.30 per Warrant until the maturity date. The principal amount of the convertible debentures may be converted, for no additional consideration, into Common Shares at the option of the holder at any time after the closing date of the December 2023 Private Placement at a conversion price of \$0.20 per Common Share. In addition, at the time of any conversion of the principal amount of the convertible debentures, the holder thereof may also elect to convert any accrued and outstanding interest into Common Shares at a conversion price equal to the market price of the Common Shares on the conversion date.

On December 21, 2023, Northstar closed the first tranche of the December 2023 Private Placement for total gross proceeds of \$2.26 million. The Company also announced the issuance of 250,000 Stock Options to an officer of the Company that will expire in five years at an exercise price of \$0.21 per Common Share.

Fiscal 2024

On January 8, 2024, Northstar and IKO, Canada's leading asphalt shingle manufacturer, announced the signing of a binding five-year manufacturing waste asphalt shingle supply agreement (the "**IKO Supply Agreement**") for the Empower Calgary Facility. Under the terms of the IKO Supply Agreement, IKO will supply all its manufacturing waste asphalt shingles produced at its Calgary manufacturing facility to Northstar, diverting shingles that would otherwise be destined for landfills. The shingles will be reprocessed at the Empower Calgary Facility for an initial term of five years with mutual extension options.

On February 16, 2024, Northstar announced the second and final closing of the previously announced private placement of convertible debenture units of the Company (the "**February 2024 Convertible Debenture Units**"), which were on the same terms as the December 2023 Convertible Debenture Units. Total gross proceeds raised from the February 2024 Convertible Debenture Units were \$1.375 million, thus increasing the combined size of the two tranches to a total of \$3.635 million, oversubscribed from the Company's targeted amount of \$3.5 million. The combined offering was conducted on a brokered and non-brokered basis. As part of the brokered offering, a total of \$48,300 in cash and 241,500 broker Warrants were issued to ITG. As part of the non-brokered offering, from the first and second tranches, a total of \$35,700 and \$15,050 in cash commission, respectively, was paid by the Company to eligible finders. In addition, from the first and second tranches, 178,500 and 75,250 broker Warrants, respectively, were issued by the Company to eligible finders, with each broker Warrant exercisable for a period of 36 months and exercisable at \$0.30 per Warrant. Insiders subscribed for an aggregate of \$730,000 in the private placement of December 2023 Convertible Debenture Units and \$350,000 in the private placement of February 2024 Convertible Debenture Units.

On April 15, 2024, Northstar received \$1.34 million from the Government of Alberta's TIER Fund through ERA following the approval of the Company's formal submission related to the first milestone for the ERA Grant. This payment is the first of four funding milestones as part of the ERA Contribution Agreement.

On April 18, 2024, Northstar and Ecco Recycling announced the signing of a binding three-year asphalt shingle supply agreement (the "**Ecco Recycling Supply Agreement**"). Under the Ecco Recycling Supply Agreement, Ecco Recycling will supply waste asphalt shingles from its construction & demolition landfill in Calgary to Northstar's Empower Calgary Facility. The initial term is three years with mutual extension options. Ecco Recycling will pay a tipping fee to Northstar as part of the agreement. Furthermore, the two parties agreed to carry out a landfill supply study via non-binding term sheet to investigate the potential for Ecco Recycling to supply additional shingles from its landfill in Calgary. Ecco Recycling's construction & demolition landfill currently has a resource of over 500,000 tonnes of asphalt shingles and Ecco Recycling is working with the City of Calgary and the Province of Alberta to develop a solution for the removal and repurposing of the construction & demolition material currently deposited at its landfill. Access to this resource, subject to detailed ongoing testing and rigorous specifications, has the potential to enable the Empower Calgary Facility to significantly increase processing throughput. On April 22, 2024, Northstar Ecco Recycling delivered the first waste shingles to the Empower Calgary Facility pursuant to the Ecco Recycling Supply Agreement.

On May 15, 2024, Northstar was issued a follow-on patent by the USPTO for the Company's proprietary technology for reprocessing asphalt shingles. The patent is the first of three follow-on patents (in addition to the first initial patent, totaling four patents in aggregate) submitted by the Company following the issuance of the Company's first front-end technology patents announced in November 2022.

On May 28, 2024, Northstar announced the acceleration and closing of a non-brokered private placement of US\$1.8 million in three-year unsecured convertible debentures, as part of the TAMKO Phase 2A Investment of the

previously announced US\$10.0 million TAMKO Strategic Investment from Allmine, a subsidiary of TAMKO. In addition, Northstar and TAMKO extended the Strategic MOU exclusivity period from three years to four years and added a fourth facility to the Northstar development plan in the U.S. As a result of the acceleration, Tranche 1 of US\$1.8 million has now been completed following the Company's completion of ERA Milestone 1 (Detailed Engineering Design) rather than Milestone 3 (Commissioning). Tranche 2, scheduled to be completed following the Company's completion of Milestone 4, remains unchanged.

On June 27, 2024, Northstar announced the successful completion and closing of a \$2.25 million strategic investment from two Calgary-based strategic investors. One investor will remain anonymous, and one investor is the Chiu Family, an influential Calgary-based family and owner of Trico Homes, a leading homebuilder in Calgary, Alberta. The strategic investment was conducted as a non-brokered private placement of unsecured convertible debenture units at a price of \$5,000 per convertible debenture Unit. The Company intends to use the proceeds from the strategic investment for general corporate purposes and added contingency for the Empower Calgary Facility. The Company also announced that Mr. Patrick Chiu, President of Trico Communities, had been appointed to the Board.

On July 15, 2024, Northstar was issued a patent for the Company's front-end technology for reprocessing asphalt shingles from CIPO. The patent is expected to remain in force until 2042. Further, Northstar has a pending PCT application which preserves the right to file a patent application in any of the 157 PCT contracting states. The patent application was previously granted fast track status, as announced by the Company on February 14, 2023, on the grounds that the application relates to green technology that either helps resolve or mitigate environmental impacts or conserves the natural environment or natural resources.

On August 7, 2024, Northstar entered into a definitive agreement with CVW, pursuant to which CVW will provide Northstar with \$14.0 million in funding (the "**CVW Royalty Financing**") through a five-year 10.0% second secured convertible debenture (the "**CVW Royalty Debenture**") convertible into revenue royalties on two Northstar facilities. \$1.5 million was funded up front by CVW to Northstar and an additional \$12.5 million was subject to completion of conditions precedent. The CVW Royalty Debenture will convert into two equal royalty interests in the next two of Northstar's planned facilities (Empower 3 and 4). On September 16, 2024, Northstar and CVW closed the CVW Royalty Financing of \$14.0 million.

On December 2, 2024, Northstar announced the signing of a non-binding letter of intent with GLPM, a subsidiary of the Hamilton-Oshawa Port Authority, for a long-term lease for an industrial zoned property located in Hamilton, Ontario as the site for the Company's planned facility in southwestern Ontario (the "**Empower Hamilton Facility**"). The letter of intent is for an initial term of 15 years, with three extension options of five years each. Commercial terms are based on GLPM providing a suitable operating building for Northstar in addition to a four-acre site.

Fiscal 2025

On February 18, 2025, Northstar, through its wholly owned subsidiary Empower Hamilton signed a non-binding letter of intent with YORK1 related to the formation of a strategic alliance for the supply of waste roofing shingles and for co-location of complimentary facilities at the Empower Hamilton Facility. The letter of intent expires on December 31, 2025. Empower Hamilton initially anticipates receiving up to 10,000 tonnes of asphalt shingles for reprocessing per annum from YORK1 facilities with a mutual understanding for the companies to increase the supply volume through time.

On March 31, 2025, Northstar, through its wholly owned subsidiary Empower Delta, signed a 15-year lease extension for its Delta, British Columbia location. This provides the opportunity to retrofit the Empower Pilot Facility, formerly home to its pilot facility, into a commercial-scale operation. The site currently holds all necessary regulatory approvals and permits for light industrial operations, offering a future expansion opportunity with reduced timelines and costs associated with permitting and site development. Pilot operations successfully derisked the technology and served as the engineering foundation for the Empower Calgary Facility.

On April 7, 2025, Northstar announced the issuance of a follow-on patent by CIPO for the Company's proprietary asphalt shingle reprocessing technology. The patent relates to Stage 3 of the reprocessing technology, the asphalt recovery stage, and is expected to remain in force until 2042.

On May 5, 2025, Northstar received \$3.9 million from ERA upon successful completion of Milestone 2 requirements stipulated in the ERA Contribution Agreement wherein the Company needed to demonstrate the following:

- completion of all major procurement activities, other than final performance payments to vendors;
- all major processing equipment delivered;
- all major equipment installed and electrified;
- implementation of the Green House Gas, Measurement and Monitoring Verification plan during construction for tracking during Milestones 3 and 4; and
- substantial completion of construction as defined in the *Builders' Lien Act (Alberta)*.

On June 30, 2025, Northstar received a letter of interest from Export Development Canada to provide financial support for the Company's first planned asphalt shingle reprocessing facility in the United States. Similar to the BDC Financing for the Empower Calgary Facility, the Company expects that Export Development Canada's financing would involve security packages, financial covenants and debt servicing requirements at the United States subsidiary or entity level. Export Development Canada could extend up to \$12.5 million under the letter of interest, with the potential to provide a similar amount under similar circumstances for the next three U.S.-based facilities.

Construction of the Empower Calgary Facility was completed in Q2 2025. Commissioning efforts began towards the end of construction activities and were substantially complete with the announcements of production of first liquid asphalt and the production of pellets from tear-off shingles. As of December 31, 2025, the latest filed public financial statements, capital costs associated with the Empower Calgary Facility totaled \$24.9 million, net of government grants. As of the Effective Date, Northstar is concentrating on the ramp-up of operational volumes.

On July 10, 2025, Northstar attained a significant operational milestone with the first production of commercial grade liquid asphalt from the Empower Calgary Facility. Samples were taken to independent labs with confirmed specifications that exceeded characteristics observed at the Empower Pilot Facility and those required for shingle-oil feedstock.

On July 28, 2025, Northstar announced the closing of a \$3.6 million non-brokered Unit financing at a purchase price of \$0.30 per Unit. Each Unit consists of one Common Share and one Common Share purchase Warrant at a strike price of \$0.45 per Share, with a Warrant term of 36 months. There were an aggregate of 11,926,664 Common Shares issued under the financing for gross proceeds of approximately \$3.6 million. Finders fees totalling \$179,337 were paid on certain subscriptions under the financing while a total of 597,787 broker Warrants were issued at a strike price of \$0.30 with a 36 month term.

During the summer of 2025, Northstar successfully processed asphalt shingle feedstock into both hot oil liquid asphalt and pelletized liquid asphalt at the Empower Calgary Facility with chemical properties that exceed those observed at the Empower Pilot Facility. The nature of the end form is contingent on the type of asphalt shingle utilized, however the technological process is robust to address either manufactured waste shingles or end-of-life, tear-off shingles from existing homes. These accomplishments are significant milestones in de-risking the business plan and enabling global access for Northstar's product. The Company now focuses on production ramp-up to meet government grant thresholds in the short term and thereafter, achieve overall design capacity.

On September 24, 2025, the Company announced that it had successfully separated and recovered limestone from asphalt shingles, adding a fourth product line for the Company. Northstar also announced that it has been issued a new patent by the USPTO for the limestone recovery portion of the Company's proprietary asphalt shingle reprocessing technology, which is expected to remain in force until 2045.

On November 12, 2025, the Company announced that it had entered into an agreement with the City of Calgary for the receipt and reprocessing of all asphalt shingles collected at the City of Calgary's Spy Hill, East Calgary and Shepard waste management facilities. The Contract letter has a five-year term commencing April 1, 2026. The City of Calgary and the Company agreed to initiate collection under the contract in the fall of 2025, coinciding with the Company's operational ramp-up at Empower Calgary. The City of Calgary will also relaunch its Shingles Recycling Program at that time.

On December 9, 2025, the Company announced that it had closed a non-brokered Unit financing, raising total proceeds of \$1,000,000 through the issuance of 200 Units. Each Unit is comprised of a \$5,000 face value debenture and 1,250 detachable, non-transferable Warrants of the Company. The debentures have a 9.0% coupon rate, payable semi-annually either in cash or through the issuance of Common Shares, with the price per share determined by the ten-day VWAP on the TSXV preceding the interest payment date. The Warrants have an exercise price of \$0.395 per Warrant and a term of 36 months from the closing date. Further, the Company also announced that it had received the Milestone 3 payment of \$735,000 from ERA.

On December 23, 2025, the Company announced the completion of its first sale of liquid asphalt to McAsphalt, representing the first revenue-generating transaction for liquid asphalt produced from waste shingles at the Empower Calgary Facility.

Subsequent to December 31, 2025

On January 13, 2026, the Company announced the selection of Baltimore, Maryland as its first United States expansion location. This region represents a key area for Northstar's strategic partner, TAMKO Building Products LLC ("**TAMKO**"). TAMKO owns and operates an asphalt shingle production facility located in Frederick, Maryland, 50 miles from Baltimore. Under a joint Strategic MOU, TAMKO can enter into offtake agreements to purchase a significant portion of the asphalt and aggregate produced by Northstar's first four U.S. facilities under a four-year exclusivity period.

On January 28, 2026, the Company completed the second tranche of a non-brokered financing for gross proceeds of \$1,000,000, consisting of 200 units. Each unit comprises a \$5,000 unsecured debenture and 2,500 detachable non-transferable warrants with an exercise price of \$0.35 per warrant and a 36-month term. The debentures bear interest at 9% per annum, payable semi-annually, and interest may be settled in cash or in common shares at a deemed price equal to the ten-day VWAP prior to the interest payment date. The debentures are unsecured (Note 9).

Effective February 28, 2026 the Company entered into agreements to extend the maturity date of \$525,000 in February 2023 Tranche of convertible debentures from the original maturity date of February 28, 2026 to February 28, 2027, with all terms associated with the February 2023 Tranche remaining unchanged. Under the February 2023 Tranche, the Company originally raised \$625,000, \$100,000 of which were converted. Pursuant to prior conversions of the February 2023 Tranche, 200,000 common share purchase warrants are currently outstanding (the "Warrants"). In connection with the extension of the February 2023 Tranche, the Company also extended the expiry date of the Warrants to February 28, 2027. The Company also issued 118,750 common shares to satisfy the interest owing at February 28, 2026 of \$23,750 related to the February 2023 Tranche. Of the total shares, 12,500 common shares were issued to related parties.

Between February 26, 2026 and March 26, 2026, the Company entered into unsecured promissory note agreements totalling \$400,000 with certain related parties. The notes bear interest at 9% per annum, include a 2% repayment premium, and are repayable no later than May 29, 2027.

On March 12, 2026 the Company provided an operational update. The Company continued to ramp up processing at its Empower Calgary facility toward an interim processing volume target of 100-150 tonnes per day ("**tpd**"). Previous operations at 80 tpd uncovered three items requiring attention, two material transfer related and one water processing related. The Company implemented solutions for all three of these items which allowed the

Company to operate in the 100-150 tpd range. Based on anticipated operating performance and ramp up, Northstar expects to achieve ERA Milestone #4 during Q2 2026 which will also trigger Tranche 2 of the previously announced strategic investment from Allmine Paving LLC, a party and subsidiary of TAMKO Building Products LLC, representing an additional US\$1.8 million convertible debenture investment in the Company. Additionally, Northstar announced that it had identified an opportunity to improve asphalt recoveries through the addition of supplementary processing equipment. The planned upgrade is anticipated to take place during fall 2026. Following this upgrade, the Company expects to commence full production, processing volumes of 150 tpd with optimized asphalt output.

On March 31, 2026, the Company closed the first tranche of a US\$10,000,000 non-brokered private placement of unsecured convertible debentures, for gross proceeds of US\$9,000,000 (Tranche 1). The remaining US\$1,000,000 closed on April 2, 2026. The debentures bear interest at 8% per annum, payable semi-annually in cash commencing June 30, 2026, with the Company having the option, subject to TSX Venture Exchange approval, to satisfy interest by issuing Common Shares at the 30-day volume weighted average trading price converted to US dollars at the 30-day average Bank of Canada exchange rate immediately preceding interest payment date. The principal is convertible at the holder's option at any time during the 5-year term at US\$0.20 per Common Share. The convertible debentures and any common shares issuable upon conversion of the principal are subject to statutory hold period expiring on July 31, 2026. The Company has the right to force conversion if its share price exceeds \$0.75 for 90 consecutive trading days. In connection with the Tranche 1, the Company paid finder's fees, satisfied through the issuance of approximately 4.1 million common shares at a price of \$0.20 per common share, subject to statutory hold period.

Significant Acquisitions

Northstar did not complete any significant acquisitions during its most recently completed financial year for which disclosure is required under Part 8 – *Business Acquisition Report* of NI 51-102.

DESCRIPTION OF THE BUSINESS OF THE COMPANY

General

Northstar is a Canadian waste to value technology company focused on the sustainable recovery and reprocessing of asphalt shingles. Northstar developed and owns a proprietary design process for taking discarded asphalt shingles, otherwise destined for already over-crowded landfills, and extracts the liquid asphalt for use in new hot mix asphalt shingle manufacturing and asphalt flat roof systems while also extracting aggregate, limestone and fibre for use in construction products and other industrial applications. Focused on the circular economy, Northstar plans to reprocess used or defective asphalt shingle waste back into its four primary components for reuse/resale starting with its first commercial facility in Calgary, Alberta. As an emerging innovator in sustainable processing, Northstar's mission aims at leading the recovery and reprocessing of asphalt shingles in North America that would otherwise be sent to landfills, addressing numerous stakeholder objectives.

Durability, versatility, and low cost make asphalt shingles the most popular roofing material across Canada and North America.¹ The same properties that make asphalt shingles a popular roofing material present significant challenges for disposal. The challenge is that approximately 1.5 million tonnes of single-use asphalt shingles (approximately 375,000 tonnes of asphalt oil based on 25% composition) or over two million barrels of oil are discarded into Canadian landfills annually.²

¹ Source: IKO Industries Ltd.

² Source: Athena Sustainable Materials Institute

Northstar has developed a proprietary design process known as the Bitumen Extraction & Separation Technology or “BEST” technology, to break down the components of single-use asphalt shingles that would otherwise be sent to a landfill into market quality products. The component parts of a shingle are approximately 50% aggregate, 25% fibre and limestone and 25% liquid asphalt. Once reprocessed, these four products can be used in a variety of applications, including road asphalt, new asphalt shingles, construction products and other industrial applications. The Company hopes to be able to sell these components to paving companies, cement companies, roofing companies, shingle manufacturers and other industrial and construction product manufacturers, who will benefit from a supply of low carbon, reprocessed products. The Company will reprocess used and defective asphalt shingles into their component parts for reuse/resale and thereby seek to eliminate their disposal in a landfill.

Stage of Development

The Company has allocated significant capital and time to the development of its soon to be commercialized process. The products to be derived at the ‘back-end’ of a facility are all known and usable commodities. No further development is required for the products, although testing is and will be done for all future customers to meet certain specifications, especially as it relates to the asphalt product. The Company will also continue to allocate capital, at the appropriate time and level, on research and development on potentially future generations of facility design to improve efficiencies and process different forms of feedstock, among other things.

Empower Calgary Facility – Rocky View County, Calgary, Alberta

The Company has completed construction and commissioning efforts at the Empower Calgary Facility, the Company’s first commercial scale asphalt shingle reprocessing facility, and is commencing production ramp up. The first production target of 80 tonnes per day of shingles processed through the facility was completed by the end of the fourth quarter of 2025, after which the facility continued to ramp up towards full production capacity which is expected in the second half of 2026 following the implementation of throughput improvements and operational bottleneck solutions identified during commissioning.

The Empower Calgary Facility is approximately 40 minutes southeast of downtown Calgary and located 4.4km from the City of Calgary east landfill. The Company took occupancy of the site in September 2023 and commenced construction in 2024. The Empower Calgary Facility is located in Rocky View County, Alberta, a municipality directly adjacent to the City of Calgary. The Empower Calgary Facility is an estimated 20,000 sq ft and the building sits on a four-acre parcel of industrial zoned land in SE Calgary. The Empower Calgary Facility is estimated to have capacity to divert up to 40,000 tonnes per year (base case) or 150 tpd of asphalt shingles away from landfill on a single shift basis. The Company has leased the Empower Calgary Facility and surrounding lands for a period of 15 years with two options to extend for an additional five years each.

The Company executed the McAsphalt Offtake Agreement in March 2023, which provides McAsphalt with exclusive rights to 100% of liquid asphalt production from the Empower Calgary Facility for a minimum of five years. McAsphalt will purchase the asphalt at market-based pricing however a downside floor price exists to protect plant and corporate cash flows.

The Company subsequently announced in January 2024 the IKO Supply Agreement for five years of manufacturing waste of asphalt shingles and announced in April 2024 the Ecco Recycling Supply Agreement for three years of asphalt shingle waste. The IKO Supply Agreement and the Ecco Recycling Supply Agreement are estimated to account for 75% of feedstock supply. In November 2025 the Company announced a 5-year contractual arrangement with The City of Calgary, effective April 2026, for the receipt and reprocessing of the City’s asphalt shingles. Collection under the City of Calgary’s contractual arrangement will begin during the fall of 2026 alongside the anticipated ramp up of operations at Empower Calgary. With the City of Calgary contract, together with supply from IKO and ECCO, the Company believes it has secured more feedstock than required for Empower Calgary to process 40,000 tpa. The Company currently has approximately 16,000 tonnes of shingle inventory stockpiled at the Empower Calgary Facility with 10,000 tonnes of additional shingles stored offsite at third party locations under separate contracts.

Empower Pilot Facility – Delta, British Columbia

The Empower Pilot Facility is located in Delta, British Columbia, approximately 40 minutes south of Vancouver and less than 10km from the Metro Vancouver landfill. The Empower Pilot Facility is located on a 4.23 acre property with a 20,000 square foot building. The site has a large yard which Northstar has designed for maximum throughput and is conveniently located for roofing companies, roofing contractors and waste haulers throughout the Metro Vancouver area. The Company has leased the Empower Pilot Facility and surrounding lands pursuant to the Empower Lease for a period of five years from January 1, 2021 with an option to extend for an additional five years. On March 31, 2025, the Company announced a 15-year lease extension for this facility giving the Company the flexibility to retrofit the Empower Pilot Facility to a full-scale commercial operation.

The Empower Pilot Facility represents the pilot phase of the proprietary BEST development process. The Company began searching for an alternative to traditional RAS grinding and screening in 2010. In 2015, the founders of the Company built a test facility in Claresholm, Alberta to trial various separation methodologies. After establishing the framework of BEST, the Company moved to the location of the Empower Pilot Facility in Delta, BC to begin developing the Empower Pilot Facility technology in 2017.

The Company has approximately 11,000 tonnes of shingle inventory stockpiled at the Empower Pilot Facility. Upon retrofit of the facility to full-scale commercial operations, additional shingle feedstock may be sourced from an estimated 70,000 tonnes of asphalt shingle material which enters Metro Vancouver area landfills annually according to a 2012 report.³

Due to the strategic advantages of the Empower Pilot Facility, the Company may, at some point in the future, consider converting the Empower Pilot Facility into a full commercial facility. The already-constructed Empower Pilot Facility (i) has existing infrastructure (power and water supply, natural gas, office space, etc.), (ii) is located in close proximity to the Metro Vancouver landfill and various potential industry suppliers and customers, (iii) has a valid brokering license (the “**Brokering License**”) from Metro Vancouver for collection of asphalt shingles and associated tipping fees at the Empower Pilot Facility for collection of shingles, and (iv) benefits from the Company’s extensive relationships with both the City of Delta and the City of Vancouver. The capital expenditures required to repurpose the Empower Pilot Facility into a commercial facility would likely be more economical and could be completed in relatively short order (compared to building from a “greenfields” site).

Empower Hamilton Facility – Hamilton, Ontario and U.S. Expansion Facilities

During 2024, the Company began to actively search for additional sites in the Greater Toronto Area. Those efforts culminated with the signing of a letter of intent with the Hamilton-Oshawa Port Authority for a long-term lease for an industrial zoned property located in Hamilton, Ontario. Securing of a site under a long-term lease is the first step in any of the Company’s expansion efforts. Subsequent to a finalization of a lease, permit applications can be filed, long-term supply and off-take agreements negotiated, and selection of construction contractors, in addition to numerous other steps to build a commercial plant, can ensue. To that end, subsequent to the letter of intent being signed, the Company signed its first shingle supply letter of intent with YORK1, in February 2025, for the supply of waste roofing shingles for up to 10,000 tonnes per annum and for co-location of complimentary facilities. Ongoing discussions continue with respect to further supply agreements as well as critical off-take agreement(s) for the products.

The Company has commenced development for its first commercial facility in the northeast United States. Following the TAMKO Strategic Investment, the Company began searching for potential site locations in the Mid-Atlantic Region (which includes the states of Maryland, Delaware, Pennsylvania, New Jersey, New York and parts of Virginia and West Virginia). In January 2026 the Company announced the selection of Baltimore, Maryland as its first US commercial facility. The Strategic MOU provides exclusivity to TAMKO for four U.S. facilities for a period of

³ Source: Kane Consulting

four years. The Company has also identified, among others, the geographic markets of Dallas, Texas and Atlanta, Georgia as potential attractive site locations for future Northstar facilities.

Production and Services

The Company's business model for reprocessing asphalt shingles involves generating revenue from both inputs (via tipping fees) and outputs (liquid asphalt, fibre, aggregate and limestone). The Company is also exploring the potential for generating revenue from carbon credits.

The Company's revenues for the two most recently completed financial years were \$593,586 and \$640,569 for 2025 and 2024, respectively, consisting primarily of tipping fees. The Company's first sale of liquid asphalt occurred at the end of December 2025 and is included in 2025 revenues.

Bitumen Extraction & Separation Technology (BEST)

The Company's BEST process takes asphalt shingles to its logical conclusion, complete disassembly of the shingle into its basic components of aggregate, fibre, limestone and liquid asphalt. The proprietary BEST process begins with grinding and screening of asphalt shingles to produce RAS. The RAS is then loaded into a bulk material hopper and moved by conveyor belt to the separation stage of the process where the aggregate, fibre, limestone and liquid asphalt are disassembled. Northstar's BEST process does not have the downsides of existing solutions for disposal of waste asphalt shingles. Extracting and separating the shingle into its constituent parts not only allows for full value to be extracted from each product stream, but it also avoids the operational challenges, such as low temperature cracking, that are present using RAS in hot mix asphalt, and most importantly, the BEST process can divert up to 100% of shingle waste from landfill.

Inputs: Discarded/Waste or Manufacturer Defective Asphalt Shingles

The Company's business model involves processing discarded/waste or manufacturer defective asphalt shingles as input products. Discarded/waste or manufacturer defective asphalt shingles are expected to be collected by local roofing contractors and waste haulers and delivered to or brought to a Northstar facility by shingle manufacturers. Our business model supports these companies' preference to pay Northstar a tipping fee, at a meaningful discount to landfill tipping fees, to dispose of their waste shingles sustainably rather than disposing of them in a landfill.

At the Empower Calgary Facility, the Company currently has two formal binding supply agreements: (i) the IKO Supply Agreement (five years, manufacturing defective shingles); and (ii) the Ecco Recycling Supply Agreement (three years, waste shingles). In addition, the Company has entered into an agreement with the City of Calgary for the receipt and reprocessing of all asphalt shingles collected at the City of Calgary's Spy Hill, East Calgary and Shepard waste management facilities. While the Company believes it will be able to secure sufficient asphalt shingle material to achieve its business plan based on discussions with industry stakeholders, there is no assurance it will be able to do so. See "Risk Factors" below for more details.

The Company currently has an estimated 11,000 tonnes of asphalt shingle feedstock at the Empower Calgary Facility, and 11,000 tonnes at the Empower Pilot Facility.

Tipping fees at local landfills vary greatly between municipalities and regions. Based on public disclosure, municipal tipping fees related to asphalt shingles for target cities are estimated as follows:

- Vancouver: \$194 per tonne⁴
- Calgary: \$113 per tonne⁵
- Hamilton: \$190 per tonne⁶
- Baltimore: US\$135 per ton⁷
- Dallas: US\$48 per ton⁸
- Atlanta: US\$75 per ton⁹
- Maryland: US\$91 per ton¹⁰

Outputs: Liquid Asphalt, Fibre, Aggregate and Limestone

As part of Northstar's proprietary process, asphalt shingles are ground to a uniform size and screened to meet the size requirement of our feed system. Operators load the shingles using front end loaders into a shingle hopper and a conveyer belt transports the ground shingle material to a separation process. The component materials are then segregated and further processed to achieve marketable products. The liquid asphalt is stored in heated tanks for delivery to customers. The aggregate, limestone and fibre are stockpiled at the location and sold separately. The process also has the ability to pelletize the liquid asphalt which can then be bagged and loaded on transport trailers and shipped via various logistical choices to end markets.

Empower Calgary Facility Customer

On October 6, 2022, Northstar announced the execution of a binding term sheet (the "**McAsphalt Offtake Term Sheet**") for a five year (with automatic three year renewal options) offtake agreement with McAsphalt, a wholly owned subsidiary of Colas Canada, whereby McAsphalt agreed to purchase, on an exclusive basis, 100% of the liquid asphalt production from the Empower Calgary Facility. On March 2, 2023, Northstar and McAsphalt announced the execution of the McAsphalt Offtake Agreement. The terms from the original McAsphalt Offtake Term Sheet to the McAsphalt Offtake Agreement did not change and include the following:

Term: Northstar and McAsphalt have agreed to a five-year term for the off-take agreement with automatic three-year renewal options, unless either of the parties provides 180 days' written notice of its intention not to renew.

Pricing: The agreed terms of the sale price of the liquid asphalt is confidential due to commercial sensitivity reasons, but the pricing is market-based and includes the market index, a quality and locational differential, and a sustainability premium.

Risk Management: Risk management pricing is incorporated into the pricing mechanism.

⁴ Source: City of Vancouver

⁵ Source: City of Calgary

⁶ Source: City of Toronto

⁷ Source: Baltimore County

⁸ Source: City of Dallas, Department of Sanitation Services

⁹ Source: Clayton County, Georgia

¹⁰ Source: Frederick County, Maryland

Third Party Sales: Northstar and McAsphalt will have the ability to enter into third party sales agreements for the liquid asphalt product produced from the Empower Calgary Facility. The detailed terms of any third party sales are confidential.

Planning, Regulatory and Government Agency Support: McAsphalt will support Northstar in planning, regulatory and government agency engagement with respect to the Empower Calgary Facility.

Life-Cycle Assessment: The parties will work together to develop an additional life-cycle assessment for Northstar's proprietary clean technology.

Carbon Credits: The parties will work together on the development of a protocol to create carbon credits. Should carbon credits be created, the sustainability premium will be calculated based on the joint contribution to the protocol development.

Carbon Credits

The Company is exploring the opportunity to develop and monetize carbon credits. Currently, the Company has not identified how it may, if at all, develop and monetize carbon credits for its business model.

Fundamental Feedstock Availability and Diversion Benefits

The Company believes that the fundamental supply of asphalt shingle feedstock for the Northstar facilities is robust, given both the current volume of shingles disposed into North American municipal landfills and the primary position that shingles represent, being the roofing material of preference today and for the foreseeable future.

In addition to the feedstock supply, Northstar believes that the attraction to municipalities of providing a 100% diversion of asphalt shingles from landfill is an important consideration. One Northstar facility is expected to enable a municipality to divert up to approximately 40,000 tonnes of shingles per year away from landfill on a single shift basis (each shingle comprising approximately 25% liquid asphalt is approximately 10,000 tonnes), avoiding the equivalent of depositing approximately 55,000 to 60,000 barrels of oil into municipal landfills. It is envisioned that all plants would ultimately operate on a dual shift basis, thereby doubling the numbers quoted.

Feedstock Market Fundamentals

The Company believes its business will appeal to roofing contractors, shingle manufacturers and waste haulers by enabling them to dispose of their used or manufacturers' waste shingles at the Empower Calgary Facility, at a meaningful discount to market rates for disposing of shingles in landfills, rather than paying higher fees to deposit the shingles in a landfill. The Company believes general global trends in sustainability will encourage groups such as these to seek alternatives to landfill disposal and to seek out environmentally friendly solutions. Once in commercial production, Northstar expects to be able to provide these alternative solutions through its BEST technology while also generating the "tipping fee" revenue that provides the raw material inputs for the Company's reprocessing needs. The Company's BEST technology reprocesses asphalt shingles into their individual component parts of liquid asphalt, aggregate, limestone and fibre, enabling resale of these components to paving companies, cement companies, roofing companies, shingle manufacturers and other industrial and construction product manufacturers, who can benefit from a supply of low carbon, reprocessed products. Furthermore, the growth potential for the venture is expected to be significant as the Company's facilities can be located in any large metropolitan area where asphalt shingles are present.

The Company believes the fact that roofing contractors and waste haulers must pay a tipping fee, at a price higher than the Company's proposed tipping fee, to deposit single-use asphalt shingles in landfills enhances the economics of Northstar's business and the price competitiveness of our end products. To encourage roofing contractors and waste haulers to provide their discarded shingles to the Empower Calgary Facility as feedstock, the

Company intends to offer a discount to landfill tipping fees. These tipping fees are expected to supplement the Company's income from the sale of finished product.

Product Market Fundamentals

At the Empower Calgary Facility, the Company will sell its liquid asphalt product at market-based pricing, as announced in the McAsphalt Offtake Agreement. The pricing structure for liquid asphalt sales includes: (a) a market index price (the market price for virgin production at the closest location to the facility); (b) a locational adjustor (to reflect transportation distance from the location of the facility to the location of market index point); (c) a quality adjustor (any adjustment whether positive or negative for the quality of the product versus the virgin asphalt quality); and (d) a sustainability premium (likely in two stages, with the first stage reflecting the low carbon nature of Northstar's liquid asphalt versus virgin production and a second stage that could include the monetization of carbon credits), generated by the Northstar assets and included in the sale price of the liquid asphalt. This opportunity is currently being investigated by the Company. At present, the Company envisions that fibre, limestone and aggregate will be sold into local markets for market value.

In addition to the advantages of the Company's business model mentioned above, Northstar management believes that the fact that the liquid asphalt, aggregate, limestone and fibre products are reprocessed and available for entry into the circular economy will make them attractive to individuals, corporations and governments.

Market Analysis and Sales Strategy

The Company has defined its geographic target markets in Canada and the United States, and has differentiated itself by offering a unique solution to the challenge of disposal of asphalt shingles in landfills across North America. Northstar will provide a clean technology that diverts asphalt shingles from landfill and reprocesses them for entry of the constituent parts into the circular economy. Most known asphalt shingle recovery solutions involve grinding the shingles into RAS, which can be incorporated into paving applications but only with a limited volume capacity. Northstar's major service is to offer municipalities, shingle manufacturers, roofing contractors and waste haulers an environmentally-friendly alternative to the disposal of asphalt shingle waste into landfill. The Company's major product will be the constituent products made from the discarded asphalt shingles for resale.

Asphalt pavement is one of North America's most widely used forms of road paving, accounting for over 90% of roads in the United States, Canada and Mexico according to the Virginia Asphalt Association.¹¹ According to the National Asphalt Paving Association, in the United States, there are 2.6 million miles of paved roads and approximately 94% of roads are surfaced with asphalt and there are approximately 3,500 asphalt plants in the U.S.¹²

Companies and consumers today are more conscious of their environment. There is a growing trend among consumers and municipalities to move away from disposing of shingles to landfills, where they decompose over a long period of time and release toxins that impact the environment. The Company's goal is to be one of the first companies in Canada to collect and reprocess asphalt shingle waste for reuse in new asphalt, new shingles, construction products and other industrial applications, and emerge as a market leader in the reprocessing of asphalt shingles. The Company has developed a process design and reprocessing solution that it believes to be sustainable and will appeal to organizations and municipalities looking to reduce their environmental impact.

The Company will market its products to the identified key strategic customers using the management team's deep industry knowledge and connections. Securing contracts with roofers, waste haulers and waste management companies will be our initial sales priority.

¹¹ Source: Virginia Asphalt Association

¹² Source: National Asphalt Pavement Association

The Company currently has two formal feedstock supply agreements in place for the Empower Calgary Facility. The IKO and Ecco Recycling agreements include terms for five years and three years, respectively. During 2025, the Company announced that it had entered into a 5-year agreement with the City of Calgary for the receipt and reprocessing of all asphalt shingles collected at the City of Calgary's Spy Hill, East Calgary and Shepard waste management facilities, effective April 2026. Collection of shingles under this agreement is set to begin in the fall of 2026, coinciding with the Company's operational ramp up and the City of Calgary's relaunch of its Shingles Recycling Program.

With supply under the City of Calgary contract, together with supply from IKO and ECCO the Company has secured more feedstock than required for Empower Calgary to process 40,000 tpa. The Company expects to source any additional feedstock materials locally and regionally with industry suppliers. The Company aims to sign supply contracts ranging from one to five years to maintain operational flexibility with a clear objective to potentially sign an agreement with a national waste collection company.

The Company currently does not, however, have a feedstock supply agreement in place for the Empower Pilot Facility. The Company is not currently operating the Empower Pilot Facility and does not plan to require additional feedstock in the near-term, as there is an estimated 11,000 tonnes of inventory already on-site, as of the Effective Date. In addition, a decision to retrofit the Empower Pilot Facility may be made in the future once other facilities are in operation.

The four primary output products from the Company's proprietary process for recycling asphalt shingles are the following: (1) liquid or pelletized asphalt (25% of an asphalt shingle); (2) aggregate or sand (50% of an asphalt shingle); and (3) fibre and limestone (25% of an asphalt shingle, which used to be in the form of paper fiber but is predominantly fiberglass today). Based on the Company's research, the estimated market prices for each product are the following:

- Destination Markets (Alberta/Ontario) Asphalt Oil: \$400-\$1,000 per tonne¹³
- Aggregate: \$15 per tonne¹⁴
- Fibre: \$5 per tonne¹⁵

Regionally, selling prices for asphalt cement according to Argus' "Americas Asphalt" report for the week ending April 24, 2026 were the following:

- Toronto, Ontario: \$850 to \$900 per tonne
- Montreal, Quebec: \$850 to \$900 per tonne
- Baltimore, Maryland: US\$595 to US\$650 per tonne
- Dallas, Texas: US\$625 to US\$660 per tonne
- Atlanta, Georgia: US\$610 to US\$655 per tonne
- Seattle, Washington Area: US\$575 to US\$600 per ton
- Portland, Oregon Area: US\$500 to US\$525 per ton

¹³ Based on management's internal estimates and understanding of local markets for the year 2024, sourced from weekly reports from Argus Americas Asphalt.

¹⁴ Based on management's understanding of local markets.

¹⁵ *Ibid.*

Specialized Skills and Knowledge

The Company's BEST process requires specialized skills and knowledge within its management and operations team. Such skills and knowledge include the areas of engineering and operations, particularly in hydrocarbon processing. To date, at the Empower Calgary Facility, the Company has been successful in locating and retaining employees, consultants and contractors with such skills and knowledge, and believes it will continue to be able to do so.

Competitive Conditions

To the Company's knowledge, there are no other companies currently operating in Canada with a nearly 100% shingle reprocessing process like Northstar's. There are only a few companies in the United States, of which the Company is aware, that have a process similar to Northstar's. In the United States, there are several shingle recycling alternatives at various stages of commercial development, including SkyQuarry (NASDAQ:SKYQ) and Asphaltica (private), that process RAS in various ways to increase its recycling value. SkyQuarry, however, is not currently in commercial production and its primary operations are heavy oil refining. Competitors to date do not operate in a way that is similar to our BEST process as, to the best of the Company's knowledge, these companies only grind shingles for use as a base material or in hot-mix asphalt.

While there are other companies in the shingle recovery (or RAS) business, they are focused on the collection and grinding of shingles, a portion of which can be used in hot mix asphalt. There are numerous shingle collectors that grind asphalt shingles (or RAS) in Canada, including several known shingle collectors: Intercity Recycling (Kelowna), Synchor Recycling (Calgary), Ecco Recycling (Calgary), Environmental Processors (Edmonton), Len's Hauling (Saskatchewan), Green Site Recycling (Winnipeg) and DTG Recycle (Washington State). Based on the Company's knowledge, these companies have not developed the technologies (see "*Description of the Business of the Company – Intangible Property*" below for more details), nor have they established operations that reprocess asphalt shingles into their individual component parts of liquid asphalt, aggregate, fibre and limestone. The Company has an existing supply agreement with Ecco Recycling.

Recycling options for asphalt roofing shingles are limited. Ground RAS can be used (on its own or in a blend with crushed concrete or asphalt) as a recycled granular base course or as a simple surface treatment for road construction. This recycling option is not only severely limited in terms of volume and use, but also does not consider the value of the liquid asphalt.

Use of RAS in hot mix asphalt does account for both the liquid asphalt content and the aggregate content of the asphalt shingle. Prior to 2019, the City of Calgary and Alberta Transportation specifications permitted RAS to be added to hot mix asphalt pavement at a rate of <5%. Hot-mix asphalt producers were to assume the liquid asphalt from the RAS would blend with the added virgin liquid asphalt and thereby reduce the amount of virgin liquid asphalt used in road pavement. This process has clear economic and environmental benefits, however, difficulty in liberating the liquid asphalt from the RAS in a hot mix asphalt plant creates operational challenges. Both provincial and municipal levels of government identified issues with low temperature cracking and low effective asphalt content due to the above challenges and, in late 2018, banned the addition of RAS in City of Calgary and Alberta Transportation mix designs for use in provincial and municipal roads. Due to this change, the City of Calgary was forced to cancel its recycling collection program for sorted asphalt shingles and once again accept them as undifferentiated landfill waste. In November 2025 the Company announced that it had entered into an agreement with the City of Calgary for the receipt and reprocessing of all asphalt shingles collected at the City of Calgary's Spy Hill, East Calgary and Shepard waste management facilities. With this 5-year agreement in place, it is expected that the Company will begin reprocessing asphalt shingles collected by the City of Calgary in the fall of 2026, coinciding with the city's relaunch of its Shingles Recycling Program and the Company's ramp up of operations.

In the United States, RAS use in hot mix asphalt remains more common than in Canada, however, only one million tonnes of waste asphalt shingles of the total waste of 13 million tonnes are recycled into asphalt road pavement.¹⁶

Northstar’s BEST process extracts all the constituent products in a form that allows for high value reuse, at a sufficiently large quantity to be capable of 100% landfill diversion. The process for using RAS in hot mix asphalt requires the addition of ground asphalt shingles to the hot-mix asphalt. This process does not maximize the utility of all end products. As mentioned above, governmental transportation authorities have identified quality issues in hot mix asphalt with RAS due to difficulties in ensuring the liquid asphalt is released from the shingle and blended with the remaining asphalt. Using RAS as an additive for other granular base course is a low-cost way of diverting the RAS from landfill but does not recover any value from the liquid asphalt, aggregate, limestone or fibre. Neither RAS in hot mix asphalt nor RAS in granular base course have enough volume to divert more than 5% of shingles from landfill and therefore do not represent an adequate solution to the current environmental problem of asphalt shingles in landfills.

Comparison of Alternative Technologies

Technology	Cost to Produce	Sales Value of End Products	Capable of 100% landfill diversion	Quality Control Challenges	Regulatory Acceptance
RAS in BEST	Medium	High	Yes	No	High
RAS in hot mix asphalt	Low	Medium	No	Yes	Low
RAS in granular base course	Low	Low	No	No	High

Source: Management of Northstar.

Supply/Components

The Company’s primary raw material (or feedstock supply) for reprocessing is asphalt shingles. The Company currently has three supply agreements for the Empower Calgary Facility: the IKO Supply Agreement, the Ecco Recycling Supply Agreement, and The City of Calgary Contract Letter. IKO is a leading Canadian national shingle manufacturer and the Company’s supply agreement with IKO is for manufacturer defect shingles. Ecco Recycling is a Calgary-based landfill solution provider focused on construction & demolition waste and has a large existing resource of waste/used shingles in its Calgary construction & demolition landfill. The Company’s most recent supply agreement with the City of Calgary became effective April 1, 2026 and it is anticipated that the City of Calgary will relaunch its Shingle Recycling Program in the fall of 2026, coinciding with the initial collection and processing of supply by the Company. It is expected that the three supply agreements with Ecco Recycling, IKO and the City of Calgary (once collection commences in the fall of 2026) will account for more than 100% of an estimated 40,000 tpa annual processing capacity on a single-shift basis. It is envisioned that all plants will ultimately operate on a dual shift basis, requiring additional feedstock to support processing capacity beyond 40,000 tpa. Potential additional suppliers of asphalt shingles to the Company include:

- shingle manufacturers (typically national or regional markets);
- waste haulers (typically local markets); and
- roofing contractors (typically local markets).

Asphalt shingles are the most popular roofing material in North America, accounting for approximately 75% of single-family or detached homes. Durability, versatility and low cost make asphalt shingles the most popular

¹⁶ Source: Adam Redling

roofing material across North America. At the Empower Calgary Facility, the Company has an existing stockpile on site of an estimated 16,000 tonnes of shingle feedstock supply and additional feedstock offsite under third party commercial agreements totaling 10,000 tonnes as of the Effective Date. At the Empower Pilot Facility, the Company has an existing stockpile on site of an estimated 11,000 tonnes of shingle feedstock supply. Based on a 2012 report, the market size in Metro Vancouver is approximately 70,000 tonnes per year.¹⁷ The Company's business model for reprocessing asphalt shingles involves generating revenue, via tipping fees, for the acceptance of asphalt shingles at its facilities.

Regulatory Framework

Northstar's operations are subject to various Canadian federal, provincial and local laws affecting our business, including permitting, licensing and regulation regarding environmental matters, health, sanitation, safety, employment, fire, building codes and other matters in the provinces or municipalities in which the Company's facilities are currently located and where new facilities may be located in the future. The Company believes that its internal management team and corporate policies are configured to keep Northstar's operations in material compliance with applicable federal, provincial and local laws, permits, orders and regulations, and that current operating and capital budgets are adequate to address future environmental costs, although there can be no assurances in this regard. The Company anticipates that there will continue to be increased regulation, legislation and regulatory enforcement actions related to the waste services industry. As a result, Northstar aims to attempt to anticipate future regulatory requirements and to plan accordingly to remain in compliance with the regulatory framework.

Generally, in Northstar's business, any activity that poses a risk of discharge or release of a contaminant into the environment requires appropriate provincial permits as well as compliance with applicable, and frequently changing, federal and provincial environmental legislation and regulations and municipal by-laws regarding zoning, land use, air emissions, noise, nuisance and wastewater discharge. The Company's current British Columbia and Alberta operations are primarily regulated by provincial legislation, including the *Environmental Management Act* (British Columbia) and regulations and the *Environmental Protection and Enhancement Act* (Alberta). Federal statutes in Canada also govern certain aspects of waste management, including greenhouse gas emissions and international and interprovincial transport of certain kinds of waste. The expansion or establishment of Northstar's business across Canada may also be subject to additional provincial and/or federal environmental assessment requirements. Several Canadian provinces (including British Columbia) have enacted legislation to limit greenhouse gas emissions through requirements of specific controls, carbon levies, cap and trade programs or other measures. The Company continues to monitor the status of the various legislative initiatives going forward and the impact any such developments may have on our current and planned operations.

Many cities have enacted 'Zero Waste Initiatives' and are banning certain waste products from landfills. The challenge for most of them is that it is impractical to ban waste without the proper infrastructure in place to handle the waste in a sustainable manner. This holds true for asphalt shingle waste as well. According to the Government of Canada, municipalities are already seeking alternative means of disposal as disposal prices are expected to increase as landfill space decreases. Northstar's business is intended to solve this problem in relation to asphalt shingles for municipalities.¹⁸

The sustainability aspect of Northstar's business means that increased environmental regulation may result in new opportunities and have a net positive effect. In August 2018, 23 cities around the world, including London, New York City, Paris, San Francisco, Sydney, Tokyo, Dubai, Toronto and Vancouver, signed C40's "*Advancing Towards Zero Waste Declaration*", which is committed to significantly reducing the amount of waste generated by cities around the world. Since the initial declaration, over 75 global cities are now committed to the Advancing Towards Zero Waste Declaration, representing over 800 million people and 27% of the world's economy. This declaration

¹⁸ Source: Government of Canada

outlined two major commitments: reduce the municipal solid waste generated by each citizen by at least 15% by 2030 (compared to 2015) and reduce the amount of municipal solid waste disposed to landfill and incineration by at least 50% by 2030 (compared to 2015). Within this commitment, it was specifically stated to “increase reduction, reuse, recovery and recycling of construction and demolition materials.”¹⁹

The City of Vancouver adopted a policy with the intent of becoming the greenest city in the world by 2020.²⁰ The Company has had discussions with Metro Vancouver which has proposed expanding the list of banned materials to include asphalt shingles within the next several years. According to Metro Vancouver, this is feasible, but the necessary infrastructure must be present and capable of handling the increased supply associated with banning materials before diverting them away from landfills.²¹

The Company is subject to provincial labour and employment laws that govern its relationship with employees, such as minimum wage requirements, overtime and working conditions and employment standards legislation. Each province in Canada also establishes and administers an occupational health and safety regime. These regimes generally identify the rights and responsibilities of employers, supervisors and workers. Employers are required to implement all prescribed safety requirements and to exercise reasonable care to protect employees from workplace hazards, among other things.

Licenses and Permits

In January 2023, the Company announced that the Empower Calgary Facility’s Landlord received approval for a Conditional Development Permit for the selected site in Rocky View County in Greater Calgary, Alberta. The Development Permit was fully approved in November 2024 and construction the Empower Calgary Facility completed in March 2026. From time to time, the Company may obtain tenant improvement permits for minor modifications to the facility in the normal course of operations. The Company remains in good standing to operate the Empower Calgary Facility.

The Company holds a business license from the City of Delta for its operations at the Empower Pilot Facility. In August 2022, the Company announced that the facility received a Brokering License from Metro Vancouver. The Brokering License allows Empower to handle recyclable material, specifically asphalt shingles, at its Empower Pilot Facility, and to collect ‘tipping fees’ on the deposit of ‘end of life’ or ‘post-consumer’ asphalt shingles.

Economic Dependence

On October 6, 2022, Northstar announced the execution of the McAsphalt Offtake Term Sheet for a five year (with automatic three year renewal options) take-or-pay offtake agreement with McAsphalt, whereby McAsphalt will purchase, on an exclusive basis, 100% of the liquid asphalt production or pelletized product from the Empower Calgary Facility. Northstar and McAsphalt have agreed to a five-year term for the off-take agreement with automatic three-year renewal options, unless either of the parties provides 180 days’ written notice of its intention not to renew. The McAsphalt Offtake Agreement was subsequently executed by Northstar and McAsphalt and announced by the Company on March 2, 2023. The key commercial terms were unchanged from the McAsphalt Offtake Term Sheet announced on October 6, 2022.

As at the date of this AIF, the Company does not have any formal sales and delivery agreements in place for aggregate, limestone or fibre, but continues to have discussions with industry stakeholders. The Company does not have any formal sales or offtake agreements for the Empower Pilot Facility, the Empower Hamilton Facility or any facilities in the United States. As described elsewhere in this AIF, the Company entered into the Strategic MOU

¹⁹ Source: C40 Cities Climate Leadership Group, Inc.

²⁰ Source: City of Vancouver

²¹ Source: Elizabeth Good

with TAMKO, which includes high level commercial terms for asphalt and aggregate offtake from the Company's first four facilities in the U.S. See "Risk Factors" below for more details.

Changes to Contracts

As described under the headings "Description of the Business of the Company – Outputs: Liquid Asphalt, Fibre, Aggregate" and "Description of the Business of the Company – Economic Dependence", Northstar is party to the IKO Supply Agreement, the Ecco Recycling Supply Agreement, the City of Calgary Contract Letter and the McAsphalt Off-Take Agreement. These contracts are long-term in nature and not anticipated to be renegotiated and/or terminated in the ensuing year.

Intangible Property

The Company's BEST is a proprietary process. In the third and fourth quarters of 2021, the Company engaged with a Canadian specialist patent law firm, Smart & Biggar LLP, to explore the possibility of patenting the Company's BEST design process. The law firm completed a preliminary patentability search and opinion regarding a process for recycling asphalt roofing shingles. The search did not locate a single reference which disclosed all of the features of the Company's BEST process.

In the first quarter of 2022, the Company submitted a non-provisional utility patent application to the USPTO for its BEST process. On April 22, 2022, the Company received notification from the USPTO that Northstar's application met the requirements for prioritized examination for an original non-provisional Track 1 application. The Company acknowledges that potential competitors may be able to develop similar processes to BEST that would not infringe on such a patent, if granted. On November 8, 2022, Northstar announced it was issued a patent for the Company's front-end technology for reprocessing asphalt shingles by the USPTO. This patent is expected to remain in force until 2042. Further, Northstar has filed follow-on continuation patent applications with the USPTO. On May 15, 2024, the Company was issued its second patent by the USPTO. This patent is the first of three follow-on patents submitted by the Company.

In February 2023, the Company received notice from CIPO that its application has been fast tracked. On July 15, 2024, the Company was issued a patent for the Company's front-end technology for reprocessing shingles from CIPO.

In April 2025, Northstar successfully received a second Canadian patent for its asphalt reprocessing technology. The second patent relates to Stage 3 of the reprocessing technology, the asphalt recovery stage, and is expected to remain in force until 2042.

In September 2025, Northstar successfully received a third U.S. patent from the USPTO for the recovery of limestone as part of the asphalt reprocessing technology. This establishes a potential fourth product sales line. This third U.S. patent is expected to remain in force until 2045.

The Company has also filed a PCT international application.

The Company also relies on a combination of other intellectual property laws (i.e., trademark and copyright), trade secrets, confidentiality procedures, contractual provisions and other measures to protect the Company's proprietary information and technology. The Company seeks to limit the disclosure of its intellectual property by requiring customers and potential business partners to execute confidentiality agreements.

Cycles

The Company expects operating revenue to be lowest in the first quarter of a calendar year, primarily due to lower construction project activity in the winter months due to winter weather conditions. High precipitation levels, particularly in the spring, can also adversely impact revenue, particularly in the first and second quarters of a

calendar year when project start dates are more likely to be delayed or result in the extension of road load restrictions, negatively impacting the demand for Northstar's products. The Company expects each operating facility to retain an asphalt shingle feedstock inventory in the order of three to four months of production to ensure steady-state operations can be maintained during periods of low intake of asphalt feedstock. See "Risk Factors – Risks Related to the Company, its Business and Industry – The cyclical nature of the waste management industry" below for more information.

Environmental Protection

The current and future operations of the Company are and will be subject to various laws, rules and regulations governing the protection of the environment. The Company's obligations to protect the environment under the regulatory regimes in which the Company does and will operate may affect the financial position, operational performance and earnings of the Company. Management believes all of the Company's activities are materially in compliance with applicable environmental legislation. See "Risk Factors – Risks Related to the Company, its Business and Industry – Environmental Regulations" and "Risk Factors – Risks Related to the Company, its Business and Industry – The Company is subject to substantial governmental regulation that will change over time" below for more information.

Employees

As of the Effective Date, the Company has 30 employees and six independent contractors. As at December 31, 2025, the Company had 26 employees and seven independent contractors.

Foreign Operations

As at the date of this AIF, the Company does not have any foreign operations, other than business development efforts. The Company does, however, have plans to enter the United States market and in January 2026 announced the selection of Baltimore, Maryland as the Company's first United States expansion location.

Environmental, Social & Governance Policies

As of the Effective Date, the Company has developed an extensive set of corporate and personnel policies to conduct and guide employees and Board members in their Northstar duties. These are as follows:

1. Disclosure Controls and Procedures Policy;
2. Insider Trading and Blackout Policy; and
3. Code of Business Conduct and Ethics
4. Employee Handbook which incorporates into its appendices the following:
 - a. Drugs and Alcohol Policy;
 - b. Health and Safety Policy;
 - c. Privacy Policy;
 - d. Progressive Discipline Policy;
 - e. Respectful Workplace Policy;
 - f. Expense Policy; and
 - g. Use of Technology Policy.

COPIES OF THESE CORPORATE GOVERNANCE DOCUMENTS, STANDARDS AND POLICIES ARE AVAILABLE ON THE COMPANY'S CORPORATE WEBSITE AT WWW.NORTHSTARCLEANTECH.COM.

RISK FACTORS

The following risk factors could materially adversely affect the Company, its current operations and business, and should be considered when deciding whether to make an investment in the Company. The risks and uncertainties described in this AIF and the information incorporated by reference herein, as applicable, are those the Company currently believes to be material, but they are not the only ones the Company will face. If any of the following risks, or any other risks and uncertainties that the Company has not identified or that it currently considers not to be material, actually occur or become material risks, the Company's business, prospects, financial condition, results of operations and cash flows, and consequently the price of the Common Shares, could be materially and adversely affected. In all these cases, the trading price of the Company's securities could decline, and prospective investors could lose all or part of their investment.

Investors should carefully consider the risk factors set out below and consider all other information contained herein and in the Company's other public filings before making an investment decision.

Any reference to the "Company" or "Northstar" in the risk factors refers to the Company and its subsidiaries collectively on a consolidated basis.

The risks discussed below also include forward-looking statements and actual results may differ substantially from those discussed in these forward-looking statements. See "Advisories – Cautionary Statement Regarding Forward-Looking Statements" in this AIF.

Risks Related to the Company, its Business and Industry

Inability of the Company's technology to meet performance expectations

The performance of the Company's processes may encounter problems due to the failure of its technology, the failure of the technology of others used in its processes, the failure to combine these technologies properly, operator error, or the failure to maintain and service the systems properly. Many of these potential problems and delays are beyond the Company's control. In addition, poor performance may involve delays in project installations and modifications to the processes, as well as third party involvement. Any problem or perceived problem with the processes, whether originating from its technology, design, or from third parties, could hurt Northstar's reputation and the reputation of its products and limit our sales. In addition, the Company may suffer contractual implications with customers if the failure of a system to perform results in a lack of product or a lower specification product than promised under an agreement with a customer.

The Company will need to establish additional relationships with collaborative and development partners to fully develop and market its products

The Company does not possess all of the resources necessary to develop and commercialize products on a mass scale. Unless the Company expands its development capacity and enhances its internal marketing, it will need to make and continue appropriate arrangements with collaborative affiliates, such as McAsphalt and TAMKO or other partners with whom Northstar is currently engaging, to develop and commercialize current and future sites and products.

Collaborations may allow the Company to:

- generate cash flow and revenue;
- offset some of the costs associated with our internal development; and
- successfully commercialize products.

If the Company needs but does not find appropriate collaborative arrangements, or its existing McAsphalt Offtake Agreement is terminated or re-negotiated on less favourable terms, Northstar's ability to develop and commercialize its products could be adversely affected. The Company does not have a sales agreement for its Empower Pilot Facility. Even if the Company is able to find collaborative partners, the overall success of the development and commercialization of products will depend largely on the efforts of other parties and is beyond the direct control of Northstar. In addition, in the event the Company pursues its commercialization strategy through collaboration, there are a variety of attendant technical, business and legal risks, including, but not limited to:

- a development partner may gain access to the Company's proprietary information, potentially enabling the partner to develop products without it or design around its intellectual property;
- the Company may not be able to control the amount and timing of resources that such collaborators may be willing or able to devote to the development or commercialization of the Company's products or to their marketing and distribution; and
- disputes may arise between the Company and its collaborators that result in the delay or termination of the development or commercialization of the Company's products or that result in costly litigation or arbitration that diverts the Company's management's resources.

The occurrence of any of the above risks or other similar risks could impair the Company's ability to generate revenues and harm its business and financial condition.

The Company currently relies on a single existing facility: the Empower Calgary Facility

The Company's production activities are focused on its Empower Calgary Facility in Calgary, Alberta. Adverse changes or developments affecting the Empower Calgary Facility could have a material and adverse effect on the Company's ability to develop its processes, its business, financial condition, and prospects.

Reliance on a single customer for a significant portion of our liquid asphalt revenue from the Empower Calgary Facility

Pursuant to the terms of the McAsphalt Offtake Agreement, Northstar, through its wholly owned subsidiary, Empower Calgary, has agreed to sell, and McAsphalt has agreed to purchase, on an exclusive take-or-pay basis, 100% of the liquid asphalt produced at the Empower Calgary Facility. In turn, Northstar has agreed not to sell liquid asphalt to any other party while the agreement is in force. In the event the McAsphalt Offtake Agreement is terminated, there is no assurance the Company will be able to reach an agreement with a new partner or partners on similar terms to the McAsphalt Offtake Agreement, or at all. In the event the McAsphalt Offtake Agreement is not renewed on acceptable terms, or the Company is not able to reach agreements with new partners on acceptable terms, or at all, this would have a material adverse effect on the revenue, financial condition and operating results of the Company.

Environmental Regulations

All of the Company's operations will be subject to environmental regulations, which can make operations expensive or prohibitive. The continued evolution of environmental regulations may lead to the imposition of

stricter standards, more diligent enforcement, and heavier fines and penalties for noncompliance. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations at the Company's current asphalt shingle extraction facilities or cause delays in the development of future facilities.

The Company is subject to substantial governmental regulation that will change over time

The Company is subject to potential liability and restrictions under environmental and other laws, including those relating to transportation, treatment, storage and disposal of wastes and hazardous wastes, discharges of pollutants to air and water, and the remediation of contaminated soil, greenhouse gas emissions and the remediation of contaminated surface water and groundwater. These laws and regulations are subject to ongoing changes, not all of which are predictable. The operation of the Company's business has been and will continue to be subject to regulation, including permitting and related financial assurance requirements, as well as attempts to further regulate the Company's operations. Permits may take years to obtain or renew as a result of numerous hearings and compliance requirements with regard to zoning, environmental and other laws and regulations. These permits can be subject to resistance from citizen or other groups and other political pressures. Local communities and citizen groups, adjacent landowners or governmental agencies may oppose the issuance or expansion of a permit or approval the Company may need, allege violations of the permits under which we currently operate or laws or regulations to which Northstar is subject, or seek to impose liability on the Company for environmental damage. In addition, failure to receive or maintain regulatory, zoning or other approvals, permits or authorizations, may prohibit the Company from establishing, or cause or contribute to delays for it in new or expanding capacity at our existing facilities.

Lack of formal sale agreements for fibre, limestone and aggregate at the Empower Calgary Facility

While the Company has engaged in numerous discussions with potential customers, and believes such negotiations to be progressing positively, there is no assurance the Company will be able to formalize sale agreements on acceptable commercial terms, or at all, for the fibre, limestone and aggregate. If the Company is unable to secure adequate supply of asphalt shingles on terms that management considers acceptable based on its financial modelling, the Company may not be able to produce enough product at reasonable market prices to generate a profit. Similarly, if the Company is not able to formalize agreements for the sale of its aggregate, limestone and fibre products, its revenues, results of operations and financial condition will be materially adversely affected.

Lack of sufficient supply agreements for the Empower Calgary Facility

In November 2025, the Company was awarded a contract letter with the City of Calgary (the "**Contract Letter**"), which, together with previously negotiated agreements, is anticipated to bring total contracted supply commitments to more than 100% of the company's target 40,000 tpa of asphalt shingle reprocessing under a single-shift operating scenario. While the Company believes its current supply agreements provide adequate supply for initial operations, there is no assurance that all contracted volumes will be delivered as anticipated, that existing arrangements will be renewed or extended on acceptable commercial terms, or that the Company will not require additional supply agreements to support expanded operations beyond a single-shift scenario. If actual supply volumes fall materially below contracted levels, or if the Company is unable to secure adequate supply of asphalt shingles on terms that management considers acceptable based on its financial modelling, the Company may not be able to produce enough product at reasonable market prices to generate a profit.

Construction Risk of Building a Facility

The Company has largely completed the construction of the Empower Calgary facility. As a first-of-its-kind plant, costs were higher than originally projected. A substantial portion of these costs are not expected to arise in the construction of future plants as learnings are incorporated. Nevertheless, as in any construction project, there exist cost and scheduling risks. The Company may or may not also be able to source adequate skilled and trained personnel. In addition, the Company may or may not be able to source the required equipment and contractors in

order to fully construct future facilities. Given these risks, there may be adverse changes to the planned construction of future facilities.

The Company's products may be displaced by newer technologies

The waste management industry, and in particular sustainable waste management technology, is undergoing rapid and significant technological change. Third parties may succeed in developing or marketing technologies and products that are more effective than those developed or marketed by the Company, or that would make our technology and sites obsolete or non-competitive. Accordingly, the Company's success will depend, in part, on its ability to respond quickly to technological changes through the development and introduction of new sites and products. The Company may not have the resources to do this. If Northstar's sites or products become obsolete and its efforts to secure and develop new products and sites do not result in any commercially successful sites or products, the Company's sales and revenues will decline.

The cyclical nature of the waste management industry

Fluctuating demand cycles are common in the waste management industry and these cycles could have a significant impact on the level of demand for the Company's products. As such, fluctuations in the demand for services or the ability of the private and/or public sector to fund projects in the then-current economic climate could adversely affect the Company's pricing and margins and thus its overall results, which could cause the price of its Common Shares or other listed securities, as applicable, to decline. Given the project-based nature of the waste management industry, Northstar's financial results, similar to others in the industry, may be impacted in any given period by a wide variety of factors beyond its control (as outlined herein) and, as a result, there may be from time to time, significant and unpredictable variations in the Company's quarterly and annual financial results, which could cause the price of its Common Shares or other listed securities, as applicable, to decline.

Failure to Innovate

The Company's success depends upon its ability to design, develop, test, market, license and support new products and enhancements of current products on a timely basis in response to both competitive threats and marketplace demands. In addition, products and enhancements must remain compatible with the other products and systems used by its customers. If the Company is unable to successfully integrate its products with its customers, its operating results will materially suffer. In addition, if the integrated or new products or enhancements do not achieve acceptance by the marketplace, the Company's operating results will materially suffer. Also, if new industry standards emerge that the Company does not anticipate or adapt to, its products could be rendered obsolete and, as a result, its business and operating results, as well as its ability to compete in the marketplace, would be materially harmed. The Company works diligently to stay current; however, there is a risk we will not keep pace with industry developments.

Competition

The Company is engaged in an industry that is competitive. Because its industry is evolving and characterized by technological change, it is difficult for the Company to predict whether, when and by whom new competing technologies may be introduced or when new competitors may enter the market. The Company faces increased competition from companies with strong positions in certain markets the Company intends to serve and in new markets and regions it may enter. Many of the Company's competitors have significantly greater financial and other resources than the Company currently possesses and may spend significant amounts of resources to gain market share. The Company cannot assure investors that it will be able to compete effectively against current and future competitors. In addition, increased competition or other competitive pressures may result in price reductions, reduced margins or loss of market share, any of which could have a material adverse effect on the Company's business, financial condition or results of operations. Competitors may be able to respond to new or emerging technologies and changes in customer requirements more effectively than the Company can, or devote greater resources to the development, promotion and sale of products than the Company can. Current and

potential competitors may establish cooperative relationships among themselves or with third parties, including through mergers or acquisitions, to increase the ability of their products to address the needs of the Company's prospective customers. If these competitors were to acquire significantly increased market share, it could have a material adverse effect on the Company's business, financial condition or results of operations.

If the Company is not able to differentiate its business from those of its competitors, drive value for customers or effectively align its financial and operational resources with its goals and objectives, it may not be able to compete effectively against its competitors. If the Company fails to compete effectively against its competitors, its business and profitability may be adversely affected.

The Company will incur ongoing costs and obligations related to regulatory compliance

The Company will incur ongoing costs and obligations related to regulatory compliance. Failure to comply with regulations may result in additional costs for corrective measures, penalties or in restrictions on the Company's operations. In addition, changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Company's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, financial condition and operating results of the Company.

The waste management industry is subject to extensive controls and regulations, which may significantly affect the financial condition of market participants. The marketability of any product may be affected by numerous factors that are beyond the Company's control and which cannot be predicted, such as changes to government regulations, including those relating to taxes and other government levies which may be imposed. Changes in government levies, including taxes, could reduce the Company's earnings and could make future capital investments or the Company's operations uneconomical. The industry is also subject to legal challenges, which may significantly affect the financial condition of market participants and which cannot be reliably predicted.

Successful execution of the Company's strategy is contingent, in part, upon compliance with regulatory requirements and obtaining all regulatory approvals, where necessary, for the sale of the Company's products and other products expected to be distributed by the Company.

Reliance on Management

The success of the Company is dependent upon the ability, expertise, judgment, discretion, and good faith of its senior management, including Aidan Mills and Lynda Paananen. Northstar's future success depends on its continuing ability to attract, develop, motivate, and retain highly qualified and skilled employees. Qualified individuals are in high demand, and the Company may incur significant costs to attract and retain them. In addition, the loss of any of the Company's senior management or key employees could materially adversely affect its ability to execute our business plan and strategy, and the Company may not be able to find adequate replacements on a timely basis, or at all.

Difficulty to Forecast

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

Uncertainty of Use of Proceeds

Although the Company has identified its intended use of certain available funds in building the Empower Calgary Facility, the uses and figures disclosed herein are estimates only and are subject to change. While management does not contemplate any material variation from such estimates, management retains broad discretion in the

application of such proceeds. The current market environment in Canada has experienced significant inflation levels to products and services that could adversely affect the Company's ability to acquire, lease, or obtain specialized products and services at a reasonable price.

Vulnerability to Rising Energy Costs

The Company's operations will consume energy, making the Company vulnerable to rising energy costs. Rising or volatile energy costs may adversely impact the business of the Company and its ability to operate profitably.

Operating Risk and Insurance Coverage

Over the course of its operations, the Company may be affected by or subject to a number of operational risks and the Company may not be adequately insured for certain risks, including: labour disputes; catastrophic accidents; fires; changes in the regulatory environment; impact of non-compliance with laws and regulations; and natural phenomena, such as inclement weather conditions, floods, earthquakes and ground movements. There is no assurance that the foregoing risks and hazards, if made real, will not result in damage to, or destruction of, the Company's technologies, personal injury or death, environmental damage, adverse impacts on the Company's operations, costs, monetary losses, potential legal liability and adverse governmental action, any of which could have an adverse impact on the Company's future cash flows, earnings and financial condition. In this regard, the Company currently has full insurance coverage including liability insurance and insurance to protect its assets. While the Company believes its insurance coverage addresses all material risks to which it is exposed and is adequate and customary in its current state of operations, such insurance is subject to coverage limits and exclusions and may not be available for the risks and hazards to which the Company is exposed. In addition, no assurance can be given that such insurance will be adequate to cover the Company's liabilities or will be generally available in the future or, if available, that premiums will be commercially justifiable. If the Company were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if the Company were to incur such liability at a time when it is not able to obtain liability insurance, its business, results of operations and financial condition could be materially adversely affected.

Requirement to Attract and Retain Customers

The Company's continued success with operations will depend on its ability to maintain its existing customers or sign-up new customers for its products. No assurance can be given that the Company will be able to procure a sufficient number of customers to reach profitability.

At the Empower Calgary Facility, the Company has executed the McAsphalt Offtake Agreement with McAsphalt for an initial term of five years (with two three-year renewal options) whereby Northstar will exclusively sell McAsphalt, on a take-or-pay basis, 100% of its liquid asphalt production from the Empower Calgary Facility. The Company has yet to agree to terms for the purchase of the fiber and aggregate from the Empower Calgary Facility.

Uncertainty regarding the Emissions Reduction Alberta Award for the Empower Calgary Facility

In February 2023, the Company was selected by ERA for a non-repayable project level government grant award of up to approximately \$7.1 million, and to date it has received \$5.94 million. The Company's grant is based on numerous milestones, of which ERA will only release funds to the Company based on its ability to satisfy certain conditions. To date, three of the four milestones have been successfully completed. There is risk that the Company may not sufficiently satisfy the requirements for the remaining \$1.15 million from ERA, payable on achievement of the final fourth milestone. There cannot be any guarantee that the Company will achieve the final milestone and therefore the award of the remaining grant from ERA may not occur. If the Company does not achieve specific operational targets, the opportunity to receive the remaining ERA funding would be adversely impacted.

Risk Factors Relating to General Economic, Political and Environmental Conditions

Limited Operating History

The Company has only a limited operating history upon which an evaluation of the Company and its prospects can be based. In particular, the Company has a limited history with its asphalt shingle reprocessing operations at the Empower Pilot Facility, which currently remains as an R&D and testing facility. The Company does not currently expect the Empower Pilot Facility to become a commercial operation in the short-term but longer-term planning includes retrofitting the Empower Pilot Facility to a full commercial operation.

While construction is nearly complete, the Empower Calgary Facility has yet to commence commissioning and full commercial operations. The Company is subject to many risks common to venture enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on Shareholders' investment or meeting other metrics of success.

The Company incurs substantial expenses in the establishment and operation of its business. A significant portion of the Company's financial resources have been and will continue to be, directed to the development of its business and related activities at both the Empower Pilot Facility and the Empower Calgary Facility. The success of the Company will ultimately depend on its ability to generate cash from its business. There is no assurance that the required funds will be available for future expansion of the Company's business. If the Company does not have access to the required funds to continue the operation and development of its business and operational activities, and to the extent that it does not generate cash flow and income, the Company's long-term viability may be materially and adversely affected.

Future Capital Needs, Uncertainty of Additional Financing and Dilution

The ability of the Company to secure any required financing to sustain operations and expansion plans will depend in part upon prevailing capital market conditions and business success. There can be no assurance that the Company will be successful in its efforts to secure any additional financing or additional financing on terms satisfactory to management.

The Company may need to raise additional funds in order to support more rapid expansion, develop new or enhanced services and products, respond to competitive pressures, acquire complementary businesses or technologies or take advantage of unanticipated opportunities. The Company may be required to raise additional funds through public or private debt or equity financing, strategic relationships, royalty agreements, government grants or other arrangements. There can be no assurance that such additional funding, if needed, will be available on terms attractive to the Company, or at all. Even if such funding is available, the Company cannot predict the size of future issues of the Company's securities, including its Common Shares or securities convertible into Common Shares, or the effect, if any, that future issues and sales of Common Shares will have on the market price of such shares.

Furthermore, any additional equity financing may be dilutive to Shareholders and debt financing, if available, as well as royalty financing, may involve restrictive covenants. If additional funds are raised through the issuance of equity securities, the percentage ownership of the Shareholders will be reduced. As such, Shareholders may experience additional dilution in net book value per Common Share, or such equity securities may have rights, preferences or privileges senior to those of the holders of Common Shares. If adequate funds are not available on acceptable terms, the Company may be unable to develop or enhance its business, take advantage of future opportunities or respond to competitive pressures, any of which could have a material adverse effect on the Company's business, financial condition and operating results.

Failure to Protect its Intellectual Property

Failure to protect the Company's intellectual property could harm its ability to compete effectively. The Company is highly dependent on its ability to protect its proprietary technology. The Company was issued three patents for a portion of its BEST process by the USPTO in November 2022, May 2024 and September 2025. Additionally, the Company was issued two patents for a portion of its BEST process by the CIPO in July 2024 and April 2025. Despite patents received, the Company's entire process is not fully patented, and thus not protected, at this point in time. The Company continues to seek the required follow-on patents, with both USPTO and CIPO, in relation to remaining stages of the BEST process and has filed a PCT application for the international patent system. The Company intends to rely on a combination of patents, copyright, trademark and trade secret laws, as well as non-disclosure agreements and other contractual provisions to establish and maintain its proprietary rights. The Company intends to protect its rights vigorously. However, there can be no assurance that these measures will, in all cases, be successful. Enforcement of the Company's intellectual property rights may be difficult, particularly in some nations outside of North America in which the Company may seek to market its products. While U.S. and Canadian patent and copyright laws, international conventions and international treaties may provide meaningful protection against unauthorized duplication of technologies, software and innovations, the laws of some foreign jurisdictions may not protect proprietary rights to the same extent as the laws of Canada or of the United States. The absence of internationally harmonized intellectual property laws makes it more difficult to ensure consistent protection of the Company's proprietary rights. Despite the precautions, unauthorized third parties, including the Company's competitors, may be able to: (i) copy certain portions of its products or innovations; or (ii) reverse engineer or obtain and use information that the Company regards as proprietary. Also, the Company's competitors could independently develop technologies that are perceived to be substantially equivalent or superior to the Company's technology. The Company's competitive position may be materially adversely affected by its possible inability to effectively protect its intellectual property.

Intellectual Property Infringement

Other companies may claim that the Company has infringed their intellectual property, which could materially increase costs and materially harm the Company's ability to generate future revenue and profits. Claims of infringement are becoming increasingly common as the industry in which Northstar operates develops and as related legal protections, including patents, are applied to products. Although the Company does not believe that its products infringe on the rights of third parties, third parties may assert infringement claims against the Company in the future. Although most of the Company's technology is proprietary in nature, the Company does include significant amounts of capital and equipment in its products. Any such assertion may result in litigation or may require the Company to obtain a license for the intellectual property rights of third parties. Such licenses may not be available, or they may not be available on reasonable terms. In addition, such litigation could be disruptive to the Company's ability to generate revenue or enter into new market opportunities and may result in significantly increased costs as a result of the Company's efforts to defend against those claims or its attempt to license the patents or rework its products to ensure they comply with judicial decisions. Any of the foregoing could have a significant adverse impact on the Company's business and operating results as well as its ability to generate future revenue and profits. The loss of licenses for the technology or the lack of support or enhancement of such technology could materially adversely affect the Company's business. The Company could also be forced to do one or more of the following: (i) stop selling, incorporating or using products that use the challenged intellectual property; (ii) obtain from the owner of the infringed intellectual property right a license to sell or use the relevant technology, which license may not be available on reasonable terms, or at all; (iii) redesign those products that use allegedly infringing technology which may be costly or time-consuming; or (iv) refund license fees and other amounts received, and make payments of additional amounts in damages or settlement payments, for allegedly infringing technology or products.

Management of Growth

The Company has recently experienced, and may continue to experience, rapid growth in the scope of its operations. This growth has resulted in or will result in increased responsibilities for the Company's existing

personnel, the hiring of additional personnel and, in general, higher levels of operating expenses. In order to manage its current operations and any future growth effectively, the Company will need to continue to implement and improve its operational, financial and management information systems, as well as hire, manage and retain its employees and maintain its corporate culture. There can be no assurance that the Company will be able to manage such growth effectively or that its management, personnel or systems will be adequate to support the Company's operations. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Loss of Key Employees and Contractors

The Company depends on and will continue to depend on a number of key employees and contractors, the loss of any one of whom could have an adverse effect on the Company. The Company will not have and is not expected to purchase key person insurance on such individuals, which insurance would provide the Company with insurance proceeds in the event of their death. Without key person insurance, the Company may not have the financial resources to develop or maintain its business until it replaces the individual. The development of the business of the Company will be dependent on its ability to attract and retain highly qualified management and operating personnel. The Company will face competition for personnel from other employers. If the Company is unable to attract or retain qualified personnel as required, it may not be able to adequately manage and implement its business plan.

Liquid Market for Securities

Even though currently the Common Shares, which trade on the TSXV and OTCQB, have an active and liquid market, there can be no assurance that an active and liquid market for the Common Shares will continue or be maintained.

Dividends

To date, the Company has not paid any dividends on its outstanding securities and the Company does not expect to do so in the foreseeable future. Any decision to pay dividends on the Company's Common Shares will be made by the Board in accordance with the Articles of the Company.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has not entered into any derivative contracts to manage this risk. The Company will be exposed to interest rate changes on its investments that are expected to pay interest, and any credit facilities it may have that bear interest at a floating rate. Changes in the prime lending rate would affect earnings and could adversely affect the Company's profitability.

Currency Exchange Risk

The Company is exposed to fluctuations in currency exchange rates, which could negatively affect its financial condition and results of operations. In particular, exchange rate fluctuations may affect the payments received by the Company from clients both foreign and domestic that utilize the Company. The Company has not entered any foreign currency contracts to mitigate these risks.

Trading Price of Common Shares and Volatility

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur, and the trading price of the Common Shares may be subject to large fluctuations and may decline below the price at which an investor

acquired its shares. The trading price may increase or decrease in response to a number of events and factors, which may not be within the Company's control nor be a reflection of the Company's actual operating performance, underlying asset values or prospects. Accordingly, investors may not be able to sell their securities at or above their acquisition cost.

Litigation

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company's ability to continue operating, the market price for the Common Shares and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant resources. Litigation may also create a negative perception of the Company's brand.

Conflicts of Interest

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (potentially including other waste management companies). As a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest. Conflicts of interest, if any, will be subject to the procedures and remedies provided under applicable laws, including the requirements of the BCBCA. Accordingly, the BCBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director shall disclose his, her or their interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA. In accordance with applicable laws, all directors of Northstar are required to act honestly, in good faith and in the best interests of the Company.

Reporting Issuer Status

As a reporting issuer, the Company will be subject to reporting requirements under applicable securities law and the policies of the TSXV. Compliance with these requirements will increase legal and financial compliance costs, make some activities more difficult, time consuming or costly, and increase demand on existing systems and resources. Among other things, the Company will be required to file annual, quarterly and current reports with respect to its business and results of operations and maintain effective disclosure controls and procedures and internal controls over financial reporting. In order to maintain and, if required, improve disclosure controls and procedures and internal controls over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management's attention may be diverted from other business concerns, which could harm the Company's business and results of operations. The Company may need to hire additional employees to comply with these requirements in the future, which would increase its costs and expenses.

Tax Issues

Income tax consequences in relation to the Common Shares will vary according to the circumstances of each Shareholder. Prospective shareholders should seek independent advice from their own tax and legal advisors prior to purchasing Common Shares.

Global Financial Conditions

Global financial conditions over the last few years have been characterized by volatility and the bankruptcy of several financial institutions or the rescue thereof by governmental authorities. These factors may affect the ability of the Company to obtain equity or debt financing in the future on terms favourable to it. Additionally, these

factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. If such levels of volatility and market turmoil continue, the operations of the Company may suffer adverse impact and the price of the Common Shares may be adversely affected.

Exposure to U.S. Trade Tariffs

Recent changes in U.S. trade policy, including the imposition of new tariffs on Canadian goods and materials, could pose a risk to our operations, supply chain, and financial performance. Increased costs for equipment, materials, chemicals and components sourced from Canadian suppliers impacted by U.S. tariffs could result in higher input costs for the Company. These upstream pressures may lead to inflationary pricing, supply chain delays, or limited availability of key products.

Furthermore, broader economic uncertainty and reduced cross-border trade activity may have a dampening effect on Canadian economic growth, which could indirectly affect customer demand, project timelines, and access to competitively priced goods and services. The Company is currently evaluating opportunities for expansion into the U.S. market, and future operations could be directly exposed to U.S. trade policies, tariffs, and associated compliance requirements. There is also an increased risk of reduced access to capital and foreign investment due to perceived instability in U.S.-Canada trade relations, which could adversely impact our growth strategy. We continue to monitor macroeconomic conditions and trade developments to assess potential impacts on our operations and cost structure.

Force Majeure Events

The Company's operations may be adversely impacted by factors that are beyond the Company's control including pandemics, natural disasters, terrorism, labour disruptions, outbreaks of war, and other forms of economic, health or political disruptions. Such factors may not be foreseeable and may significantly adversely affect global economic conditions, including inflation, supply chain, global shipping, and currency volatility.

The Russia-Ukraine war has drastically reduced capacity for Ukraine to supply goods and raw materials, such as steel. The sanctions imposed on Russia have also led to the reduced availability of Russian-produced steel and other products. The war in the Middle East has also brought on considerable geopolitical risk.

Climate change has increased the incidence of natural disasters caused by weather and climate extremes including heatwaves, droughts, forest fires, atmospheric rivers, torrential downpours and flooding.

Future incidents could significantly adversely affect the Company's operations either directly, or by affecting the businesses of its suppliers or customers. Other events and factors that are beyond the Company's control but that may have a significant adverse effect on the Company's operations include but are not limited to strikes and labour disruptions affecting the Company's suppliers or customers, and global political instabilities such as the outbreak of war, discussed below under "*Macroeconomic and Geopolitical Risks and Uncertainties*".

While the Company works to mitigate the effects of these uncontrollable events, there is no assurance that it will be effective in doing so in future, particularly when multiple events coincide, and they may negatively impact the Company's operations and profitability.

Unexpected Disruptions Affecting Projects and Operations

The Company's current and future operations can sometimes be subject to delays for a variety of reasons, including labour slowdowns, construction delays unrelated to the Company's products, technological malfunctions, defective materials, or workplace safety. Such delays may delay the recognition of revenue, discourage customers from doing business with the Company, and may hurt the Company's reputation, affecting future sales prospects.

The Company may lose sales and may not be able to replace those sales at an acceptable margin or at all. There can be no assurance that such delays will be overcome in a timely manner and to the satisfaction of the customer.

Furthermore, the Company enters into agreements which, consistent with industry standards, may include liquidated damages or termination provisions which may allow customers to claim amounts or terminate and not proceed with proposed projects.

Macroeconomic and Geopolitical Risks and Uncertainties

Macroeconomic and geopolitical risks and uncertainties may have a material adverse impact on the Company's operations. The Company procures a portion of its supplies and equipment from global suppliers, including from the United States. Recent global trade war uncertainties could materially affect the Company's ability to source equipment and parts from the United States. Economic, legal and political conditions globally could adversely affect the Company's ability to conclude sales and procure and timely deliver products. These factors may significantly adversely affect the availability and costs of raw materials and equipment, contribute to inflation, cause currency fluctuations, and cause market volatility, all of which could significantly impact the Company's revenues and profitability and its ability to raise capital as needed.

Sourcing Equipment

The continuation of global transportation and logistics challenges may have a negative impact on the Company's ability to timely source products and capital equipment.

The Company's purchasing plan identifies alternative sources of supply for equipment suppliers and product fabricators that are essential to the Company's business operations. Global supply chains have continued to face successive waves of disruption including most significantly a broad-based escalation in trade protectionism. Retaliatory tariffs seen globally have materially increased procurement costs for equipment, raw material, and fabricated components and have introduced sustained uncertainty into cross-border supply chains upon which the company relies. The prices for goods and services have continued to rise due to persistent inflationary pressures compounded by tariff-driven cost increases.

Resale of Common Shares

The continued operation of the Company will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Company is unable to generate such revenues or obtain such additional financing, any investment in the Company may be lost. In such event, the probability of resale of Common Shares would be diminished.

DIVIDENDS AND DISTRIBUTIONS

The Company has not declared or paid any dividends. Other than the requirements of the BCBCA, there are no restrictions on the Company that would prevent it from paying dividends. However, as of the Effective Date, the Board intends to retain any future earnings (when available) for reinvestment in the Company's business, and therefore, it has no current intention to declare or pay dividends on the Common Shares in the foreseeable future. Any future determination to pay dividends on the Common Shares will be at the sole discretion of the Board after considering a variety of factors and conditions existing from time to time including its earnings, financial condition and other relevant factors. See "*Risk Factors – Risk Factors Relating to General Economic, Political and Environmental Conditions – Dividends*" for more information.

DESCRIPTION OF CAPITAL STRUCTURE

General Description of Capital Structure

The Company's authorized share structure consists of an unlimited number of Common Shares without par value and an unlimited number of Preferred Shares without par value, issuable in series.

As of the Effective Date, 165,562,323 Common Shares are issued and outstanding, 29,244,756 Preferred Shares are issued and outstanding, 8,691,397 Stock Options are outstanding, each exercisable for one Common Share, 952,676 RSUs are outstanding, each representing the right to receive, once vested, one Common Share, 1,197,400 PSUs are outstanding, each representing the right to receive, once vested, one Common Share, and 47,488,789 Warrants are outstanding, each exercisable for one Common Share. Additional securities are reserved for issuance upon the conversion of various rounds of convertible debenture financings together with the further issuance of Warrants upon certain conversion of convertible debentures. For more detail, refer to the Company's MD&A for the year ended December 31, 2025, under the heading "Shares Outstanding". See "*Market for Securities*" and "*Prior Sales*" for more information.

As of the Effective Date, \$8,010,000 in principal amount of unsecured convertible debentures remains outstanding under the numerous separate tranches of financings completed since December 2022, inclusive of the TAMKO Phase 2A Investment. Of the \$8,010,000 unsecured convertible debentures remaining, \$2,980,000 are classified as Type 1 debentures while \$5,010,000 are classified as Type 2 debentures. Both types of debentures are convertible, for no consideration, into Common Shares at a price of \$0.20 to \$0.29 per Common Share, respectively. Type 1 debentures include a one-half Warrant where a full Warrant can be exercised into a Common Share for additional consideration ranging from \$0.35 to \$0.50. These Warrants are only issued upon the conversion of the debenture itself and hence are not included in the full Warrants outstanding noted above. Type 2 debentures include an already issued full Warrant that can be exercised into a full Common Share for additional consideration ranging from \$0.30 to \$0.35 per Common Share. These Warrants form part of the total Warrants outstanding noted above. All convertible debentures have forced conversion clauses, except the TAMKO Phase 2A Investment convertible debentures, in favour of the Company if the share price exceeds a specified threshold (ranging from \$0.50 to \$0.75) for ten consecutive days.

As of the Effective Date, US\$10,000,000 (\$13,617,000) in principal amount of unsecured convertible debentures remains outstanding under separate tranches of financings completed on March 31, 2026 and April 2, 2026, respectively. The debentures bear interest at 8% per annum, payable semi-annually in cash commencing June 30, 2026, with the Company having the option, subject to TSX Venture Exchange approval, to satisfy interest by issuing Common Shares at the 30-day volume weighted average trading price converted to US dollars at the 30-day average Bank of Canada exchange rate immediately preceding interest payment date. The principal is convertible at the holder's option at any time during the 5-year term at US\$0.20 (\$0.27) per Common Share. The convertible debentures and any common shares issuable upon conversion of the principal are subject to statutory hold period expiring on July 31, 2026. The Company has the right to force conversion if its share price exceeds \$0.75 for 90 consecutive trading days.

As of the Effective Date, \$16,206,750 of the CVW Royalty Debenture remains outstanding. The CVW Royalty Debenture will convert into two equal royalty interests in the next two of Northstar's planned facilities (Empower 3 and 4).

See "*General Development of the Business of the Company – Three Year History – Fiscal 2023*", "*General Development of the Business of the Company – Three Year History – Fiscal 2024*", and "*General Development of the Business of the Company – Three Year History – Fiscal 2025*", and "*General Development of the Business of the Company – Subsequent to December 31, 2025*" for more information on the Company's convertible debentures and their respective terms.

Common Shares

The holders of Common Shares are entitled to receive notice of and to attend and vote at all meetings of the Shareholders of the Company and each Common Share confers the right to one vote in person or by proxy at all meetings of the Shareholders. The holders of Common Shares, subject to the prior rights, if any, of any other class of shares of the Company, are entitled to receive such dividends in any financial year as the Board may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Company, the remaining property and assets of the Company. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

The Common Shares are listed and posted for trading on the TSXV under the symbol “ROOF” and on the OTCQB under the symbol “ROOOF”.

Preferred Shares

As of the Effective Date, the Company has 29,244,756 Preferred Shares issued and outstanding.

On July 31, 2023, the Company announced the TAMKO Strategic Investment, pursuant to which the Company issued 29,244,756 Preferred Shares to TAMKO at a price of \$0.29 per Preferred Share. The Preferred Shares are not listed on the TSXV. Each Preferred Share is convertible, at the sole option of its holder, at any time and from time to time, into one Common Share of the Company on a one-for-one basis and provides the holder with voting rights and dividend rights together and with the Common Shares on an “as-converted” basis. Upon closing of the TAMKO Strategic Investment, TAMKO, through its wholly owned subsidiary, held approximately 18.75% of the Company’s issued and outstanding Common Shares, assuming the full conversion of the Preferred Shares into Common Shares.

MARKET FOR SECURITIES

Trading Price and Volume of Common Shares

TSXV

The Common Shares are listed and posted for trading on the TSXV under the symbol “ROOF”. The following table sets forth the price range (high and low prices) in Canadian dollars of the Common Shares and volume traded on the TSXV, for the periods indicated.

2025	High (\$)	Low (\$)	Volume
December	\$0.29	\$0.23	4,415,675
November	\$0.345	\$0.23	6,822,592
October	\$0.375	\$0.305	5,340,123
September	\$0.355	\$0.30	4,790,304
August	\$0.34	\$0.30	3,088,209
July	\$0.395	\$0.315	8,281,356
June	\$0.40	\$0.325	3,736,206
May	\$0.38	\$0.33	3,303,553
April	\$0.355	\$0.31	3,557,642

March	\$0.38	\$0.33	3,535,305
February	\$0.40	\$0.31	3,928,395
January	\$0.45	\$0.33	7,225,191

Source: TMX Group.

Trading Price and Volume of Warrants

The Company does not currently have any publicly traded Warrants.

PRIOR SALES

Prior Sales

The following table summarizes the issuances of each class of securities issued by the Company during the most recently completed financial year and the period from the most recent financial year end to the Effective Date:

Date of Issuance	Type of Security	Number of Securities Issued or Aggregate Amount	Issuance or Exercise Price per Security (\$)
July 10, 2025	Stock Options	2,422,766	\$0.335
July 10, 2025	Restricted Share Units	538,702	\$0.335
July 10, 2025	Performance Share Units	1,197,391	\$0.335
July 28, 2025	Common Shares	11,926,664 ¹	\$0.30
July 28, 2025	Warrants	11,926,664 ¹	\$0.45
July 28, 2025	Broker Warrants	597,787 ¹	\$0.30
September 18, 2025	Stock Options	15,000	\$0.34
December 9, 2025	Warrants	250,000 ²	\$0.395
December 9, 2025	Convertible Debentures	\$1,000,000 ²	-
January 15, 2026	Shares for debt	473,029	\$0.255
January 15, 2026	Shares for debt	639,930	\$0.25
January 28, 2026	Warrants	500,000 ³	\$0.35
January 28, 2026	Convertible Debentures	\$900,000 ³	-
March 30, 2026	Convertible Debentures	US\$9,000,000 ⁴	-
March 30, 2026	Finder's Fee	3,696,031 ⁴	\$0.20
April 2, 2026	Convertible Debenture	US\$1,000,000 ⁴	-
April 2, 2026	Finder's Fee	411,450 ⁴	\$0.20

⁽¹⁾ On July 28, 2025, Northstar completed a non-brokered private placement of units raising \$3.6 million at \$0.30 per unit. Each unit consists of one Common Share and one Warrant. Each Warrant is exercisable for a period of 36 months and has a strike price of \$0.45. In conjunction with this financing, Northstar issued 597,787 broker Warrants with a 36 month term and a strike price of \$0.30.

⁽²⁾ On December 9, 2025, the Company completed a non-brokered Unit financing, raising total proceeds of \$1,000,000 through the issuance of 200 Units. Each Unit is comprised of a \$5,000 face value debenture and 1,250 detachable, non-

transferable Warrants of the Company. The debentures have a 9.0% coupon rate, payable semi-annually either in cash or through the issuance of Common Shares, with the price per share determined by the ten-day VWAP on the TSXV preceding the interest payment date. The Warrants have an exercise price of \$0.395 per Warrant and a term of 36 months from the closing date.

- (3) On January 28, 2026, the Company completed the second tranche of a non-brokered financing for gross proceeds of \$1,000,000, consisting of 200 units. Each unit comprises a \$5,000 unsecured debenture and 2,500 detachable non-transferable warrants with an exercise price of \$0.35 per warrant and a 36-month term. The debentures bear interest at 9% per annum, payable semi-annually, and interest may be settled in cash or in common shares at a deemed price equal to the ten-day VWAP prior to the interest payment date. The debentures are unsecured. On March 31, 2026, the Company provided an update on debt management which included a former holder of Feb 2023 Tranche convertible debentures who had previously agreed to convert their remaining \$100,000 of principal under the Company's Feb 2023 Tranche into this non-convertible debenture, had agreed to convert such non-convertible debenture back to a convertible debenture on the same terms as remaining for the Feb 2023 Tranche. The economic effect of this transaction is that the total outstanding second tranche of unsecured debenture was reduced to \$900,000.
- (4) On March 31, 2026, the Company closed the first tranche of a US\$10,000,000 (\$13,617,000) non-brokered private placement of unsecured convertible debentures, for gross proceeds of US\$9,000,000 (Tranche 1). The remaining US\$1,000,000 closed on April 2, 2026. The debentures bear interest at 8% per annum, payable semi-annually in cash commencing June 30, 2026, with the Company having the option, subject to TSX Venture Exchange approval, to satisfy interest by issuing Common Shares at the 30-day volume weighted average trading price converted to US dollars at the 30-day average Bank of Canada exchange rate immediately preceding interest payment date. The principal is convertible at the holder's option at any time during the 5-year term at US\$0.20 (\$0.27) per Common Share. The convertible debentures and any common shares issuable upon conversion of the principal are subject to statutory hold period expiring on July 31, 2026. The Company has the right to force conversion if its share price exceeds \$0.75 for 90 consecutive trading days. In connection with the Tranche 1, the Company paid finder's fees, satisfied through the issuance of approximately 4.1 million common shares at a price of \$0.20 per common share, subject to statutory hold period.

ESCROWED SECURITIES

The Company no longer has securities under any form of escrow agreement with regulatory authorities or similar restrictions on transfer as of the Effective Date.

DIRECTORS AND OFFICERS

As at the date hereof, the Board is comprised of eight individuals. The following table sets forth the names and municipalities of residence of the current directors and executive officers of the Company, their respective positions and offices with the Company and the date first appointed or elected as a director and/or officer and their principal occupation(s) within the past five years.

Name, Occupation and Security Holding

Name and Municipality of Residence	Position Held and Date Appointed	Principal Occupation within the Past Five Years
Aidan Mills <i>Calgary, Alberta, Canada</i>	President (December 15, 2021), CEO (July 12, 2021) and a Director (December 15, 2021)	Mr. Mills is a highly experienced executive with over 30 years of global experience. He spent 19 years with British Petroleum (BP) plc, which included roles from his start as a Graduate Control Engineer through Project and Maintenance Engineering, Corporate Strategy, UK Commercial Gas and Power Development and North American Origination to a role as a Senior Vice President in Calgary with accountability for trading, asset and customer development and management. Mr. Mills then spent five years as Vice President, Commodity Marketing and Supply with Husky Energy Inc. in Calgary and two years as Managing Director with The Goldman Sachs Group, Inc. Following a role as VP Downstream for MEG Energy Corp., Mr. Mills was most recently Chief Commercial Officer at the Friesen Group of Companies, a privately owned Calgary business. Mr. Mills is a Chartered Engineer (C.Eng.) (UK), holds a Bachelor of Engineering Degree in Electrical and Electronics Engineering from Edinburgh University, and a Master of Business Administration with Distinction Degree from the Edinburgh Business School.
James A. Currie⁽¹⁾⁽³⁾ <i>Vancouver, British Columbia, Canada</i>	Chairman and Director (December 23, 2020)	Mr. Currie has more than 40 years of experience in the mining industry and has been responsible for the construction and operation of mines in a number of countries around the world. He is the former COO of TSX and NYSE-listed Equinox Gold Corp., Pretium Resources Inc. and New Gold Inc. He holds a B.Sc. Degree from Queen's University in Mining Engineering and is a Registered Professional Engineer in the Province of British Columbia. Mr. Currie is the 2014 Co-Winner of AME BC's prestigious EA Scholtz Award for Excellence in Mine Development for his role in building New Gold's New Afton mine. Mr. Currie is based in Vancouver, British Columbia. Mr. Currie is formerly the President & CEO, Director of Anacortes Mining Corp., a Peruvian focused mining and exploration company which was acquired by Steppe Gold in June 2023.
Lynda Paananen <i>Calgary, Alberta, Canada</i>	CFO (March 12, 2026)	Ms. Paananen is a Chartered Professional Accountant (CPA, CA) and seasoned finance leader with over 20 years of experience in the energy industry with companies ranging from grassroots exploration to producers, including Controllership roles at Calpine Corporation (Constellation Energy) and Eurogas Corporation (Dundee Energy), and Director of Finance at MEG Energy Corp. Ms. Paananen began her career in public practice at Deloitte before entering the resource sector. Ms. Paananen acted as Northstar's Corporate Controller prior to her appointment as CFO.
Gregg J. Sedun⁽¹⁾⁽⁶⁾ <i>Vancouver, British Columbia, Canada</i>	Lead Independent Director (December 23, 2020)	Mr. Sedun is a venture capital professional based out of Vancouver, Canada with 43 years of industry-related experience. He was a Partner at the Vancouver law firm, Rand Edgar Sedun, and specialized in the practice of corporate finance and securities law for 15 years until his retirement from law in 1997. Thereafter, Mr. Sedun founded two private venture capital firms, including Global Vision Capital Corp., where he continues to carry on venture capital investing today. Mr. Sedun was one of the founding directors and/or shareholders in several notable transactions, including Diamond Fields Resources Inc. which was acquired by Inco (now Vale) in 1996 for \$4.3 billion.

Name and Municipality of Residence	Position Held and Date Appointed	Principal Occupation within the Past Five Years
Jeffrey D. Beyer ⁽⁴⁾ <i>Joplin, Missouri, U.S.</i>	Director (August 11, 2023)	<p>Mr. Beyer is an accomplished executive with more than 30 years of experience leading innovation strategies and guiding strategic growth initiatives. Mr. Beyer joined TAMKO in 2013 as CFO and Vice President of Finance. In August 2022, Mr. Beyer became TAMKO’s COO, a newly created role in which he has primary leadership for manufacturing, new product development, sales, and finance and accounting. He reports to the Chairman and CEO. Prior to TAMKO, Mr. Beyer was the CFO of Strategic Materials, Inc., a leading glass and plastics recycler. He was also a Managing Director with private equity firm Willis Stein & Partners LLP. Before that, Mr. Beyer was a consultant with the Boston Consulting Group, Inc. and an investment banker at Bear Stearns Companies, Inc. A Certified Public Accountant, Mr. Beyer holds a Master of Business Administration degree from the Stanford University Graduate School of Business and a degree in Economics from the University of Chicago.</p>
James Borkowski ⁽²⁾⁽³⁾⁽⁵⁾ <i>Vancouver, British Columbia, Canada</i>	Director (December 23, 2020)	<p>Over the past 25 years, Mr. Borkowski has served in executive roles for several private and public companies, specializing in operations, product development and strategic communications for clients including 7-Eleven, Fairmont Hotels and Target Stores. He has also worked extensively in Asia with corporations including Nihon Shokken (Japan) and Fireswirl Technologies (Hong Kong). He received his Chartered Director designation in 2016 and has served on multiple public company, private company and non-profit boards in sectors including technology, resource, industrial and consumer products. In the non-profit arena, he has worked as an executive and board member of multiple charities. He currently serves as the Delegate for Operations at the Archdiocese of Vancouver where he oversees nine offices and directs major capital and ministry projects.</p>
Patrick Chiu <i>Calgary, Alberta, Canada</i>	Director (June 27, 2024)	<p>Based in Calgary, Patrick brings a wealth of experience in the homebuilding and real estate industry, reinforced by his academic credentials, including a B.Comm and MBA from top Canadian universities. As President of Trico Communities, Patrick oversees the strategy, asset, and property management of residential and commercial rentals, senior living facilities, and investment portfolios. His leadership has been instrumental in the development of over 700 residential units and state-of-the-art senior living communities, all while upholding the Chiu Family and Trico Homes motto: “doing well by doing good”.</p>

Name and Municipality of Residence	Position Held and Date Appointed	Principal Occupation within the Past Five Years
Neil Currie⁽⁵⁾ <i>Vancouver, British Columbia, Canada</i>	Director (March 15, 2019)	Mr. Currie has served as a Director since March 15, 2019 and previously held the roles of Chief Executive Officer and Corporate Secretary from March 16, 2019 to July 12, 2021. He is the Co-founder of Capital Event Management Ltd. (“CEM”), a private company established in November 2010, that produces live and virtual investment events. CEM connects emerging issuers and private companies with leading finance professionals through virtual meetings and curated, in-person networking events. Since 2010, he and his team have organized over 100 investment conferences across North America, facilitating capital investment for companies listed on the NASDAQ, NYSE, TSX, TSXV, and CSE. In addition, he manages the CEM Partner’s Fund, the firm’s investment fund division, which focuses on speculative markets with an agnostic investment approach. In 2024, Mr. Currie was recognized as one of Business In Vancouver’s Top 40 under 40.
Gordon Johnson⁽⁵⁾ <i>Vancouver, British Columbia, Canada</i>	Director (December 23, 2020)	Mr. Johnson is a co-founder of the Company’s wholly-owned subsidiary, Empower Delta. Mr. Johnson is currently a director of the Company and the former President of the Company. Mr. Johnson has spent most of his career guiding and leading private companies. He was the CEO of Lodgeview Entertainment, a hotel pay per view company initially based out of Western Canada. Mr. Johnson guided the company through rapid expansion from 13 to over 300 hotels, where he eventually oversaw the purchase of the company by a larger competitor. He was also the CEO of Save Energy Walls, which built over 260 homes and townhouses and won multiple Georgie awards for its energy efficient properties. Mr. Johnson was also the Co-Founder of Intrepid Security and it grew to become one of the largest concert security firms in Canada with offices in the U.S. and Canada.
Sarah Gingrich <i>Calgary, Alberta, Canada</i>	Corporate Secretary (May 1, 2025)	Ms. Gingrich is a Partner and Co-Leader of the Capital Markets and Mergers & Acquisitions Group at the law firm Fasken Martineau DuMoulin LLP. Her practice also includes shareholder activism and corporate governance, and she has advised in a wide range of industries, including energy, oil and gas, mining, technology, transportation, and financial services. Sarah has extensive experience on domestic and cross-border corporate finance transactions and public and private mergers and acquisitions. Sarah holds an ICD.D from the Institute of Corporate Directors and has acted as corporate secretary for a number of public and private entities. Sarah is a member of the Alberta Securities Commission Advisory Committee and is recognized by Chambers and Partners, IFLR1000, Legal 500 Canada, LEXPERT and Thomson Reuters for her expertise. Sarah previously practiced in Dubai with Freshfields LLP, a prominent international firm.

- (1) Member of the Compensation Committee.
- (2) Chair of the Compensation Committee.
- (3) Member of the Audit Committee.
- (4) Chair of the Audit Committee.
- (5) Member of the Disclosure, Governance and Nominating Committee.
- (6) Chair of the Disclosure, Governance and Nominating Committee.

As at the date hereof, the directors and senior officers of Northstar, as a group, beneficially own or control, directly or indirectly, 15,948,598 Common Shares or 9.5% of the issued and outstanding Common Shares on an undiluted basis. The statement as to the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by the directors and executive officers of the Company as a group is based upon information furnished by the directors and executive officers to the Company.

The directors listed above will hold office until the next annual meeting of the Company or until their successors are elected or appointed.

CORPORATE CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

Cease Trade Orders

To the knowledge of management, no director or executive officer as at the date hereof is or was within ten years before the date hereof a director, CEO or CFO of any company (including Northstar), that:

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

For the purposes hereof, “order” means (a) a cease trade order, (b) an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

Bankruptcies

To the knowledge of management, no director or executive officer of Northstar, or a Shareholder holding a sufficient number of securities of Northstar to affect materially the control of the company:

- (a) is, as at the Effective Date, or has been within the ten years before the Effective Date, a director or executive officer of any company (including Northstar) that, while that Person was acting in that capacity, or within a year of that Person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the ten years before the Effective Date, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or Shareholder.

Penalties or Sanctions

No director, executive officer or Shareholder holding a sufficient number of securities of Northstar to materially affect the control of the Company has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Management of Northstar are, and may in the future be, associated with other firms involved in a range of business activities. Consequently, there are potential inherent conflicts of interest in their acting as officers and directors of the Company. Although the officers and directors are engaged in other business activities, the Company anticipates they will devote an important amount of time to Northstar's affairs.

The Company's officers and directors are now and may in the future become shareholders, officers or directors of other companies, which may be formed for the purpose of engaging in business activities similar to the Company's. Accordingly, additional direct conflicts of interest may arise in the future with respect to such individuals acting on behalf of Northstar or other entities. Moreover, additional conflicts of interest may arise with respect to opportunities which come to the attention of such individuals in the performance of their duties or otherwise. Currently, the Company does not have a right of first refusal pertaining to opportunities that come to their attention and may relate to its business operations.

The Company's officers and directors are, so long as they are officers or directors of Northstar, subject to the restriction that all opportunities contemplated by the Company's plan of operation which come to their attention, either in the performance of their duties or in any other manner, will be considered opportunities of, and be made available to, the Company and the companies that they are affiliated with on an equal basis. A breach of this requirement will be a breach of the fiduciary duties of the officer or director. If the Company or the companies with which the officers and directors are affiliated both desire to take advantage of an opportunity, then said officers and directors would abstain from negotiating and voting upon the opportunity. However, all directors may still individually take advantage of opportunities if the Company should decline to do so. Except as set forth above, the Company has not adopted any other conflict of interest policy with respect to such transactions.

See "Risk Factors – Risk Factors Relating to General Economic, Political and Environmental Conditions – Conflicts of Interest" for more information.

AUDIT COMMITTEE

Audit Committee Charter

The full text of the Company's Audit Committee Charter is included as Schedule A to this AIF.

Audit Committee Composition

The following are the members of the Audit Committee as at the date hereof:

Audit Committee Members

Jeff Beyer (Chair)	Independent ⁽¹⁾	Financially Literate ⁽²⁾
James Borkowski	Independent ⁽¹⁾	Financially Literate ⁽²⁾
James Currie	Independent ⁽¹⁾	Financially Literate ⁽²⁾

⁽¹⁾ A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. Under NI 52-110, an individual who is, or has been within the last three years, an employee or executive officer of the issuer, is considered to have a material relationship with the issuer.

- (2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Relevant Education and Experience

Each member of the Audit Committee has:

- an understanding of the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- experience with analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising individuals engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting.

Jeff Beyer – Chairman

Mr. Beyer is an accomplished executive with more than 30 years of experience leading innovation strategies and guiding strategic growth initiatives. Mr. Beyer joined TAMKO in 2013 as CFO and Vice President of Finance. In August 2022, Mr. Beyer became TAMKO's COO, a newly created role in which he has primary leadership for manufacturing, new product development, sales, and finance and accounting. He reports to the Chairman and CEO. Prior to TAMKO, Mr. Beyer was the CFO of Strategic Materials, Inc., a leading glass and plastics recycler. He was also a Managing Director with private equity firm Willis Stein & Partners LLP. Before that, Mr. Beyer was a consultant with the Boston Consulting Group, Inc. and an investment banker at Bear Stearns Companies, Inc. A Certified Public Accountant, Mr. Beyer holds a Master of Business Administration degree from the Stanford University Graduate School of Business and a degree in Economics from the University of Chicago.

James Borkowski

Mr. Borkowski has 25+ years of industry experience. During this time, Mr. Borkowski has served in executive roles for several private and public companies and has specialized in operations, product development and strategic communications. Mr. Borkowski holds a Chartered Director designation since 2016 and has served on multiple public company, private company and non-profit boards since 1993 in sectors including technology, resource, industrial and consumer products. In addition, he has served on the board of a 2,800 member pension and co-chaired an investment committee overseeing asset allocation and strategic investments for a large non-profit society. In these roles and capacities, Mr. Borkowski reviewed numerous financial statements and developed a deep understanding of control environments and the necessary procedures to develop high caliber financial statements.

James Currie

Mr. Currie has more than 40 years of experience in the mining industry and has been responsible for the construction and operation of mines in a number of countries around the world. He is the former COO of TSX and NYSE-listed Equinox Gold Corp., Pretium Resources Inc. and New Gold Inc. He holds a B.Sc. Degree from Queen's University in Mining Engineering and is a Registered Professional Engineer in the Province of British Columbia. Mr. Currie has also taken the Canadian Securities Course. Mr. Currie is the 2014 Co-Winner of AME BC's prestigious EA Scholtz Award for Excellence in Mine Development for his role in building New Gold's New Afton mine. Mr. Currie is based in Vancouver, British Columbia and is currently the President and CEO of TSX-listed Ascot Resources Ltd. Additionally, he has sat on numerous boards of TSX and TSXV-listed companies over the past 30 years and has served on several audit committees. Over his distinguished career, Mr. Currie had direct profit/loss responsibility.

As such, he ensured adequate reporting controls existed to prepare reliable financial reports to assess business decisions thereon. Over this time, Mr. Currie developed adept skills in reading and understanding financial statements and how various stakeholder groups would interpret those reporting results.

Audit Committee Oversight

At no time since the commencement of the Company’s financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company’s most recently completed financial year, the Company has not relied on the exemptions in sections 2.4, 6.1.1(4), 6.1.1(5), 6.1.1(6) or Part 8 of NI 52-110. Section 2.4 (*De Minimis Non-Audit Services*) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which the non-audit services were provided. Sections 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), 6.1.1(5) (*Events Outside Control of Member*) and 6.1.1(6) (*Death, Incapacity or Resignation*) provide exemptions from the requirement that a majority of the members of the Company’s Audit Committee must not be executive officers, employees or control Persons of the Company or of an affiliate of the Company. Part 8 (*Exemptions*) permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of NI 52-110 in whole or in part.

Pre-Approval Policies and Procedures

The Audit Committee is authorized by the Board to review the performance of the Company’s external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company. The Audit Committee is authorized to approve any non-audit services or additional work which the Chairman of the Audit Committee deems as necessary who will notify the other members of the Audit Committee of such non-audit or additional work.

External Auditor Service Fees

The aggregate fees billed by the Company’s external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees ⁽¹⁾ (\$)	Audit Related Fees ⁽²⁾ (\$)	Tax Fees ⁽³⁾ (\$)	All Other Fees ⁽⁴⁾ (\$)
2025	\$260,000	Nil	\$37,000	\$14,000
2024	\$245,000	Nil	\$56,000	Nil

(1) “**Audit Fees**” include fees necessary to perform the annual audit and quarterly reviews of our financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) “**Audit-Related Fees**” for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements and are not reported as “Audit Fees”. The services provided in this category include due diligence assistance, accounting consultations on proposed transactions, and consultation on IFRS conversion.

(3) “**Tax Fees**” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice.

(4) “All Other Fees” includes all fees other than those reported as “Audit Fees”, “Audit-Related Fees” or “Tax Fees”.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Northstar is not and has not at any time within the most recently completed financial year been, a party to any legal proceedings, nor is or was Northstar’s property the subject of any legal proceedings, known or contemplated, that involves a claim for damages exclusive of interest and costs that met or exceeded 10% of the Company’s current assets.

Further, there have not been any (a) penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority during the year ended December 31, 2025, (b) other penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decision, or (c) settlement agreements entered into by the Company before a court relating to securities legislation or with a securities regulatory authority during the year ended December 31, 2025.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as set forth herein, or as previously disclosed, the Company is not aware of any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer or any Shareholder holding more than 10% of the Common Shares or any associate or affiliate of any of the foregoing in any transaction within the three most recently completed financial years or during the current financial year or any proposed or ongoing transaction of the Company which has or will materially affect the Company. As disclosed elsewhere in this document, TAMKO holds 29,244,756 Preferred Shares which are convertible into Common Shares on a one-for-one basis. TAMKO also holds 203,430 Common Shares. Should TAMKO convert its Preferred Shares, and assuming no other conversions of convertible securities into Common Shares, TAMKO would hold a 17.8% ownership interest in the Company. TAMKO’s COO, Mr. Jeffrey Beyer, is a member of the Board.

AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are MNP LLP, Chartered Professional Accountants, located at Suite 2200 – 1021 West Hastings Street, Vancouver, British Columbia, V6E 0C3.

The transfer agent and registrar for the Common Shares is Odyssey Trust Company located at 1230 – 300 5th Avenue SW, Calgary, Alberta, T2P 3C4.

MATERIAL CONTRACTS

The Company did not enter into any material contracts during the most recently completed financial year, and has not entered into any material contract before the most recently completed financial year that is still in effect, other than material contracts entered into in the ordinary course of business that are not required to be filed under NI 51-102 and the contracts set forth below:

1. The IKO Supply Agreement. See “*General Development of the Business of the Company – Three Year History – Fiscal 2024*” for more information.
2. The Empower Lease. See “*Description of the Business of the Company – Stage of Development – Empower Pilot Facility – Delta, British Columbia*” for more information.
3. The McAsphalt Offtake Agreement. See “*Description of the Business of the Company – Empower Calgary Facility Customer*” for more information.

4. The Strategic MOU, as amended. See *“General Development of the Business of the Company – Three Year History – Fiscal 2024”* for more information.
5. The Investor Rights Agreement. See *“General Development of the Business of the Company – Three Year History – Fiscal 2024”* for more information.
6. The ECCO Recycling Supply Agreement. See *“General Development of the Business of the Company – Three Year History – Fiscal 2024”* for more information.
7. The CVW Royalty Debenture. See *“General Development of the Business of the Company – Three Year History – Fiscal 2024”* for more information.
8. The Empower Calgary Facility Lease, as amended, supplemented or replaced from time to time. See *“General Development of the Business of the Company – Three Year History – Fiscal 2023”* for more information.

The material contracts described above may be found on the Company’s SEDAR+ profile at www.sedarplus.ca.

INTERESTS OF EXPERTS

There is no Person whose profession or business gives authority to a statement made by such Person and who is named as having prepared or certified a statement, report or valuation described or included in a filing, or referred to in a filing, made under NI 51-102 by the Company during, or related to, the Company’s most recently completed financial year other than MNP LLP, the Company’s auditors.

MNP LLP are the auditors of the Company and have confirmed that they are independent with respect to the Company within the meaning of the relevant rules and related interpretations prescribed by the relevant bodies in Canada and any applicable legislation or regulations.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR+ at www.sedarplus.ca.

Additional information, including directors’ and officers’ remuneration and indebtedness, principal holders of Northstar’s securities and securities authorized for issuance under equity compensation plans is contained in Northstar’s information circular for the annual meeting of Shareholders held on July 29, 2025, a copy of which is located under Northstar’s profile on SEDAR+ at www.sedarplus.ca and can be made available to any Person, upon request made to the CFO of Northstar, at 101, 12111 40th Street SE Calgary, Alberta, T2Z 4E6.

Additional financial information is provided in the Company’s audited financial statements and MD&A for the fiscal year ended December 31, 2025, which are also available under Northstar’s profile on SEDAR+ at www.sedarplus.ca.

SCHEDULE A

AUDIT COMMITTEE CHARTER

[See Attached]

NORTHSTAR CLEAN TECHNOLOGIES INC.
(the “Company”)

AUDIT COMMITTEE CHARTER

1. MANDATE

The Board of Directors (the “**Board**”) of Northstar Clean Technologies Inc. (“Northstar”) has established an audit committee (the “**Audit Committee or Committee**”). The Audit Committee will assist the Board in fulfilling its financial oversight responsibilities. The Committee will review and consider, in consultation with the Company’s external auditors, the financial reporting process, the system of internal control over financial reporting and the audit process. In performing its duties, the Audit Committee will maintain effective working relationships with the Board, management and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership as well as the Company’s business, operations and risks.

2. COMPOSITION

The Board will appoint, from among their membership, an Audit Committee after each annual meeting of the shareholders of the Company. The Audit Committee will consist of a minimum of three directors.

2.1 Independence

A majority of the members of the Audit Committee must be “independent” (as defined in Sec. 1.4 of National Instrument 52-110 (Audit Committees)) (“**NI 52-110**”).

2.2 Expertise of Committee Members

A majority of the members of the Audit Committee must be “financially literate” (as defined in Sec. 1.6 of NI 52-110) or must become financially literate within a reasonable period of time after his or her appointment to the committee. At least one member of the committee must have accounting or related financial management expertise.

3. MEETINGS

The Audit Committee shall meet in accordance with a schedule established each year by the Board, and at other times that the Audit Committee may determine. The Audit Committee shall meet at least annually with the Company’s Chief Financial Officer and external auditors in separate executive sessions.

4. ROLES AND RESPONSIBILITIES

The Audit Committee shall fulfill the following roles and discharge the following responsibilities:

4.1 External Audit

The Audit Committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report, or performing other audit, review or attestation services, including the resolution of disagreements between management and the external auditors regarding financial reporting. In carrying out this duty, the Audit Committee shall:

- (a) recommend to the Board that the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attestation services for the Company;
- (b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;
- (c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;
- (d) review and recommend to the Board the compensation to be paid to the external auditors;
- (e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards; and
- (f) review and approve the Company's hiring policies regarding partners and employees, and former partners and employees, of the present and former external auditor of the Company.

4.2 Internal Control

The Audit Committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Company. In carrying out this duty, the Audit Committee shall:

- (a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Company; and
- (b) ensure that the external auditors discuss with the Audit Committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

4.3 Financial Reporting

The Audit Committee shall review the financial statements and financial information of the Company prior to their release to the public. In carrying out this duty, the Audit Committee shall:

General

- (a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions;

- (b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate;

Annual Financial Statements

- (c) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;
- (d) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered;
- (e) review management's discussion & analysis respecting the annual reporting period prior to its release to the public;

Interim Financial Statements

- (f) review and approve the interim financial statements prior to their release to the public;
- (g) review management's discussion & analysis respecting the interim reporting period prior to its release to the public; and

Release of Financial Information

- (h) where reasonably possible, review and approve all public disclosure containing financial information, including news releases, prior to release to the public. An Audit Committee must be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, and must periodically assess the adequacy of those procedures.

4.4 Non-Audit Services

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Company or any subsidiary of the Company shall be subject to the prior approval of the Audit Committee.

Delegation of Authority

- (a) The Audit Committee may delegate to one or more independent members of the Audit Committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the Audit Committee at its next scheduled meeting.

De-Minimis Non-Audit Services

- (b) The Audit Committee may satisfy the requirement for the pre-approval of non-audit services if:

- (i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or
- (ii) the services are brought to the attention of the Audit Committee and approved, prior to the completion of the audit, by the Audit Committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

- (c) The Audit Committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:
 - (i) the pre-approval policies and procedures are detailed as to the particular service;
 - (ii) the Audit Committee is informed of each non-audit service; and
 - (iii) the procedures do not include delegation of the Audit Committee's responsibilities to management.

4.5 Other Responsibilities

The Audit Committee shall:

- (a) establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters;
- (b) establish procedures for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
- (c) ensure that significant findings and recommendations made by management and the external auditor are received and discussed on a timely basis;
- (d) review the policies and procedures in effect for considering officers' expenses and perquisites;
- (e) perform other oversight functions as requested by the Board; and
- (f) review and update this Charter and receive approval of changes to this Charter from the Board.

4.6 Reporting Responsibilities

The Audit Committee shall regularly update the Board about committee activities and make appropriate recommendations.

5. RESOURCES AND AUTHORITY OF THE AUDIT COMMITTEE

The Audit Committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the Audit Committee; and
- (c) communicate directly with the internal and external auditors.

Nothing in this Charter is intended or may be construed as imposing on any member of the Audit Committee or the Board a standard of care or diligence that is in any way more onerous or extensive than the standard to which the directors are subject under applicable law. This Charter is not intended to change or interpret the constating documents of the Company or applicable law or stock exchange rule to which the Company is subject, and this Charter should be interpreted in a manner consistent with all such applicable laws and rules.

6. GUIDANCE – ROLES & RESPONSIBILITIES

The Audit Committee should consider undertaking the actions described in the following guidance, which is intended to provide the Audit Committee members with additional guidance on fulfilment of their roles and responsibilities on the committee:

6.1 *Internal Control*

- (a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities,
- (b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown, and
- (c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management;

6.2 *Financial Reporting*

General

- (a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements,
- (b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks,
- (c) understand industry best practices and the Company's adoption of them;

Annual Financial Statements

- (d) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Company reports or trades its shares;
- (e) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;
- (f) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;
- (g) consider management's handling of proposed audit adjustments identified by the external auditors;
- (h) ensure that the external auditors communicate all required matters to the committee;

Interim Financial Statements

- (i) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;
- (j) meet with management and the auditors, either telephonically or in person, to review the interim financial statements;
- (k) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:
 - (i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;
 - (ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financials statements are consistent with changes in the Company's operations and financing practices;
 - (iii) generally accepted accounting principles have been consistently applied;
 - (iv) there are any actual or proposed changes in accounting or financial reporting practices;
 - (v) there are any significant or unusual events or transactions;
 - (vi) the Company's financial and operating controls are functioning effectively;
 - (vii) the Company has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and
 - (viii) the interim financial statements contain adequate and appropriate disclosures;

6.3 Compliance with Laws and Regulations

- (a) periodically obtain updates from management regarding compliance with this policy and industry “best practices”;
- (b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements;
- (c) review the findings of any examinations by securities regulatory authorities and stock exchanges; and

6.4 Other Responsibilities

- (a) review, with the Company’s counsel, any legal matters that could have a significant impact on the Company’s financial statements.