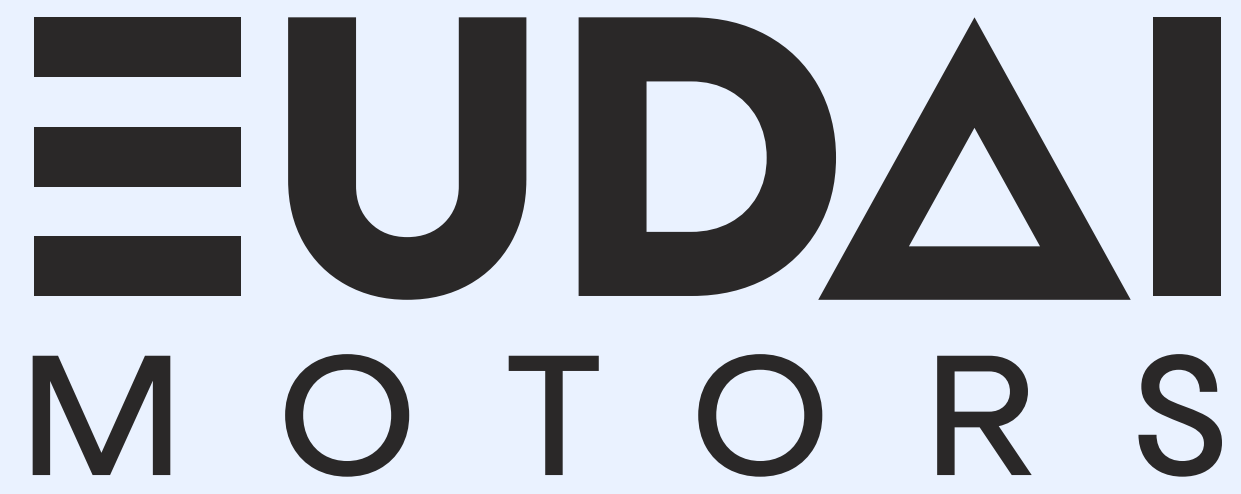




A NEW VISION OF RAIL

Locomotive-free, autonomous battery-electric rail for heavy industry.

GREATER SUDBURY

ONTARIO

RAISING \$3.5M CAD

PROJECT DESCRIPTION

A New Rail Operating Model

CONCEPT

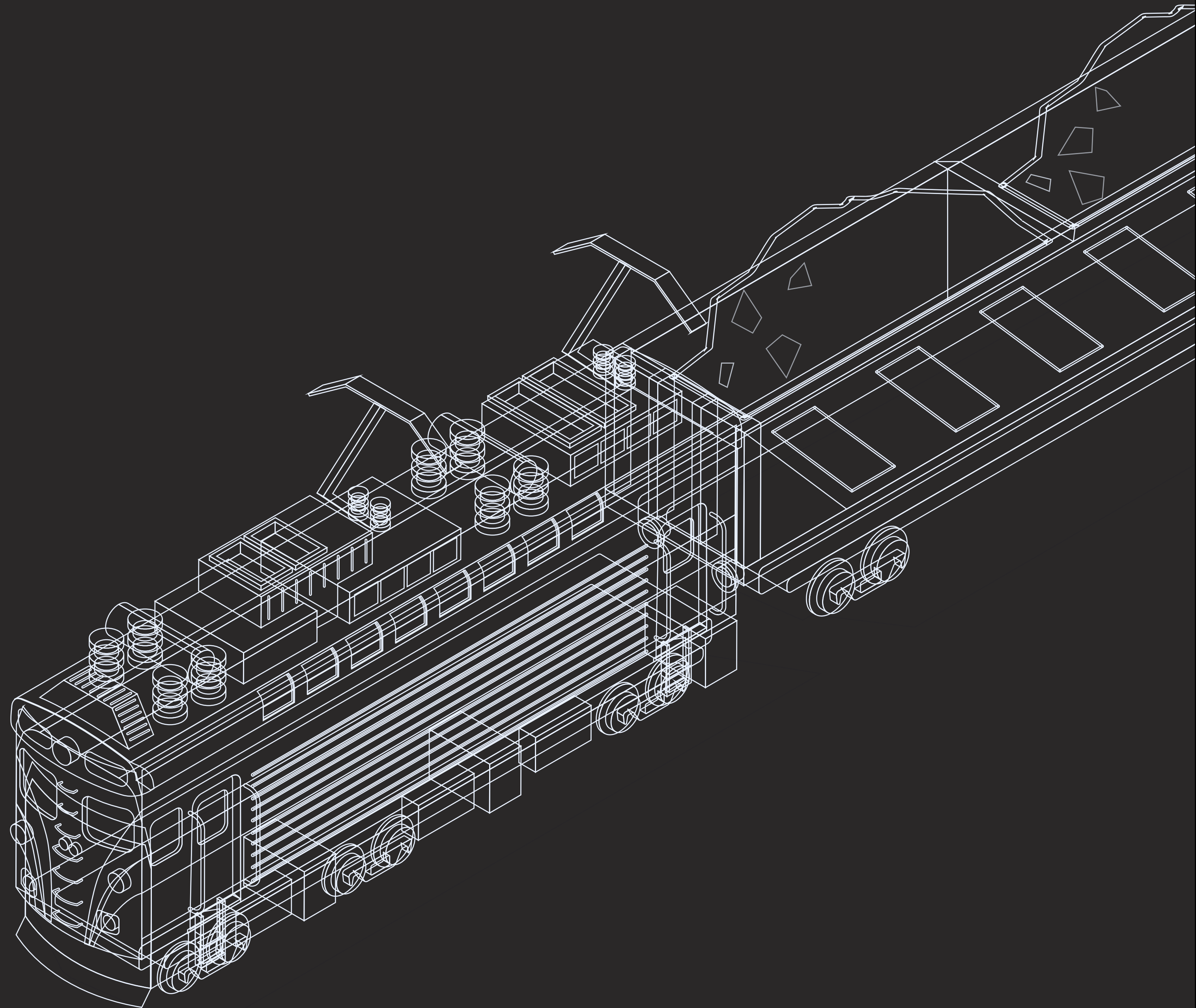
EudaiMotors combines self-powered, wirelessly-charged rail units with a logistics and energy management operating system. By eliminating the rigid constraints of traditional locomotives and coupled cars, we enable independent rail vehicles to be orchestrated in real time.

THE RESULT

Continuous-flow, zero-emission rail logistics that reduces required fleet sizes by at least 50%.

PROOF OF CONCEPT

Foundational platform viability demonstrated via 2023 RailHaul prototype.



THE PROBLEM

The Rail Paradox

While rail is 4x more energy-efficient than road transport, heavy industry relies on expensive trucking because legacy rail is fundamentally rigid.

CHOKED THROUGHPUT:

Coupled cars force inefficient "batch" transport, creating a shared \$1.49/ton sorting penalty at centralized mill yards.

PROHIBITIVE OPEX:

Short-haul routes face massive fixed overhead; a single Tier-1 mining route bleeds \$7.44M/year on trucking simply to avoid legacy rail.

**Rail isn't limited by demand.
It's limited by design.**

THE SOLUTION

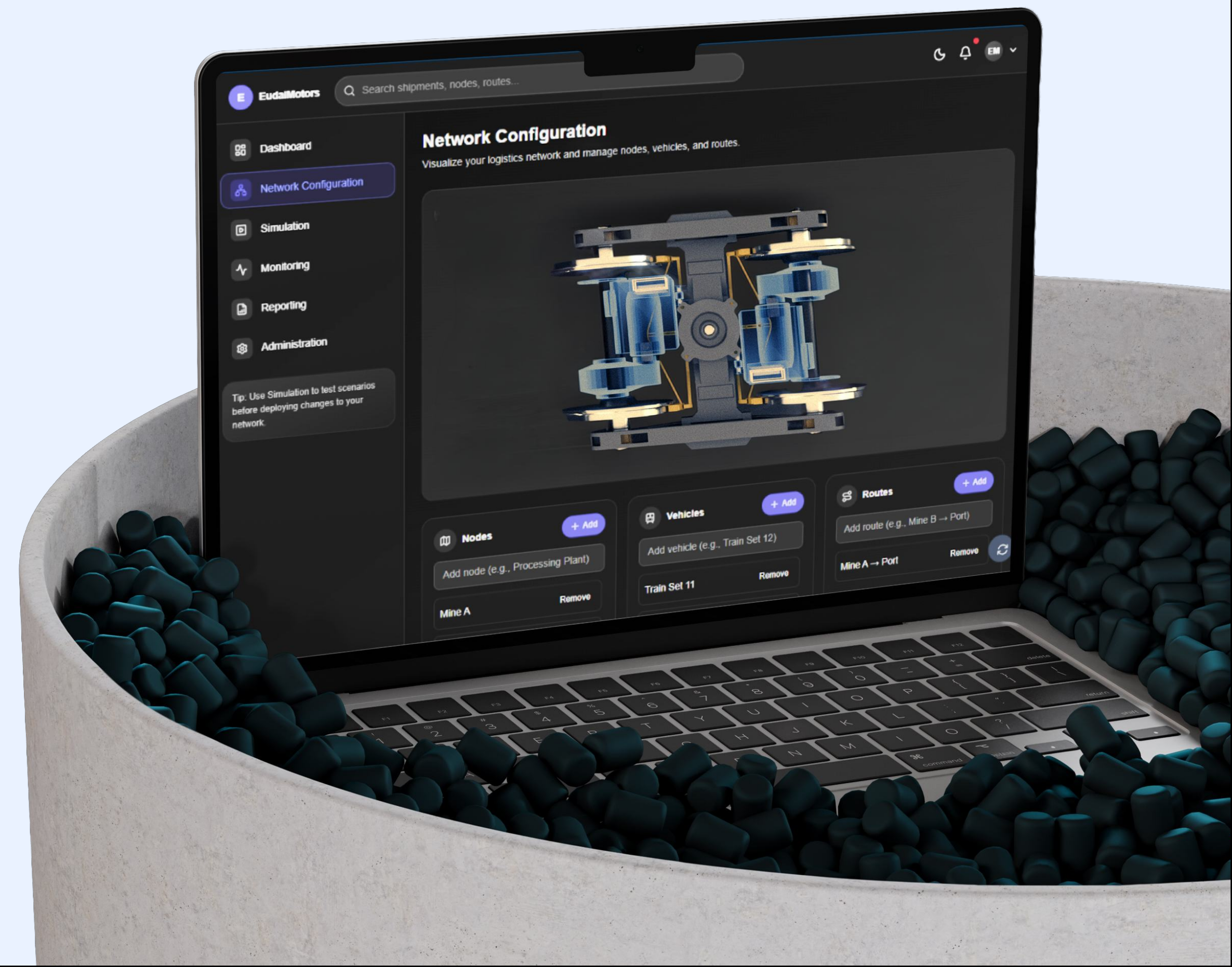
The "Digital Conveyor" Rail Operating System (OS)

Locomotive-Free Hardware (TRL 7): Independent, self-propelled battery-electric rail vehicles utilizing exclusive Canadian IP. No locomotives. No coupled cars.

Autonomous Power (Phase 1 Integration): Extreme-weather LTO batteries and high-power wireless opportunity charging for near-zero downtime.

Logistics Operating System (MVP Complete): Real-time fleet orchestration that eliminates sorting bottlenecks.

**This is not incremental rail improvement.
It is a new rail operating framework.**



CUSTOMER ROI: THE “DIGITAL CONVEYOR” BUSINESS CASE

CAPEX EFFICIENCY

Transitioning from rigid "batch" transport to independent, continuous flow effectively reduces the required fleet size by at least 50% to move equivalent daily tonnage. This ensures all deployments stay safely within standard 3-4 year corporate procurement payback windows.

OPEX COLLAPSE

We fundamentally shift the operating floor by eliminating locomotive diesel, industrial carbon taxes, operator crews, and the shared \$1.49/ton yard-sorting penalty caused by batch rail.

ESG & OPERATIONAL VALUE

100% elimination of diesel emissions while providing noise mitigation. This solves critical community constraints at sensitive surface operations (a direct driver for Tier-I operators).

TRUCKING CONVERSIONS (E.G., 25-MILE ROUTE):

- Eliminates over \$7.1M/year in third-party trucking contracts, delivering a 3.3 year payback on a fully autonomous EudaiMotors fleet.

BROWNFIELD RETROFITS (E.G., 3-MILE ROUTE):

- Upgrading a sunk-cost legacy fleet to continuous flow delivers a 4 year payback on the retrofit capital.

GREENFIELD CONSTRUCTION (E.G., 10-MILE ROUTE):

- The OpEx savings alone amortize a \$30M net-new track build in just 10 years.

HARDWARE ECONOMICS

(One-time revenue)

The sale of the physical rail car. This proves we make money on Day 1.

Target Average Selling Price (ASP)

\$750,000 CAD per car

Cost of Goods Sold
(COGS) - Estimated

\$366,000

Mechanical

~\$200k

Energy System

~\$35k

Propulsion

~\$35k

Sensors & Control

~\$20k

License Royalty

~\$26k

Assembly & Labor

~\$50k

Gross Margin

~\$384,000 (51%)



RECURRING REVENUE

Value-Based OS Licensing

Product

Logistics OS (Fleet Orchestration and Energy Management).

Pricing Model

Value-Based Site Licensing. Instead of an arbitrary per-vehicle fee, we capture a share of the raw operational savings we generate.

Example

On a 25-mile route saving the customer \$7.1M/year, EudaiMotors secures a \$2.45M Annual Site License, while still ensuring the customer a rapid 3.3 year CapEx payback.

Margin

90% + (Pure Software)



5 Year Financial Projection & Path to Profitability

The Enterprise Adoption Model: A standard Tier-1 mining deployment requires an average fleet of 20 continuous-flow autonomous units. Achieving our 5-year scale target of 300 cumulative units requires closing just **15 active sites** out of the 250 available in our Canadian SAM.



MARKET SIZE

The “Digital Conveyor” Opportunity



Serviceable Obtainable Market (SOM): The Beachhead
\$150 Million: ~15 to 20 Tier-1 high-opportunity mining and industrial sites in the Northern Ontario corridor (e.g., Vale, Agnico Eagle, Discovery, Canada Nickel).

Serviceable Addressable Market (SAM): National Expansion
\$1.5 Billion: ~250 active tier-1 mines, steel mills, and private industrial terminals across Canada currently spending millions annually on legacy locomotive OpEx and contracted truck hauling.

Total Addressable Market (TAM): North American Heavy Short-Haul
\$250 Billion+: The North American market for closed-loop industrial rail, short-haul commodity trucking displacement, and port land transportation (drayage).

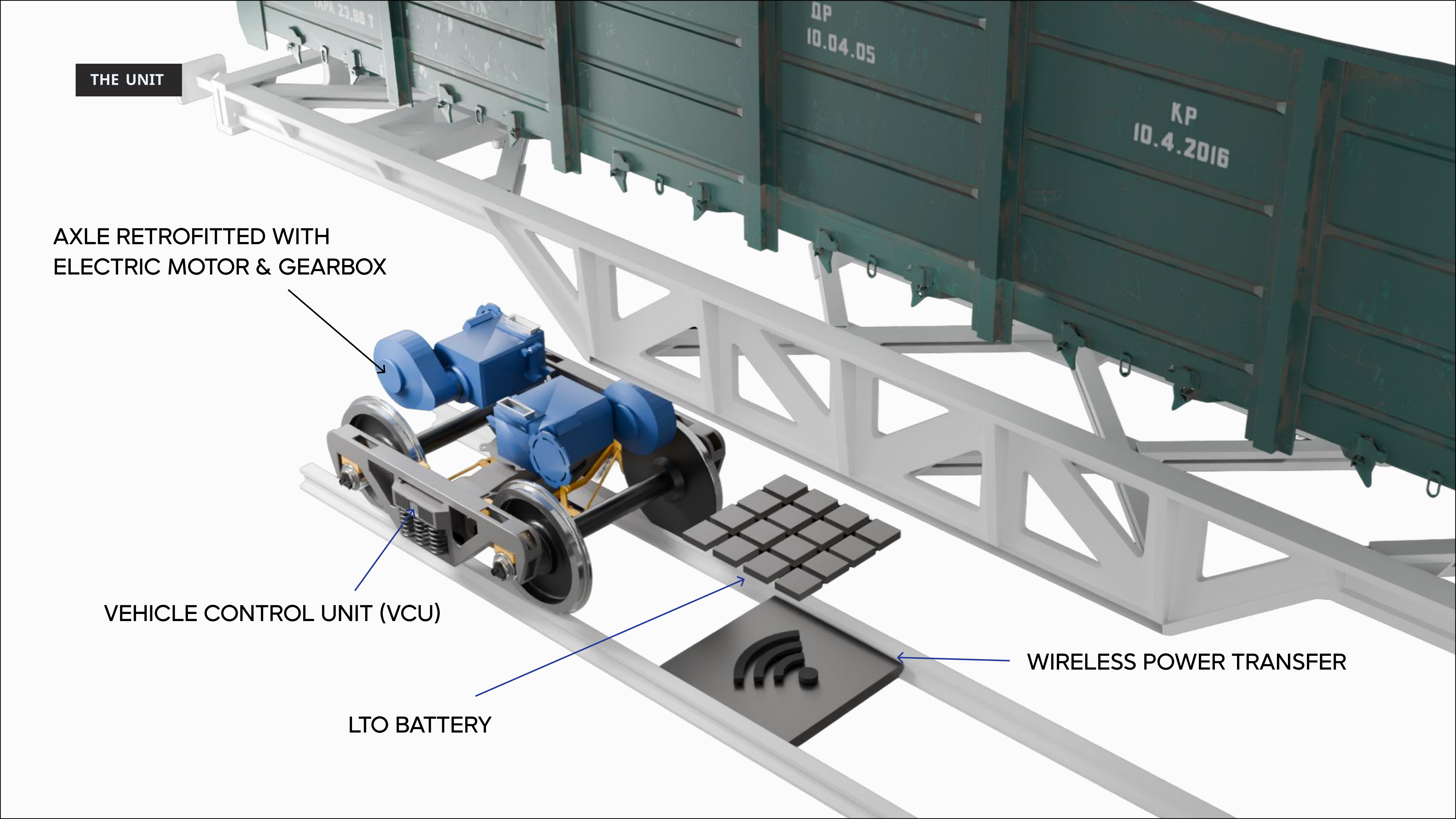
THE UNIT

AXLE RETROFITTED WITH
ELECTRIC MOTOR & GEARBOX

VEHICLE CONTROL UNIT (VCU)

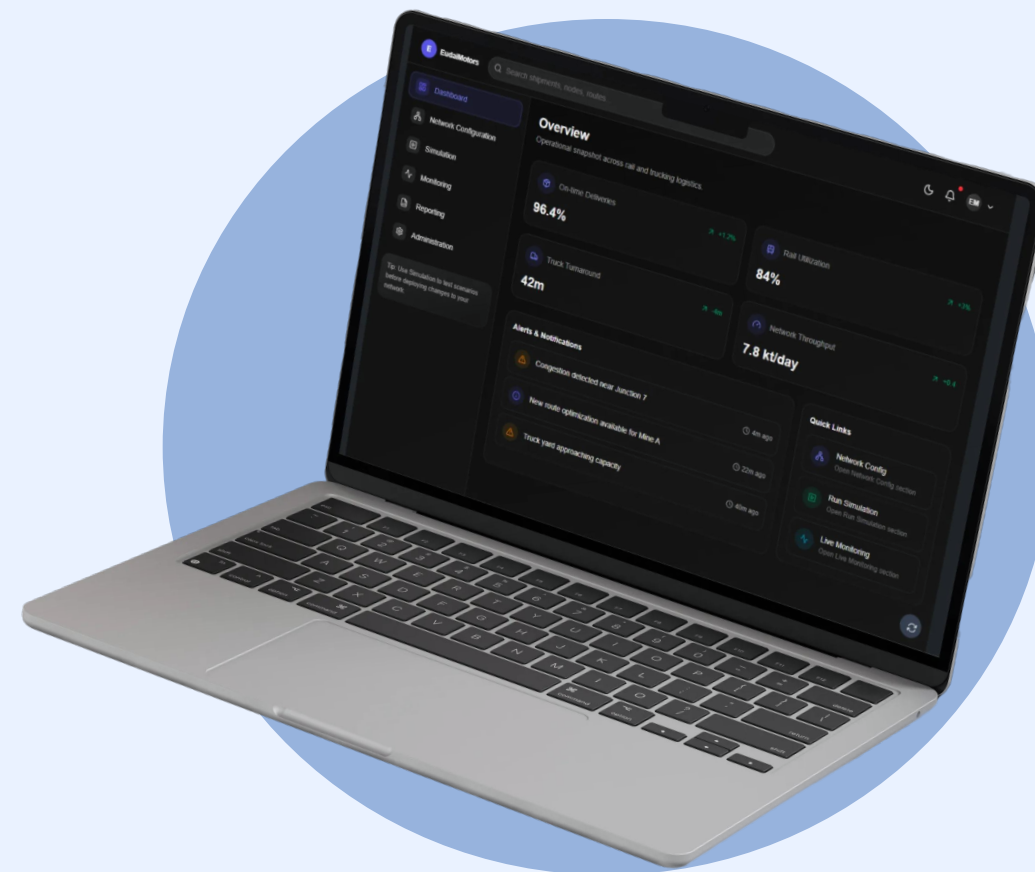
LTO BATTERY

WIRELESS POWER TRANSFER



THREE PILLARS OF PROGRESS & TECHNICAL READINESS

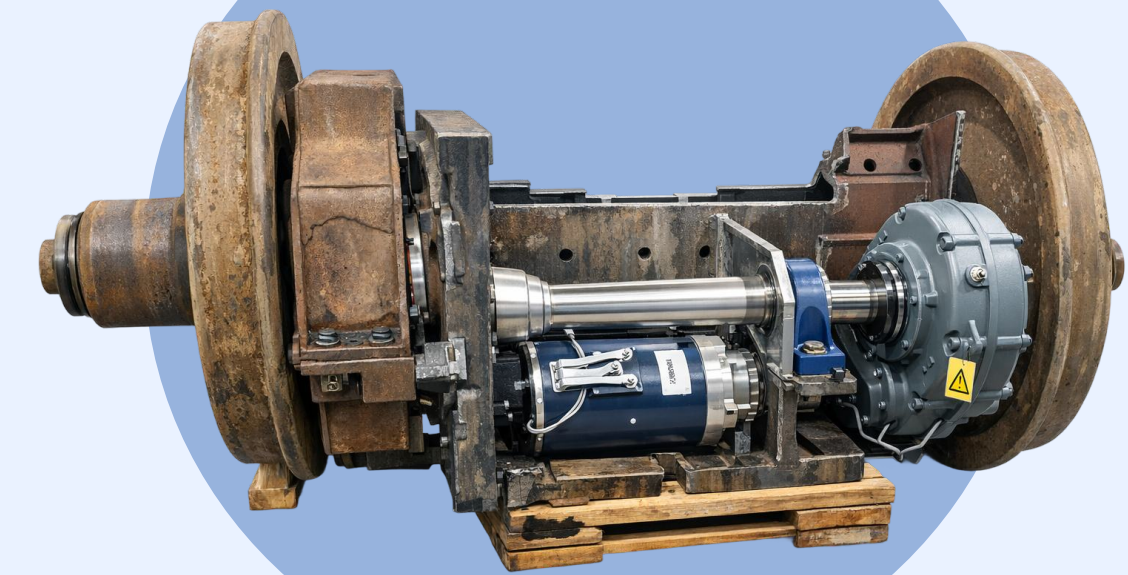
Hardware Foundation (TRL 7): Foundational RailHaul prototype demonstrated platform maneuverability and self-propulsion in 2023.



Phase 1 Integration (In Progress): Actively engineering the integration of extreme-temp LTO batteries, high-power WPT, and 110-ton payload propulsion onto customer specific application.



Logistics OS (TRL 5): Functional MVP built by our software partner Codalio.





RYAN FELHABER

CEO & FOUNDER

Ryan Felhaber, M.Eng, P.Eng is a professional engineer with 20+ years of experience in mining, nuclear, and automotive industries. He specializes in engineering leadership, asset reliability, project management, and operational performance improvement. Ryan has led multidisciplinary teams, managed complex industrial systems, and delivered innovative solutions that enhance safety, reliability, and productivity across large-scale operations.



KATHERINE BENKOVICH

CSO & CO-FOUNDER

Katherine Benkovich, EP is an environmental professional with 20+ years of experience in mining, nuclear, and manufacturing sectors. She specializes in environmental compliance, sustainability, biodiversity management, land rehabilitation, and ISO 14001 systems. Katherine has extensive experience working with Indigenous communities, regulators, and industry stakeholders to drive environmental performance and support sustainable operations.



CLIFF SKELLITER

CMO

Cliff Skelliter, 20+ years experience, is an award-winning strategist, designer, and entrepreneur with deep experience in government, infrastructure, Indigenous partnerships, and innovation. He helps organizations align vision, stakeholder engagement, and market strategy to drive sustainable growth.

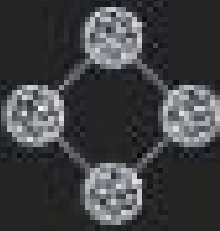


PAT DUBREUIL

CFO

Pat Dubreuil, MBA is an entrepreneur, venture investor, and business executive with 25+ years of experience in finance, business development, and strategic growth. He specializes in fundraising, mergers and acquisitions, investor relations, and corporate governance, helping startups and growth-stage companies scale successfully. Pat has led major transactions, supported capital raises, and built strong partnerships across industry.

COLLABORATION TEAM



EUDAI
MOTORS
PRIME INTEGRATOR

SOFTWARE | AUTONOMY



Building the EudaiMotors
Operating System

VEHICLE PLATFORM

RAILHAUL

Foundational patent for
self-propelled rail car
(exclusive national license).

ENERGY | CHARGING



Cold-weather, high-cycle
batteries



Wireless charging
infrastructure

INTEGRATION | R&D



Systems integrator

MECHANICAL & INTEGRATION
PARTNER



Pilot Partner

COMPETITION MATRIX

BUILT FOR THE NORTH. BUILT FOR HEAVY INDUSTRY. BUILT INTELLIGENTLY.

Strategic Axis	The Status Quo (Diesel Rail & Heavy Trucking)	US Rail Startups (Parallel Systems / IntraMotev)	EudaiMotors
Capitalization & Scale	Massive Incumbent Scale (Trillion-dollar existing infrastructure)	Highly Capitalized (Parallel has raised >\$100M)	Capital Efficient (Seed stage leveraging exclusive foundational IP & non-dilutive matching)
Market Access & Focus	Global / Universal	US-based, port drayage, and generic industrial focus	Deep Canadian Mining Integration + Exclusive foundational national IP
Operating System Integration	Manual / Highly rigid batch routing	Reactive point-to-point routing	Continuous-Flow Logistics integrated directly into the facility's production cycle
Climate Readiness	Proven but reliant on heavy diesel idling	Limited temperature range (0-45C)	Extreme Temp Ready (-40C to +60C)
Energy & Charging Architecture	Diesel combustion (High emissions, carbon tax penalties)	Massive LFP Battery (2,000 cycles) + Slow Plug-in Charging (High downtime)	Small LTO Battery (20,000+ cycles) + Ultra-Fast Wireless Opportunity Charging (Zero downtime)

MOAT

We hold exclusive IP rights to deploy self-powered and remote-controlled rail cars, blocking Parallel Systems from entering Canada.

THE EXCLUSIVITY TERM

We hold a 5-year exclusive license for the entirety of Canada, with a built-in option for a 5-year extension based on deployment milestones. The licensor cannot revoke exclusivity during the first 24 months of the term.

OPTIMIZED MARGIN PROTECTION

We secured a highly favorable 4% royalty fee strictly capped to the hardware sales price of the mechanical rail cars and motorized bogies.

ZERO ROYALTY ON INNOVATION

The agreement explicitly excludes software licensing, operating systems (SaaS), telematics, and charging equipment. EudaiMotors retains 100% of the margins generated by our proprietary digital architecture.

GLOBAL PATHWAY

The agreement includes non-exclusive worldwide rights, allowing us to deploy globally alongside our proprietary technology.

Long-Term Defensibility (The Switching Cost)

Once our continuous-flow hardware and Logistics OS are embedded into an industrial facility's production cycle, the capital and operational switching costs become prohibitively high, securing long-term enterprise lock-in.

PROPRIETARY IP & INTERNATIONAL EXPANSION

Securing the continuous-flow architecture beyond the mechanical chassis.

Core Proprietary IP

WIRELESS MULTIPLE UNIT TRAIN MANAGEMENT SYSTEM (APP #63/859,966)

Blocks competitors from dynamically orchestrating consists and utilizing fixed ground pads or mobile generator cars for wireless charging.

AUTONOMOUS RAIL NAVIGATION (APP #64/001,556) — THE SIMPLICITY EDGE

Blocks competitors from copying our decentralized, static spatial resource locking via encrypted authority tokens.

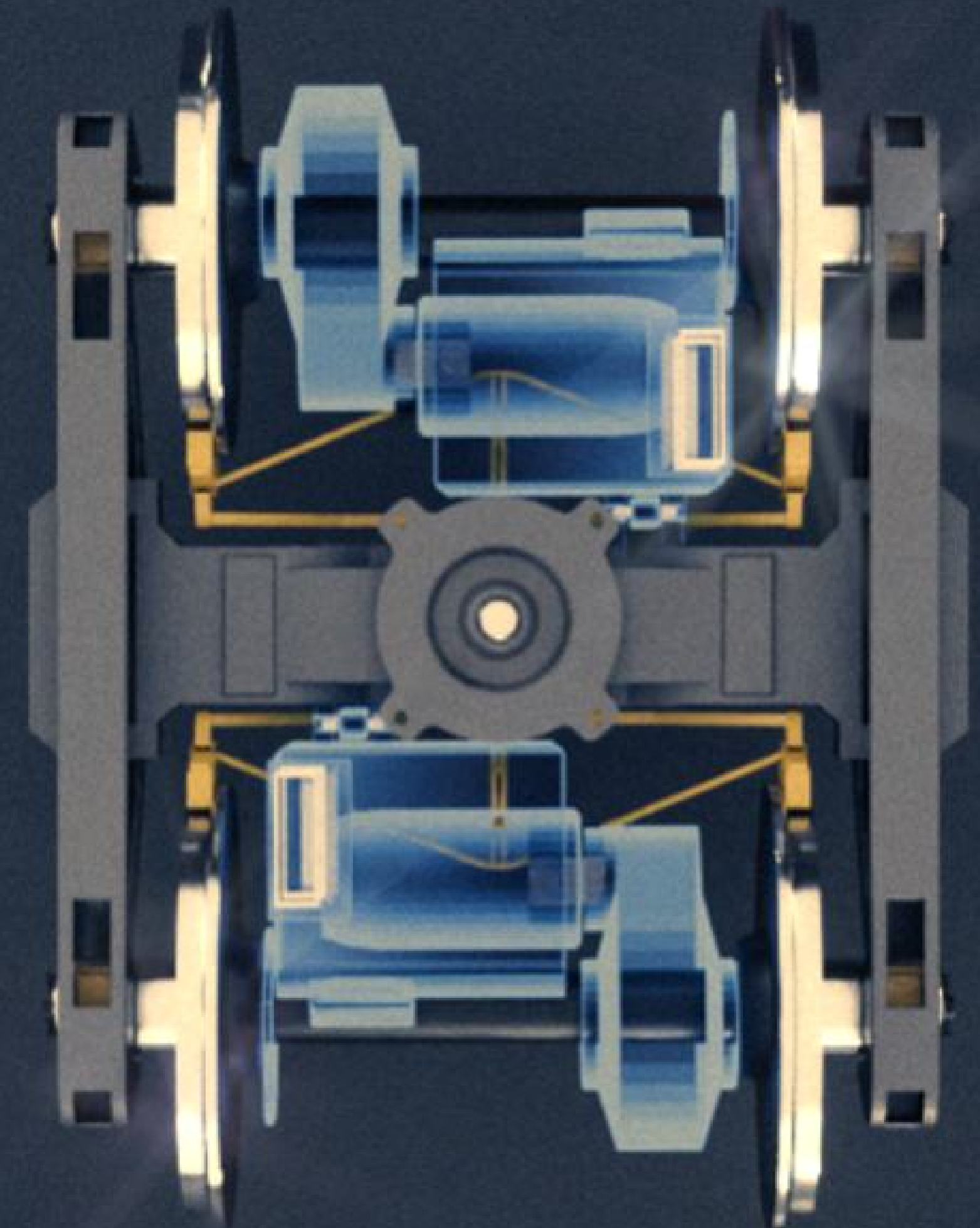
The Wedge: Parallel Systems relies on high-bandwidth, fragile cloud telemetry. Our cars hold tokens locally, guaranteeing ironclad operational resilience through tunnels, heavy canopies, and network dead zones.

SYSTEMS AND METHODS FOR MANAGING A FLEET OF AUTONOMOUS RAIL VEHICLES (APP #64/016,409)

Blocks the direct integration of live industrial production data into autonomous rail fleet speed and routing.

Global Conversion Strategy & Budget Converting all provisionals across PCT, Canada, and the US to secure international operating freedom.

- Disciplined Budget: ~\$19,200 CAD per patent family (\$10K PCT, \$4K CA, \$5.2K US).
- Strict Timelines: August 2026 entry for Wireless Multiple Unit; March 2027 entry for Navigation and Fleet Management.





We have been engaged in discussions with Vale to explore a pilot deployment at its South Mine in Canada, with an initial focus on reducing community noise from rail operations.



USE OF FUNDS

NOHFC Innovate:

\$500K (Applied R&D max cap)

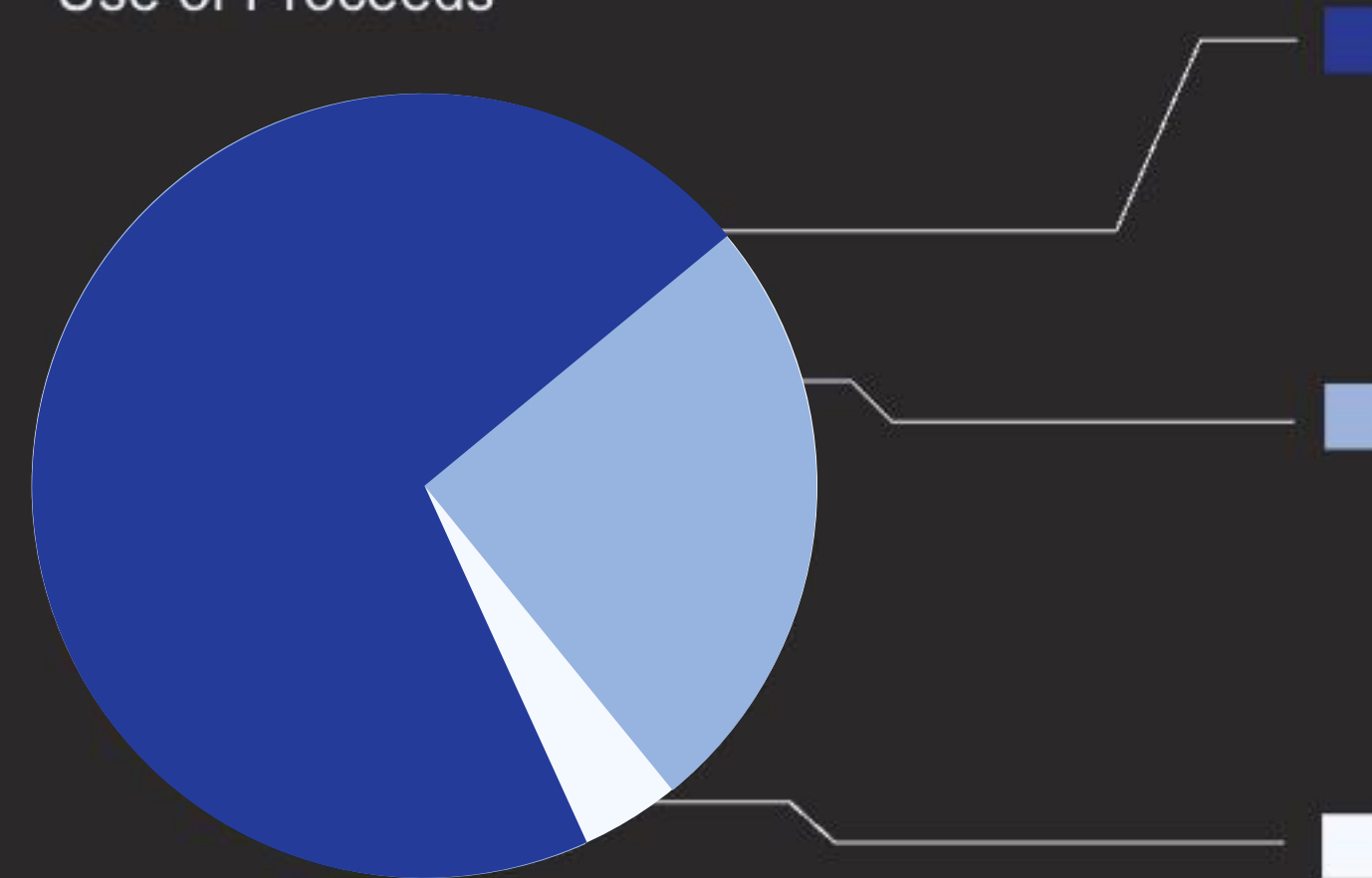
NRC-IRAP:

\$75k (Engineering wage subsidy)

IPON & NORCAT IAP:

\$45K (IP and Marketing)

Use of Proceeds



- **60% (\$2.5M): Hardware, System Engineering & Integration:** Fully funds the physical Engineering Development Unit (EDU) prototype build (including dynamic WPT, extreme-temp LTO batteries, motors/controls, and custom fabrication).
- **31% (\$1.3M): Specialized Engineering & Tier 1 Integration:** Funds the dedicated software architects, systems engineers, and VCU integration specialists required to safely execute a heavy-industry deployment.
- **9% (\$400K): IP & G&A:** Funds our aggressive PCT/US patent conversion strategy, legal corporate structuring, and marketing execution.

\$3.5m unlocks another \$620k in non-dilutive capital providing a total operation runway of \$4.1m.

The Path to Series A.

Q3 2026 (The Kickoff):

Close the initial "Early-Bird" \$500K tranche to unlock the 1:1 NOHFC matching funds, secure the dedicated heavy fabrication facility, and procure hardware.

Q1 2027 (The IP Moat):

Complete the physical EDU hardware integration while concurrently converting all three provisional patents to PCT, US, and Canadian filings ahead of deadlines.

Q3/Q4 2027 (The Proof):

Execute the EDU Demonstration at the Vale South Mine, physically proving continuous-flow movement and 100% noise mitigation.

Q1 2028 (The Commercial Catalyst):

Convert the successful EDU demonstration into a signed, 6-unit commercial pilot contract with Vale.

Q2 2028 (The Series A):

Initiate the Series A raise to fund the scale-up and deployment of the contracted Vale fleet.

DEAL TERMS

Valuation Cap

\$23.3M Post-Money Cap (Justified by exclusive national IP rights and Tier-1 ROI potential).

Early-Bird Tranche

20% discount on the first \$500K committed, specifically structured to instantly unlock the 1:1 NOHFC matching funds.

Vision

We are replacing a 19th-century operating model with a highly defensible, high-margin logistics OS.

