

Form 51-102F3
Material Change Report

Item 1. Name and Address of Company

Exro Technologies Inc. (the "**Company**" or "**Exro**")
12 - 21 Highfield Circle SW
Calgary, Alberta
T2G 5N6

Item 2. Date of Material Change

January 29, 2024.

Item 3. News Release

A news release with respect to the material change referred to in this report was issued by the Company on January 30, 2024 through the facilities of a recognized newswire service and a copy was filed under the Company's profile on the System of Electronic Document Analysis and Retrieval+ (SEDAR+).

Item 4. Summary of Material Change

On January 30, 2024, the Company announced that Exro and SEA Electric Inc., a Delaware corporation ("**SEA**" or "**SEA Electric**"), have signed a definitive agreement (the "**Merger Agreement**") providing for the acquisition of SEA by Exro (the "**Transaction**").

The Merger Agreement contemplates the merger of eTruck VCU Acquisition Inc., an indirect subsidiary of the Company, with and into SEA, pursuant to which Exro Technologies USA Inc., a direct subsidiary of the Company, will acquire 100% of the issued and outstanding common shares and preferred shares of SEA from the holders thereof in consideration for the Company issuing to such holders common shares (the "**Common Shares**") and non-voting convertible preferred shares of Exro.

The Company also announced that it entered into an engagement letter with a syndicate of underwriters co-led by Canaccord Genuity Corp. and Eight Capital (collectively, the "**Underwriters**") pursuant to which the Underwriters have agreed to purchase, on a bought deal private placement basis, 31,600,000 subscription receipts of the Company (the "**Subscription Receipts**") at a price of C\$0.95 per Subscription Receipt for gross proceeds to the Company of approximately C\$30 million (the "**Offering**").

The Underwriters have also been granted an option on the Offering (the "**Underwriters' Option**"), exercisable in whole or in part on the same terms as the Offering, by no later than two business days before the closing date of the Offering, to issue up to an additional 21,100,000 Subscription Receipts for additional gross proceeds of up to approximately C\$20 million.

Upon closing of the Transaction, each Subscription Receipt will entitle the holder thereof to receive, without payment of additional consideration and without further action, one (1) Common Share and, if any, a cash dividend equivalent payment on each such Common Share. If the Transaction does not close by June 30, 2024, the proceeds from the sale of the Subscription Receipts will be returned to the holders of such Subscription Receipts.

The Offering is expected to close on February 15, 2024, and is subject to certain conditions including, but not limited to, the receipt of all necessary corporate and regulatory approvals, including the approval of the TSX.

Item 5.1 Full Description of Material Change

See the news release of the Company attached as Schedule "A" hereto for a full description of the Transaction and the Offering.

In addition, see the investor presentation of the Company attached as Schedule "B" hereto.

The Subscription Receipts issued pursuant to the Offering and the additional Subscription Receipts, if any, issued pursuant to the exercise of the Underwriters' Option described in this material change report have not been and will not be registered under the *United States Securities Act of 1933, as amended* (the "**U.S. Securities Act**") or any applicable securities laws of any state of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons (as such terms are defined in Rule 902 of Regulation S under the U.S. Securities Act) absent such registration or applicable exemption from such registration requirements. This material change report does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer

John Meekison, Chief Financial Officer of the Company, is knowledgeable about the material change described above. His business telephone number is 520-705-7827.

Item 9. Date of Report

January 30, 2024

SCHEDULE "A"
NEWS RELEASE

See attached.



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Exro Announces Merger with SEA Electric to Create Leading e-Mobility Technology Company and Concurrent C\$42 Million Capital Raise Transactions

- **Complementary technologies driving significant synergy potential which provides a full scope solution with enhanced performance and reduced cost of ownership**
- **Multi-year commitments from Mack (Volvo) and Hino (Toyota)**
- **Targeting delivery of more than 1,000 propulsion technology systems to OEMs in 2024**
- **Concurrent C\$42 Million capital raise to fund capital expenditures, working capital, and general business requirements**

CALGARY, Alberta (January 30, 2024) – Exro Technologies Inc. (TSX: EXRO, OTCQB: EXROF) (the “Company” or “Exro”) and SEA Electric Inc. (“SEA” or “SEA Electric”) announced today that they have entered into an agreement (the “Merger Agreement”) providing for the acquisition of SEA by Exro (the “Transaction”). This business combination is expected to strengthen Exro’s technology offerings while accelerating revenue growth and Exro’s path to profitability. Following completion of the Transaction, the combined company (the “Combined Company”) will continue to operate under the name Exro Technologies Inc. and trade on the Toronto Stock Exchange (the “TSX”) under the ticker symbol “EXRO”.

“We are pleased to announce the merger between Exro and SEA Electric, which unites our complementary EV technology platforms and unlocks substantial opportunities for growth and path to profitability. Our merger with SEA not only creates significant revenue and cost synergies, but positions Exro to amplify its growth with new partners while continuing to develop our existing relationships. Having come to know SEA and its management team from doing business with them over the past several years, I have great confidence that this acquisition will bolster our competitive positioning in the EV technology space while providing significant value potential for our shareholders”, commented Sue Ozdemir, Chief Executive Officer of Exro.

Compelling Strategic Rationale

The Combined Company aims to accelerate and modernize electrification with a patented, blue chip validated technology platform. SEA Electric produces the SEA-Drive propulsion technology that controls all the components that electrify a vehicle. When integrated with the Exro Coil Driver™, the complementary technologies provide an end-to-end solution with enhanced performance and improved total cost of ownership for commercial vehicles. SEA’s technology has been validated by large blue chip OEM customers with multi-year commitments from Mack (Volvo) and Hino (Toyota). Together, Exro and SEA target delivery of more than 1,000 propulsion technology systems to these OEMs in 2024, with aggregate revenues forecasted to be more than C\$200 million for the calendar



year 2024. Combined with an asset-light business model focused on technology, these targets provide for a defined path to profitability within 12 months of completing the Transaction.

The Combined Company will bring Exro's next generation technology to the full spectrum of e-mobility platforms including passenger vehicles to large commercial trucks and beyond. Together, Exro and SEA will aim to secure the short-term with a strong order book while maintaining a continued focus on disruptive innovation with next generation electric motor and battery control technologies backed by more than 60 patents and patent applications.

Upon completion of the Transaction, Sue Ozdemir will remain as Chief Executive Officer, Tony Fairweather will join Exro as the Chief Product Officer, and Darrell Bishop will become Chief Financial Officer. The board of directors of the Combined Company will consist of up to nine members with Rod Copes serving as Chair and the remaining directors comprised of representatives from both Exro's and SEA's current boards of directors.

Rod Copes, Chairman of Exro's Board of Directors, added "Today marks the beginning of a significant new chapter in Exro's journey as we proactively and strategically lead the consolidation of the e-mobility sector. The Transaction secures first-mover advantage and the path to revenue is robust, backed by a strong leadership team committed to delivering to shareholders on the market opportunity."

SEA is a global e-mobility technology company founded in Australia in 2012 and now headquartered in the USA. After a multi-year, rigorous validation, the SEA-Drive propulsion technology was awarded a five-year contract from Mack for up to 5,000 propulsion systems, securing the contract based on superior performance and cost versus more than fifteen legacy and new competing technologies. Similarly, SEA secured a three-year agreement with Hino for up to 3,500 systems.

Tony Fairweather, Founder and Chief Executive Officer of SEA said "With OEM contracts in-hand and industrialization underway, SEA Electric will benefit greatly from this business combination. Exro provides the resources, capabilities and automotive systems that will ensure the successful execution of these important contracts, as well as offering complementary and differentiating technology in the form of its Coil Driver and Cell Driver. I am very excited about our combined future".

Transaction Terms

The Transaction values SEA Electric at approximately US\$300 million (C\$402 million). Exro will issue, based on Exro's weighted average common share price over the 10 trading days ending January 26, 2024 of US\$0.7680 per share (approximately C\$1.03 per share) (the "Reference VWAP"), a combination of common shares (the "Exro Common Shares") and non-voting convertible preferred shares (the "Exro Convertible Shares") to SEA stockholders.

Pursuant to the Merger Agreement, SEA stockholders will receive approximately 153.8 million Exro Common Shares and 168.7 million Exro Convertible Shares, on a non-diluted basis and excluding existing SEA shares held by Exro, resulting in total implied consideration issued to SEA stockholders of approximately US\$248 million (C\$332 million) (the "Consideration") in aggregate, based on the Reference VWAP. In addition, Exro will assume approximately US\$46 million (C\$62 million) in SEA net



debt as part of the Transaction. The Exro Convertible Shares will be convertible into Exro Common Shares on a one-for-one basis without payment of any additional consideration and upon the satisfaction of certain conditions.

Under the terms of the Merger Agreement, immediately following the closing of the Transaction, Exro shareholders will own an approximate 34.5% economic stake in the Combined Company and SEA shareholders will own an approximate 65.5% economic stake in the Combined Company, on a fully diluted basis and prior to any impacts of the Offering (as defined below). Immediately following the closing of the Transaction, and prior to any conversion of Exro Convertible Shares into Exro Common Shares, current Exro shareholders will hold approximately 52.5% of the voting shares in the Combined Company and current SEA shareholders will hold approximately 47.5% of the voting shares in the Combined Company, on a fully diluted basis and prior to any impacts of the Offering.

The Merger Agreement also contains customary representations, warranties and covenants, including non-solicitation covenants applicable to Exro and SEA.

The Merger Agreement may be terminated in certain specified circumstances, including: (i) if the Transaction is not consummated on or before June 30, 2024, (ii) the approval of the Exro shareholders is not obtained or (iii) if Exro's board of directors makes a change in recommendation or enters into an agreement in respect of a superior proposal. A termination fee of approximately US\$11.4 million (C\$15.3 million) is payable by Exro to SEA if the Merger Agreement is terminated in certain circumstances, including if Exro enters into a superior proposal, and Exro is entitled to a reverse termination fee of approximately US\$11.4 million (C\$15.3 million) from SEA if the Merger Agreement is terminated in certain circumstances.

The foregoing summary is qualified in its entirety by the provisions of the Merger Agreement, a copy of which will be filed under Exro's profile on SEDAR+ at www.sedarplus.com.

Transaction Closing, Required Approvals and Lock-up Provisions

The Transaction is expected to close by the end of Q1 2024, subject to the of approval of Exro shareholders at a special meeting (the "Special Meeting") and other customary closing conditions. Details regarding the Special Meeting, including date and time and full details regarding the background to the Transaction and voting recommendations for Exro shareholders will be issued in due course. The Transaction must be approved by a majority of the votes cast by Exro shareholders at the Special Meeting.

In conjunction with the signing of the Merger Agreement, directors and officers of Exro have entered into customary voting support agreements pursuant to which they have agreed to vote their Exro Common Shares in favour of the Transaction. The Transaction has received the requisite approvals from SEA stockholders.

Pursuant to a lock-up provision contained in the SEA stockholders' agreement, all current holders of SEA common stock and SEA preferred stock are subject to certain restrictions on the sale or transfer of Exro Common Shares received pursuant to the Transaction, or through the conversion of Exro



Convertible Shares into Exro Common Shares, for a period of six months following closing of the Transaction.

Concurrent Capital Raise Transactions

Concurrent with the Transaction, Exro will be raising an aggregate amount of approximately C\$30 million (US\$22 million) through the issuance of subscription receipts of Exro (the "Subscription Receipts"), prior to any exercise of the Underwriters' Option (as defined below). In connection with the Transaction and contemporaneous with the issuance of Subscription Receipts, SEA has also entered into arrangements to receive an aggregate of US\$9 million (C\$12 million) of debt financing (the "Debt Financing") from a Canadian pension fund manager (the "Debt Investor").

In respect of the Subscription Receipts, Exro has entered into an agreement (the "Engagement Agreement") with Canaccord Genuity Corp. and Eight Capital (collectively, the "Co-Lead Underwriters"), for and on behalf of a syndicate of underwriters (collectively, with the Co-Lead Underwriters, the "Underwriters"), for the issuance, on a bought deal basis of 31,600,000 Subscription Receipts at a price of C\$0.95 (US\$0.7082) per Subscription Receipt for aggregate gross proceeds to the Company of approximately C\$30 million (US\$22 million) (the "Offering"), prior to any exercise of the Underwriters' Option (as defined below).

The Underwriters have been granted an option on the Offering (the "Underwriters' Option"), exercisable in whole or in part on the same terms as the Offering, no later than two business days before the Closing Date (as defined below), to issue up to an additional 21,100,000 Subscription Receipts for additional gross proceeds of up to approximately C\$20 million (US\$15 million).

Upon closing of the Transaction, each Subscription Receipt will entitle the holder thereof to receive, without payment of additional consideration and without further action, an Exro Common Share, plus an amount per Exro Common Share, if any, equal to the amount per Exro Common Share of any cash dividends declared by the board of directors of the Company on the Exro Common Shares to holders of record on a date during the period from, and including, the Closing Date (as defined below) to, but excluding, the date of the closing of the Transaction, net of any applicable withholding taxes. If the Transaction does not close by June 30, 2024, the proceeds from the sale of the Subscription Receipts will be returned to the holders of such Subscription Receipts. The Subscription Receipts will be governed by the terms of a subscription receipt indenture (or equivalent document) (the "Subscription Receipt Agreement") containing customary anti-dilution provisions for a transaction of the nature of the Offering.

The Offering is expected to close on February 15, 2024 (the "Closing Date"), and is subject to certain conditions including, but not limited to, the receipt of all necessary corporate and regulatory approvals, including the approval of the TSX.

The net proceeds from the Offering and from the sale of any additional Subscription Receipts pursuant to the exercise of the Underwriters' Option, if applicable, will be held in escrow pursuant to the terms of the Subscription Receipt Agreement and are intended to be used by Exro to support the business plan of the Combined Company, including but not limited to production, capital expenditures, working capital requirements, and normal course corporate and operating needs.



All securities issued in connection with the Offering are subject to a four-month and one day hold period in Canada, during which time the securities may not be traded.

The Subscription Receipts issued pursuant to the Offering and the additional Subscription Receipts, if any, issued pursuant to the Underwriters' Option will be offered by way of private placement in all provinces of Canada to investors who qualify as "accredited investors" under Canadian securities legislation or who are otherwise exempt from prospectus delivery requirements. Subscription Receipts issued pursuant to the Offering and the additional Subscription Receipts, if any, issued pursuant to the Underwriters' Option, if applicable, may also be sold in the United States to, or for the account or benefit of, U.S. Persons (as such terms are defined in Rule 902 of Regulation S under the *United States Securities Act of 1933, as amended* (the "U.S. Securities Act")) on a private placement basis pursuant to exemptions from the registration requirements under Rule 144A and/or Regulation D of the U.S. Securities Act, in a manner that does not require any of the securities sold pursuant to the Offering to be registered under the U.S. Securities Act or any applicable securities laws of any state of the United States. The Subscription Receipts issued pursuant to the Offering may also be sold in such other international jurisdictions in accordance with applicable law as the Company and the Underwriters may agree.

The terms of the Offering shall be subject to the provisions of a definitive underwriting agreement in respect of the Offering (the "Underwriting Agreement") to be entered into between the Company and the Underwriters, which Underwriting Agreement shall include, without limitation, the provisions set forth in the Engagement Letter as well as such representations, warranties, covenants, conditions, indemnities and termination provisions including standard disaster, material adverse change, material adverse legislation and material breach termination provisions that are usual for transactions such as the Offering.

The Subscription Receipts issued pursuant to the Offering and the additional Subscription Receipts, if any, issued pursuant to the exercise of the Underwriters' Option have not been and will not be registered under the U.S. Securities Act or any applicable securities laws of any state of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons absent such registration or applicable exemption from such registration requirements. This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein.

Advisors and Fairness Opinion

National Bank Financial Inc. is acting as exclusive financial advisor to Exro. Stikeman Elliott LLP and Dorsey and Whitney LLP are acting as legal advisors to Exro.

Canaccord Genuity Corp. and Eight Capital are acting as financial advisors to SEA. Gibson, Dunn and Crutcher LLP and Blake, Cassels and Graydon LLP are acting as legal advisors to SEA.

In connection with the review and Consideration of the Transaction, Exro engaged National Bank Financial Inc. as its exclusive financial advisor. National Bank Financial Inc. has provided an opinion to the board of directors of Exro and a special committee of independent members of the board of



directors Exro formed to consider the Transaction that, as of the date hereof and based upon and subject to the assumptions, limitations and qualifications set out in its opinion, the Consideration is fair, from a financial point of view, to the Exro shareholders other than Vestcor Inc.

Shareholder Webcast

Exro will host a shareholder livestream webcast to discuss the Transaction on January 30, 2024 at 10:00 AM (Mountain Time). To participate in the event please register [here](#).

About Exro Technologies

Exro Technologies Inc. is a leading clean technology company that has developed new generation power control electronics that change how the world optimizes energy by expanding the capabilities of electric motors and batteries. The company's innovative technologies serve to bridge the performance-cost gap in e-mobility (Coil Driver™) and stationary energy storage (Cell Driver™), and act to accelerate adoption towards a circular electrified economy by delivering more with less – minimum energy for maximum results.

For more information visit our website at www.exro.com.

To view our Investor Presentation visit us at www.exro.com/investors.

Visit us on social media @Exrotech.

About SEA Electric

SEA is a leading automotive and e-mobility technology company that provides 100% electric drivetrain system technology. SEA has a worldwide presence, deploying products in the USA, Canada, Australia, New Zealand, Thailand, Indonesia, India, and South Africa, collectively achieving more than three million miles of service via independent OEM-testing and real-world operation.

Contact Information

Investor inquiries: investors@exro.com

Media inquiries: media@exro.com

Cautionary Statement Regarding Forward Looking Statements

This news release contains forward-looking statements within the meaning of Canadian securities laws. These statements relate to future events or future performance and reflect management's expectations regarding the Company's growth, results of operations, performance and business prospects and opportunities. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan",



“anticipate”, “believe”, “estimate”, “predict”, “potential”, “continue”, “target” or the negative of these terms or other comparable terminology.

Forward-looking statements are necessarily based on estimates and assumptions made by management in light of management’s experience and perception of historical trends, current conditions and expected future developments, as well as factors management believe are appropriate. Forward-looking statements may include but are not limited to statements respecting: the completion of the Transaction or the realization of the benefits thereof by the Combined Company; the terms and conditions of the Offering and the closing of the Offering; the receipt of all required regulatory and shareholder approvals of the Transaction and the Offering, including but not limited to the approval of the Transaction by the shareholders of Exro at the Special Meeting and the approval of the TSX; the timing and occurrence of the Closing Date; the ability of Exro and the Underwriters to enter into the Underwriting Agreement, on satisfactory terms or at all; all information regarding the Debt Financing, and the Company’s (and following the Transaction, the Combined Company’s) ability to commercialize its technology.

This news release also includes future-oriented financial information about future forecasted revenue of the Combined Company for calendar year 2024 that is not presented in the format of a historical balance sheet, income statement or cash flow statement, and which is based on assumptions about the closing of the Transaction, future economic conditions, courses of action and additional assumptions listed below (the “FOFI”). Actual results may differ from the FOFI in the news release. The FOFI is as of the date of this news release and has been included in this news release to assist readers in understanding the potential benefit of the Transaction in the Combined Company, and readers should be cautioned that the FOFI in this news release may not be appropriate for other purposes. These statements are not guarantees of future performance and undue reliance should not be placed on them. Such FOFI necessarily involves known and unknown risks and uncertainties which may be outside of the Company’s control, and which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or result expressed or implied by such FOFI. These risks and uncertainties include but are not limited to risks associated with the Combined Company realizing on the perceived benefit of the completion of the Transaction, general economic conditions, adverse industry events, loss of markets, access to capital, and other factors listed below and in Company’s most recent annual information form and MD&A.

These forward-looking statements and FOFI are based on the beliefs of the management of Exro and on assumptions which such management believes to be reasonable, based on information available at the time such statements were made. However, there can be no assurance that forward-looking statements and FOFI will prove to be accurate. Such assumptions and factors include, among other things: demand for the technology of the Company (and following the Transaction, the Combined Company); the Company’s (and following the Transaction, the Combined Company’s) ability to maintain existing partners and attract new partners; the impact of competition; the Company’s (and following the Transaction, the Combined Company’s) ability to obtain and maintain existing financing on acceptable terms; the Company’s (and following the Transaction, the Combined Company’s) ability to retain skilled management and staff; currency, exchange and interest rates; the availability of financing opportunities, risks associated with economic conditions, dependence on management; volatility of stock price and market conditions; technology risks and risks associated with the commercialization of Company’s (and following the Transaction, the Combined Company’s)



technology; regulatory risks; the Company's reliance on key personnel; the Company's limited operating history; market uncertainties; the protection of patents and intellectual property; conflicts of interest; market competition; and operating in an environment subject to regulation.

The preceding list is not exhaustive of all possible factors. Although the Company believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and the Company cannot assure that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties and assumptions, any investors or users of this document should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors.

Please refer to the Company's annual information form and other public continuous disclosure documents filed with the Canadian securities regulators under its profile on SEDAR+ at www.sedarplus.com for additional disclosure respecting the risks affecting the Company and its business.

Readers should not place undue reliance on the Company's forward-looking statements, as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. The Company does not undertake to update any forward-looking information, except as, and to the extent required by applicable securities laws.

Neither the TSX nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this press release.

SCHEDULE "B"

INVESTOR PRESENTATION

See attached.

Accelerating the Adoption of Electric Vehicles

Through Technology Driven Performance Improvements
and Cost Reduction

JANUARY 2024



OPTIMIZING POWER

Disclaimer

This presentation contains forward-looking statements within the meaning of Canadian securities laws. These statements relate to future events or future performance and reflect management's expectations regarding Exro Technologies Inc.'s ("Exro" or the "Company") growth, results of operations, performance and business prospects and opportunities. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue", "target" or the negative of these terms or other comparable terminology.

This presentation also includes future-oriented financial information about prospective results of operations, financial position and cash flows that is not presented in the format of a historical balance sheet, income statement or cash flow statement, and which is based on assumptions about the closing of the Merger Transaction (as defined in this presentation), future economic conditions, courses of action and additional assumptions listed below (the "FOFI"). Actual results may differ from the FOFI in the presentation. The FOFI is as of the date of this presentation and has been included in this presentation to assist shareholders in understanding their investment in the Company, and readers should be cautioned that the FOFI in this presentation may not be appropriate for other purposes. These statements are not guarantees of future performance and undue reliance should not be placed on them. Such FOFI necessarily involves known and unknown risks and uncertainties which may be outside of the Company's control, and which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or result expressed or implied by such FOFI. These risks and uncertainties include but are not limited to risks associated with general economic conditions, adverse industry events, loss of markets, access to capital, and other factors listed below and in Company's most recent annual information form and MD&A. Please refer to "Forecast Assumptions" in the Appendix for additional information about the assumptions made in preparing the FOFI contained in this presentation.

Forward-looking statements are necessarily based on estimates and assumptions made by management in light of management's experience and perception of historical trends, current conditions and expected future developments, as well as factors management

believe are appropriate. Forward-looking statements may include but are not limited to statements respecting volatility of stock price and market conditions, successful completion of the proposed Merger Transaction and concurrent financing and anticipated timing of both, financial forecast and projections, growth potential of the combined entity resulting from the Merger Transaction ("Exro-SEA"), the proposed reverse stock split, technology risks, and risks associated with the commercialization of Company's technology, regulatory risks; the Company's reliance on key personnel; the Company's limited operating; market uncertainties, and the protection of patents and intellectual property.

These forward-looking statements, which include the successful completion of the Merger Transaction and the concurrent financing as well as the ability of Exro-SEA to realize the anticipated technology, revenue and costs synergies are based on the beliefs of the management of Exro and on assumptions which such management believes to be reasonable, based on information available at the time such statements were made. However, there can be no assurance that forward-looking statements will prove to be accurate. Such assumptions and factors include, among other things: demand for the technology of the Company; the satisfaction of counterparties with the Company's testing results under various contracts to which the Company is party which are potentially subject to termination in the event of unsatisfactory results; and the Company's ability to maintain existing partners and attract new partners; the impact of competition; the Company's ability to obtain and maintain existing financing on acceptable terms; the Company's ability to retain skilled management and staff; currency, exchange and interest rates; the availability of financing opportunities, risks associated with economic conditions, dependence on management; conflicts of interest and market competition; the ability to commercialize the Company's technology; and operating in an environment subject to regulation.

The preceding list is not exhaustive of all possible factors. Although the Company believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and the Company cannot assure that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties and assumptions, any investors or users of this document should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors

Disclaimer

Please refer to the Company's annual information form and other public disclosure documents filed with the Canadian securities regulators under its profile at www.sedar.com for additional disclosure respecting the risks affecting the Company and its business.

The future-orientated financial information included in this document has been prepared by, and is the responsibility of, the Company's management. PricewaterhouseCoopers LLP has not audited, reviewed, examined, compiled nor applied agreed-upon procedures with respect to the accompanying future-orientated financial information and, accordingly, PricewaterhouseCoopers LLP does not express an opinion or any other form of assurance with respect thereto.

Readers should not place undue reliance on the Company's forward-looking statements or the FOFI, as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. The Company does not undertake to update any forward-looking information or the FOFI, except as, and to the extent required by applicable securities laws.

All references to dollar figures included herein are in CAD millions except per share amounts, unless otherwise indicated.

In addition to financial measures prescribed by Canadian generally accepted accounting principles for publicly accountable entities, being International Financial Reporting Standards ("IFRS"), certain non-IFRS measures are used in this presentation. Those measures include (i) "EBITDA", a financial measure equal to net income before finance costs, depreciation and amortization, loss (gain) on property and equipment, impairment, current and deferred income tax provisions and recoveries, and share-based compensation, and (ii) "Free Cash Flow", a measure determined by deducting development capital from funds from operations. Management of the Company considers free cash flow and EBITDA to be key measures to evaluate and segment corporate performance. EBITDA and Free Cash Flow are not earnings

measures recognized by IFRS and do not have standardized meanings prescribed by IFRS. Therefore, EBITDA and Free Cash Flow may not be comparable to similar measures presented by other issuers, including other companies that operate in businesses similar to the Company's business.

Non-Solicitation

This is not an offer to sell or a solicitation of an offer to purchase securities of the Company. By agreeing to receive this presentation, you agree to be bound by the provisions of this disclaimer. Any subsequent offer to sell or solicitation of an offer to purchase securities of the Company will be made by means of offering documents (e.g., securities purchase agreement or similar documents (collectively, the "Offering Documents")) prepared by the Company or the seller of such securities for use in connection with such subsequent offer or solicitation and only in jurisdictions where permitted by law. In the event of a subsequent offer to sell or solicitation of an offer to purchase securities of the Company, purchasers should refer to the Offering Documents for more complete information. The attached material is provided for informational purposes only as of the date hereof, is not complete, and may not contain certain material information about the Company, including important disclosures and risk factors associated with an investment in the Company.

Disclaimer

This information does not take into account the particular investment objectives or financial circumstances of any specific person who may receive it. In the event of a subsequent offer to sell or a solicitation of an offer to purchase securities of the Company, more complete disclosures and the terms and conditions relating to a particular investment will be contained in the Offering Documents prepared for such offer or solicitation. Before making any investment, prospective purchasers should thoroughly and carefully review the Offering Documents with their financial, legal and tax advisors to determine whether an investment is suitable for them.

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THE PUSH ELECTRIFICATION NEEDS

Combining next generation technology with
validated electrification

*The world is grappling with numerous
challenges in the electrification transition,
success hinges on our ability to execute*



Exro + SEA: On the Forefront of Industry Consolidation

Capitalizing on Built Value to Accelerate Technology Deployment and Path to Profitability



TECHNOLOGY SYNERGIES

Full Propulsion System

VCU

Motor Control

Battery Control

OPERATIONAL SYNERGIES

Industrial Process Expertise

Core Product Partnerships

Drive Innovative Energy
Efficiency

SHAREHOLDER VALUE CREATION

Significant Revenue Increase

Decreased Cost Base

Accelerated Path to Profitability

Expanded IP to Commercialize

Combining Next Generation Technology with Blue-Chip Partners

Bridging the Gap to the Electrification Transition

Short- & Long-Term Synergies

EXRO

DIFFERENTIATED TECHNOLOGY

DE-RISKED COMMERCIALIZATION PATH

READY FOR AUTOMOTIVE QUALITY MANUFACTURING

BEGINNING ON-ROAD VALIDATION

SEA ELECTRIC

NOVEL VCU TECHNOLOGY

PROVEN WITH BLUE CHIP OEM CUSTOMERS

READY TO SCALE ASSEMBLY

3+ MILLION MILES DRIVEN

*Combination of Exro and SEA provides scalability and financing
Backed with proven technology today and differentiating technology for tomorrow*

Exro Snapshot

Power Electronics Experts with Next-Generation Motor Control for e-Automotive

- **Next generation power electronics** that expand the capabilities of electric motors and batteries
- **Award winning Coil Driver™ technology** de-risked with 5+ years of R&D, independent testing, and successful customer integrations globally
 - **Electronic gearing** that **bridges the performance-cost gap** in e-mobility
 - **Boost performance** by up to 50%
 - **Reduce system cost** by up to 20%
 - **Improve highway efficiency** by up to 15%
- Comprehensive intellectual property protection with **34 issued patents** and **17 pending** applications



SEA Snapshot

Propulsion System Experts with Proven Results Validated by Major OEMs

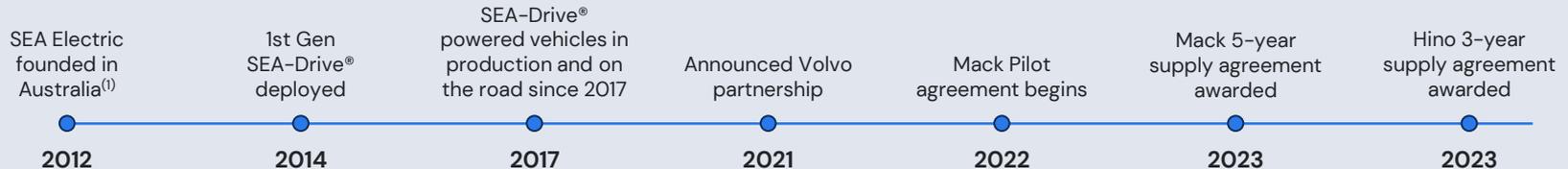
- **SEA-Drive® propulsion technology** controls all components that electrify a vehicle, constantly adjusting to optimize battery & vehicle performance
- **Proprietary technology de-risked** with more than 3 million real-world miles delivering:
 - **Offering OEMs a capital-efficient solution** versus the significant cost and time investment to produce in-house
 - **Quicker time-to-market** allows OEMs to meet customer demands and emissions targets
 - **Fully integrated and adaptable solution** leads to improved production efficiency
- **Patent technology granted across 14 jurisdictions**, including US, Canada, Australia, China, Japan and the EU

ORDER PIPELINE

~5,000
Class 6-7 Vehicles



~11,000+
Class 4-7 Vehicles



1. SEA was redomiciled to the United States in 2022

Transaction Overview

THE OPPORTUNITY

- Exro Technologies (“Exro”) and SEA Electric (“SEA”) are engaged in planning a transformational business combination (the “Merger Transaction”)
 - Merger Transaction to take form of a 100% all-share exchange with the pro forma entity to remain publicly traded on the TSX (EXRO)
- In conjunction with the Merger Transaction, the combined entity (“Exro-SEA” or the “Company”) **will aim to raise \$50M (US\$37M)** to fund the next leg of executing the commercialization of its technology solutions
 - Private placement of subscription receipts for common shares in pro forma Exro-SEA
 - Lead order from a Canadian institutional investor
 - Upon consummation of the Merger Transaction, Exro-SEA is contemplating a reverse stock split



Technology Synergies: Combination of complementary EV technology platforms to drive enhanced cost structure and increased market share



Revenue Synergies: Shared access to major OEM customers with firm demand ready to execute in Q1 2024



Cost Synergies: Headcount consolidation, supply chain negotiations for economies of scale and improved capital utilization – targeting \$47M in 2025 (US\$35M)

Note: USD figures converted to CAD at a USD/CAD FX rate of 1.3415.

Transaction Overview

TRANSACTION SUMMARY

<i>Assuming \$50M (US\$37M) Financing</i>	C\$M	US\$M
SEA Equity Purchase Price	\$341	\$254
SEA Debt	\$70	\$52
SEA Cash on Hand	(\$8)	(\$6)
SEA Acquisition TEV	\$402	\$300
Share Price ⁽¹⁾	\$1.11/sh	\$0.83/sh
F.D Shares Outstanding	552.5 MM	
Pro Forma Market Cap	\$613	\$457
Pro Forma Net Debt ⁽²⁾	\$57	\$42
Pro Forma Enterprise Value	\$670	\$499
<i>EV / 2024E Revenue</i>	3.0x	
<i>EV / 2025E Revenue</i>	1.6x	

Pro Forma F.D Ownership ⁽³⁾ (Excluding Equity Financing Investors)	Ownership	
	(MM shares)	(%)
Exro Voting Shares	172.6	35%
SEA Voting Shares	156.1	31%
SEA Non-Voting Shares	171.1	34%
Total Exro-SEA Shares O/S	499.8	100%

TRANSACTION MILESTONES



1. Based on Exro spot share price of \$1.11/share as of January 29, 2024. USD/CAD FX rate of 1.3415.
2. Net debt reflects C\$70 MM of SEA debt and forecasted Exro-SEA cash of C\$13 MM as of March 2024 and inclusive of the offering proceeds.
3. Reflects the cancellation of Exro's existing ownership in SEA.

Pro Forma Highlights



Disruptive complimentary technology that accelerates electrification by reducing system cost and improving total cost of ownership



First mover advantage from validated technology with blue chip OEMs delivering immediate 2024 revenue and additional opportunities for growth



Execution efficiency enabling a defined path to profitability in 12 months⁽¹⁾



Substantial upside from continued focus on innovation into e-transition market verticals

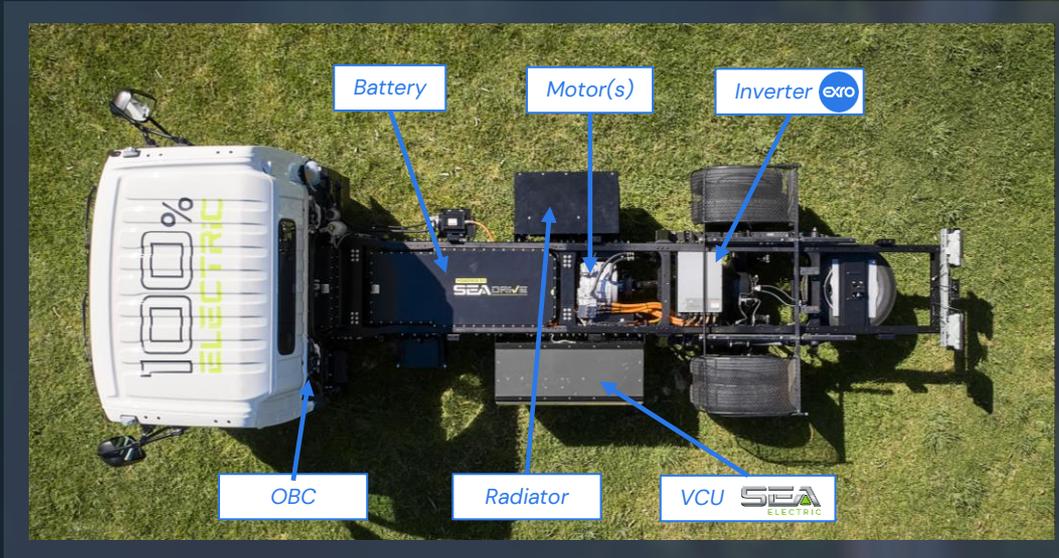


Strong leadership team which brings deep proven experience in automotive and technology commercialization

1. Following assumed close of March 31, 2024.

Electrification 101 – Controlling Everything That Electrifies a Vehicle

A Readily-Scalable Fully-Integrated Technology Solution



- Battery is the fuel tank
- Motor(s) does the work
- Inverter + VCU are the brain of the system, controlling the flow of energy between the individual components in the power system
- Driver turns the key which sends a signal to the VCU to allow voltage to flow from the battery to auxiliary equipment
- Driver steps on accelerator a signal is sent to the inverter (Coil Driver™) to “invert” DC voltage from the battery to AC voltage for the electric motors, which turns the wheels

Modernizing Electrification with a Proven Technology Platform

Leading the Electrified Consolidation with Highly Complementary Technologies

WHAT WE DO

Patented Technology Solution

- Exro patented Coil Driver™ inverts voltage from the battery to motor and enables electronic gearing that drives down the overall system cost by eliminating dependency on mechanical solutions
- SEA patented SEA-Drive® software combined with novel validated electrification kit provides proven system efficiency and optimizes the electrification of all components in the vehicle

Fully integrated solution offers cost effective best in class performance

60+

Software and hardware patents and patent applications, complemented by deep trade secrets portfolio

HOW WE DO IT

Capex-Light Model

- Partnerships with OEM approved contractors to integrate technology
- Co-marketing with dealerships to support Electrification Ecosystem including OEM financing, charging infrastructure and support
- Path to profitability achieved through synergies in resources and facilities

Combination of Exro-SEA provides 12-month path to profitability

Line of sight to profitability

2025

Estimated to achieve positive EBITDA and FCF

WHY WE DO IT

Validated with Blue Chip Customers

- Strong pipeline supported by orders backlog for 2024
- Proven year-over-year growth
- 2024 launch for two major OEM contracts with Mack/Volvo and Hino/Toyota
- 2025 continued growth backed by expanding agreements and launch of Tier 1 partnerships with Linamar and Tier 1 motor OEMs



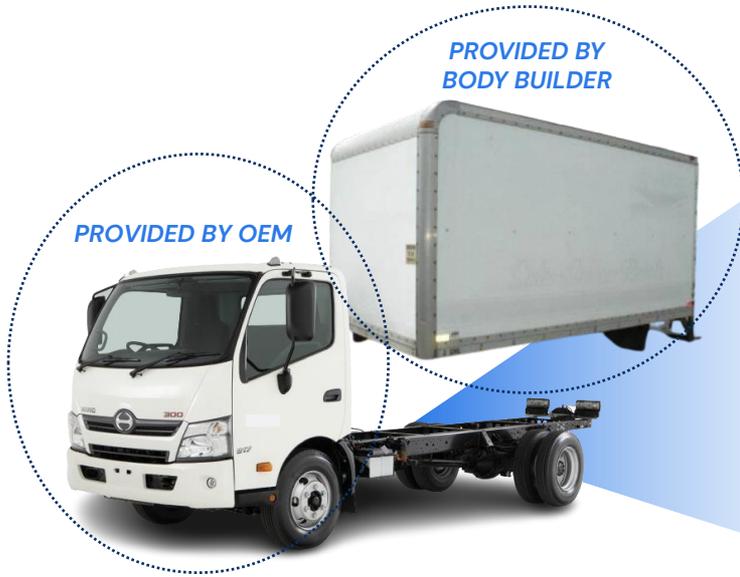
Industry-leading

3 Million+

Real-world miles driven on the SEA-Drive®

Technology-Based Solution

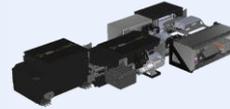
Core Power Electronics and Software Manufactured In-House While High-Capital/Low-Margin Manufacturing and Assembly is Completed Off-Site Through OEM Partnerships



COMPLETE NEXT GEN POWER SYSTEM PROVIDED BY EXRO



SEA-DRIVE® PROPULSION SYSTEM



- Controls all components, constantly adjusting to optimize battery & vehicle performance
- Includes battery pack, motor, inverter, heating and cooling systems, power system, braking system, telemetry

COIL DRIVER™ MOTOR CONTROL



- Inverter – converts voltage between motor and battery and controlling overall performance of the vehicle

VEHICLE CONTROL UNIT (VCU)

- The VCU module contains the software that communicates with the inverter and controls power distribution between all components that electrify a vehicle

**Exro-SEA's Complete Electrified Propulsion System (Integrated Components and Software)
... Creates a Step Change in Electrification**

Significantly Reduced Ownership Cost for Commercial Operators

Proprietary Technology That Delivers Best-in-Class Power System Efficiency (<0.7kwh/mi), Performance (Torque and Gradeability), Weight, and Customer Total Cost of Ownership (“TCO”)

TOTAL COST OF OWNERSHIP IMPACT

5%

System efficiency improvement with SEA-Drive® controlled by Coil Driver™ leads to TCO savings

10%

BoM reduction with consolidation of mechanical components including elimination

40%

More efficient than medium duty EV competitors

Right sized technology accelerates path to profitability for OEMs

Agnostic technology is adaptable to any electric vehicle – hybrid, fuel cell or battery electric

- Commercial Vehicles:** A truck powered by our propulsion system, provides the ability to achieve on average **>US\$10,000** savings per vehicle. Based on the number of Volvo Trucks sold in 2022, that would equate to **>US\$50M**
- Passenger Vehicles:** A car equipped with Coil Driver™ will see greater system efficiency and drive down rare earth metal utilization. Reduced battery pack size would save **~US\$700/vehicle**, equating for Tesla Model Y in 2022 to **>US\$500M**
- Real world driving conditions that offer **unparalleled electric performance** in a competitive packaging

De-Risked Technology Validated by Blue Chip Customers

Established Distribution Network with Multi-Year Customer Contracts That Will Accelerate Technology Adoption

OUR BLUE CHIP CUSTOMER DISTRIBUTION NETWORK



- Mack / Volvo** → 300+ Locations
→ 40+ Electric Certified

- Hino** → 200+ Locations

- Small Fleets** → MTE, UPS, APAC

IT'S NOT IF, IT'S WHEN

Last year, Mack's MD – available in Class 6 and 7 configurations – captured 5.5% of the Canada/U.S./Mexico medium-duty market, Randall said. It's on pace to capture the same market share this year. Mack executives anticipated it would take 60 months to reach the market share it attained in just two years. "It turned out to be a versatile truck," Randall said. "Mack dealers, being who they are, will try to Mackify anything."



Jonathan Randall, President

"Exro came to us with a unique solution for our electric drive program that we believe is a step in the right direction for accelerating the adoption of electric vehicles. This integrated design can pave the way for cost-effective and high-performing electric propulsion systems that are essential to scale the transition to electric mobility."



Linda Hasenfratz,
Chief Executive Officer



SEA – Mack

5-year agreement
Up to 3,500 units annually



SEA – Hino

3-year agreement
Up to 5,000 units annually



Exro – Tier 1

5-year agreement
Deliveries expected late 2024



Both – Other

Small Fleets
Tier 1 Motor Suppliers

Path to Profitability

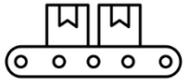
Forecast Underpinned by Existing Facilities

- 25 propulsion systems delivered in month of January 2024 to Mack
- Ready to scale with established “next-door” OEM approved contract assembly partner facilities, reducing otherwise significant capex and logistics costs
- Recognizing technology synergies beginning in H2 2024 with the integration of Coil Driver™ technology into all SEA propulsion systems

READY-TO-SCALE ASSEMBLY PROCESS

1

Assembly Line



Opportunity to scale number of assembly lines

8 hr

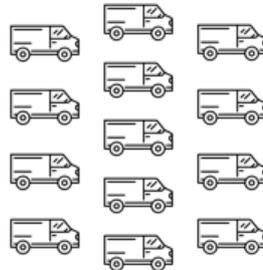
Per Shift



Opportunity to increase number of shifts

13

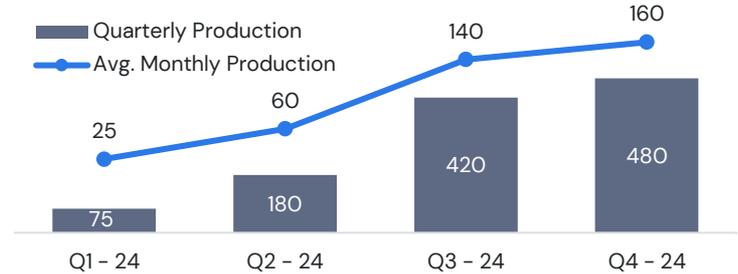
Power Systems Per Week / Per Facility



~2,400/yr

power systems capacity from two existing facilities (based on two shifts per facility)

ILLUSTRATIVE 2024E POWER SYSTEM DELIVERY RAMP UP



Ramping For Success

- ✓ Achieved 25 deliveries in Jan. 2024
- Q1/Q2: Ramp up to full capacity with 1 shift / 1 line per facility
- Q3: Add second shift and set up second line
- Q4: Ramp up to full capacity with 2 shifts / 2 lines per facility

2024 Budget Fully Supported by Capacity at Existing Facilities

Efficient Operational Execution

Contracted 2024 Unit Projections Coupled with Right-Sizing Operating Base Drives Profitability

- 2024 is an inflection year for revenue growth with near-term revenue growth supported by firm orders from marquee OEMs
- A capital efficient business model, growing revenue and realizing cost synergies deliver a path to profitability in the near-term
- Certain friction costs will be incurred to realize full cost savings that support cash flow positive position in 2025

Contracted 2024E order volume represents >\$200M (US\$150M) in combined revenue underpinned by 1,150 Mack and Hino/Toyota SEA-Drive® system volume

IMPLEMENTING COST SYNERGIES

Consolidated Team	<ul style="list-style-type: none">→ Eliminate overlapping workforce and reduced headcount→ Targeting G&A cost savings of \$13M+ (US\$10M+) in 2024E and ~\$27M (~US\$20M) in 2025E	} 2024E: \$20M+ (US\$15M)
Efficiencies in Supply Chain	<ul style="list-style-type: none">→ Negotiating leverage over supplies to improve costs (i.e., motors, etc.)→ Targeting BOM / supply chain savings of \$7M (US\$5M) in 2024E and ~\$20M (~US\$15M) in 2025E	
Information Technology	<ul style="list-style-type: none">→ Streamlined internal process and integration of operational best practices	
Facilities	<ul style="list-style-type: none">→ Closure or consolidation of redundant locations	
Sales and Marketing	<ul style="list-style-type: none">→ Reduced marketing costs, fees, and other SG&A due to shared efforts	

Note: Please refer to disclaimers on slides 2, 3, and 4 relating to FOPI and forward-looking estimates, including the risks associated with not meeting contracted volume targets. USD figures converted to CAD at a USD/CAD FX rate of 1.3415.

Forecast Summary

Commercial operations commenced in Q4 2023

All figures in C\$ millions⁽¹⁾

	2023	1H 2024	2H 2024	2024	2025
Revenue	\$25.0	\$49.5	\$171.9	\$221.4	\$420.6
% Annual Growth	n.m.f	n.m.f	n.m.f	n.m.f.	90%
Cost of Goods Sold	(\$21.3)	(\$41.5)	(\$131.6)	(\$173.1)	(\$296.6)
Gross Profit	\$3.7	\$8.0	\$40.3	\$48.3	\$123.9
% Margin	15%	16%	23%	22%	29%
EBITDA	(\$69.4)	(\$27.7)	\$4.3	(\$23.4)	\$48.5
% Margin	n.m.f.	(56%)	2%	(11%)	12%
Change in NWC		\$7.7	(\$21.4)	(\$13.7)	(\$11.0)
Capital Expenditures		(\$2.6)	(\$3.3)	(\$5.9)	(\$6.7)
Other		(\$1.7)	(\$0.0)	(\$1.7)	(\$4.7)
Free Cash Flow		(\$24.3)	(\$20.5)	(\$44.8)	\$26.1

KEY HIGHLIGHTS

- **Significant revenue growth** with focus on Mack and Hino deliveries
 - Additional upside from potential revenue synergies NOT included in forecast
- **Capital light model** supported by leveraging OEM manufacturing lines
- **Working capital investment** of ~\$27M (US\$20M) required to hit profitability, largely comprised of inventory

12-Month Runway to Achieving Profitability in 1H 2025, Underpinned by a Strong Backlog of Contracted Orders

Note: Underlying assumptions can be found on page 28 in the appendix. Please see relevant disclaimers on FOPI and non-GAAP disclosure on pages 2, 3 and 4.

1. USD figures converted to CAD at a USD/CAD FX rate of 1.3415.

Exro-SEA Management and Operations Team

Experienced in Developing Technology and Converting Into Commercial Use



Sue Ozdemir
Chief Executive Officer

- Led Exro for the past ~5 years to become a leading, commercial power electronics company
- Former CEO of GE's Small Industrial Motors Division – General Electric (NYSE: GE) – responsible for building the division into a highly-profitable \$160mm enterprise
- Proven leader in innovation and manufacturing of electric motors
- Highly-regarded by capital markets, supported by her successful capital raising efforts (~\$100M of bought financings)



Tony Fairweather
Chief Product Officer

- Founder and CEO of SEA Electric since 2012
- 17+ years in the commercial vehicle / transportation logistics industry
- Proven leader in commercial vehicle industry supported by developing key relationships with global, industry leading companies



Darrell Bishop
Chief Financial Officer

- 12+ years in investment banking and capital markets
- Led commercial and investment development and execution over the past 2 years with Exro
- Proven executor in corporate finance roles and capital markets, combined with deep industry relationships



ADDITIONAL SENIOR LEADERSHIP

Senior leadership with a proven track record of developing and commercializing technology, focused on execution:

- Eric Hustedt (technology / innovation)
- Joe Greenley (engineering)
- Simon Strawbridge (manufacturing / operations)
- Dave Whelan (manufacturing / operations)
- Mike Menyhart (commercial)
- Nathan Copeland (systems engineering)

Pro forma Board of Directors to be comprised of up to 9 members, with Rod Copes serving as Chairman and the remaining members comprised equally of representatives from Exro and SEA

First 90 Days: Targets Post Deal Close

KEY H1 2024 CATALYSTS

- ✓ Execution: Deliver 250+ propulsion technology systems in the first 90 days
- ✓ Significant synergy potential based on 20% G&A rightsizing in H1 2024
- ✓ First co-integration partner bringing Coil Driver™ into Hino / Mack systems
- ✓ Supply chain optimization resulting in immediate 5% BoM reduction to drive profitability
- ✓ Additional upside from incremental major partnership announcements
- ✓ Continued innovation with pilot for Class 8 application that increases market share with disruptive tech solution

Investment Summary

Exro + SEA: Consolidation modernizes electrification with proven technology platform

→ Highly complementary technology offerings that utilize power electronics hardware and software solutions, bridging the performance-cost gap to drive EV adoption

Asset-light business model that disrupts the e-mobility space

→ Core power electronics and software manufactured in-house while high-capital/low-margin manufacturing and assembly is completed off-site through OEM partnerships

Technology platform de-risked through extensive 3rd party testing, real-world miles and ready to accelerate commercialization

→ Exro award winning Coil Driver™ technology de-risked with 5+ years of R&D, independent testing and customer integrations; SEA-Drive® validated with 3M+ real-world miles driven

Delivering revenue with blue-chip OEMs which provide unique leverage through ecosystem of distribution networks

→ Initial partner network includes major commercial vehicle OEM's and Tier-1's Volvo/Mack, Toyota/Hino, Linamar, Wolong and others

Defined path to profitability backed by multi-year demand and strong backlog

→ Projected cash flow and EBITDA profitability within ~12 months of closing, with visibility through 2026 of 10,000+ projected units with existing customer agreements only

Substantial upside from continued focus on innovation into e-transition market verticals

→ Near-term R&D pipeline ripe for commercializing – AC fast-charging, induction motor

Note: USD figures converted to CAD at a USD/CAD FX rate of 1.3415.

1. Reflects the full \$50 MM offering less financing fees of \$3 MM and \$12 MM (US\$9 MM) in new convertible debentures.

2. Reflects ownership prior to potential participation in offering.

USES OF PROCEEDS

	C\$M	US\$M
Exro Convert Offer for Repayment	\$15	\$12
Transaction & Integration Costs	\$24	\$18
Working Cap & Operating Losses	\$17	\$12
Capex Requirements	\$3	\$2
Total Uses of Funds⁽¹⁾	\$59	\$44

ILLUSTRATIVE PRO FORMA OWNERSHIP

	Shares (Millions)		% of Total
	Voting	Non-Voting	
Tony Fairweather	41.4	45.4	16%
Other SEA Insiders	47.2	51.8	18%
Total SEA Insiders	88.6	97.1	34%
Vestcor ⁽²⁾	29.4	15.6	8%
Handelsbanken	8.7	–	2%
Other Exro Shareholders	148.7	–	27%
Other SEA Shareholders	53.2	58.5	20%
Financing Investor(s)	52.6	–	10%
Total PF Shares O/S	381.3	171.1	100%
	Shares	% of Total	
Exro Voting Shareholders	172.6	31%	
SEA Voting Shareholders	156.1	28%	
SEA Non-Voting Shareholders	171.1	31%	
New Investor(s)	52.6	10%	
Total PF Shares O/S	552.5	100%	

Major shareholders and insiders of SEA as well as directors and officers of Exro will enter into a lock-up agreement

Thank you

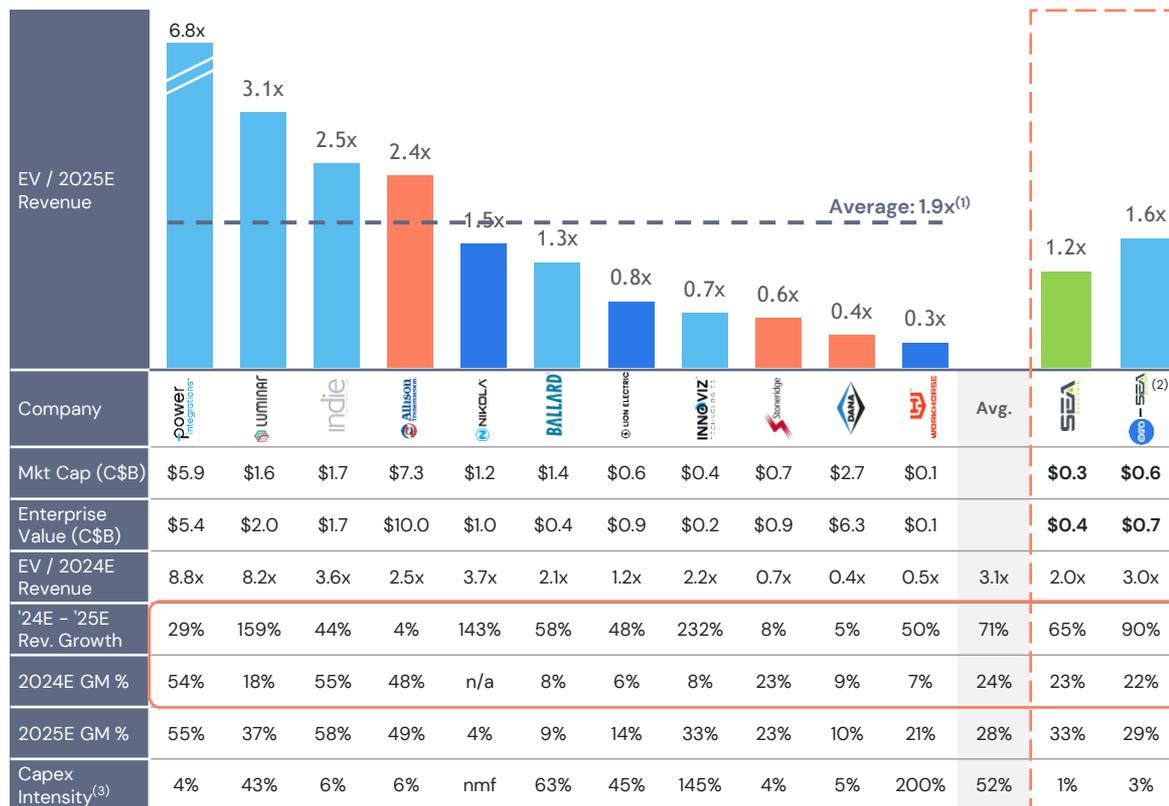


OPTIMIZING POWER

APPENDIX

Supplementary Materials

Comparable Public Peer Analysis



Category	Avg. EV/Revenue Multiples	
	2024E ⁽¹⁾	2025E ⁽¹⁾
Commercial EV OEMs	1.8x	0.9x
EV and Electronics Components	5.0x	2.9x
Vehicle Component & Power Electronics	1.2x	1.1x
Global Average	3.1x	1.9x

OBSERVATIONS

- Pro forma EV/2025E revenue at 1.6x compared to peers at 1.9x
- Pro forma EV/2024E revenue at 3.0x compared to peers at 3.1x
- Exro '24E - '25E revenue growth estimated at ~90% compared to peers at ~70%
- Exro 2024E gross margin estimated at 22%, in-line with peers at 24%
- Exro 2024E capex intensity estimated at 3%, compared to peers at 52%

Source: Capital IQ and other publicly available information.

Note: Information as of January 29, 2024. All dollar figures in CAD. Figures calendarized to December year-end.

1. Simple average reflecting the sum of peer multiples divided by the number of peers in the respective category.

2. Valuation is based on an Exro share price of C\$111/share as of close January 29, 2024.

3. Capex Intensity for peer group based on LTM capex as a % of LTM revenue and Exro and SEA based on 2024E capex as a % of 2024E revenue.

Large TAM Opportunities Supported by Secular Tailwinds

ELECTRIC VEHICLES ADDRESSABLE MARKET⁽¹⁾

Commercial EV Power Systems Market



US\$340B+

Global Traction Inverter Market



US\$35B+

Passenger Class 1



→ 1.3 billion est. global fleet⁽¹⁾

Light Duty Class 2 – 4



→ 165 million est. global fleet⁽¹⁾

Medium Duty Class 5 – 7



→ 82 million est. global fleet⁽¹⁾

Heavy Duty Class 8 Regional



(Includes medium + heavy duty)

Total market opportunity for integrated Coil Driver™ and SEA-Drive® platform is estimated at ±US\$375B⁽²⁾

RAPIDLY-EVOLVING GLOBAL REGULATORY ENVIRONMENT

The Carrot & The Stick



California Air Resources Board, along with 9 other states, have adopted the requirement for truck manufacturers to sell an increasing percentage of zero-emission trucks **beginning in 2024**⁽³⁾



California signed the Under2 Climate Coalition's ZEV Pledge that sets aggressive goals to transition fleet composition to **100% ZEV beginning in 2024**⁽⁴⁾



Clean Vehicle Tax credit of **up to US\$40,000 per vehicle available** to purchase new commercial clean vehicles under IRA⁽⁵⁾



EU instituted a requirement for manufacturers to meet targets set for fleet-wide average CO2 emissions of new trucks **starting in 2025**⁽⁶⁾

1. Bloomberg NEF Electric Vehicle Outlook 2023.

2. Based on selling price of SEA-Drive systems and Coil Driver systems multiplied by the expected 2028 annual unit sales of light and medium duty commercial vehicles and buses as per Bloomberg NEF Electric Vehicle Outlook 2023.

3. California.gov, "Advanced Clean Trucks Fact Sheet", August 20, 2021.

4. U.S. Department of Energy.

5. As per summary of Inflation Reduction act filed on democrats.senate.gov on August 11, 2022.

6. Regulation (EU) 2019/1242, June 2019.

Forecast Assumptions

Volume & Revenue	<ul style="list-style-type: none"> → Revenue of \$221M and \$421M in 2024E and 2025E, respectively, underpinned by near-term projected sales volumes backed by current purchase orders → Exro forecast to generate \$82M in 2025E (\$17M in 2024E) largely driven through Coil Driver™ sales of 10.6k units in 2025E (1.2k units in 2024E) → SEA forecast to generate \$340M in 2025E (\$205M in 2024E) largely driven through SEA-Drive kit sales of 2.0k units in 2025E (1.2k units in 2024E)
Gross Margin	<ul style="list-style-type: none"> → Gross margin forecast to increase from 22% in 2024E to 29% in 2025E → Expected reduction in direct costs, specifically relating to per-unit BOM costs of 14–18% in 2025E
SG&A & EBITDA	<ul style="list-style-type: none"> → EBITDA margin expansion in 2025E due in part to forecast revenue growth → Headcount expected to grow by ~20 FTE between 2024E and 2025E → All other operating expenses forecast as a % of revenue or by a year-over-year growth rate, as appropriate and based on the nature of expense → Identified synergies of \$20M+ in 2024E and ~\$47M in 2025E, as described below
Working Capital	<ul style="list-style-type: none"> → Forecast using days assumptions consistent with run-rate terms and requirements, specifically: → Exro: 65 days DSO, 50 days DIO, and 30 days DPO → SEA: 10 days DSO (primarily reflecting Mack and Hino terms), 60 days DIO, and 35 days DPO
Capex	<ul style="list-style-type: none"> → Capital light model with \$6M forecast in 2024E and ~\$7M in 2025E (representing ~2–3% of revenue) to reflect any capital requirements outside of ability to leverage OEM manufacturing lines
Synergies	<ul style="list-style-type: none"> → G&A cost savings of \$14M+ in 2024E and ~\$27M in 2025E → BOM / supply chain savings of \$7M+ in 2024E and ~\$20M in 2025E

Note: Please see relevant disclaimers on FOPI and non-GAAP disclosure on pages 2, 3 and 4. USD figures converted to CAD at a USD/CAD FX rate of 1.3415.

Additional Forecast Details

<i>All figures in C\$ millions⁽¹⁾</i>	FY 2023 PF	1H 2024	2H 2024	FY 2024	FY 2025
EBITDA	(\$69.4)	(\$27.7)	\$4.3	(\$23.4)	\$48.5
Depreciation & Amortization	(\$4.0)	(\$4.7)	(\$6.9)	(\$11.6)	(\$14.4)
EBIT	(\$73.4)	(\$32.4)	(\$2.7)	(\$35.1)	\$34.1
Interest Expense	(\$7.4)	(\$2.0)	(\$4.2)	(\$6.2)	(\$9.1)
Other Expenses ⁽²⁾	(\$1.7)	-	-	-	-
Income Tax ⁽³⁾	-	-	-	-	-
Net Income	(\$82.5)	(\$34.4)	(\$6.9)	(\$41.2)	\$25.0
Net Working Capital					
Accounts Receivable		\$3.2	\$12.3	\$12.3	\$25.0
Inventory		\$9.7	\$35.2	\$35.2	\$43.4
Prepaid Expenses		\$1.3	\$1.4	\$1.4	\$1.4
Accounts Payable		\$8.2	\$21.4	\$21.4	\$31.3
Net Working Capital		\$6.0	\$27.4	\$27.4	\$38.4
Change in Net Working Capital		\$7.7	(\$21.4)	(\$13.7)	(\$11.0)

Note: Underlying assumptions can be found on page 28 in the appendix. Please see relevant disclaimers on FOFI and non-GAAP disclosure on pages 2, 3 and 4.

1. USD figures converted to CAD at a USD/CAD FX rate of 1.3415.

2. Includes share-based payments and finance related charges.

3. Combined net operating losses provide a tax shield on forecast losses generated through 2025E.

Statutory Rights

Rights of Rescission

Securities legislation in certain of the provinces of Canada may deem this presentation to be an offering memorandum and accordingly provide purchasers with statutory rights of rescission or damages, or both, in the event this presentation contains a misrepresentation. A "misrepresentation" is an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement not misleading or false in the light of the circumstances in which it was made. These remedies must be commenced by the purchaser within the time limits prescribed and are subject to the defences contained in the applicable securities legislation. Purchasers should refer to the applicable provisions of the securities legislation of their province for the particulars of these rights or consult with a legal adviser.

The following is a summary of the statutory rights of rescission or damages, or both, under securities legislation in certain of the provinces of Canada where that is required to be disclosed under the relevant securities legislation, and as such, is subject to the express provisions of the legislation and the related regulations and rules. The rights described below are in addition to, and without derogation from, any other right or remedy available at law to purchasers of the securities.

Ontario

Ontario securities legislation provides that where an offering memorandum is delivered to a purchaser and contains a misrepresentation, the purchaser will be deemed to have relied upon the misrepresentation and will, except as provided below, have a statutory right of action for damages or for rescission against the issuer and a selling security holder on whose behalf the distribution is made; if the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages against the issuer or any selling security holder. No such action shall be commenced more than, in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action, or, in the case of any action other than an action for rescission, the earlier of: (i) 180 days after the purchaser first had knowledge of the facts giving rise to the cause of action, or (ii) three years after the date of the transaction that gave rise to the cause of action. The Ontario

legislation provides a number of limitations and defences to such actions, including: (a) the issuer or any selling security holder is not liable if it proves that the purchaser purchased the securities with knowledge of the misrepresentation; (b) in an action for damages, the issuer shall not be liable for all or any portion of the damages that the issuer or any selling security holder proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied upon; and (c) in no case shall the amount recoverable exceed the price at which the securities were offered.

These rights are not available for a purchaser that is: (a) a Canadian financial institution, meaning either: (i) an association governed by the Cooperative Credit Associations Act (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act; or (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a province or territory of Canada to carry on business in Canada or a province or territory of Canada; (b) a Schedule III bank, meaning an authorized foreign bank named in Schedule III of the Bank Act (Canada); (c) the Business Development Bank of Canada incorporated under the Business Development Bank of Canada Act (Canada); or (d) a subsidiary of any person referred to in clauses (a), (b) or (c), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary.

Statutory Rights

Saskatchewan

Saskatchewan securities legislation provides that in the event that an offering memorandum, together with any amendments thereto, or advertising and sales literature disseminated in connection with an offering of securities contains a misrepresentation, a purchaser who purchases such securities has, without regard to whether the purchaser relied on the misrepresentation, a right of action for damages against: (a) the issuer and the selling security holder on whose behalf the distribution is made; (b) every promoter and director of the issuer or the selling security holder, as the case may be, at the time the offering memorandum or any amendment to it was sent or delivered; (c) every person or company whose consent has been filed respecting the offering, but only with respect to reports, opinions or statements that have been made by them; (d) every person who or company that, in addition to the persons or companies mentioned in clauses (a) to (c), signed the offering memorandum or the amendment to the offering memorandum; and (e) every person who or company that sells securities on behalf of the issuer and the selling security holder under the offering memorandum or amendment to the offering memorandum. If such purchaser elects to exercise a statutory right of rescission against the issuer or selling security holder, it shall have no right of action for damages against that person or company. No such action for rescission or damages shall be commenced more than, in the case of a right of rescission, 180 days after the date of the transaction that gave rise to the cause of action or, in the case of any action, other than an action for rescission, before the earlier of (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action, and (ii) six years after the date of the transaction that gave rise to the cause of action.

The Saskatchewan legislation provides a number of limitations and defences, including: (a) no person or company will be liable if the person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation; (b) in the case of an action for damages, no person or company will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation; and (c) in no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser. No person or company, other than the issuer, will be liable if the person or company proves that: (a) the offering memorandum or any amendment to it was sent or delivered without the person's or

company's knowledge or consent and that, on becoming aware of it being sent or delivered, that person or company gave reasonable general notice that it was so sent or delivered; (b) after the filing of the offering memorandum or any amendment to it and before the purchase of securities by the purchaser, on becoming aware of any misrepresentation in the offering memorandum or any amendment to it, the person or company withdrew the person's or company's consent to it and gave reasonable general notice of the person's or company's withdrawal and the reason for it; (c) with respect to any part of the offering memorandum or any amendment to it purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, a report, an opinion or a statement of an expert, that person or company had no reasonable grounds to believe and did not believe that (i) there had been a misrepresentation, or (ii) the part of the offering memorandum or any amendment to it did not fairly represent the report, opinion or statement of the expert or was not a fair copy of, or an extract from, the report, opinion or statement of the expert; (d) with respect to any part of the offering memorandum or any amendment to it purporting to be made on the person's or company's own authority as an expert or purporting to be a copy of or an extract from the person's or company's own report, opinion or statement as an expert that contains a misrepresentation attributable to failure to represent fairly his, her or its report, opinion or statement as an expert, (i) the person or company had, after reasonable investigation, reasonable grounds to believe, and did believe, that the part of the offering memorandum or any amendment to it fairly represented the person's or company's report, opinion or statement, or (ii) on becoming aware that the part of the offering memorandum or of any amendment to it did not fairly represent the person's or company's report, opinion or statement as an expert, the person or company immediately advised the Saskatchewan Securities Commission and gave reasonable general notice that such use had been made of it and that the person or company would not be responsible for that part of the offering memorandum or of the amendment to it; or (e) with respect to a false statement purporting to be a statement made by an official person or contained in what purports to be a copy of or extract from a public official document, the statement was a correct and fair representation of the statement or copy of or extract from the document and the person or company had reasonable grounds to believe, and did believe, that the statement was true.

Statutory Rights

The Saskatchewan legislation also provides that where an individual makes a verbal statement to a prospective purchaser that contains a misrepresentation relating to the security purchased and the verbal statement is made either before or contemporaneously with the purchase of the security, the purchaser is deemed to have relied on the misrepresentation, if it was a misrepresentation at the time of purchase, and has a right of action for damages against the individual who made the verbal statement. The Saskatchewan legislation provides a purchaser with the right to void the purchase agreement and to recover all money and other consideration paid by the purchaser for the securities if the securities are sold in contravention of Saskatchewan securities legislation, regulations or a decision of the Saskatchewan Financial Services Commission. The Saskatchewan legislation also provides a right of action for rescission or damages to a purchaser of securities to whom an offering memorandum or any amendment to it was not sent or delivered prior to or at the same time as the purchaser enters into an agreement to purchase the securities, as required by the Saskatchewan legislation. The Saskatchewan legislation also provides that a purchaser who has received an amended offering memorandum that was amended and delivered in accordance with such legislation has a right to withdraw from the agreement to purchase the securities by delivering a notice to the person who or company that is selling the securities, indicating the purchaser's intention not to be bound by the purchase agreement, provided such notice is delivered by the purchaser within two business days of receiving the amended offering memorandum.

New Brunswick

Under New Brunswick securities legislation, certain purchasers who purchase securities offered by an offering memorandum during the period of distribution will have a statutory right of action for damages, or while still the owner of the securities, for rescission against the issuer and any selling security holder in the event that the offering memorandum, or a document incorporated by reference in or deemed incorporated into the offering memorandum, contains a misrepresentation without regard to whether the purchasers relied on the misrepresentation. The right of action for damages is exercisable not later than the earlier of one year from the date the purchaser first had knowledge of the facts giving rise to the cause of action and six years from the date on which payment is made for the securities.

The right of action for rescission is exercisable not later than 180 days from the date on which payment is made for the securities. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the issuer or any selling security holder. In no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser and if the purchaser is shown to have purchased the securities with knowledge of the misrepresentation, the issuer and any selling security holder will have no liability. In the case of an action for damages, the issuer and any selling security holder will not be liable for all or any portion of the damages that are proven to not represent the depreciation in value of the securities as a result of the misrepresentation relied upon. These rights are in addition to, and without derogation from, any other rights or remedies available at law to a New Brunswick purchaser. The foregoing is a summary of the rights available to a New Brunswick purchaser. Not all defences upon which an issuer, selling security holder or others may rely are described herein. New Brunswick purchasers should refer to the complete text of the relevant statutory provisions.

Nova Scotia

Under Nova Scotia securities legislation, certain purchasers who purchase securities offered by an offering memorandum during the period of distribution will have a statutory right of action for damages against the issuer or other seller and the directors of the issuer as of the date the offering memorandum, or while still the owner of the securities, for rescission against the issuer or other seller if the offering memorandum, or a document incorporated by reference in or deemed incorporated into the offering memorandum, contains a misrepresentation without regard to whether the purchasers relied on the misrepresentation.

Statutory Rights

The right of action for damages or rescission is exercisable not later than 120 days from the date on which payment is made for the securities or after the date on which the initial payment for the securities was made where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the issuer or other seller or the directors of the issuer. In no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser and if the purchaser is shown to have purchased the securities with knowledge of the misrepresentation, the issuer or other seller and the directors of the issuer will have no liability. In the case of an action for damages, the issuer or other seller and the directors of the issuer will not be liable for all or any portion of the damages that are proven to not represent the depreciation in value of the securities as a result of the misrepresentation relied upon.

In addition, a person or company, other than the issuer, is not liable with respect to any part of the offering memorandum or any amendment to the offering memorandum not purporting (a) to be made on the authority of an expert or (b) to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company (i) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation or (ii) believed that there had been a misrepresentation

A person or company, other than the issuer, will not be liable if that person or company proves that (a) the offering memorandum or any amendment to the offering memorandum was sent or delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person's or company's knowledge or consent, (b) after delivery of the offering memorandum or any amendment to the offering memorandum and before the purchase of the securities by the purchaser, on becoming aware of any misrepresentation in the offering memorandum or any amendment to the offering memorandum, the person or company withdrew the person's or company's consent to the offering memorandum or any amendment to the offering memorandum, and gave reasonable general notice of the withdrawal and the reason for it, or (c) with respect to any part of the offering memorandum or any amendment to the offering memorandum

purporting (i) to be made on the authority of an expert, or (ii) to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that (A) there had been a misrepresentation, or (B) the relevant part of the offering memorandum or any amendment to the offering memorandum did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

These rights are in addition to, and without derogation from, any other rights or remedies available at law to a Nova Scotia purchaser. The foregoing is a summary of the rights available to a Nova Scotia purchaser. Not all defences upon which an issuer or other seller or others may rely are described herein. Nova Scotia purchasers should refer to the complete text of the relevant statutory provisions.

Newfoundland and Labrador

If an offering memorandum, together with any amendment thereto, contains a misrepresentation, a purchaser has, without regard to whether the purchaser relied on the misrepresentation, a statutory right of action for damages against (a) the issuer, (b) subject to certain additional defences, against every director of the issuer at the date of the offering memorandum and (c) every person who signed the offering memorandum, but may elect to exercise the right of rescission against the issuer (in which case the purchaser shall have no right of action for damages against the aforementioned persons).

Statutory Rights

No action shall be commenced to enforce the right of action discussed above more than: (a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or (b) in the case of any action for damages, the earlier of: (i) 180 days after the purchaser first had knowledge of the facts giving rise to the cause of action; or (ii) three years after the date of the transaction that gave rise to the cause of action. Securities legislation in Newfoundland and Labrador provides a number of limitations and defences to such actions, including:

- no person will be liable if it proves that the purchaser purchased the securities with knowledge of the misrepresentation;
- in an action for damages, the defendant is not liable for all or any portion of the damages that it proves does not represent the depreciation in value of the securities as a result of the misrepresentation relied upon; and
- in no case shall the amount recoverable under the right of action described herein exceed the price at which the securities were offered under the offering memorandum, or any amendment thereto.

Prince Edward Island

A “misrepresentation” for purposes of the Securities Act (Prince Edward Island) also includes an omission to state a material fact that is required to be stated by the Securities Act (Prince Edward Island). If this presentation, together with any amendment to this presentation, delivered to an investor resident in Prince Edward Island contains a misrepresentation and it was a misrepresentation at the time of purchase, the investor will be deemed to have relied upon the misrepresentation and will have a right of action against the Company and, subject to certain additional defences, every director of the Company at the date of this presentation for damages or, alternatively, while still the owner of the purchased securities, for rescission against the Company, provided that:

no action shall be commenced to enforce the foregoing rights: (a) in the case of an action for rescission, more than 180 days after the date of the transaction that gave rise to the cause of action; or (b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the date the investor first had knowledge of the facts giving rise to the cause

of the action, or (ii) three years after the date of the transaction that gave rise to the cause of the action

no person or company will be liable if the person or company proves that the investor purchased the Securities with knowledge of the misrepresentation

no person or company (other than the Company) will be liable if it proves that (i) the presentation was delivered to the investor without the person’s or company’s knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person’s or company’s knowledge or consent, (ii) after the delivery of the presentation and before the purchase of the Securities by the investor, on becoming aware of any misrepresentation in the presentation, the person or company withdrew the person’s or company’s consent to the presentation and gave reasonable general notice of the withdrawal and the reason for it, or (iii) with respect to any part of the presentation purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that there had been a misrepresentation, or the relevant part of the presentation did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert;

no person or company (other than the Company) will be liable with respect to any part of the presentation not purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, an opinion or a statement of an expert unless the person or company (i) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation or (ii) believed that there had been a misrepresentation;

in an action for damages, the defendant will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Securities as a result of the misrepresentation relied upon; and

in no case shall the amount recoverable exceed the price at which the Securities were sold to the investor.