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Zacks Small-Cap Research

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FuelPositive Corp (NHHHF-OTC)

FuelPositive: Developing Technology Solutions to Support Clean Agriculture, Food Security

FuelPositive is preparing to commercialize green ammonia solutions to enable customers to produce green ammonia on their premises as needed, eliminating the need to ship & store ammonia and mitigating global logistics challenges. The company's initial target market is independent farmers.

Current Price (11/07/22)	$0.10
Valuation	**$0.15**

OUTLOOK

FuelPositive is positioning itself as an early mover in the green ammonia space. Roughly 80% of traditional ammonia (which is produced under carbon intense methods) is earmarked for use in the agriculture sector, primarily as fertilizer. Green ammonia can be used for a variety of applications, including for fertilizer. The company is constructing a prototype demonstration system & expects to launch a farm pilot using its green ammonia system in 2023. The demonstration system is expected to drive awareness and understanding of its technology, as well as provide feedback if potential modifications are required to improve the system's operating performance.

SUMMARY DATA

52-Week High	**$0.20**
52-Week Low	**$0.08**
One-Year Return (%)	**-33**
Beta	**2.0**
Average Daily Volume (sh)	**330,710**
Shares Outstanding (mil)	**336**
Market Capitalization ($mil)	**$34**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**N/A**
Insider Ownership (%)	**N/A**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2023 Estimate	**N/A**
P/E using 2024 Estimate	**N/A**
Risk Level	**High**
Type of Stock	**Tech**

ZACKS ESTIMATES

Revenue
(in millions of US$ converted at CAD/US rate of 0.75)

	Q1 (Dec)	Q2 (Mar)	Q3 (Jun)	Q4 (Sep)	Year (Sep)
2020	0 A	0 A	0 A	0 A	$0 A
2021	0 A	0 A	0 A	0 A	$0 A
2022	0 A	0 A	0 A	0 E	$0 E
2023					$2 E

Loss Per Share (($ US Converted as noted above)

	Q1 (Dec)	Q2 (Mar)	Q3 (Jun)	Q4 (Sep)	Year (Sep)
2020					-$0.01 A
2021	-$0.00 A	-$0.00 A	-$0.00 A	-$0.01 A	-$0.02 A
2022	-$0.01 A	-$0.00 A	-$0.00 A	-$0.00 E	-$0.02 E
2023					-$0.01 E

Quarters might not add to annual reflecting rounding, shrs

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KEY POINTS

- FuelPositive is a developmental stage company preparing to commercialize green ammonia solutions and introduce a containerized production system that enables customers to produce green ammonia on their premises. On-site installation has the benefit of eliminating the negative environmental impact of distribution and also enables customers to produce ammonia as needed. The company expects its system will also help customers smooth out ammonia pricing.

- Roughly 80% of traditional ammonia (which is produced under more carbon intense methods) is earmarked for use in the agriculture sector, primarily as fertilizer. Green ammonia can be used for a variety of applications, including for fertilizer. The company's initial target market will be individual farmers. Longer-term, FuelPositive expects its technology can be used for a variety of applications.

- The company is constructing a prototype demonstration system to drive awareness and understanding of its technology. The company expects the prototype will be completed by the end of November 2022 and that a pilot system using its green ammonia system can launch in 2023 and be maintained for about a year to provide performance feedback for future upgrades and help the company demonstrate its technology.

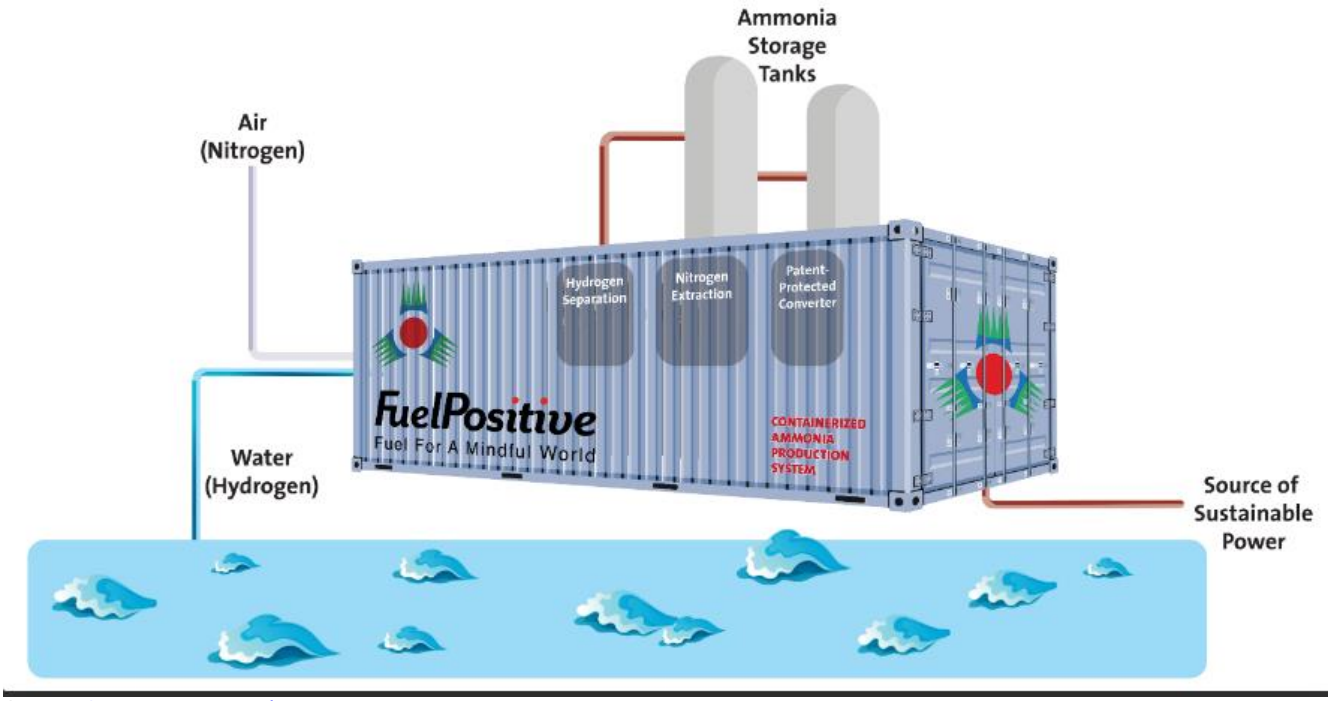
- Industry sources note that a global shortage of fertilizer threatens food security. Traditional ammonia for fertilizer represents an annual market of about US$70 billion. The company expects early systems to sell at a base price of about CAD$950,000 per system. FuelPositive expects that many – if not most – customers will be eligible to lower their costs through government clean tech incentive programs.

- As of the end of June 2022, FuelPositive had CAD$4.7 million of cash to advance its strategy. Depending on pre-sales and demand and the company's strategy to expand production capacity by constructing a new manufacturing facility, we would anticipate additional financings over the next several quarters.

COMPANY OVERVIEW

FuelPositive (NHHH - TSX-V) (NHHHF – OTCQB) is a developmental stage company preparing to commercialize green ammonia solutions and introduce a containerized production system that enables customers to produce green ammonia on their premises. The company's system utilizes water, air, and sustainable electricity to manufacture green ammonia in a way that produces no carbon emissions and is therefore sustainable. By installing its system on a customer's property near to where the green ammonia is to be used, the company also expects to eliminate the need to ship and store the ammonia. This has the dual benefit of eliminating the negative environmental impact of distribution and also enables FuelPositive customers to produce ammonia as needed.

The company believes its technology has several additional benefits. For instance, by placing the systems on-site at the customers' venue, FuelPositive believes it can avoid the need to maintain large refineries and distribute the product after it is produced. This can mitigate the challenges of current global logistics supply chain, distribution and logistics issues. The company also expects its system can enable it to offer stable prices to its customers and smooth out pricing even during periods when market prices of key ammonia inputs fluctuate.



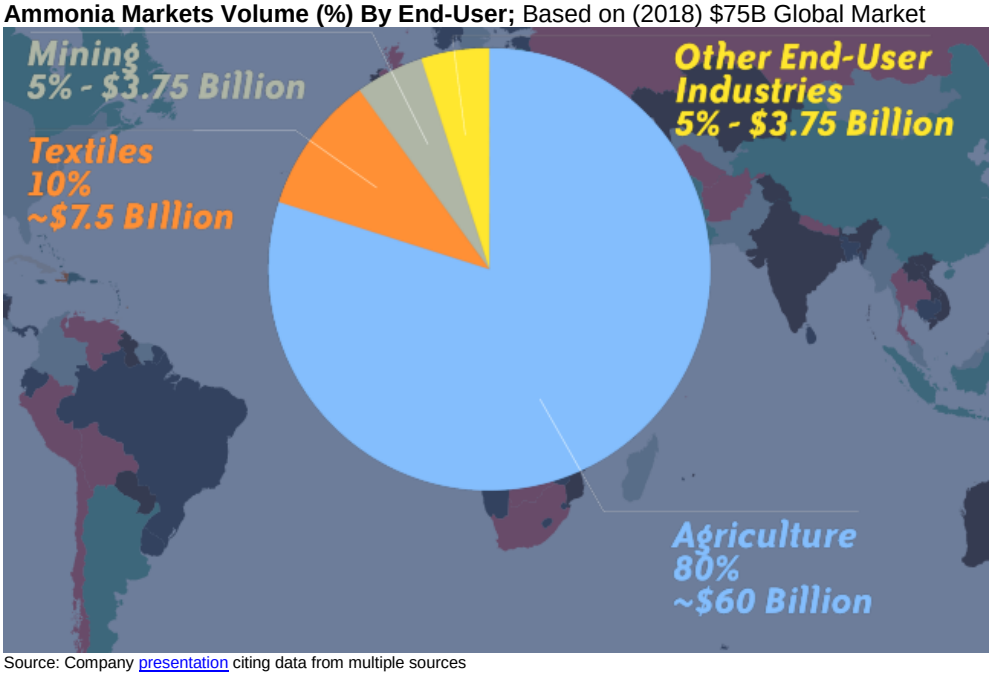
Source: Company presentation

Initial target market: independent farmers

Roughly 80% of traditional ammonia produced under more carbon intense ways is earmarked for use in the agriculture sector (see below), primarily as fertilizer. The company's initial target market will be individual farmers who can use the company's green ammonia as fertilizer.

Green ammonia can be used as a fuel for a variety of applications, including for fertilizer, combustion engines, fuel cells and other applications. The company believes its system can be used in a variety of commercial applications. FuelPositive expects that green ammonia leveraging its technology can ultimately be a substitute for a variety of uses in agriculture, transportation and grid-storage, among other applications.

Ammonia Markets Volume (%) By End-User; Based on (2018) $75B Global Market

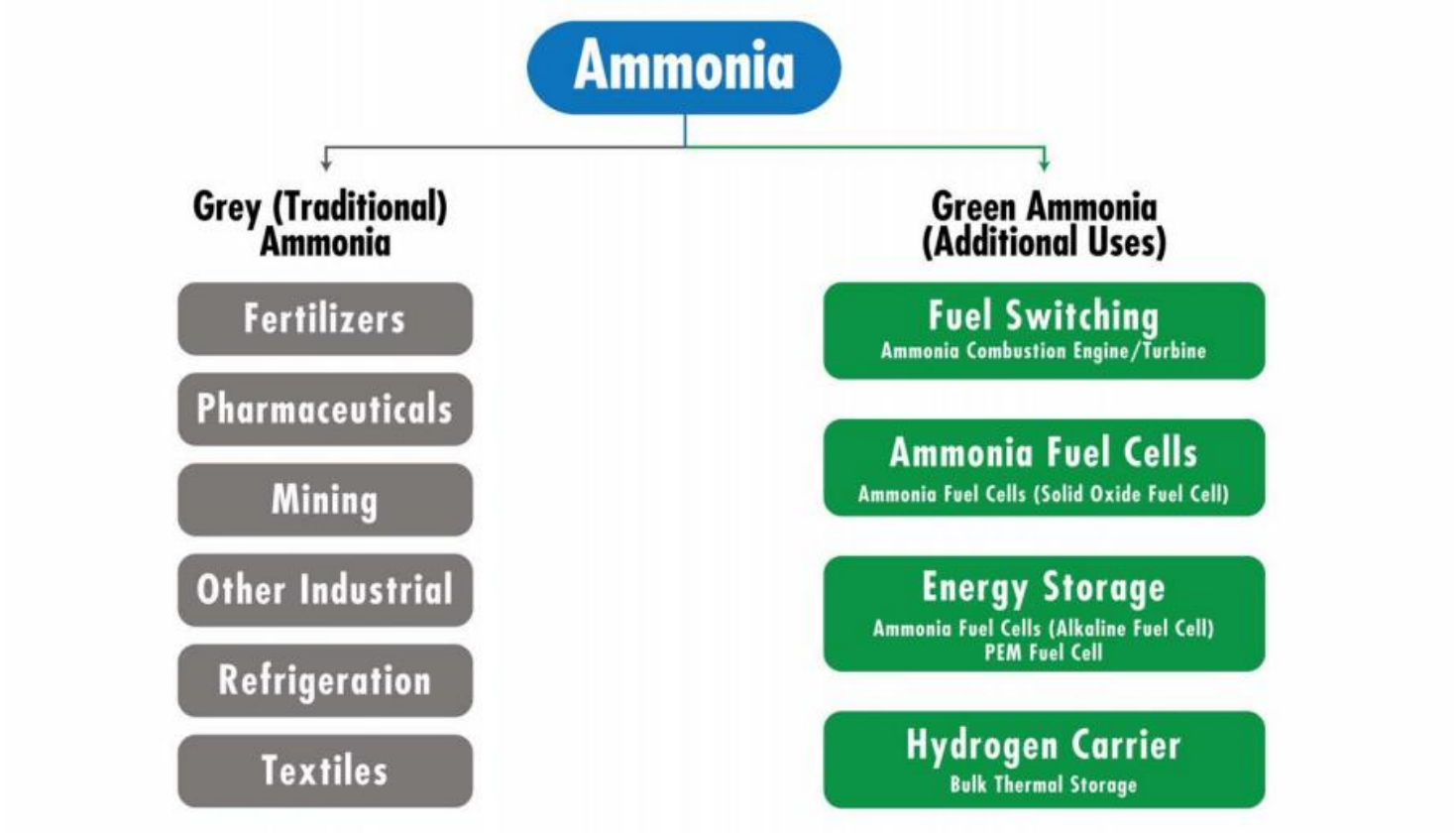


Source: Company presentation citing data from multiple sources

As noted, the agricultural sector represents the largest source of demand for ammonia and the company has targeted this sector for its initial market of commercialization of its green ammonia systems and technology, particularly smaller individual farmers. FuelPositive is focused on smaller farmers in its home market of Canada, as well as abroad.

Within this niche, smaller farmers are likely to require solutions that are practical for them in terms of price, convenience and ease of use. It seems that many of the other companies focused on developing green ammonia solutions are less focused on this niche than on demand from larger players. This week the company noted that it had entered the final phase of assembling and validating its pilot production system (see below) and expects external validation to commence near-term.

Towards the goal of advancing its systems and technology in markets outside Canada, the company recently presented at the annual Canada UK Energy Summit. The annual summit aspires to expand export opportunities for Canadian firms into the UK.



Source: Company presentation

Producing ammonia in a sustainable way

Under traditional methods, ammonia has been produced through a process that is highly carbon intense. Given the quantities of ammonia demanded for a broad range of uses, this means that ammonia has been responsible for significant carbon emissions. By comparison, the company's technology enables ammonia production using only water, air and electricity. The system leverages a nitrogen generator that produces nitrogen from air and a water electrolyzer that produces hydrogen from water and a patent-pending synthesis convertor that combines the nitrogen and hydrogen to produce ammonia. FuelPositive believes that its technology could position "green" ammonia as a fossil fuel replacement in multiple applications.

The company maintains a manufacturing plant in Waterloo, Ontario where it is currently constructing a prototype system that is planned as the first of three demonstration systems. At this point, the prototype has been about 60% validated. Once it has been fully validated, the company intends to relocate it to a farm in Manitoba, Canada so that the farm can begin producing and storing green ammonia to use as fertilizer. The company expects construction of the prototype will be completed by the end of November 2022 and that the Manitoba farm can begin using green ammonia in 2023. The company expects to maintain a pilot demonstration project for about one year so that subsequent demonstration systems can be adapted to incorporate feedback based on performance under varying weather conditions throughout the year and operational issues.

Once the prototype is available for demonstrations, FuelPositive expects prospective customers will be able to see first-hand the benefits of the system. In advance of the demonstration activities and commercial launch, the company is taking preorders (see below).

A case study based on an 1,800-acre farm in Manitoba, Canada found that the average 2021 price of traditional ammonia was about $900 per ton (based on the average actual delivered cost of ammonia to farms in Manitoba, Canada at the time - the company believes the cost has increased in 2022). FuelPositive systems are capable of yielding up to 300 kg/day of green ammonia, or about 100 tons per annum, which is sufficient for a farm of about 1,800 acres. To meet the demands that a larger farm would require, the customer could always add production capacity as the system is modular.

Acquisition of IP

In April 2021, FuelPositive purchased certain intellectual property (IP) from Dr. Ibrahim Dincer and his research team at Ontario Tech University for 50 million shares. The company is leveraging the IP to advance its development efforts to scale its technology for commercial use. The company believes its technology to produce green ammonia with no carbon emissions positions FuelPositive for first mover advantage in the space. Moreover, green ammonia is expected to be a critical component in the creation of the Hydrogen economy. The concept of the Hydrogen economy is based on hydrogen as a carbon-free energy carrier that can provide fuel and generate electricity from hydrogen with only heat and water vapor as byproducts. Dr. Dincer has decades of experience in the green ammonia and Hydrogen space. He and his team are also engaged as strategic advisors to FuelPositive. The Dincer team provides scientific guidance to FuelPositive as the company moves forward to commercialize the green ammonia system and other related technologies FuelPositive is also developing.

The IP acquisition extends the company's existing IP and patent protection. Specifically, FuelPositive's technology for producing green ammonia is protected under a non-provisional patent. In 2022, the company filed a U.S. Non-Provisional patent application with the USPTO (United States Patent and Trademark Office), patent application serial number 17/826641. Moreover, the company has also filed a Patent Co-Operation Treaty patent application to protect its technology and IP in 156 PCT member states.

System is modular; management believes it is scalable

The company's proprietary system is modular and therefore scalable. Management believes that a broad array of customers can benefit from its system, ranging from multinational agricultural players with large scale operations to smaller companies with less intensive need for ammonia. The company's initial target market will be individual farmers who can use the company's green ammonia as fertilizer, as noted.

Globally, a shortage of fertilizer threatens food security, according to National Geographic magazine. Reuters notes that a shortage of nitrogen fertilizer, reflecting rising prices of natural gas which is a key input in the production of nitrogen-based fertilizers, could pressure crop yields around the globe.

As noted, FuelPositive believes that individual farmers will also be able to leverage its systems to generate fuel on-site to power farm equipment such as tractors, grain dryers and generators. The onsite system can also enable smaller farmers to maintain greater control over the supply, timing and pricing of their ammonia consumption, according to management, which believes these potential advantages will drive commercial sales once the system is available for purchase. Moreover, the company's system is intended to be priced at levels to drive commercial adoption. Specifically, the company expects early systems to sell at a base price of about CAD$950,000. FuelPositive also expects that customers can lower their costs by using government clean tech adoption programs.

In Canada specifically, the government has strengthened its climate action programs, A Healthy Environment and a Healthy Economy. The country's new Agricultural Clean Technology (ACT) program is designed to accelerate the development and adoption of clean technology and promote sustainable growth in Canada's agriculture and agri-food sector. To promote the adoption of green solutions, the country's Adoption Stream will support the purchase and installation of commercially available clean technologies and processes, particularly those that demonstrate reduction of greenhouse gas (GHG)

emissions. Canada is one of the world's major ammonia producers already, according to Invest in Canada.

In general, climate change urgency has heightened during the pandemic and post-pandemic period. Global carbon dioxide emission levels hit historic highs in 2021 according to the IEA (International Energy Agency). An IEA study notes that the production of ammonia represents roughly 2% of total final energy consumption and almost all of that is from fossil fuels. The traditional production process results in a carbon dioxide (CO2) footprint that is "equivalent to the total emissions of South Africa's energy system," according to the IEA. According to IEA data, about 70% of ammonia is used to make fertilizers. The other 30% is earmarked for a variety of industrial uses, such as plastics, explosives and synthetic fibers, among other applications.

The United States, European Union, United Nations and Intergovernmental Panel on Climate Change (IPCC) have honed in more on global warming and reduction targets. In turn, climate change is beginning to compel a search for more sustainable agriculture processes, which the company believes is positive for driving awareness of its technologies and solutions.

GREEN AMMONIA: BACKGROUND

Traditional ammonia produced using carbon intensive methods …

According to science think tanks such as the U.K.'s Royal Society, reducing the amount of carbon dioxide produced during the ammonia manufacturing process is critical to achieving net-zero targets by 2050. The U.K. think tank notes that the best way to reduce carbon emissions during the manufacturing process of ammonia is to use low-carbon hydrogen. This includes using hydrogen from water electrolysis and nitrogen separated from the air. These inputs can then be put through the Haber-Bosch process (see below) powered by sustainable electricity whereby the hydrogen and nitrogen are exposed to high temperatures and react together to form ammonia (NH3).

The Haber-Bosch process, named for Nobel Prize-winning chemists who invented the process in the early 1900s, is often credited with supporting increased output of food crops since then that have, in turn, helped provide food throughout the world. However, while the Haber-Bosch process enabled large scale manufacturing of ammonia and is often credited with creating greater global food security, it is an emissions intensive process that produces substantial greenhouse gases. We believe this supports the opportunities for green ammonia solutions.

… driving need for "green" ammonia solutions for multiple potential applications

According to FuelPositive data, about 200 million tons of traditional ammonia is produced annually on a worldwide basis, representing an annual market value of about US$70 billion. The company notes that the traditional ammonia market has recorded CAGR (compound annual growth rates) of about 5% per annum in recent years, with growth expected to accelerate in the near future, particularly as green ammonia solutions are launched.

According to Yale Environment 360, transitioning to green ammonia for fertilizer, fuel, and heat could reduce the carbon footprint of the agricultural sector by as much as 90% for corn and small grain crops. An IEA 2021 report estimates that in order to reach zero emissions by 2050, hydrogen-based fuels including ammonia should comprise about 30% of transport fuels by 2050, up from almost nothing currently.

Although the company's initial target market is the small agricultural niche, as noted, longer term uses of green ammonia could be substantially broader. For instance,

- Energy storage
- Engine fuel
- Heating fuel
- Maritime transport fuel
- Ammonia fuel cells
- Hydrogen carrier

Unlike hydrogen, which must be cryogenically frozen to -253°C, ammonia only needs to be refrigerated to -33°C in order to remain in a liquid state. Moreover, liquified ammonia contains 50% more hydrogen by volume than liquid hydrogen fuel, which makes it easier to store in volume in liquid format. This points to ammonia's potential as an energy carrier with significantly lower (than hydrogen) cost of storage and transportation.

Because ammonia can be stored in bulk as a liquid, it could be used to support renewable energy. Ammonia, stored in large refrigerated tanks, could then be transported to end energy users. In addition, ammonia could also be used in a fuel cell to produce electricity. A 2020 Oxford Institute of Energy Studies report notes that countries such as Japan, Australia, the Netherlands, and the U.K. have announced plans to transition to green ammonia to store and export their renewable energy surpluses.

The Yale magazine notes that many engine manufacturers are developing ammonia-fueled engines and even kits to retrofit older engines to run on ammonia. Ammonia-powered engine technology is expected to be available by 2024.

The International Maritime Organization has set emissions reduction targets that imply the substitution of green ammonia as an alternative to bunker fuel. Ammonia could represent an estimated roughly 25% of the maritime fuel mix by 2050, according to research and consulting firm Cleantech Group.

GREEN AMMONIA: ADDRESSABLE MARKET

Company comments indicate that pre-sale interest appears high…

As noted, FuelPositive data suggests that about 200 million global tons of traditional ammonia are produced annually, equating to an estimated annual market value of about US$70 billion. This is consistent with research firm, Fortune Business Insights, which notes that the global ammonia market is projected to grow from about $72 billion in 2021 to nearly $111 billion in 2028.

The need for more sustainable production is widely discussed and studied in industry, government and academic studies. As a result, there are several players that are developing sustainable green ammonia solutions. For example, ACME Group has signed an agreement to develop what it calls "one of the world's largest green ammonia projects" in Oman, Stamicarbon has announced the launch of Stami Green Ammonia Technology and Air Products has signed an agreement for a $5 billion green hydrogen-based ammonia production plant, to name a few. These solutions are in various stages of development (for instance, the Air Products system is planned to be on stream in 2025), which we believe implies that FuelPositive as an early mover in the space and with a focus on smaller farmers initially can carve out a market niche if it is able to move ahead on the timeline that the company contemplates.

COMPANY GO-TO-MARKET STRATEGY

Demonstration systems expected to drive interest …

The company's first demonstration system is expected to be completed in 2022. It will be contained in three 20-foot containers and installed on the 11,000-acre Hiebert family-operated crop farm in Manitoba, as noted. The hydrogen separator and nitrogen extractor, which comprise 60% of the system, were validated ahead of schedule, prior to being shipped to the Company's Ontario facility. At the time that these elements achieved validation, the rate of production and purity surpassed the company's initial expectations.

While specific details have not yet been disclosed, the company has noted that the "level of interest in pre-sales" has been strong and the company views this as an indicator of potential demand once the system is available for commercial delivery.

… company has secured land where it intends to construct a manufacturing plant

The company launched pre-sales on August 10, 2022. Farmers will be required to place a refundable deposit in order to secure the system. FuelPositive has secured land near its Waterloo, Ontario plant and has a land development partner that intends to construct a custom-built facility to produce systems, once it launches commercial sales – the company intends to gauge its production needs based on upfront pre-orders. The delivery of each system time will vary, depending on the size of the system, the location of the farm and the infrastructure that exists at each particular farm. The company expects serial manufacturing (assembly line-style) could begin as early as late 2023 in another larger facility the company would construct.

MANAGEMENT

Ian Clifford – Board Chair, CEO
The company's CEO has more than 25 years of experience in technology and marketing and capital markets. Since 2006, he has overseen aggregate capital raises of more than $80 million in equity financing to support FuelPositive's strategy. Prior to FuelPositive, Mr. Clifford co-founded digital marketing firm digIT Interactive, which he sold in 2000.

Jing Peng – CFO
Jing Peng has worked in public accounting for more than a decade, providing financial services primarily to junior exploration companies. Prior to joining FuelPositive, he was CFO of Austin Resources Ltd., a TSXV-listed company, since September 2015 and of Captor Capital Inc., a CSE-listed company, since March 2014. Prior to that, he was a senior financial analyst at Marrelli Support Services since December 2010 and held senior accounting positions at MSCM LLP and KPMG LLP earlier in his career.

Nelson Leite – COO
Nelson Leite has more than 30 years of experience in the high-tech automation and robotics industries, with prior experience at companies such as Toyota, Tesla and Kimberly Clark, among others, according to the company.

RECENT RESULTS

FuelPositive is an early growth-stage development company and is pre-revenue at this point. For the first nine months of fiscal 2022 (the period ended June 30), the company generated a net loss of $5.7 million and a loss per share of ($0.02) compared to a net loss of $3.0 million and loss per share of ($0.02) in the comparable period of fiscal 2021. The increase in net loss primarily reflected increased activity related to the company's acquisition and development of its green ammonia technology. For example, FuelPositive's 3Q22 salaries and wages expense increased by $30,292 compared to 3Q21, as the company has expanded its team to support its growth strategy, and amortization and depreciation expense increased by $410,620 over the same period, primarily reflecting amortization of the company's green ammonia technology.

As of the end of June 2022, FuelPositive had CAD$4.7 million of cash to advance its strategy. Depending on pre-sales and demand and the company's strategy to expand production capacity by constructing a new manufacturing facility, we would anticipate additional financings over the next several quarters.

VALUATION

The company is optimistic about its opportunities and, in success, we concur with the expectation of strong demand from its initial target niche. We think that there is reason to believe that a viable green ammonia solution would have strong uptake. There is also no shortage of evidence supporting the need to reduce carbon emissions in the production of ammonia.

FuelPositive is positioning itself as an early mover in the space. With an initial focus on smaller farmers – by comparison, we expect that many of the larger players noted earlier are focused on global companies or government demand – if it is successful, FuelPositive could carve out a market niche that supports strong prospects for its technology. We therefore think the current share price level might not reflect the fundamental value of the company's prospects *if the company continues to advance its strategy successfully*.

Nevertheless, it is difficult to know the revenue arc for FuelPositive at this stage because of many unknown variables, including the level of early demand (systems pre-orders), deliveries schedule, production capacity based on the prospects and / or timing of constructing a larger facility, the competitive landscape and the takeaways from the pilot system(s). We therefore present two possible 2023 revenue scenarios below. Both incorporate expected increases in expenses to support further development and commercialization of the technology, as well as additional financings to support growth. We also note that order and delivery timing delays would not surprise us.

That said, it is not difficult to think that the company could achieve revenue of CAD$20 million to CAD$25 million in the 2026-27 timeframe, based on the potential annual sale of 25 or more systems. This implies a multiple of about 2x future revenue. A share price of US$0.15 implies only about a 3x multiple on that basis. By comparison, we believe shares of clean tech and clean energy companies trade at significantly higher multiples of revenue, averaging about 6x up to 9x. However, until more clarity around FuelPositive's outlook emerges, we believe uncertainty about the company's sales will continue to overhang the shares near-term. Notably, this week the company noted that it had entered the final phase of assembling and validating its pilot production system and in success, we would anticipate multiple and share price expansion.

Any delay or failure in successful execution of the strategy or faster inroads by competitors could cause the share price to decline and represent a potential risk. Nevertheless, we believe the risk / reward ratio could be attractive for investors who have a higher than average risk tolerance and longer time horizon.

RECENT NEWS

- FuelPositive announced that it had reached certain milestones related to its pilot system on November 7, 2022.
- FuelPositive provided an update on early pre-sales on August 30, 2022.
- On August 10, 2022, FuelPositive launched pre-sales of its technology system.
- On August 8, 2022, FuelPositive announced a global food security partnership
- FuelPositive announced validation, pre-sales & selling price In preparation for demonstration project launch on August 4, 2022.
- On July 4, 2022, FuelPositive was featured In Farm Marketer's Innovation In Agriculture Series.
- On June 2, 2022, FuelPositive patent for green ammonia & hydrogen technology.
- On April 19, 2022, FuelPositive announced first demonstration project partner.
- On March 8, 2022, FuelPositive appointed Derek Boudreau as strategic advisor.
- On February 4, 2022, the company issued a statement about unsanctioned and misleading promotional activity concerning its shares.

RISKS

Risks to FuelPositive achieving its objectives, and to the company's valuation, include the following, among others.

- If the economy slides into a downturn or recession, it could impact the company's expected timeline.
- Competitive technologies / processes could emerge and overtake FuelPositive's solutions.
- The company might need to raise additional capital sooner than management anticipates, which could cause dilution to existing shareholders.
- The technology might not gain traction as quickly as the company anticipates, which could have negative implications for revenue growth.
- The company might not reach break-even or profitability as quickly as expected.
- Regulatory changes, including potential changes to government incentives.
- The company's shares have been vulnerable to external attempts to manipulate the share price in the past and could be targeted again.

PROJECTED FINANCIALS

In Canadian Dollars:

FuelPositive Corporation Income Statement & Projections (CAD $)

FY ends Sep		Dec	Mar	Jun	Sep		Dec	Mar	Jun	Sep		2023E	
	2020	1Q21	2Q21	3Q21	4Q21	2021	1Q22	2Q22	3Q22	4Q22E	2022E	Scenario 1	Scenario 2
Revenue	-	-	-	-	-	-	-	-	-	-	-	$1,900,000	$5,700,000
Expenses													
G&A	1,110,885	541,482	980,548	1,225,289	2,889,427	5,636,746	1,410,384	1,129,136	1,014,564	1,075,438	4,629,522	5,323,950	5,323,950
Financing costs	44,545	13,947	18,023	6,199	9,202	47,371	3,202	(31)	-	-	3,171	15,855	15,855
Engineering and development	34,496	53,580	(4,497)	169,026	(38,513)	179,596	15,473	29,651	21,805	23,113	90,042	99,047	99,047
Amortization and depreciation	269,466	-	-	-	543,874	543,874	415,304	414,011	410,620	435,257	1,675,192	1,876,215	1,876,215
Amortization of righ-of-use asset	-	-	-	-	-	-		-	4,806	5,094	9,900	10,890	10,890
Accretion of lease liability	-	-	-	-	-	-		-	909	964	1,873	2,060	2,060
Loss on settlement of debt	-	-	-	-	-	-	1,278,794	-	-	-	1,278,794	-	-
Total expenses	1,459,392	609,009	994,074	1,400,514	3,403,990	6,407,587	3,123,157	1,572,767	1,452,704	1,539,866	7,688,494	7,328,017	7,328,017
Operating loss	(1,459,392)	(609,009)	(994,074)	(1,400,514)	(3,403,990)	(6,407,587)	(3,123,157)	(1,572,767)	(1,452,704)	(1,539,866)	(7,688,494)	(5,428,017)	(1,628,017)
Non-controlling interest	(207,864)	90,984	90,984	62,018	(38,402)	205,584	(9,215)	86,243	(146,979)	(146,978)	(216,929)	(238,622)	(238,622)
Net loss	(1,251,528)	(699,993)	(1,085,058)	(1,462,532)	(3,365,588)	(6,613,171)	(3,113,942)	(1,659,010)	(1,305,725)	(1,392,888)	(7,471,565)	(5,189,395)	(1,389,395)
Loss / share	($0.01)	($0.00)	($0.01)	($0.01)	($0.01)	($0.03)	($0.01)	($0.00)	($0.00)	($0.00)	($0.02)	($0.01)	($0.00)
Shares out	143,708,334	170,294,768	180,587,345	235,687,382	273,243,257	214,953,188	406,244,930	332,700,866	335,616,884	336,416,884	352,744,891	362,744,891	362,744,891

Both scenarios use CAD$950k as base price / system Scenario 1 based on sale of 3 systems; Scenario 1 based on sale of 6 systems;

Source: Company reports, Zacks estimates

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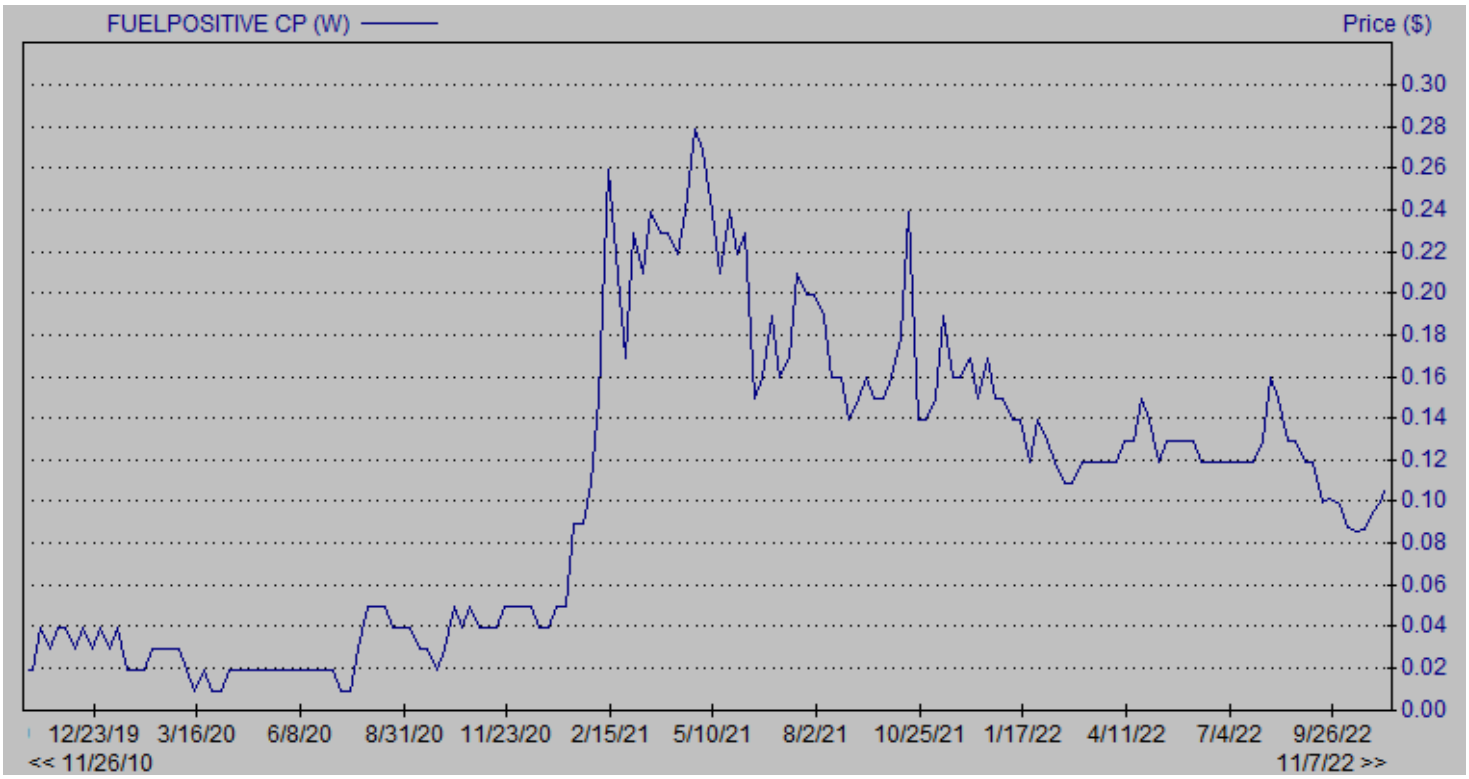
HISTORICAL STOCK PRICE



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