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POET Technologies Inc. (NASDAQ: POET)

POET: With \$350 Million in Cash, POET is Ready to Fulfill Orders and Ramp Production Starting With Celestial AI

Given its unique product offering and large TAM we believe POET shares are worth \$7.30 based on peer multiples, given no further equity dilution than forecast.

Current Price (11/17/25) **\$4.17**
Valuation **\$7.30**

OUTLOOK

POET Technologies is disrupting the photonics industry with a new technology that integrates optical and electronic devices into a single chip, which is smaller, cheaper, faster, more scalable and consumes less power than the current solutions. The POET Optical Interposer™, and optical engines and light source products based on it, are produced at wafer scale, in large quantities and at low cost using conventional semiconductor fabrication techniques. POET now has started to receive orders and has \$350 million in cash to ramp production and support working capital as it scales. It currently has a one million engine per year assembly capacity with two contract manufacturers in Malaysia. POET's integrated solutions include light-based chip-to-chip data communications ("scale-up"), ultra high-speed transceivers ("scale-out") and long-distance telecom ("scale-away") products, all targeted at hyperscale data centers and networks supporting connectivity for Artificial Intelligence applications.

SUMMARY DATA

52-Week High **\$9.22**
52-Week Low **\$3.21**
One-Year Return (%) **14.3**
Beta **0.4**
Average Daily Volume (sh) **12,741,458**

Shares Outstanding (mil) **131.8**
Market Capitalization (\$mil) **\$550**
Short Interest Ratio (days) **1.3**
Institutional Ownership (%) **9.7**
Insider Ownership (%) **0.3**

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/M**

P/E using 2025 Estimate **N/M**

P/E using 2026 Estimate **N/M**

Risk Level

High

Type of Stock Industry

Small-Growth Elec Comp-Semis

ZACKS ESTIMATES

Revenue

(in millions of US\$)

	Q1	Q2	Q3	Q4	Year
	(Mar)	(Jun)	(Sep)	(Dec)	(Dec)
2023	\$0.2 A	\$0.2 A	\$0.0 A	\$0.1 A	\$0.5 A
2024	\$0.0 A	\$0.0 A	\$0.0 A	\$0.0 A	\$0.0 A
2025	\$0.2 A	\$0.3 A	\$0.3 A	\$0.5 E	\$1.3 E
2026					\$10.0 E

Earnings Per Share

	Q1	Q2	Q3	Q4	Year
	(Mar)	(Jun)	(Sep)	(Dec)	(Dec)
2023	-\$0.14 A	-\$0.11 A	-\$0.13 A	-\$0.13 A	-\$0.51 A
2024	-\$0.12 A	-\$0.14 A	-\$0.20 A	-\$0.43 A	-\$0.94 A
2025	\$0.08 A	-\$0.21 A	-\$0.10 A	-\$0.06 E	-\$0.29 E
2026					-\$0.19 E

WHAT'S NEW

Flush With Cash, POET Starts to Ship Production Orders in Q4

Despite the wild ride the stock took in Q3, the news improves for POET. It is now flush with cash, with approximately \$350 million in the bank, and we expect it will start to ship production orders in Q4, beginning with an initial shipment of optical modules to Celestial AI. In Q1/Q2, expect increased shipments to Celestial, the start of shipments to Adtran (NASDAQ: ADTN) of optical engines (the \$500,000 order), and late in the year, the beginning of transceiver module shipments to white box manufacturers. Optical Engines for Adtran's pluggable transceiver called "MicroMux Quattro" will go into production in the middle of 2026. In Q4, other than a small amount of product revenues from Celestial, the rest is expected to be NRE revenue. Most of the NRE revenue will be from one customer who has already prepaid for the custom development. The prepayment of \$619,002 is recorded as contract liabilities on the balance sheet, which will turn into revenue in Q4 and in the first quarter of 2026. The company is also finishing up other development contracts and is expected to book another \$2 million in NRE revenues during 2026. The \$2 million in NREs, the \$5 million, and the \$500,000 order already get us to \$7.5 million in backlog for 2025.

With new resources now available to it, POET's strategy in ultra high-speed transceivers (1.6Tb and above) is to pivot to the designing and building of low-cost modules using differentiated components. Its Blazar™ product, which is in prototype, is one such differentiated component. Blazar, which was demonstrated at the April 2024 OFC conference, is a high-power (>100mW) laser that disaggregates the gain medium portion of a typical DFB laser from the frequency-selection gratings, which are instead etched into the waveguides on the Optical Interposer. This makes a lower-cost, high-power substitute for a DFB laser. The Blazar can be used both as a laser that drives its optical engines or as a light source for light-based data communications between GPUs and memory devices. It will be introduced as a product at the upcoming OFC in Los Angeles, from March 15th to 19th, 2026. Other differentiated components may be internally developed or externally through product and/or company acquisitions, as stated in the company's "Use of Proceeds" in recent offerings.

Management expects that some new optical engine purchase orders may be announced by the end of the year. In addition to orders from Celestial AI and Adtran, we are waiting to hear from Mitsubishi, Luxshare, FOIT, Lessengers, and all the other companies with which POET has been working. It is even possible that a few of the Chinese module makers could come on board for 800G products in 2026.

News During Q3

Sohail Khan was appointed director and member of the Corporate Governance & Nominating Committee on July 7, 2025. He is a seasoned business executive in high-technology firms with a wide range of experience, from leading startups to running multi-billion-dollar enterprises with extensive M&A experience. Most recently, he was EVP, Wideband Gap Electronics and President of SiC, LLC, divisions of Coherent Corp. He was a member of the board of directors of LightPath Technologies for 16 years, Managing Partner of K5 Innovations LLC, and President & CEO of ViXS Systems Inc., a global fabless semiconductor company, and a member of the board of Intersil Corporation. The size of POET's board was reduced to five members with the retirement of Chris Tsiofas.

On August 27th, POET voluntarily delisted its common shares from the TSX Venture Exchange ("TSXV") to consolidate trading on NASDAQ, where most of its volume had been trading.

On August 29th, POET announced a partnership with NTT Innovative Devices Corporation (a subsidiary of Japan's leading telecom company) to develop advanced optical engines to power next-generation networks capable of supporting AI applications on mobile devices. This is a significant new market for POET, and

working with NTT ensures a large guaranteed customer for the product as it will be used internally as well as sold to others.

The company attended the China International Optoelectronics Expo (CIOE) from September 10th to 12th in Shenzhen. It featured its Blazar (hybrid laser) and 1.6T transmit optical engines, developed in collaboration with Mitsubishi.

On September 23rd, POET announced that it received an initial production order for optical engines from one of its lead customers, valued at more than \$500,000. We believe that the customer is Adtran. These engines are scheduled to ship in early 2026, and production is expected to grow to higher volumes as the year progresses.

On September 29th, POET announced a strategic collaboration with Sivers Semiconductors AB (STO: SIVE), a global supplier of advanced optical semiconductors, to develop External Light Source (ELS) modules tailored for Co-Packaged Optics (CPO) and next-generation AI infrastructure. The modules will combine Sivers' customized high-power distributed feedback (DFB) laser technology with POET's Optical Interposer™ platform, leveraging advanced wafer-level manufacturing and chip-scale photonic integration. Prototypes are expected to be shown to customers in the first half of 2026, and products are anticipated to be ready for production by the end of 2026. Then on November 6th, [Sivers Semiconductors](#) AB (STO: SIVE) announced additional details on this partnership. It believes traditional pluggables based on EMLs are reaching their performance limits. In parallel, next-generation GPU architectures are driving demand for co-packaged optics (CPO) supported by External Light Sources (ELS). As a result, it is partnering with POET to deliver 'plug-and-play' light-engine sub-systems for pluggable transceivers and enabling External Light Sources (ELS) for CPO-based solutions.

On September 30th, POET and Semtech Corporation (NASDAQ: SMTC) announced that their 1.6T DR8 and 1.6T 2xFR4 Receiver Optical Engines are now available for customer sampling. These engines combine POET's Optical Interposer platform and Semtech's FiberEdge 200G-per-lane receiver technologies to create optical engines that include DR8 for short-reach AI cluster links and 2xFR4 for longer-reach intra-datacenter connectivity.

POET received the award for the "Most Innovative Chip-scale Packaging/Optical Sub Assembly Product" at the 2025 ECOC Exhibition in Copenhagen, Denmark. The company was recognized for its highly integrated platform technology, the POET Optical Interposer, and its applications, which include 200G/lane receive and transmit optical engines.

After the Quarter Ended

On October 22nd, POET announced it received a production order valued at over \$5 million for a shipment of POET Infinity(TM) optical engines. The purchase order for optical engines was made by a leading systems integrator that will manufacture and sell optical transceiver modules. POET is selling them 2xFR4 and 2xDR4 400G transmit engines and 800G 2xFR4 and DR8 receive engines.

On November 11th, POET and Quantum Computing Inc. (NASDAQ: QUBT) announced they would work together to develop 400G/Lane thin-film lithium niobate (TFLN) modulator-based 3.2Tbps engines targeted for completion in the second half of 2026. POET will fund the development. Quantum will provide expertise with TFLN to integrate the high-performance 400G/Lane modulators with the POET Optical Interposer™ platform. This engine will provide data-transfer speeds at 3.2Tbps and beyond. Quantum believes that to achieve a commercially viable optical modulator that operates at 400G/Lane requires an integration platform such as the POET Optical Interposer, and a 400G/Lane optical modulator that incorporates TFLN will be a radical step forward for the industry. TFLN has proven to be ideal for chip-scale photonic integration, and Quantum is one of the few companies that have demonstrated processes that can make TFLN adaptable for advanced wafer-level manufacturing.

Q3 2025 Results

In Q3 2025, POET had revenues of \$298,000 versus \$4,000 in Q3 2024, primarily from NREs and product samples sales, all of which came from Asia. Total operating expenses were \$9.9 million compared to \$6.8 million last year.

R&D increased by \$2.1 million to \$4.5 million in Q3 2025 from \$2.4 million in Q3 2024, due to taking control of SPX. \$1.4 million of the increase was an increase in supplies. Additionally, POET established production capacity and capabilities with two new facilities in Malaysia and incurred significant costs. Sales, marketing, and administration increased by \$1 million.

Depreciation and amortization increased by \$364,000 to \$893,000 in Q3 2025. Many new assets were placed in operations in the latter part of 2024 and into Q2 2025. Wages and benefits increased by \$262,000 as a result of salary increases over Q3 2024. Finance and advisory fees increased \$497,000 to \$1.8 million with increased investor relations and capital raising fees.

Other income, including interest, increased to \$989,000 in Q3 2025 from \$216,000 in Q3 2024 due to higher cash balances.

The net loss was \$9.4 million compared to a loss of \$12.7 million in Q3 2024. This resulted in an IFRS loss per share of \$0.10 versus a loss of \$0.20 per share last year. On a non-IFRS basis, taking out stock-based compensation and non-cash accounting, the loss was \$6.7 million or \$0.07 per share, versus a loss of \$5.0 million and \$0.08 per share. The average fully diluted shares outstanding for the quarter were 89.8 million, up 37.8%.

Balance Sheet

POET Technologies ended the September quarter with \$92.7 million in cash and marketable securities and \$6.5 million in convertible debentures. After its October raises, it now has approximately \$350 million in cash. Working capital at the end of the quarter was \$52.9 million; however, \$30.6 million of current liabilities are non-cash, and \$6.5 million of the convertible debt, which is presented as current is due between two and five years, making working capital available for operations \$90.0 million. The company had a negative cash flow (excluding changes in working capital) of \$4.2 million for Q3 2025. It spent \$406,000 on capex, resulting in a negative free cash flow of \$4.6 million for the quarter. POET is burning about \$1.3 million a month. By the end of 2025, it expects the cash burn to increase to about \$5 million a quarter as it adds middle management to support operations, including production.

On July 7th, POET sold 5 million units at \$5.00 per unit for gross proceeds of \$25 million to MMCAP. Each unit is comprised of one share of common stock and one warrant exercisable at C\$8.16 for five years.

After the Quarter Ended

On October 7th, POET announced that it sold 13,636,364 shares and one warrant exercisable at C\$9.78 (US\$7.17) at \$5.50 per unit in a private placement for gross proceeds of \$75 million to MMCAP. As of October 8th, MMCAP held 11.2 million shares.

Then, on October 28th, POET announced that it sold another 20,689,655 common shares in an oversubscribed registered direct offering, resulting in gross proceeds of approximately \$150 million. Participants in the offering included two new fundamental investment managers. Titan Partners Group, a division of American Capital Partners, was the sole placement agent. The company now has over \$350

million in cash to “pursue targeted acquisitions, enhance capabilities and talent, and vertically integrate products to improve cost and performance.”

There were 131,769,637 shares outstanding on November 13, 2025. There were also 37,385,938 warrants priced between CA\$1.52 and CA\$9.78 and 6,050,935 stock options priced between \$1.27 and \$5.20, and 3,098,549 restricted stock units, with \$3,005,009 priced at \$5.42 and the rest priced between CA\$7.23 and CA\$7.70.

KEY POINTS

- AI has created an accelerated need for faster speeds for hardware and data center communications. As a de facto pure-play in optical engines and transceivers targeting AI hardware and data centers, POET offers a way to invest in the entire AI industry. As a start-up on the cusp of ramping production, we expect the company to grow much faster than the market and the large incumbent players such as Nvidia.
- The Holy Grail in photonics is cost reduction (through efficiencies in process and materials) combined with lower power consumption. Throw in a smaller size and higher performance, and customers should beat a path to your door. POET believes it can provide all four with its proprietary “optical interposer” based on a novel low-loss material that allows multiple components to be integrated into a single package entirely at wafer-scale. What this means is that it can eliminate steps in the labor-intensive assembly process currently used when manufacturing optical transceivers. Manual assembly results in higher scrap rates, longer production times, and higher equipment costs. Also, its base material is far better suited to use in the management of light than silicon due to its lower loss and planar architecture, thus allowing lower-powered lasers, resulting in lower power consumption and the ability to use less expensive lasers. POET hopes to disrupt the current market for photonics devices and have its Optical Engine platform become the standard in the industry.
- Using \$350 million in cash, \$6.5 million in debt, and 131.8 million shares outstanding, the stock trades at an enterprise value of approximately \$236 million. According to Fortune Business Insights, the optical transceiver market is rising at a CAGR of 16% from \$12.6 billion in 2024 to \$20.7 billion by 2030 and \$42.5 billion by 2032. POET’s product is a component of an optical transceiver, and that market is about a third of the transceiver market. If POET can secure even a small portion of that market with its unique offering, its valuation should far exceed its current price. We believe the stock could be worth \$7.30 per fully diluted share based on 2027 revenues at 11.6 times EV to Sales, discounted at 15% back to present value.

VALUATION

POET’s business model makes it similar to fabless semiconductor companies. Third parties provide the production of their devices, and we expect that it would have margins close to those of the companies below. If we throw out NVIDIA as an outlier, they average 11.6xs enterprise value to estimated 2025 revenues. To value POET, we need to look at to estimated 2027 revenues of \$80 million. Using 11.6xs gives us a market valuation of \$1.27 billion. For the valuation, we take the current share count of 131.8 million shares. \$1.27 billion divided by 131.8 million shares is approximately \$9.65 per share by 2027. This would be a present value of \$7.30, discounted by 15% per year.

Company	Ticker	Calendar		LTM	EBITDA	EBITDA Margin	Enterprise Value / Sales			EV/EBITDA	Included in Average?	Ent. Value
		2026E	2025E				2026E	2025E	LTM			
AMD	AMD	\$44,080	\$33,930	\$32,030	6,050	19%	9.0x	11.7x	12.4x	65.9x	y	398,440
Broadcom	AVGO	NA	\$66,620	\$59,930	32,750	55%	NA	25.1x	27.9x	51.0x	y	1,670,000
Cirrus Logic	CRUS	NA	\$1,924	\$1,950	501	26%	NA	2.9x	2.9x	11.2x	y	5,590
Lightwave Logic	LWLG	NA	NA	\$94	(20)	NM	NA	NA	NA	-30.5x	n	609
Marvell	MRVL	\$9,470	\$8,130	\$7,230	2,120	29%	8.2x	9.6x	10.8x	36.8x	y	78,080
Monolithic Power Sys	MPWR	\$3,260	\$2,780	\$2,660	740	28%	13.8x	16.1x	16.9x	60.6x	y	44,830
NVIDIA	NVDA	\$291,210	\$207,660	\$165,220	98,280	59%	15.8x	22.1x	27.8x	46.7x	n	4,590,000
Qualcomm	QCOM	NA	\$44,640	\$44,280	14,000	32%	NA	4.3x	4.3x	13.6x	y	190,990
Average						21%	10.3x	11.6x	12.5x	39.8x		996,847

Warrant and Option Stack 30-Sep-25									
Expiration	Type	Holder	Ave. Strike Price		Number	Value			
			CAD	USD		CAD	USD		
2026 Options	Employee		\$ 1.75	\$ 1.23	115,000	\$ 201,250	\$ 141,725		
2027 Options	Employee		\$ 1.75	\$ 1.23	257,537	\$ 450,690	\$ 317,387		
2028 Options	Employee		\$ 1.75	\$ 1.23	538,167	\$ 941,792	\$ 663,234		
2029 Options	Employee		\$ 1.75	\$ 1.23	893,931	\$ 1,564,379	\$ 1,101,676		
2030 Options	Employee		\$ 1.75	\$ 1.23	620,249	\$ 1,085,436	\$ 764,391		
2031 Options	Employee		\$ 1.75	\$ 1.23	478,606	\$ 837,561	\$ 589,831		
2032 Options	Employee		\$ 1.75	\$ 1.23	1,553,500	\$ 2,718,625	\$ 1,914,525		
2033 Options	Employee		\$ 1.75	\$ 1.23	833,690	\$ 1,458,958	\$ 1,027,435		
2034 Options	Employee		\$ 1.79	\$ 1.26	485,000	\$ 868,150	\$ 611,373		
2034 Options	Employee		\$ 5.45	\$ 3.84	468,823	\$ 2,555,085	\$ 1,799,356		
2034 Options	Employee		\$ 2.68	\$ 1.89	1,961,846	\$ 5,257,747	\$ 3,702,639		
2035 Options	Employee		\$ 6.12	\$ 4.31	350,000	\$ 2,142,000	\$ 1,508,451		
			\$	1.76	8,556,349	20,081,673	15,061,254		
2028 Warrants	Offering		\$ 1.52	#DIV/0!	-	\$ -	\$ -		
2029 Warrants	Offering		\$ 1.52	\$ 1.07	3,381,028	\$ 5,139,163	\$ 3,619,129		
2029 Warrants	Offering		\$ 4.26	\$ 3.00	5,306,665	\$ 22,606,393	\$ 15,919,995		
2029 Warrants	Offering		\$ 4.95	\$ 3.49	24,000	\$ 118,800	\$ 83,662		
2029 Warrants	Offering		\$ 5.45	\$ 3.84	3,333,334	\$ 18,166,670	\$ 12,793,430		
2029 Warrants	Offering		\$ 6.78	\$ 4.77	2,000,000	\$ 13,560,000	\$ 9,549,296		
			\$	2.99	14,045,027	\$ 59,591,026	\$ 41,965,511		
Total ITM Options & Warrants					22,601,376	\$ 79,672,698	\$ 57,026,766		
2030 Warrants	Offering		\$ 8.32	\$ 5.86	6,000,000	\$ 49,920,000	\$ 35,154,930		
2029 Warrants	Offering		\$ 8.39	\$ 5.91	2,777,778	\$ 23,305,557	\$ 16,412,364		
2030 Warrants	Offering		\$ 8.16	\$ 5.75	5,000,000	\$ 40,800,000	\$ 28,732,394		
			\$	5.83	13,777,778	114,025,557	80,299,688		
Total OTM Options & Warrants					13,777,778	\$ 114,025,557	\$ 80,299,688		
TOTAL OPTIONS OUTSTANDING						8,556,349	\$ 20,081,673	\$ 15,061,254	
GRAND TOTAL OPTIONS AND WARRANTS OUTSTANDING						36,379,154	\$ 193,698,256	\$ 137,326,454	

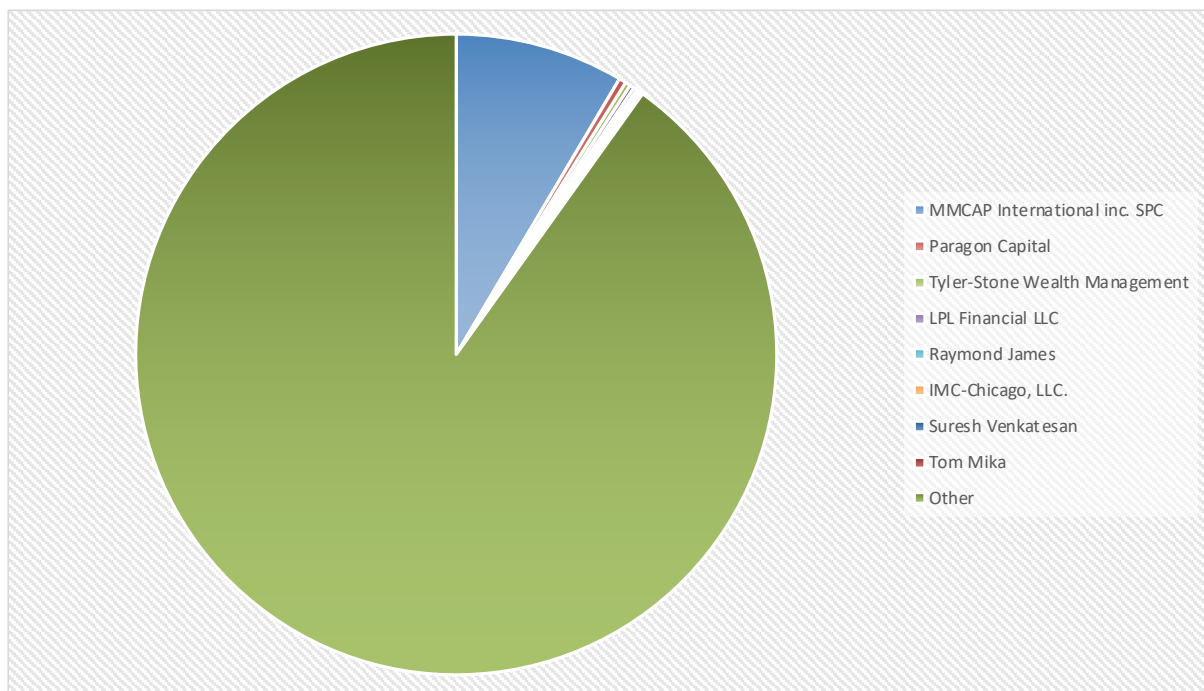
Fully Diluted Shares Using Treasury Stock Method

Share Outstanding	91,010,598
Warrants	27,822,805
Options	8,556,349
RSU	3,098,549
All in shares	130,488,301
Fully diluted shares	130,488,301
Cash raised by warrants and options	57,026,766
Share purchased by cash raised	6,289,139
Current share price \$	\$ 9.07
Fully diluted shares, TS Method	124,199,162

RISKS

- POET is a startup with virtually no revenues. It may not be able to close customers if its technology does not work or does not work within the needed parameters.
- Many potential customers may hesitate to do business with a small, money-losing start-up, making market penetration even more difficult.
- The company may take longer to book sales, ramp more slowly, or produce less than expected sales and profits. Ramping production could prove more difficult than expected, and orders may not be received when expected.
- POET's solution is significantly different from that currently used in the industry. For customers to switch, it may take more time than expected to persuade them to leave their legacy methodology.
- A potential worldwide recession or tariffs could impact POET and its customers and suppliers.

OWNERSHIP



INCOME STATEMENT

	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25E	2023	2024	2025E	2026E	2027E
Revenue	\$ 8,710	\$ 0	\$ 3,585	\$ 29,132	\$ 166,760	\$ 268,469	\$ 298,434	\$ 500,000	\$ 465,777	\$ 41,427	\$ 1,233,663	\$ 10,000,000	\$ 80,000,000
Cost of revenue	0	0	0	0	0	0	0	0	0	0	0	4,500,000	40,000,000
Gross margin	8,710	0	3,585	29,132	166,760	268,469	298,434	500,000	465,777	41,427	1,233,663	4,500,000	40,000,000
Gross margin %	100.0%	NM	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	45.0%	50.0%
Operating expenses													
Selling, marketing and administration	2,837,553	4,639,358	4,370,148	6,924,362	5,189,062	5,273,193	5,380,610	6,200,000	11,225,219	18,771,421	22,042,865	21,200,000	23,000,000
R&D	2,290,316	2,117,828	2,380,093	4,546,404	4,514,107	3,752,352	4,472,495	3,800,000	9,647,866	11,334,641	16,538,954	16,000,000	15,000,000
Operating expenses	5,127,869	6,757,186	6,750,241	11,470,766	9,703,169	9,025,545	9,853,105	10,000,000	20,873,085	30,106,062	38,581,819	37,200,000	38,000,000
Operating income	(5,119,159)	(6,757,186)	(6,746,656)	(11,441,634)	(9,536,409)	(8,757,076)	(9,554,671)	(9,500,000)	(20,407,308)	(30,064,635)	(37,348,156)	(32,700,000)	2,000,000
Impairment and other loss	0	0	0	(6,852,687)	0	0	0	0	0	(6,852,687)	0	0	0
Derivative liability adjustment	0	(1,376,761)	0	1,376,761	15,382,971	0	(2,414,223)	0	(24,865)	0	12,968,748	0	0
Interest expense	(19,753)	(20,833)	(30,482)	(31,605)	(32,786)	(30,925)	(31,429)	(31,000)	(70,182)	(102,673)	(126,140)	0	(10,000)
Unrealized foreign exchange	0	0	0	0	0	(1,448,691)	1,641,602	0	0	0	192,911	0	0
Other plus Interest income	52,558	174,911	216,337	504,150	527,782	533,308	989,007	1,000,000	234,990	947,956	3,050,097	2,600,000	0
FV adjustment to derivative warrant	(629,824)	0	(6,179,836)	(13,821,422)	0	(7,559,991)	0	0	0	(20,631,082)	(7,559,991)	0	0
Forgiveness of COVID govt loans	0	0	0	7,298	0	0	0	0	0	7,298	0	0	0
Impact of joint venture (75.2% owned)	0	0	0	0	0	0	0	0	(527,857)	0	0	0	0
Gain on contribution of IP to JV	0	0	0	0	0	0	0	0	527,857	0	0	0	0
Pretax loss	(5,716,178)	(7,979,869)	(12,740,637)	(30,259,139)	6,341,558	(17,263,375)	(9,369,714)	(8,531,000)	(20,267,365)	(56,695,823)	(28,822,531)	(30,100,000)	1,990,000
Income tax	0	0	0	0	0	0	0	0	0	0	0	0	0
Net loss	(5,716,178)	(7,979,869)	(12,740,637)	(30,259,139)	6,341,558	(17,263,375)	(9,369,714)	(8,531,000)	(20,267,365)	(56,695,823)	(28,822,531)	(30,100,000)	1,990,000
Non-IFRS net loss	(4,768,676)	(5,011,367)	(5,035,670)	(9,556,796)	(8,199,620)	(5,786,747)	(6,732,504)	(7,365,518)	(16,041,056)	(23,742,685)	(28,084,389)	(25,600,000)	6,490,000
Basic and diluted net loss per share	\$ (0.12)	\$ (0.14)	\$ (0.20)	\$ (0.43)	\$ 0.08	\$ (0.21)	\$ (0.10)	\$ (0.06)	\$ (0.51)	\$ (0.94)	\$ (0.30)	\$ (0.23)	\$ 0.02
Yr-to-yr growth	-10.2%	29.1%	54.4%	223.9%	-166.0%	50.5%	-46.8%	-84.8%	11.4%	64.4%	-47.1%	-24.5%	-106.6%
Non-IFRS loss per share	(0.10)	(0.09)	(0.08)	(0.13)	(0.10)	(0.07)	(0.07)	(0.06)	(0.40)	(0.39)	(0.29)	(0.19)	0.05
Share outstanding (millions)	46.6	56.4	65.2	70.9	78.2	81.1	89.8	131.8	40.1	60.2	95.2	131.8	131.8
Yr-to-yr growth	20.8%	40.9%	60.7%	70.8%	68.1%	43.7%	37.8%	85.9%	16.1%	64.0%	159.2%	38.4%	0.0%

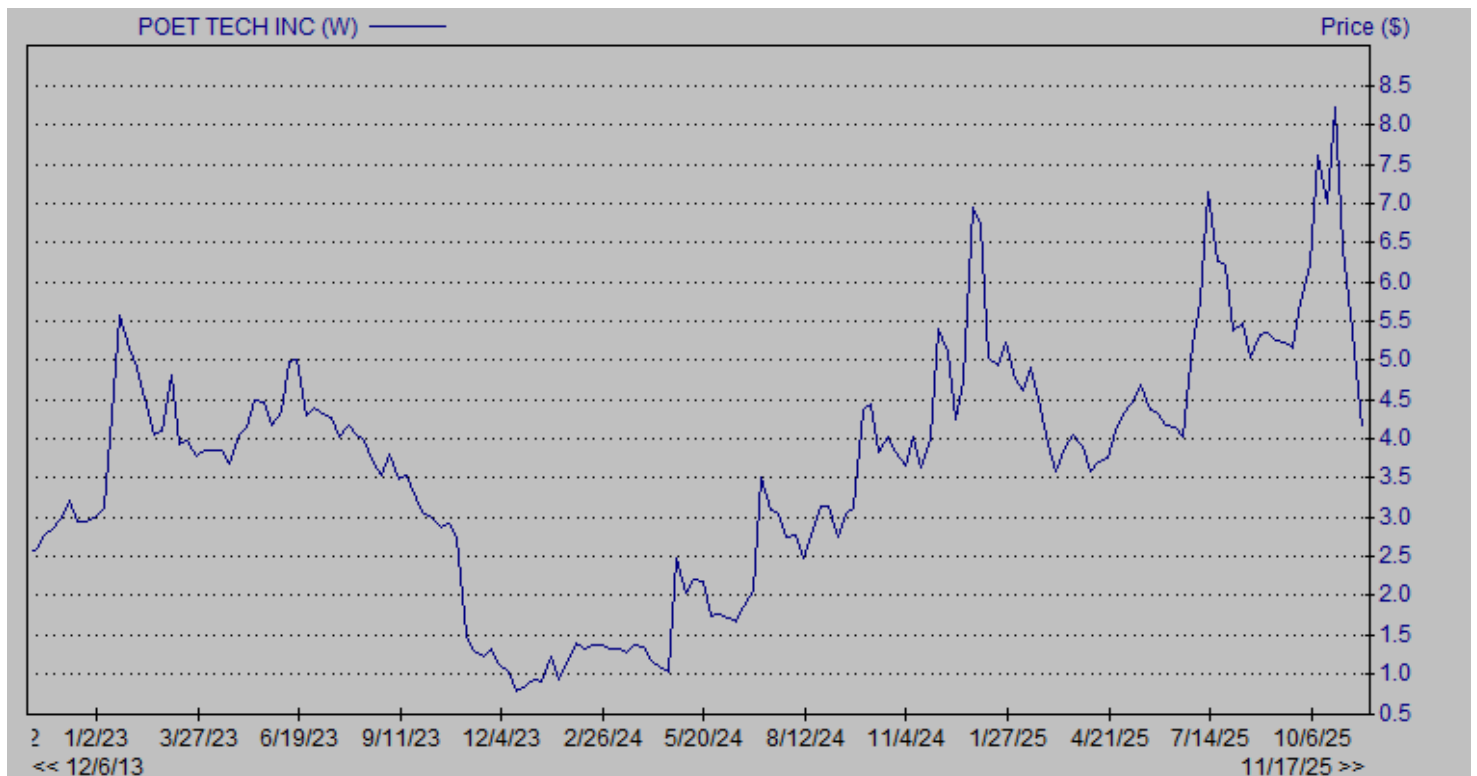
CASH FLOWS

US Dollars	2022	2023	Mar. 31, 2024	Jun. 30, 2024	Sep. 30, 2024	Dec. 31, 2024	2024	Mar. 31, 2025	Jun. 30, 2025	Sep. 30, 2025
OPERATING ACTIVITIES										
Net loss	\$ (21,036,690)	\$ (20,267,365)	\$ (5,716,178)	\$ (7,979,869)	(12,740,537)	(30,259,239)	\$ (56,695,823)	\$ 6,341,558	\$ (17,263,375)	(9,369,714)
Adjustments for:										
Depreciation of property and equipment	1,054,264	1,653,798	436,201	436,640	451,744	389,101	1,713,686	634,080	722,928	822,488
Amortization of patents and licenses	80,246	87,761	22,283	22,653	107,277	(59,869)	92,344	69,116	(20,917)	112,157
Amortization of right of use assets	158,648	180,602	50,719	50,463	(33,066)	146,049	214,165	23,672	90,803	(41,941)
FV adjustment to der. warrant liability	0	24,865	629,824	1,376,761	6,179,836	12,444,661	20,631,082	(15,382,971)	7,559,991	2,414,223
Non-cash interest	49,738	53,614	19,753	20,833	17,852	31,603	90,041	19,120	44,591	31,429
Stock-based compensation	4,436,604	4,201,444	947,502	1,591,741	1,525,131	1,404,995	5,469,369	841,793	1,165,482	1,864,589
Other non-cash items	0	0	0	0	0	0	0	0	189,560	0
Unrealized exchange gains	0	0	0	0	0	0	0	0	(350,497)	0
Non-cash settled operating costs	40,029	0	0	0	0	(18,766)	(18,766)	0	0	0
Gain on lease modification	0	0	0	0	0	0	0	(10,978)	10,978	0
Loss on acquisition of 24.8% of SPX	0	0	0	0	0	6,852,687	6,852,687	0	0	0
Gain on contribution of IP to JV	(1,746,987)	(1,031,807)	0	0	0	0	0	0	0	0
Share of loss in JV	3,211,993	1,031,807	0	0	0	0	0	0	0	0
Forgiveness of COVID loans	0	0	(7,417)	56	11	52	(7,298)	0	0	0
Net change in non-cash working capital accounts:										
Accounts receivable	(61,099)	62,000	0	0	0	(7,257)	(7,257)	0	0	(125,079)
Prepaid and other current assets	(356,199)	126,936	(158,818)	(316,008)	(868,033)	(316,756)	(1,659,615)	(217,086)	(96,155)	1,289,627
Accounts payable and accrued liabilities	1,596,690	(1,256,925)	(828,751)	302,400	(142,878)	703,303	34,074	(1,572,732)	482,503	(344,824)
Contract liabilities	246,853	(274,192)	0	0	0	0	0	274,926	(274,926)	609,498
Cash flows from operating activities	(12,325,910)	(15,407,462)	(4,604,882)	(4,494,330)	(5,502,663)	(8,689,436)	(23,291,311)	(8,979,502)	(7,739,034)	(3,347,045)
INVESTING ACTIVITIES										
Purchase of short-term investments	0	0	0	0	0	0	0	(16,096,218)	(25,482,380)	(20,129,584)
Maturity of short-term investments	6,366,828	0	0	0	0	(16,672,811)	(16,672,811)	0	0	0
Purchase of property and equipment	(3,011,562)	(1,167,953)	(49,063)	(1,863,325)	(947,077)	(3,922,250)	(6,781,715)	(522,523)	(2,065,295)	(406,440)
Purchase of patents and licenses	(62,475)	(79,111)	(53,352)	0	(75,558)	(68,087)	(196,997)	0	(46,537)	1
Long term deposit	0	0	0	0	0	(107,890)	(107,890)	0	0	(112,457)
Cash received on acquisition	0	0	0	0	0	97,833	97,833	0	0	0
Cash flows from investing activities	3,292,791	(1,247,064)	(102,415)	(1,863,325)	(1,022,635)	(20,673,205)	(23,661,580)	(16,618,741)	(27,594,212)	(406,439)
FINANCING ACTIVITIES										
Repayment of covid loan	0	0	(22,251)	168	33	156	(21,894)	0	0	0
Issue of common shares for cash, net	3,639,722	10,447,603	5,261,651	24,285,219	26,846,450	25,782,860	82,176,180	4,352,685	31,273,000	25,851,464
Payment of lease liability	(204,518)	(252,103)	(67,053)	(70,699)	(71,760)	(46,441)	(255,953)	(35,289)	(64,159)	(58,517)
Cash flows from financing	3,435,204	10,195,500	5,172,347	24,214,688	26,774,723	25,736,575	81,898,333	4,317,396	31,208,841	25,792,947
EFFECT OF EX RATE ON CASH	(114,015)	248,250	(50,262)	(28,764)	271,348	(1,013,074)	(820,752)	37,513	588,940	(1,221,930)
NET CHANGE IN CASH	(5,711,930)	(6,210,776)	(4,144,788)	(17,828,269)	20,520,773	(4,639,140)	34,124,690	(21,243,334)	(3,535,465)	1,149,487
CASH AND CASH EQUIVALENTS, beg.	14,941,775	9,229,845	3,019,069	3,433,857	21,262,126	41,782,899	3,019,069	37,143,759	15,900,425	12,364,960
CASH AND CASH EQUIVALENTS, end	9,229,845	3,019,069	3,433,857	21,262,126	41,782,899	37,143,759	37,143,759	15,900,425	12,364,960	13,514,447
Cash flow	(13,752,155)	(14,065,281)	(3,617,313)	(4,480,722)	(4,491,752)	(9,068,726)	(21,658,513)	(7,464,610)	(7,850,456)	(4,166,769)
Free cash flow	(16,826,192)	(15,312,345)	(3,719,728)	(6,344,047)	(5,514,387)	(13,059,063)	(28,637,225)	(7,987,133)	(9,962,288)	(4,573,208)

BALANCE SHEET

	Sept 30, 2025	June 30, 2025	Qtr-Qtr % Growth	Sept 30, 2024	Yr-Yr % Growth
Current					
Cash and cash equivalents	\$ 13,514,447	\$ 12,364,960	9%	\$ 41,782,899	-68%
Short-term investments	79,221,458	60,688,044	31%	0	NA
Accounts receivable	125,079	0	NA	0	NA
Prepays and other current assets	824,069	1,908,202	-57%	1,512,538	-46%
Current Assets	93,685,053	74,961,206	25%	43,295,437	116%
Long term deposit	220,347	115,681	90%	0	NA
Property and equipment	12,673,106	13,266,167	-4%	6,320,844	100%
Patents and licenses	580,710	605,046	-4%	562,849	3%
Right of use asset	674,453	727,370	-7%	334,975	101%
Total Assets	107,833,669	89,675,470	20%	50,514,105	113%
Liabilities					
Accounts payable and accrued liabilities	2,892,784	3,654,699	-21%	1,633,885	77%
Lease liability	147,877	147,877	0%	162,109	-9%
Derivative warrant liability	30,599,601	29,328,610	4%	17,895,604	71%
Convertible debentures	6,500,000	6,500,000	0%	0	NA
Contract liabilities	619,002	0	NA	0	NA
Current Liabilities	40,759,264	39,631,186	3%	19,691,598	107%
Lease liability	636,231	678,878	-6%	204,477	211%
Total liabilities	41,395,495	40,310,064	3%	19,896,075	108%
Shareholders' Equity					
Share capital	255,147,246	243,889,697	5%	202,966,130	26%
Warrants & comp options	45,765,710	29,219,025	57%	11,220,849	308%
Contributed surplus	58,979,770	58,513,941	1%	59,472,426	-1%
Accumulated other comprehensive loss	(2,176,173)	(348,592)	524%	(2,313,766)	-6%
Deficit	(291,278,379)	(281,908,665)	3%	(240,727,609)	21%
Shareholder's Equity	66,438,174	49,365,406	35%	30,618,030	117%
Tot Liabilities and Share. Equity	\$ 107,833,669	\$ 89,675,470	20%	\$ 50,514,105	113%
Cash and short-term investments	\$ 92,735,905	\$ 73,053,004	27%	\$ 41,782,899	122%
Cash per share	\$ 0.70	\$ 0.81	-13%	\$ 0.64	10%
Current ratio	2.3	1.9	22%	2.2	5%
Working capital	52,925,789	35,330,020	50%	23,603,839	124%
Debt	6,500,000	6,500,000	0%	0	NA

HISTORICAL STOCK PRICE



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