



DRIVING TECHNOLOGY
DEVELOPMENT
IN MODERN AGRICULTURE

Management Discussion and Analysis
2025 Fiscal Year



WELCOME TO OUR MANAGEMENT DISCUSSION & ANALYSIS

This management discussion & analysis (“MD&A”) includes information that will help you understand management’s perspective of our consolidated financial statements and notes thereto for the fiscal years ended June 30, 2025 and 2024. This information is based on what we knew on October 28, 2025. This MD&A includes statements and information about our expectations for the future and things that have not yet taken place. We highlight the section titled **Forward-looking Information** for additional information about future expectations.

We encourage you to read our consolidated financial statements and notes thereto as you review this MD&A. You can find more information about Clean Seed Capital Group Ltd., including our most recent filings on SEDAR+, at www.sedarplus.ca.

Unless we have otherwise specified, all dollar amounts are stated in Canadian dollars. The financial information included in this MD&A and in our consolidated financial statements and notes thereto are prepared according to IFRS Accounting Standards (“IFRS”), except as otherwise noted.

Throughout this document, the terms we, us, our, the Company and Clean Seed refer to Clean Seed Capital Group Ltd. and our wholly owned subsidiaries, Clean Seed Agricultural Technologies Ltd. and Seed Sync Systems Ltd.



DRIVING TECHNOLOGY DEVELOPMENT IN MODERN AGRICULTURE

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VISION AND PURPOSE

To drive sustainable transformation of global agricultural production through the deployment of our precision seeding and planting platforms, enhancing crop production outcomes while reducing environmental impact of farming operations.

GENERAL

The Company is the creator of a suite of technologies we refer to as the SMART Seeder MAX™ (“SMART Seeder MAX”) technologies that collectively led to the creation of the world’s most advanced seeding and planting platform known as the SMART Seeder MAX and a scaled down version, the Mini-MAX™ (“Mini-MAX”). The products can improve global agricultural performance in a format scalable for each major agricultural marketplace.

The Company was incorporated on January 28, 2010. On September 26, 2011, the Company (1) completed its initial public offering, and (2) completed the acquisition of Vesco Agricultural Technologies Ltd. (subsequently renamed Clean Seed Agricultural Technologies Ltd.). On September 28, 2011, the Company began trading on the TSX Venture Exchange (“TSXV”).

The Company has one reportable operating segment.

INVESTOR INFORMATION

Common Shares

The Company’s common shares are currently listed on the NEX branch of the TSXV under the symbol “CSX.H”.

Transfer Agent

For information on common shareholdings, lost share certificates and address changes, contact:

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CLEAN SEED'S BUSINESS MODEL

The Company is the creator and developer of the SMART Seeder MAX technologies, from which the Company has created the SMART Seeder MAX and Mini-MAX product lines as solutions to challenges in agriculture faced by crop farmers. The Company is continuing to explore opportunities to expand upon its technology portfolio and related product offerings. See **Technology Portfolio** for additional information regarding the SMART Seeder MAX technologies and **Marketplace & Products** for additional information regarding the products developed from those technologies.

SMART Seeder MAX Product Line

In February 2020, the Company entered into a Joint Venture agreement with 1240097 B.C. Ltd. ("Norwood") under which the parties will undertake to commercialize new seeding and hybrid planting equipment for the North American market (the "Joint Venture"). The Joint Venture combines Norwood's significant market experience, frame technologies, engineering, supply chain and manufacturing resources with Clean Seed's award-winning SMART Seeder technologies. The Joint Venture provides Clean Seed a path to commercializing its flagship SMART Seeder MAX technology without the financial requirements of a manufacturing plant.

Clean Seed and Norwood have developed a product line of SMART Seeder MAX units with different specifications and capabilities targeting large scale farming operations. The parties have built units from which it has conducted substantial field-testing operations and customer demonstrations. Clean Seed and Norwood are evaluating its commercialization strategies for the Joint Venture including preparations for licensing opportunities in North America and internationally.

Clean Seed is seeking to secure financing to fund its program for the SMART Seeder MAX within the following twelve months from this MD&A.

Mini-MAX

On February 13, 2024, Clean Seed secured a landmark technology license agreement with Mahindra and Mahindra Limited ("Mahindra") for the Mini-MAX line, granting Mahindra exclusive rights to sell and distribute the Mini-MAX line in India, Africa, Turkey and most of Asia, providing Clean Seed royalty income on whole goods and spare parts sold by Mahindra. Mahindra, based in India, has established operations across the world and is the world's largest tractor manufacturer by volume. Mahindra will be responsible for its dealer network, end-users and compliance with all applicable regulatory requirements in each jurisdiction in which it manufactures and distributes the Mini-MAX.

The Company entered into a letter of intent with Northern Farmer Mega FPO ("FPO") whereby FPO will purchase 1,000 Mini-MAX units subject to certain conditions being met, including the Mini-MAX qualifying for certain subsidies in India and satisfactory pricing. The units will be purchased by FPO from Mahindra, and Mahindra will be responsible to FPO for the Mini-MAX units. Clean Seed and Mahindra are actively working for the Mini-MAX to qualify for the subsidies in India. We do not anticipate sales to commence in India with Mahindra or FPO until such time as sufficient subsidies are in effect, as competing seeding equipment in India are eligible for subsidies.

Also part of the collaboration with Mahindra, Clean Seed may purchase Clean Seed-branded Mini-MAX units for direct sales in non-exclusive regions around the world, providing Clean Seed with favourable production pricing. Mahindra will also manufacture and supply key components of the SMART Seeder MAX units, further expanding our collaboration and providing Clean Seed



with improved production pricing and access to supply. This strategic relationship provides quality control, protects proprietary technology and optimizes the supply chain. As a result, we aim to broaden the global reach of our product lines, maximize revenue potential and reduce direct overhead costs. See the section titled **Purchase Obligations** for additional information.

With manufacturing and supplier agreements in place, Clean Seed is positioned to form additional business relationships for distributing the Mini-MAX line in non-exclusive territories under the technology license agreement. The manufacturing arrangement with Mahindra provides the opportunity for Clean Seed to develop distribution networks for the Mini-MAX in Canada, the United States, Mexico, Brazil, Europe and other key markets. Clean Seed intends to license the Mini-MAX to distributors or other strategic parties who will be responsible for in-country operations.

In October 2024, Clean Seed entered into an agreement with Maquinaria Agrícola JAS (“MAJAS”) whereby MAJAS shall have the exclusive rights to sell and distribute SMART Seeder Mini-MAX units in Mexico under the Clean Seed brand. Under the terms of this distribution agreement, MAJAS shall purchase whole good Mini-MAX units and spare parts from the Company, which will be supplied to the Company under the agreement with Mahindra.

In May 2025, Clean Seed entered into a distribution agreement with Afina-Cultivian Holdco LLC (“Afina”) whereby Afina shall have the exclusive rights to sell and distribute SMART Seeder Mini-MAX units in Brazil under the Clean Seed brand. Afina shall have the opportunity to expand distribution in Brazil to include other Clean Seed products and to expand its distribution rights to other South American countries. Under the terms of this distribution agreement, Afina shall purchase whole good Mini-MAX units and spare parts from the Company, which will be supplied to the Company under the agreement with Mahindra.

The Company does not anticipate significant additional development work for the Mini-MAX to be under these distribution agreements. The distribution agreements in place have been structured whereby each of MAJAS and Afina, respectively, are responsible for in-country operations, including the dealer networks, servicing the end-users and compliance with all applicable regulatory requirements. The Company does not have any significant expenditure requirements or commitments under the distribution agreements with MAJAS or Afina.

The first shipment of customer units of the Mini-MAX has been issued to Mexico for MAJAS. The first shipment for customer units for Afina will be issued to Brazil in Q4 2025.

Please refer to the sections titled **Technology Portfolio** (page 11), **Enhancements to Intellectual Property** (page 30) and **Intellectual Property** (page 33) for further information regarding the SMART Seeder MAX technology portfolio, the SMART Seeder MAX product line and the Mini-MAX product line. We highlight the area regarding “material risks” within the **Forward-looking Information** section.



2025 FISCAL YEAR

During our 2025 fiscal year, the primary activities of the Company were:

- undertaking business development activities with the Mini-MAX with a focus on India, Mexico and Brazil;
- initiating production of the Mini-MAX commercial units with Mahindra;
- advancing the distribution agreement with MAJAS;
- entering into the distribution agreement with Afina;
- restructuring its promissory notes wherein the maturity dates were extended to December 31, 2025;
- remedying its failure to file cease trade order and securing reinstatement for trading on the NEX branch of the TSXV; and
- continuing to advance the SMART Seeder technology portfolio.

2026 OUTLOOK

We anticipate the following activities will drive the performance for our 2026 fiscal year:

- completing production of the initial run of Mini-MAX commercial units with Mahindra
- secure financing and restructure Company debts to support the commercialization of the SMART Seeder product portfolio and the financial position of the Company. To date, the Company has raised \$1,250,000 through the issuance of units and restructured certain loans. See the section titled **Subsequent Financing and Restructuring** on page 26
- graduating to the TSXV from the NEX branch of the TSXV
- supporting our Mini-MAX distributors and licensees in India, Mexico and Brazil
- distributing Mini-MAX units to MAJAS and Afina under the distribution agreements, for which the initial units to MAJAS shipped in October 2025
- building a distribution network in Canada, the United States and Europe
- advancing the SMART Seeder MAX with Norwood to pursue licensing opportunities
- expanding our intellectual property portfolio and product platforms with the integration of new technologies and advance opportunities to monetize our intellectual property in new markets

As we develop new technologies, Clean Seed will seek to broaden its intellectual property coverage and extend its patent protection life. We highlight the area regarding “material risks” within the **Forward-looking Information** section.

Clean Seed will continue to explore opportunities to work collaboratively with like-minded organizations as part of its efforts to build and commercialize Clean Seed’s intellectual property portfolio and related products. The industry is active with strategic transactions, including mergers, acquisitions and joint ventures, that we believe could be beneficial for our advancement into new marketplaces. The Company plans to advance its business by evaluating opportunities to introduce its products or technologies into different segments of the seeding and planting equipment marketplace and into new countries and regions.

The Company will require additional financing to implement its plans for commercialization and to meet its current obligations. The Company’s ability to secure financing will impact the progress towards its objectives for FY2026 and beyond. Please refer to the section titled **Liquidity & Capital Resources** with respect to its current obligations. Please refer to the sections **Summary of Cash Flows** and **Forward-looking Information** for additional information on our 2025 fiscal year outlook and beyond.



COMPANY OVERVIEW

Clean Seed is driving technology development in modern agriculture. The Company created, designed and developed its portfolio of intellectual property into smart technologies that balance innovation, productivity and sustainability of the seeding operation. The Company is the creator of the SMART Seeder technology portfolio with a mission to drive technology development in modern agriculture. The Company operates in the precision seeding and planting segment of the agriculture industry. We are expecting that our SMART Seeder technology will contribute to the global farming community's ability to meet future agriculture crop production demand in an environmentally focused manner.

We designed our SMART Seeding technology with our team of professionals to create a farmer-driven rethink of existing air seeding and planting equipment products in the marketplace. The SMART Seeder MAX was designed to provide increased precision in seeding and planting operations in order to provide improved farming outcomes in the form of increased crop production, reduced product inputs (seeds, fertilizers and soil amendments, etc.), reduced operating expenses and reduced environmental impact.



Technological innovations impact every industry in a meaningful way and no industry has a further reach or is of more basic human importance than agriculture. Without sufficient agricultural production there is not enough crop to meet current food demand, let alone to meet increased levels of future food demand. Many companies are revolutionizing agricultural technologies to drive improvements in agriculture; however, it is our viewpoint that investments made to solve yield challenges has not directly addressed the most critical time to optimize yield potential – planting and seeding.

Seeding is the best time in a plant's life to influence its physical, chemical and biological environment to impact its yield. To do so sustainably requires a holistic focus on supporting each plant inside every furrow with the agronomic formula it needs to reach its full potential. With our SMART Seeder technology, farmers and their agronomists can apply high-resolution prescriptions that place optimal amounts of seed, fertilizer and amendments inside each and every furrow at each ground contact (opener) point across the field. The ability to manage the field with this precision enables each plant to reach its optimal yields while using the optimal level of inputs along with superior seed placement.



At the farm level, existing seeding equipment limitations have resulted in sub-optimal yields and overuse of farming inputs, reducing potential revenues while increasing farming operation costs. Crop production is already vulnerable enough, and while weather will always be the key factor to success, the farmer should not have to compromise overusing inputs to capture additional yield revenues or miss out on maximizing revenues in order to minimize input wastage. In most markets, farmers only have a short window to plant and every moment counts. Currently, compromises are made across every square foot of the farm because the farmer's seeding equipment cannot 1) satisfy the varied soil conditions of their field down to the square foot, and 2) be sufficiently efficient to maximize time available for planting.

Within the agricultural industry, there is a growing need for high yielding crops to support the surging demand for food globally. Population growth and preference for types of food in emerging countries are leading to high forecasted growth rates for crop production. Concurrently, agriculture input costs are increasing at high levels while their availability is diminishing. The trend of increasing crop demand is not reversing. If consumption patterns do not change, the United Nations estimates that agricultural crop production will need to increase by 70% to meet projected food demand in 2050.



Complicating matters is that increased crop demand must be met through higher yields since increasing the land used for agriculture carries major environmental costs. Most of the additional land that could be used for agriculture crops is under forests, wetlands or grasslands, and converting these to cropland would cause a loss of biodiversity, imbalance in important ecological systems, reduce the effectiveness of ecosystem services and greatly increase greenhouse gas emissions.



Farming operations that focus on short-term crop yield at the cost of soil health will eventually result in land that must be left fallow for extended periods to rehabilitate (the time relationship between soil left fallow and soil being productive is not reciprocal). In order to meet the increasing demand for food, we need to combine productive cropland with technologies that enhance yields on a continuous, sustainable basis.

While this raises concerns about the implications of widespread crop production shortages, it highlights the global opportunity for technology solutions that can improve crop yields sustainably to help the global farming community meet this increasing demand.

Agronomic data is now widely available at much lower costs and fertilizer implementation has made significant advances providing for the opportunity for improved farming outcomes. However, technological advances such as these cannot be fully realized because current seeding and planting equipment available cannot take advantage of these improvements in the farming operation. Our SMART Seeder technology was designed to harness the vast volume of agronomic data to utilize it on every square foot of every field on every farm. We believe that the SMART Seeder will redefine efficient and effective seeding and planting in North America and is scalable for farming operations globally. The Company has developed the SMART Seeder MAX product line for North American operations and is developing the Mini-MAX for developing nations.

A significant portion of the Company is owned by Canadian Prairie commercial farmers and North American agricultural professionals, which we believe is a strong indication of consumer level product support for our SMART Seeder technology.





Technology Portfolio

The SMART Seeder MAX technology portfolio consists of a number of proprietary technologies developed for seeding and planting equipment. The technology is scalable in nature, which has allowed the Company to develop products of different sizes and configurations to meet the requirements of different agricultural marketplaces, a key feature of our patents.

We have developed the SMART Seeder MAX and Mini-MAX product lines from this technology portfolio as farmer-driven solutions to address key segments of the market. The Mini-MAX and SMART Seeder MAX utilize consist common sub-assemblies, components and software from the SMART Seeder MAX technology portfolio.

We highlight the key agricultural marketplaces where we have patents issued or patents pending:



As a technology company focused on farmer-driven solutions, we believe our technology portfolio will be sufficiently scalable to deliver solutions to most major marketplaces in an efficient manner.



The SMART Seeder MAX technology portfolio was designed to address the challenges in agriculture faced by the farming community.

CHALLENGES IN AGRICULTURE	CURRENT SITUATION	SMART SEEDER MAX
RISING YIELD REQUIREMENTS	Farmers need to increase yield to offset the rising cost to own or rent arable land. Existing air seeding and planting equipment is imprecise, limiting yield.	Increases yield by improving the placement of seed and fertilizer, facilitating access to water for root structures and reducing mortality rates of planted seeds.
RISING FUEL COSTS	Existing equipment requires multiple passes to condition the soil, consuming excess fuel, time, and labour.	Conditions soil and places efficiently in a single pass, reducing input costs, labour costs and equipment requirements.
RISING INPUT COSTS	Existing products lack precision in the placement of seeds and fertilizer, causing waste and increasing operating costs.	High resolution control to place precise amounts of inputs in exact locations, reducing the quantity used.
INABILITY TO USE AGRONOMIC DATA	Existing seeding technology provides low-resolution seeding and planting prescriptions (i.e., by field), ignoring differences in moisture and other soil characteristics.	Software leverages existing agronomic data to provide actionable insights on a high-resolution foot-by-foot basis.
DECLINING SOIL BIODIVERSITY FROM OVERTILLING	Overtilling and over conditioning soil reduces biodiversity. Many competitors claim "low" or "no" till, but cause irreparable soil damage.	True "no-till" machine that uses a proprietary saw tooth coulter to cut through biotill on top of the soil and open a clean furrow.
REDUCING CO² AND N₂O EMISSIONS	Imprecise input placement requires higher quantities of fertilizer and multiple passes, which causes overtilling and leads to higher emissions of greenhouse gases.	No tilling allows for carbon sequestration, reducing CO ² and N ₂ O emissions.

The Company has a significant layer of patents and patent applications, including those that protect fundamental aspects of our value proposition. As we advance our business, we plan to seek licensing agreements similar to our agreements with Mahindra and AMVAC Chemical Corporation, into which we previously entered. Historically, the Company earned US\$6M of revenues from its licensing arrangement with AMVAC Chemical Corporation. We view licensing arrangements as a mechanism to advance the Company from operating only within the North American air seeder and planter marketplace to monetizing our intellectual property within the global seeding and planting equipment marketplace



MARKETPLACE & PRODUCTS

We developed the SMART Seeder MAX and Mini-MAX product lines from the SMART Seeder MAX intellectual property portfolio. The SMART Seeder MAX product line is targeting large scale, technology advanced farmers. The Company created the Mini-MAX as a scaled down version for targeting small scale farmers.

SMART Seeder MAX Product Line

The SMART Seeder MAX was developed from a combination of the Company's SMART Seeder technology and its Joint Venture partner's frame and related technologies. The SMART Seeder MAX was built for the large scale Canadian and US Prairie markets to resolve their seeding limitations. With the capabilities to seed all crops used by seeders and planters, the SMART Seeder MAX is a true hybrid that will cross both markets as one platform in North America.

The number of large farms (1,600+ acres) in Canada continues to increase while the total land actively farmed in Canada continues to decrease. In 2016, for the first time since 2001, the acres of cropland actually increased while overall farming acres decreased. We estimate that this means more farms were categorized with Census Canada as a crop farm (as opposed to livestock) than from the previous census. Consistent with the 2011 Census, the average farm size in Canada has continued to increase and the number of crop farms over 1,600 acres continues to increase. In general, farms are continuing to consolidate while becoming larger.

This is important because increasing crop production to meet the United Nations' 2050 crop demand estimates will not be met by farming more land; it will be met by progressive commercial farming operations that have the scale, capability and capital to adopt new technologies and methodologies to sustainably increase yield.

All crop-based farming operations require seeding or planting equipment. The overwhelming majority of North American commercial crop farms use air seeders (except for those farms primarily planting corn or soybean, which generally use "planters" as their planting equipment). An air seeder is generally a planter that uses a medium- or heavy-duty cultivator, a central pneumatic seed and fertilizer delivery system, and a ground opener for seed and/or fertilizer placement. In 2016 (based on data compiled from Census Canada), there were approximately 9,700 Canadian crop farms that were larger than 2,500 acres, which we believe substantially all of which would be using air seeders (not to mention smaller farms that have adopted small air seeders). We believe the US market size for air seeders (small grain seeding equipment) would be approximately the same size. Our own research indicates that the annual marketplace for air seeders in Canada and the United States is between 1,000 and 3,000 units per year with year-to-year fluctuations within that range. We believe that the annual air seeder marketplace will fluctuate within that range based on a number of factors, including crop yields, crop prices, economic conditions, government stimulus and the supply of used farm equipment.

The large grain planting equipment market size in North America is significantly larger, driven primarily by the US, ranging from 5,000 units to 11,000 units per year based on our internal estimates and data we have compiled.

Mini-MAX Product Line

The Mini-MAX was developed from the SMART Seeder technology to improve the farming operations for small farming operations in developed and developing nations. As discussed in the section **Mini-MAX**, the Company has entered into a technology license agreement with Mahindra and distribution agreements with MAJAS and Afina.



RESULTS OF OPERATIONS

Year Ended June 30, 2025

During the fiscal year ended June 30, 2025, the net and comprehensive loss was \$3,446,000 (\$0.04 per share), as compared to net and comprehensive loss of \$4,088,000 (\$0.04 per share) for the year ended June 30, 2024, a 16% decrease in net and comprehensive loss.

	Year Ended June 30,		\$	%
	2025	2024	Change	Change
Operating expenses				
Amortization of intellectual property	\$ 1,056,000	\$ 1,012,000	44,000	4
Depreciation of property and equipment	60,000	289,000	(229,000)	(79)
Foreign exchange loss	8,000	5,000	3,000	60
Interest	1,005,000	1,084,000	(79,000)	(7)
Office and miscellaneous	96,000	104,000	(8,000)	(8)
Personnel	502,000	514,000	(12,000)	(2)
Premises	144,000	18,000	126,000	700
Professional	73,000	383,000	(310,000)	(81)
Research and development	192,000	338,000	(146,000)	(43)
Share-based compensation	3,000	54,000	(51,000)	(94)
Share of loss from equity accounted investment	275,000	275,000	-	-
Travel and trade shows	32,000	12,000	20,000	167
Net and comprehensive loss	\$ (3,446,000)	\$ (4,088,000)	(642,000)	(16)

A substantial amount of the Company's operating expenses pertained to cash-based interest expense and non-cash items, including amortization of intellectual property, depreciation of property and equipment, share-based compensation, share of loss from equity accounted investment and interest accretion. Reviewing the Company's expenses, less these amounts provides insight as to the year-to-year cash operating expenses of the Company, independent of the effects of costs of borrowing.

The Company's loss before interest, depreciation, amortization, share-based compensation and share of loss from equity accounted investment was \$1,047,000 for the year ended June 30, 2025, as compared to a loss of \$1,376,000 for the year ended June 30, 2024, a decrease of \$329,000 (24%) from the prior period. We highlight that **loss before interest, depreciation, amortization, share-based compensation and share of loss from equity accounted investment** is a "non-IFRS financial measure". See section titled **Non-IFRS Financial Measures** for more information.



Significant operating expenses incurred in the current year ended and variations of operating expenses as compared to the prior year include:

Amortization of Intellectual Property	2025	2024	Change (\$)	Change (%)
Expense	\$ 1,056,000	\$ 1,012,000	44,000	4

See the sections titled **Intellectual Property Portfolio, Enhancements to Intellectual Property** and **Intellectual Property** (within **Financial Position**) for further information regarding the Company's intellectual property. The Company amortizes its intellectual property available for use in accordance with IFRS. Intellectual property is amortized on a straight-line basis over the remaining life of certain issued patents. Amortization of intellectual property was similar to the prior period due to the cost amount of intellectual property being similar.

Depreciation of Property and Equipment	2025	2024	Change (\$)	Change (%)
Expense	\$ 60,000	\$ 289,000	(229,000)	(79)

Depreciation of property and equipment decreased for FY2025, as compared to FY2024, as the Company had reduced right-of-use ("ROU") assets during the current year, as certain leases terminated during FY2024 and matured in Q1 FY2025. ROU assets accounted for 70% (2024: 93%) of depreciation expense incurred.

Interest	2025	2024	Change (\$)	Change (%)
Expense	\$ 1,005,000	\$ 1,084,000	(79,000)	(7)

Interest expense is incurred on loans, promissory notes and convertible debentures. During the year ended June 30, 2025, interest (including capitalized amounts) consisted substantially of:

- interest expense of \$659,000 (2024: \$620,000) on promissory notes;
- interest accretion and expense of \$221,000 (2024: \$334,000) on government loans;
- interest accretion of \$nil (2024: \$37,000) on finance lease obligations; and
- interest expense of \$105,000 (2024: \$93,000) on convertible debentures, respectively.

Interest expense decreased during the year ended June 30, 2025, as compared to the year ended June 30, 2024, as a result of the government loans that became interest-bearing during FY2024 and had an additional true-up amount during that period (see **Repayable Government Loans**).

Office and Miscellaneous	2025	2024	Change (\$)	Change (%)
Expense	\$ 96,000	\$ 104,000	(8,000)	(8)

Office and miscellaneous expense decreased due to a reduction in dues and subscriptions for the year ended June 30, 2025, as compared to the year ended June 30, 2024. Included in the balance during FY2025 and FY2024 are filing fees of \$20,000, which included penalties and additional costs related to the Company's cease trade order and partial revocation of its cease trade order.



Personnel	2025	2024	Change (\$)	Change (%)
Expense	\$ 502,000	\$ 514,000	(12,000)	(2)

Personnel expense on the income statement decreased by \$12,000 during the year ended June 30, 2025, as compared to the year ended June 30, 2024 as a result of reduced personnel employed and retained by the Company due to financing available. Personnel costs for the Company are allocated amongst personnel expenses, research and development (or “R&D”), intellectual property and interest in Joint Venture. The personnel costs incurred on an aggregate basis were reduced for 2025 due to the resources available to the Company.

The Company incurred total personnel costs during the year ended June 30, 2025 as follows:

2025	Personnel Count	Expense for the Period	Allocation on Financial Statements
Executives	2	\$ 373,000	Personnel and IP
Marketing	1	108,000	Personnel and R&D
Technical	6	518,000	R&D and IP
Total	9	\$ 999,000	

The Company incurred total personnel costs during the year ended June 30, 2024 as follows:

2024	Personnel Count	Expense for the Period	Allocation on Financial Statements
Administration	2	\$ 36,000	Personnel
Executives	2	376,000	Personnel and IP
Marketing	1	106,000	Personnel and R&D
Technical	7	563,000	R&D and IP
Total	12	\$ 1,081,000	

The allocation of personnel costs during the two years was:

Personnel	-	\$ 502,000	(2024: \$ 514,000)
Research and Development	-	\$ 216,000	(2024: \$ 241,000)
Intellectual Property	-	\$ 281,000	(2024: \$ 326,000)

The Company made contributions to the Joint Venture of personnel amounts as follows:

Personnel	-	\$ nil	(2024: \$ 10,000)
Intellectual Property	-	\$ nil	(2024: \$ 2,000)

Premises	2025	2024	Change (\$)	Change (%)
Expense	\$ 144,000	\$ 18,000	126,000	700

Premises expenses consist of rent expense, utilities, repairs and maintenance, certain insurance policies and other related amounts. Premises expense increased for the year ended June 30, 2025, as compared to June 30, 2024, as the Company’s on-farm premises lease expired in September 2024 and subsequently continued on a month-to-month rent basis thereafter. During the year ended June 30, 2024, these premises were under lease, which was recorded as a ROU asset that was amortized over the lease term.



Professional Expense	2025	2024	Change (\$)	Change (%)
	\$ 73,000	\$ 383,000	(310,000)	(81)

Professional expense includes corporate legal advisor fees, auditor fees, business valuation services, corporate finance services, investor relations services and investor market distribution services. Professional expense decreased due to a reduction in corporate finance services from the prior year and the write-down of certain historical professional invoices.

Research and Development Expense	2025	2024	Change (\$)	Change (%)
	\$ 192,000	\$ 338,000	\$ (146,000)	(43)

Research and development expenses are costs incurred to develop and test the SMART Seeder MAX, Mini-MAX and related SMART Seeder technologies that do not meet the criteria for capitalization, and other costs related to the operations of the Company for supply chain and business development purposes. Research and development expenses consist of engineering and technical staff costs, consulting fees, professional fees, materials, prototypes, production molds no longer in use, purchases, travel, testing, testing facilities and inventories that are not certain of being utilized.

While some of the Company's SMART Seeder expenditures qualified as development expenditures, a significant amount of expenditures incurred by our development team or related to our operations did not qualify for capitalization. During FY2025 the research and development expenses decreased, as compared to FY2024, as we had reduced operational personnel for FY2025, as compared to FY2024, and had reduced purchases and travel costs based on the financial position of the Company while subject to the cease trade order.

See "Enhancements to Intellectual Property" of the **Liquidity & Capital Resources** section for a summary of the SMART Seeder technology expenditures.

Share-based Compensation Expense	2025	2024	Change (\$)	Change (%)
	\$ 3,000	\$ 54,000	(51,000)	(94)

Share-based compensation expense is related to the grant and modification of incentive stock options in accordance with the Company's stock option plan. During the year ended June 30, 2025, the Company did not grant any stock options. During the year ended June 30, 2024, the Company granted 1,100,000 stock options.

The options activity was as follows:

	2025		2024	
	# of Options Granted	Fair Value of Options	# of Options Granted	Fair Value of Options
Options Granted in Current Period	-	\$ -	1,100,000	\$ 46,000
Options Granted in Prior Periods with Vesting Terms	N/A	3,000	N/A	8,000
Total Share-based Compensation		\$ 3,000		\$ 54,000

See Note 16b to the consolidated financial statements for more information about share-based compensation.

Share of Loss from Equity Accounted Investment Expense	2025	2024	Change (\$)	Change (%)
	\$ 275,000	\$ 275,000	-	-



The Company's Joint Venture incurred a net loss of \$550,000 for the year ended FY2025, as compared to \$551,000 for the year ended FY2024, a decrease of \$1,000. The Joint Venture's net loss consisted of the following expenses:

Amortization	-	\$ 550,000	(2024: \$ 549,000)
Personnel	-	\$ nil	(2024: \$ 2,000)
Sales	-	\$ nil	(2024: \$ nil)

The Joint Venture operations are reduced while the Joint Venture partners seek financing.

Three Months Ended June 30, 2025

During the three months ended June 30, 2025, the net and comprehensive loss was \$718,000 (\$0.01 per share), as compared to net and comprehensive loss of \$1,201,000 (\$0.01 per share) for the three months ended June 30, 2024.

	Three Months Ended June 30,			
	2025	2024	\$ Change	% Change
Operating expenses				
Amortization of intellectual property	\$ 270,000	\$ 257,000	13,000	5
Depreciation of property and equipment	9,000	47,000	(38,000)	(81)
Foreign exchange loss (gain)	(11,000)	(2,000)	(9,000)	450
Interest	281,000	421,000	(140,000)	(33)
Office and miscellaneous	18,000	32,000	(14,000)	(44)
Personnel	121,000	134,000	(13,000)	(10)
Premises	33,000	6,000	27,000	450
Professional	(85,000)	60,000	(145,000)	(242)
Research and development	13,000	174,000	(161,000)	(93)
Share-based compensation	-	1,000	(1,000)	(100)
Share of loss from equity accounted investment	69,000	68,000	1,000	1
Travel and trade shows	19,000	3,000	16,000	533
Net and comprehensive loss	\$ (737,000)	\$ (1,201,000)	(464,000)	(39)

A substantial amount of the Company's operating expenses pertained to cash-based interest and non-cash items, including amortization of intellectual property, depreciation of property and equipment, share-based compensation, share of loss from equity accounted investment and interest accretion. Reviewing the Company's expenses, less these amounts provides insight as to the year-to-year cash operating expenses of the Company, independent of the effects of costs of borrowing.

The Company's loss before interest, depreciation, amortization, share-based compensation and share of loss from equity accounted investment was \$108,000 for the three months ended June 30, 2025, as compared to a loss of \$407,000 for the three months ended June 30, 2024, a decrease of \$299,000 (73%) from the prior period. We highlight that **loss before interest, depreciation, amortization, share-based compensation and share of loss from equity accounted investment** is a "non-IFRS financial measure". See section titled **Non-IFRS Financial Measures** for more information.



Significant operating expenses incurred in the current three months ended June 30, 2025 and variations of operating expenses, as compared to the prior period, include:

Amortization of Intellectual Property	2025	2024	Change (\$)	Change (%)
Expense	\$ 270,000	\$ 257,000	13,000	5

The Company amortizes its intellectual property available for use in accordance with IFRS. Intellectual property is amortized on a straight-line basis over the remaining life of the issued patents. Amortization increased by a small amount for the three months ended June 30, 2025, as compared to the same period in the previous year, as a result of intellectual property additions during FY2025 and FY2024.

Depreciation of Property and Equipment	2025	2024	Change (\$)	Change (%)
Expense	\$ 9,000	\$ 47,000	(38,000)	(81)

Depreciation of property and equipment expense decreased for the three months ended June 30, 2025, as compared to the three months ended June 30, 2024, as the Company had no ROU assets during Q4 FY2025, as certain leases terminated during FY2024 and matured in Q1 FY2025. During the three months ended June 30, 2025, ROU assets were 0% (2024: 88%) of depreciation expense incurred

Interest	2025	2024	Change (\$)	Change (%)
Expense	\$ 281,000	\$ 421,000	(140,000)	(33)

Interest expense is incurred on loans, promissory notes and convertible debentures. During the three months ended June 30, 2025, interest decreased by \$140,000, as compared to the three months ended June 30, 2024, as a result of interest incurred on the government loans that were initiated during FY2024 and had a true-up amount during that period.

Personnel	2025	2024	Change (\$)	Change (%)
Expense	\$ 121,000	\$ 134,000	(13,000)	(10)

Personnel expense on the income statement decreased for the three months ended June 30, 2025, as compared to the three months ended June 30, 2024, based on the allocation of certain personnel and reduction in personnel. Personnel costs for the Company are allocated amongst personnel expenses, research and development, and intellectual property. The personnel costs incurred on an aggregate basis were reduced for 2025 due to the resources available to the Company.

The allocation of personnel fees during the two periods was:

Personnel	-	\$ 121,000	(2024: \$ 134,000)
Research and Development	-	\$ 56,000	(2024: \$ 89,000)
Intellectual Property	-	\$ 54,000	(2024: \$ 44,000)

The Company did not make any contributions to the Joint Venture of personnel amounts during the three months ended June 30, 2025 and 2024.



Premises	2025	2024	Change (\$)	Change (%)
Expense	\$ 33,000	\$ 6,000	27,000	450

Premises expenses consists of rent expense, utilities, repairs and maintenance, certain insurance policies and other related amounts. Premises expense increased for the three months ended June 30, 2025, as compared to June 30, 2024, as the Company's on-farm premises lease expired in September 2024 and subsequently continued on a month-to-month rent basis thereafter. During the three months ended June 30, 2024, these premises were under lease that was recorded as a ROU asset, which was amortized over the lease term.

Professional	2025	2024	Change (\$)	Change (%)
Expense	\$ (85,000)	\$ 60,000	(145,000)	(242)

Professional expense includes corporate legal advisor fees, auditor fees, business valuation services, corporate finance services, investor relations services and investor market distribution services. Professional expense decreased due to a reduction in corporate finance services from the prior year and the write-down of certain historical professional invoices.

Research and Development	2025	2024	Change (\$)	Change (%)
Expense	\$ 13,000	\$ 174,000	(161,000)	(93)

Research and development expenses are costs incurred to develop and test the SMART Seeder MAX technology portfolio, including the SMART Seeder MAX and Mini-MAX products that do not meet the criteria for capitalization, and other costs related to the operations of the Company for supply chain and business development. Research and development expenses consist of engineering and technical staff costs, consulting fees, professional fees, materials, prototypes, production molds no longer in use, purchases, travel, testing, testing facilities and inventories that are uncertain as to when they would be realized.

While much of the Company's SMART Seeder expenditures qualified as development expenditures, a significant amount of expenditures were incurred by our development team or related to our operations that were necessary for preparing for commercialization and did not qualify for capitalization. During the three months ended June 30, 2025, the research and development expenses decreased, as compared to the three months ended June 30, 2024, based on certain members of our development team being focused on efforts in India, Brazil and Mexico to advance various Mini-MAX initiatives and a recovery from certain historical liabilities being written-off.

See "Enhancements to Intellectual Property" of the **Liquidity & Capital Resources** section for a summary of the SMART Seeder technology expenditures

Share of Loss from Equity Accounted Investment	2025	2024	Change (\$)	Change (%)
Expense	\$ 69,000	\$ 68,000	1,000	1

The Company's Joint Venture incurred a net loss of \$137,000 for the three months ended June 30, 2025 and incurred a net loss of \$137,000 for the three months ended June 30, 2024. The Joint Venture's net loss was as follows:

Amortization - \$ 137,000 (2024: \$ 137,000)

During the three months ended June 30, 2025 and 2024, the activities of the Joint Venture were reduced, as the Company was seeking financing to advance its commercialization program.



Non-IFRS Financial Measures

In the **Results of Operations** for the years and quarters ended June 30, 2025 and 2024, the Company uses a non-IFRS financial measure labelled loss before interest, depreciation, amortization, share-based compensation and share of loss from equity accounted investment.

This measure is calculated by removing those items from the net loss presented on our consolidated statements of comprehensive loss. This measure does not have a standardized meaning under IFRS. Management uses this measure internally to evaluate its results of operations as it removes:

- the impact of non-cash depreciation, amortization, share-based compensation and interest accretion;
- the impact of cash-based interest, which is a result of the financing strategy undertaken at that point in time; and
- the impact of the Joint Venture earnings on the results of the Clean Seed statement of comprehensive loss and adding back those expenses contributed to the Joint Venture that are not reflected in its net income (loss). The Company had an equity loss of \$275,000 (2024: \$275,000) during the year ended June 30, 2025, and contributed total expenses of \$nil (2024: \$2,000), for net reduction of expenses of \$275,000 (2024: \$273,000).

Loss per share for the years and quarters ended June 30, 2025 and 2024 have been impacted by the items enumerated in the table below, which reconciles net loss to loss before interest, depreciation, amortization and share-based compensation while normalized for share of loss from net additional expenses contributed to Joint Venture.

Years Ended June 30, 2025 and 2024

	Year Ended June 30,	
	2025	2024
Net loss	\$ (3,446,000)	\$ (4,088,000)
Basic and diluted loss per share	\$ (0.04)	\$ (0.04)
Amortization of intellectual property	\$ 1,056,000	\$ 1,012,000
Depreciation of property and equipment	\$ 60,000	\$ 289,000
Interest on loans	\$ 1,005,000	\$ 1,084,000
Share-based compensation	\$ 3,000	\$ 54,000
Impact from equity accounted investment	\$ 275,000	\$ 273,000
Loss before interest, amortization, depreciation, share-based compensation and share of loss from equity accounted investment	\$ (1,047,000)	\$ (1,376,000)
Basic and diluted loss before interest, amortization, depreciation, share-based compensation and share of loss from equity accounted investment per share	\$ (0.01)	\$ (0.01)



Quarters Ended June 30, 2025 and 2024

	Year Ended June 30,	
	2025	2024
Net loss	\$ (737,000)	\$ (1,201,000)
Basic and diluted loss per share	\$ (0.01)	\$ (0.01)
Amortization of intellectual property	\$ 270,000	\$ 257,000
Depreciation of property and equipment	\$ 9,000	\$ 47,000
Interest on loans	\$ 281,000	\$ 421,000
Share-based compensation	\$ -	\$ 1,000
Impact from equity accounted investment	\$ 69,000	\$ 68,000
Loss before interest, amortization, depreciation, share-based compensation and share of loss from equity accounted investment	\$ (108,000)	\$ (407,000)
Basic and diluted loss before interest, amortization, depreciation, share-based compensation and share of loss from equity accounted investment per share	\$ (0.00)	\$ (0.00)



Selected Annual Information and Quarterly Results

Selected Annual Information

Year Ended June 30	Revenue (\$)	Net Loss (\$)	Basic and Diluted Loss Per Share (\$)	Total Assets (\$)	Non- current Liabilities (\$)	Cash Dividend (\$)
2025	-	(3,446,000)	(0.04)	12,279,000	-	-
2024	-	(4,088,000)	(0.04)	13,357,000	723,000	-
2023	-	(4,880,000)	(0.05)	15,120,000	1,843,000	-

During the years ended June 30, 2025, 2024 and 2023, the primary activities of the Company varied significantly.

Year Ended June 30, 2025

The Company advanced its efforts to commercialize the Mini-MAX and secure additional distribution opportunities for the Mini-MAX.

Year Ended June 30, 2024

The Company entered into the technology license agreement with Mahindra, advanced its effort to commercialize the Mini-MAX and secured additional distribution opportunities for the Mini-MAX.

Year Ended June 30, 2023

The Company continued commercialization activities for the SMART Seeder MAX in North America. The Company advanced its effort to commercialize the Mini-MAX, entering into a memorandum of understanding with Mahindra.

Quarterly Results

Key items to note, as we are a venture stage company with significant development activities:

- Individual quarterly results are not necessarily a good indication of annual results due to variations in expenditures; we have not had consistent sales or production;
- Net loss by quarter fluctuates significantly depending on the timing of the grant of stock options and the corresponding expense recorded associated with the grant; and
- Total assets will fluctuate depending on the activities during the quarter, including significant financings and if the expenditures qualify for classification as an asset.

Quarter Ended	Revenue (\$)	Net Loss (\$)	Basic and Diluted Loss Per Share (\$)	Total Assets (\$)	Long-term Liabilities (\$)	Cash Dividend (\$)
June 30, 2025	-	(737,000)	(0.01)	12,279,000	-	-
March 31, 2025	-	(927,000)	(0.01)	12,552,000	383,000	-
December 31, 2024	-	(880,000)	(0.01)	12,886,000	379,000	-
September 30, 2024	-	(902,000)	(0.01)	13,099,000	366,000	-
June 30, 2024	-	(1,201,000)	(0.01)	13,357,000	723,000	-
March 31, 2024	-	(801,000)	(0.01)	13,847,000	1,261,000	-
December 31, 2023	-	(988,000)	(0.01)	13,930,000	1,647,000	-
September 30, 2023	-	(1,097,000)	(0.01)	14,450,000	1,582,000	-



Net Loss and Loss per Share

During the quarters ended March 31, 2023 through June 30, 2025, the Company's primary activities were the advancement of the Mini-MAX culminating in the technology license agreement with Mahindra and the distribution agreements with MAJAS and Afina (entered into in May 2025).

Total Assets

The Company completed the following financings for the development and commercialization of its SMART Seeder technology, general working capital and the related business development opportunities:

- Q4 2025 – one promissory note resulting in gross proceeds of \$100,000
- Q3 2025 – four promissory notes resulting in gross proceeds of \$80,000
- Q2 2025 – two promissory notes resulting in gross proceeds of \$102,000
- Q1 2025 – one promissory note resulting in gross proceeds of \$175,000
- Q4 2024 – one promissory notes resulting in gross proceeds of \$50,000
- Q3 2024 – four promissory notes resulting in gross proceeds of \$325,000
- Q2 2024 – two promissory notes resulting in gross proceeds of \$150,000
- Q4 2023 – one promissory note resulting in gross proceeds of \$800,000
- Q3 2023 – two promissory notes resulting in gross proceeds of \$404,000

A substantial amount of the total assets in each period presented above is comprised of intellectual property and the Company's interest in the Joint Venture (see "Enhancements to Intellectual Property" of the **Liquidity & Capital Resources** section for discussion on the intellectual property and Joint Venture).

Non-current Liabilities

During the 2017 and 2019 fiscal years, the Company entered into three long-term loan agreements with the Government of Canada for total borrowings of \$2.532M. The amounts shown in the **Quarterly Results** table are presented at their fair value in accordance with IFRS. For additional discussion on the difference between the fair value and the legal liability, see **Repayable Government Loans**. During the quarter ended March 31, 2022, the Company took possession of its new leased facilities in Saskatoon, which resulted in a ROU liability of \$686,000. During the quarter ended September 30, 2022, the Company issued two convertible debentures, which resulted in a fair value of \$490,084 (net of transaction costs). During the quarter ended December 31, 2022, the Company entered into an amendment to extend the expiry date of the on-farm lease from September 30, 2022 to September 30, 2024, which resulted in an increase in the ROU liability of \$335,459. During the quarter ended March 31, 2023, the Company issued two promissory notes with gross proceeds of \$404,000, which matured on April 24, 2024. During the periods subsequent, long-term liabilities decreased from the passage of time and financial position of the Company, as certain loans matured or became current, leases expired or terminated and as convertible debentures became current.



LIQUIDITY & CAPITAL RESOURCES

As of June 30, 2025, the Company had cash and cash equivalents of \$14,000, while the carrying amount of its current liabilities are \$14,450,000. The Company will need to raise funds to meet its ongoing operations, its current obligations and its planned business activities for the 2026 fiscal year and beyond. During the year ended June 30, 2025, the Company completed promissory note financings aggregating \$457,000 and subsequently received a further \$1,250,000 through the issuance of units comprising one common share and one warrant.

The Company has total contractual commitments as follows:

Contractual Commitments as at June 30, 2025	Payments Due by Period				
	Total	Less than 1 Year	2-3 Years	4-5 Years	5+ Years
Debts	\$ 14,715,000	\$ 14,715,000	\$ -	\$ -	\$ -
Purchase Obligations	615,000	530,000	85,000	-	-
Total Contractual Commitments	\$ 15,330,000	\$ 15,245,000	\$ 85,000	\$ -	\$ -

The primary factors impacting the Company's liquidity is its ability to produce, sell and collect the proceeds from sales of its products and services, its ability to license its technology and its ability to obtain financing as it requires. Commercializing technology carries uncertainty with respect to the timing and volume of sales and the associated costs to produce and service those sales. The Company's historical capital needs have been met by raising funds through the issuance of equity and debt instruments and the issuance of a license. While the Company has not completed any sales of its SMART Seeder MAX product line, it does have the following programs in place:

- The Company entered into the Joint Venture to commercialize planting and seeding equipment in North America, which substantially reduced its initial cash outflows to commercialize the SMART Seeder products, as compared to a strategy of manufacturing and distributing the SMART Seeder products independently.
- The Company has entered into a Technology License Agreement with Mahindra to bring the Mini-MAX to India and other strategic countries thereafter, and under which it may purchase units under the Clean Seed brand for other countries to which Mahindra does not have exclusivity.

A significant amount of the Company debts as at June 30, 2025 are government loans for which demand for repayment has been made (as described in **Repayable Government Loans**). The Company has a working capital deficiency of \$14,365,000 as at June 30, 2025. The Company expects to remedy its working capital deficiency through a combination of raising new capital, renegotiating some of its debt and cash flow from operations. There is no guarantee the Company will be able to (i) source or raise any new capital on terms acceptable to it, or at all; (ii) be able to renegotiate any or all of its promissory notes, loans, convertible debentures or other debt obligations; or (iii) realize any material cash flow from the Company's license and distribution agreements with third parties in the short or long terms.

During FY2026, the Company has raised \$1,250,000 through the issuance of units and restructured certain loans. See the section titled **Subsequent Financing and Restructuring** on page 26.



The combination of financing required to proceed with commercializing its technology, meet its contractual commitments and meet its operating requirements will determine the amount of funds the Company needs to raise in future years. The strategy set for the extent of financing required and sources of financing available to commercialize the SMART Seeder MAX will dictate the amount of funds the Company may be required to invest in future years. As of the date of this MD&A, the Company has no financial commitments for the Joint Venture, but is contributing development and business resources to commercialize the SMART Seeder MAX. The Company will continue to evaluate opportunities to generate revenues from other sources that will reduce its requirement to obtain debt or equity financing.

Until the Company or its associated entities reach the point of generating sufficiently profitable operations to meet its ongoing operating requirements, the Company will continue to experience negative cash flow, losses from operations, and be at risk of current liabilities exceeding current assets, and will need to continue raising funds through debt or equity issuances, or seek to raise funds through alternatives, such as selling license rights. Without additional new capital, renegotiated debt of its remaining current liabilities and cash flow from operations, the Company will be unable to meet its financial obligations as they become due. The Company may face legal action as a result of being unable to meet its financial obligations currently due, including the government loans, or as they come due in the future. If the Company cannot generate profitable operations, it will continue to need to raise funds through the issuance of equity or debt instruments to continue as a going concern. Should the Company be unable to continue as a going concern, the realization of its assets may be at amounts significantly less than their carrying values.

Subsequent Financing and Restructuring

Subsequent to June 30, 2025, the Company advanced its financing and restructuring efforts. The Company:

- 1) Completed a private placement for gross proceeds of \$1,250,000 for the issuance of units, with each unit comprising of one common share and one warrant. Each warrant is in exercisable into one common share at a price of \$0.25 per share for one year. The purchase price of each unit was \$0.10. A total of 12,500,000 common shares and 12,500,000 warrants were issued in connection with this private placement.
- 2) Restructured all its promissory notes whereby:
 - the maturity date of the promissory notes was extended to December 31, 2026;
 - principal and accrued interest will be due upon maturity;
 - a total of 12,031,667 bonus warrants shall be issued as consideration for the loan amendments whereby each warrant will be exercisable into one common share at a price of \$0.25 per share until December 31, 2026
 - notes with a principal amount of \$2,185,000 had their interest rate reduced from 18% per annum to 11% per annum, and
 - notes with a principal amount of \$1,805,000 had their interest rate increased from 8% per annum to 11% per annum.
- 3) Accrued interest of \$904,325 was extinguished through the issuance of 3,984,401 common shares;
- 4) Settled \$250,000 of accounts payable through the issuance of common shares at a price of \$0.10 per share.

Items 2, 3 and 4 are subject to TSX Venture acceptance and item 4 is also subject to disinterested shareholder approval. The Company will continue seeking to restructure its government loan payables, accounts payable, amounts due to related parties and convertible debentures.



Purchase Obligations

Included in the Contractual Commitments table are amounts for purchase obligations aggregating \$182,000 pursuant to the agreement with Mahindra. Under this agreement, Clean Seed may purchase SMART Seeder Mini-MAX units under its own brand from Mahindra. In connection with the agreement, the Company has expenditure commitments for tooling costs for the fiscal years listed below, which will be amortized on a per-unit basis, and waived if the Company reaches its target order quantities. The amount of the commitments aggregates \$182,000 as follows:

June 30, 2025	\$25,000
June 30, 2026	\$72,000
June 30, 2027	\$85,000

The Company submitted a purchase order to Mahindra for US\$335,000, which met its target order quantities for FY2025. Production of the units was completed subsequent to year-end. If the Company does not make sufficient purchases of Mini-MAX units in the respective fiscal year it will be required to make the prorated payment for the tooling costs listed herein.

Share Structure

As at October 28, 2025, the Company's share structure, basic and fully diluted, is shown below. Any option or warrant exercises that occur would provide funding to the Company, or reduce the liabilities of the Company, as indicated below:

	Number of Securities Outstanding	Weighted Average Exercise Price	Potential Proceeds from Exercise	Weighted Average Remaining Life of Derivative (years)
Common Shares	107,556,869			
Incentive Options*	500,000	\$ 0.40	\$ 200,000	0.26
Warrants*	12,500,000	\$ 0.25	\$ 3,125,000	0.99
Convertible Debentures	2,650,000	\$ 0.24	\$ 630,000	0.60
	123,206,869			

* Incentive options, warrants and convertible debentures are convertible into common shares of the Company at their respective exercise price.

Repayable Government Loans

During the 2017 and 2019 fiscal years, the Company entered into three repayable government contributions (loans) with the Government of Canada, borrowing a total of \$2,532,000. The repayable government loans are interest-free and fall within the scope of International Accounting Standard ("IAS") 20 *Government Grants* for accounting purposes. Under IAS 20, the Company is required to recognize the loans at their fair value by determining what the market rate of interest would have been under market conditions.

The difference between the proceeds received (repayable contribution) and the calculated fair value is considered a benefit and is treated as a government grant (the "Benefit"). This Benefit is treated as a recovery of the related expenditures for which the loan proceeds were received:

	2025	2024
Legal liability	\$ 2,089,000	\$ 1,965,000
Benefit on Loans payable	(100,000)	(198,000)
Carrying values	\$ 1,989,000	\$ 1,767,000



During the year ended June 30, 2025, \$98,000 (2024: \$137,000) of the Benefit was amortized as interest, of which \$20,000 (2024: \$30,000) was capitalized to intellectual property and \$77,000 (2024: \$334,000) was recorded as interest on loans. The amount of the Benefit amortized decreased as a result of lower interest accretion, as the loans reduce their principal balance every period.

The Company has received notices of requirement to repay the three loans by the Government of Canada. Accordingly, upon receipt of the notices, the loans became interest-bearing at a rate of prime plus 3%. Since receipt of the notices the Company has made limited repayments of certain loans. The Company incurred interest of \$144,000 (2024: \$227,000) during the year-ended June 30, 2025 as a result of the loans being interest-bearing. The Company has not received further notices from the government. The Company intends to seek to restructure these loans; however, no assurance can be given that we will be successful.

See Notes 4 and 13 in our consolidated financial statements for additional information with respect to these repayable contributions.

Summary of Cash Flows

	Year Ended June 30,	
	2025	2024
Cash and cash equivalents , beginning of year	\$ 31,000	\$ 109,000
Cash used by operating activities	(366,000)	(495,000)
Investing activity		
Enhancements to intellectual property	(89,000)	(96,000)
Financing activities		
Net proceeds from loans	457,000	525,000
Repayments of loans payable	(19,000)	(15,000)
Repayments of finance lease obligations	-	(77,000)
Net proceeds from issuance of shares	-	80,000
Cash and cash equivalents , end of year	\$ 14,000	\$ 31,000

Cash used by Operating Activities

	Year Ended June 30,	
	2025	2024
Net loss for the period	\$ (3,446,000)	\$ (4,088,000)
Adjustments for items not affecting cash		
Amortization and depreciation	1,116,000	1,301,000
Net contributions to Joint Venture not included in net loss	275,000	273,000
Interest accretion and expense	1,005,000	1,080,000
Share-based compensation	3,000	54,000
Other items	(1,000)	19,000
Expenditures from the income statement adjusted for items not affecting cash	(1,048,000)	(1,361,000)
Changes in non-cash working capital items	682,000	866,000
Cash used by operating activities	\$ (366,000)	\$ (495,000)



During the year ended June 30, 2025, the Company used cash of \$366,000 for operations, whereas during the year ended June 30, 2024, the Company used cash of \$495,000 for operations.

Commentary on 2025 Fiscal Year

We had anticipated that cash flows used in operations prior to changes in working capital would increase in 2025, as compared to 2024, as the Company had limited resources available and was subject to a cease trade order. Cash flows used in operations prior to changes in working capital decreased by \$313,000, or 23%.

Outlook for 2026 Fiscal Year

The Company expects cash flows used in operations for the 2026 fiscal year to increase compared to the 2025 fiscal year based on its expectation that the Company will secure financing; graduate from the NEX to the TSX-V; undertake general activities to distribute Mini-MAX units in Canada, Mexico and Brazil; undertake general business development activities related to the Mini-MAX and SMART Seeder MAX; and will be using cash for general working capital purposes related to payment of accounts payable and amounts due to related parties. The Company anticipates that some of the increase in activities will be offset by revenues generated from the sale of Mini-MAX units. In addition, the Company has certain Mini-MAX purchase obligations that it expects will be met through its distribution arrangements .

Cash used in Investing Activities

Cash used in investing activity consists of property and equipment purchases and enhancements to intellectual property.

Purchases of Property and Equipment

The purchase of property and equipment relates to computer software, computer hardware, shop equipment, production molds and demonstration units.

Commentary on 2025 Fiscal Year

The Company did not have any material purchases of property and equipment during 2025 or 2024.

Outlook for 2026 Fiscal Year

We do not anticipate significant property and equipment expenditures for the Mini-MAX in FY2025 and beyond.

As we continue advancing our SMART Seeder MAX commercialization strategy in North America and in other markets thereafter, we may have property and equipment purchases, including production molds, demonstration units and other related purchases depending on the strategy undertaken. Long-term, we are evaluating alternatives that include capital-intensive options that we believe will enable us to reduce production costs for core elements of the SMART Seeder MAX. We do not expect that capital-intensive expenditures will begin occurring during FY2026; however, actual results could differ based on the strategies implemented. We may experience significant variability in our cash flows used to purchase property and equipment in FY2026 and beyond.

Enhancements to Intellectual Property

The Company's intellectual property includes its SMART Seeder MAX technology and the product lines it has developed from that technology – the SMART Seeder MAX and Mini-MAX (see



Intellectual Property). All the development costs capitalized to intellectual property are related to the SMART Seeder technology portfolio.

Enhancements to intellectual property are capitalized development costs under IFRS. The Company capitalizes development costs when those expenditures meet the definition of an asset pursuant to IFRS for intangible assets, which include costs that:

- are separate and identifiable;
- are controllable;
- have a future benefit; and
- relate to activities that qualify for capitalization under IFRS.

The amounts capitalized by the Company include the cost of development staff working directly on the development projects, consulting fees incurred, material and component purchases, intellectual property protection costs, travel, in-house testing costs, field testing costs and testing facilities.

Related to the SMART Seeder MAX technology portfolio and related product line, the Company also incurs costs that do not qualify for capitalization under IFRS, which are generally allocated to personnel costs and research and development costs.

Commentary on 2025 Fiscal Year

The Company expected it would continue to have significant development activities related to enhancing and improving its SMART Seeder technology. During the 2025 fiscal year, the Company incurred development expenditures of \$89,000 and during the 2024 fiscal year the Company incurred development expenditures of \$95,000, a decrease of 7%, or \$7,000.

Development expenditures were limited during the 2025 fiscal year based on the focus on the advancement of the Mini-MAX commercialization plan, the Mini-MAX being ready for commercialization and the limited funds available to the Company.

Below is a summary of the intellectual property additions incurred during the year and their allocations in the consolidated financial statements:

Cost Type	Year Ended June 30,	
	2025	2024
Patents applications and related filings	\$ 21,000	\$ 40,000
Personnel wages and fees	281,000	326,000
Interest and finance lease accretion	21,000	53,000
Purchases for prototypes, testing and validation	-	70,000
Travel related to development activities	-	2,000
	\$ 323,000	\$ 491,000



Below is a reconciliation of the change in intellectual property (as presented in the consolidated statements of financial position) to the intellectual property expenditures incurred (as presented in the consolidated statements of cash flows):

	Year Ended June 30,	
	2025	2024
Intellectual property balance at year ending	\$ 8,410,000	\$ 9,143,000
Intellectual property balance at year beginning	(9,143,000)	(9,674,000)
Change in intellectual property balance	(733,000)	(531,000)
Add: Amortization of intellectual property	1,056,000	1,012,000
Add: Intellectual property contributions to Joint Venture	-	10,000
Intellectual property additions	323,000	491,000
Less: Capitalized interest costs	(21,000)	(53,000)
Less: Amounts in accounts payable and other amounts	(213,000)	(342,000)
Expenditures to enhance intellectual property	\$ 89,000	\$ 96,000

Included in the intellectual property additions were amounts contributed to the Joint Venture as follows:

	Year Ended June 30,	
	2025	2024
Intellectual property additions	\$ 323,000	\$ 491,000
Amounts contributed to the Joint Venture	-	(10,000)
Additions to intellectual property additions to Joint Venture contributions made by the Company	\$ 323,000	\$ 481,000

Additions to intellectual property, excluding those contributions to the Joint Venture, decreased by \$158,000 (33%) for FY2025, as compared to FY2024. The decrease is a result of the nature of the development work undertaken for the current year, including a reduction in the technical personnel, as compared to the prior year. During FY2025 the Company had limited resources available, as it was subject to a cease trade order.

Outlook for 2026 Fiscal Year

We anticipate the Company will advance the SMART Seeder MAX technology portfolio at a more substantial level, including the SMART Seeder MAX product lines and Mini-MAX product lines, as discussed herein.

We anticipate there will be additional development work as part of advancing the commercial plans for the SMART Seeder MAX and Mini-MAX, which includes additional product models and features for different countries. We also anticipate extinguishing accounts payable related to development additions that are outstanding, which will be considered intellectual property expenditures.

Based on these expectations, we anticipate that development expenditures will be significantly higher for FY2026, as compared to FY2025. Based on the nature of development activities and the inherent uncertainties as of the date of this MD&A, we could experience significant variability in our cash flows used in development activities.



Cash from Financing Activities

Net cash flows from financing activities consist of funds raised from the issuance of shares, exercise of stock options, proceeds from convertible debentures, proceeds from promissory notes and loan repayments. Cash flows from financing activities have primarily supported the Company's operating and investing activities since inception. See the consolidated statements of cash flows in our June 30, 2025 consolidated financial statements for details of the source of funds for the years ended June 30, 2025 and 2024.

Commentary on 2025 Fiscal Year

During FY2025, the Company received proceeds of \$457,000 from the issuance of notes payable and made loan repayments of \$19,000. During the year ended June 30, 2024, the Company received proceeds of \$80,000 from the exercise of options, \$525,000 from the issuance of notes payable, made loan repayments of \$15,000 and made repayments of finance lease obligations of \$77,000. The Company did not raise sufficient funds during the year ended June 30, 2025 to meet all its projected requirements.

Outlook for 2026 Fiscal Year

During the 2026 fiscal year, the Company will need to raise substantial funds to support the objectives of the business, including both working capital financing for inventory and commercialization financing to support the short- and medium-term requirements of the business, as well as to meet its obligations currently due and coming due in the following twelve months, as highlighted under **Liquidity & Capital Resources**. The Company is currently evaluating the opportunities it has available for forward-looking financing. In October 2025, the Company completed a private placement for \$1,250,000 through the issuance of units comprising common shares and warrants.

Financial Condition

	2025 (\$)	2024 (\$)	Change (\$)	Change (%)
Cash and Cash Equivalents	14,000	31,000	(17,000)	(55)
Cash used by Operations	(366,000)	(495,000)	129,000	(26)
Total Liabilities[^]	14,450,000	12,079,000	2,371,000	20
Net Working Capital Deficit	(14,365,000)	(11,267,000)	(3,098,000)	27
Debt as a % of Total Capitalization*	117.5	90.4	27.2	30

* Total capitalization refers to total debt and shareholders' equity.

[^] All of the Company's liabilities are financial liabilities.

Off-Balance Sheet Activities

The Company had no off-balance sheet arrangements, except for those items discussed in the section titled **Purchase Obligations**.



Financial Position

	2025 (\$)	2024 (\$)	Change (\$)	Change (%)
Line Items to Highlight				
Cash and cash equivalents	14,000	31,000	(17,000)	(55)
Intellectual property	8,410,000	9,143,000	(733,000)	(8)
Interests in Joint Venture	3,752,000	4,027,000	(275,000)	(7)
Other assets	103,000	156,000	(53,000)	(34)
Total Assets	12,279,000	13,357,000	(1,078,000)	(8)
Total Liabilities	14,450,000	12,079,000	2,371,000	20

Cash

The Company's financial assets consist of cash and cash equivalents. The Company holds its cash and cash equivalents with a national chartered bank and is not exposed to significant credit, price or other financial instrument risk.

Intellectual Property

A substantial amount of our total assets continues to be concentrated in our intellectual property. Intellectual property consists of the SMART Seeder technology portfolio that includes the SMART Seeder MAX product line and the Mini-MAX product line, and all associated patents. The SMART Seeder MAX technology is considered a single class of intangible asset and one cash-generating unit, as the SMART Seeder MAX product and the Mini-MAX product are related, but different scaled offerings, each utilizing sub-assemblies, components and technology platforms from the SMART Seeder MAX technology portfolio. The SMART Seeder MAX technology is considered in use and is amortized over the life of the issued patents in place for its variable ratio patent family, which is in effect until 2033.

In addition to the variable ratio patent family, the SMART Seeder technology includes layers of additional issued patents and additional active patent applications that, if successful, would provide patent protection until 2041 and 2042, respectively.

From June 30, 2024 to June 30, 2025, our intellectual property decreased as a result of the amortization of intellectual property. As at June 30, 2025, the intellectual property accounted for 68% (2024: 68%) of total assets. Information about our intellectual property and the changes of the balance can be seen in **Enhancements to Intellectual Property**.

The carrying amount of intellectual property is as follows:

	2025	2024
Cost	\$ 15,373,000	\$ 15,050,000
Accumulated amortization	(6,963,000)	(5,907,000)
	\$ 8,410,000	\$ 9,143,000



Interests in Joint Venture

Interests in the Joint Venture consists of the contributions made to the Joint Venture to develop, prototype, test and prepare to commercialize the SMART Seeder MAX in North America, and provide the services of its personnel for sales, marketing and management activities. The contributions made consist of amounts incurred by the Company that would otherwise be classified as intellectual property additions and personnel expense in the Company's consolidated financial statements. A summary of the balance of the contributions made by the Company to the Joint Venture is as follows:

Contribution Type Based on Company Financial Statement Line Item	2025 (\$)	2024 (\$)	Change (\$)
Intellectual property	3,907,000	3,907,000	-
Personnel	1,010,000	1,010,000	-
Other	316,000	316,000	-
Total	5,233,000	5,233,000	-
Cumulative share of Joint Venture earnings	(1,481,000)	(1,206,000)	(275,000)
	3,752,000	4,027,000	(275,000)

Substantially all of the assets of the Joint Venture is intellectual property as follows:

	2025	2024
Cost	\$ 5,814,000	\$ 5,814,000
Accumulated amortization	(1,425,000)	(875,000)
	\$ 4,389,000	\$ 4,939,000

Other Assets

The other assets of the Company aggregating \$104,000 (2024: \$156,000) consist of Goods and Services Tax receivable, prepaid expenses and deposits, inventories, and property and equipment.

Financial and Total Liabilities

Liabilities	Total	Financial Instrument	Interest Expense*	Foreign Exchange Expense	Other Expense / Income
Accounts payable	\$ 4,280,000	Yes	\$ 20,000	\$ -	\$ -
Due to related parties	1,400,000	Yes	-	-	-
Loans payable	7,942,000	Yes	880,000	-	-
Convertible debentures	828,000	Yes	105,000	-	-
Total Liabilities	\$ 14,450,000		\$ 1,005,000	\$ -	\$ -

* Interest of \$21,000 was capitalized to intellectual property during the year.

The accounts payable consists of:

- trade payables and personnel payables incurred in the normal course of business and usually payable within 30 days of receiving the invoice; and
- accrued liabilities related to the operation of the business.



The amount due to related parties includes trade payables and accrued lease payments due to a company controlled by an insider of the Company (see **Related Party Transactions & Balances**).

Loans payable consists of amounts borrowed under its agreements with the Government of Canada, Farm Credit Canada and short-term lenders. The Company owes:

- \$1,990,000 under its agreements with the Government of Canada to support commercialization of the Company's SMART Seeder. The carrying value of \$1,989,000 represents amounts repaid to date and the amount borrowed measured at amortized cost using the effective interest rate method with an average discount rate of 17%, which was selected by management by applying significant judgment. The remaining unamortized benefit of \$100,000 is accreted over the life of the loans as "interest" pursuant to IFRS. See **Repayable Government Loans** for additional information on the loans payable. The full contractual commitment is shown in the **Liquidity & Capital Resources** section;
- \$5,952,000 from 21 promissory notes (see **Related Party Transactions & Balances**). The carrying amounts of the promissory notes with a maturity of one year or longer were measured at amortized cost using the effective interest rate method with a discount rate selected by management by applying significant judgment.

Convertible debentures consist of two debentures secured by a general security agreement of the assets of the Company, which bear different rates of interest, conversion terms and maturity dates. The convertible debentures are considered compound financial instruments. The Company calculated the fair value of the liability component using a discounted cash flow model using discount rates of 17% to 18%. See Note 14 to the Company's consolidated financial statements for additional information regarding the convertible debentures.

The Company does not have any significant interest rate, foreign exchange or other market risks related to its liabilities. The Company expects to face foreign exchange risk related to future production costs.



RELATED PARTY TRANSACTIONS & BALANCES

Transactions with related parties for the three months and years ended June 30, 2025 and 2024 are as follows:

	Three Months Ended June 30,		Year Ended June 30,	
	2025	2024	2025	2024
Monthly lease amounts payable for the on-farm lease with JDS Farms Ltd. [#]	\$ 33,000	\$ 50,000	\$ 181,000	\$ 198,000
Promissory note interest and loan processing fees (catch-up) incurred from JDS Farms Ltd. on promissory note included within interest expense [#]	\$ 24,000	\$ 19,000	\$ 81,000	\$ 97,000
Promissory note interest incurred from Ulrich Trogele on a promissory note included within interest expense	\$ 12,000	\$ 10,000	\$ 45,000	\$ 46,000
Promissory note interest incurred from Gary Anderson on a promissory note included within interest expense	\$ 2,000	\$ 1,000	\$ 6,000	\$ 2,000
Lease accretion incurred for the on-farm lease from JDS Farms Ltd. included within intellectual property [#]	\$ -	\$ 3,000	\$ 1,000	\$ 24,000
Consulting fees from JDS Farms Ltd. for agronomic advisory services included within development and intellectual property [#]	\$ 3,000	\$ 8,000	\$ 25,000	\$ 30,000

[#] JDS Farms Ltd. is a company controlled by Jason Schultz, an insider of the Company. Jason Schultz is considered an insider based on his ability to influence the Company based on i) he owns more than 10% of the outstanding shares of the Company; ii) is an agronomic advisor to the Company; iii) his company leases farm premises to the Company; and iv) his company has issued promissory notes from the Company as described under **Related Party Balances**.

Transactions with related parties were measured at the exchange amounts and were incurred in the normal course of business.

Related Party Balances

Amounts due to related parties as at June 30, 2025 and 2024 are as follows:

	2025	2024
Amount due to JDS Farms Ltd. related to crop input costs, farm equipment usage costs, on-farm testing activities, monthly lease and consulting fees [#]	\$ 1,024,000	\$ 807,000
Amount due to Brassard Consulting Ltd. for consulting services provided by the chief financial officer	343,000	180,000
Amount due to Dr. Noel Lempriere* for technology advisory services	32,000	36,000
	\$ 1,400,000	\$ 1,023,000

[#] See **Related Party Transactions** for a discussion regarding JDS Farms Ltd.

* Dr. Noel Lempriere is the father of Graeme Lempriere, the chief executive officer of the Company.



In addition, there are promissory notes owing to related parties with the following legal liabilities consisting of note principal and accrued interest as follows:

	2025	2024
JDS Farms Ltd. and Jason Schultz [#]	\$ 1,304,000	\$ 1,099,000
Ulrich Trogele	278,000	231,000
Gary Anderson	59,000	52,000
	\$ 1,641,000	\$ 1,382,000

[#] See **Related Party Transactions** for a discussion regarding JDS Farms Ltd.

ADDITIONAL INFORMATION

Internal Controls and Procedures

The Company's certifying officers complete the Venture Basic Issuer Certificate in accordance with National Instrument 52-109 *Certificate of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109"). In contrast to the certificate required under NI 52-109 for non-venture companies, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109, in particular, the certifying officers filing this certificate are not making any representation relating to the establishment and maintenance of:

- controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's generally accepted accounting policies.

The Company's certifying officers are responsible for ensuring processes are in place to provide them with sufficient knowledge to support the representations they are making in their certification.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement, on a cost-effective basis, DC&P and ICFR, as defined in NI 52-109, may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

New Standards Adopted

There were no new accounting standards adopted during the year ended June 30, 2025 that had a material impact on the consolidated financial statements of the Company.

Critical Accounting Estimates

The Company's MD&A is based on its consolidated financial statements that have been prepared in accordance with IFRS. The preparation of consolidated financial statements requires management to make estimates and judgments that affect reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, management re-evaluates its estimates and judgments, particularly those related to the determination of the impairment of long-lived assets.

As a venture issuer, we do not provide additional analysis of our critical accounting estimates.



Whistleblower

The Company's Audit Committee has developed a process for reporting any accounting and related concerns, as outlined in our Whistleblower policy. Any accounting concerns, inquiries, questions and other matters related to the Whistleblower policy can be sent anonymously to our Audit Committee Chair at auditcommittee@cleanseedcapital.com.

FORWARD-LOOKING INFORMATION

The financial information in this MD&A and in our condensed consolidated interim financial statements and notes are prepared in accordance with IFRS. This MD&A includes statements and information about our expectations for the future. When we discuss our strategy, plans, future financial and operating performance, outlook, forecasted cash flows or other things that have not yet taken place, we are making statements considered to be forward-looking information or forward-looking statements under Canadian securities laws. We refer to them in this MD&A as forward-looking information.

Key things to understand about the forward-looking information in this MD&A:

- It typically includes words and phrases about the future, such as: believe, estimate, anticipate, expect, plan, intend, predict, goal, target, project, potential, strategy, outlook.
- It includes views of the industry, which is taken to mean the agriculture equipment sectors and agricultural seeding & planting equipment sub-sectors, and uses words such as: sector, industry, segment, marketplace interchangeably.
- It represents our current views, which can change significantly.
- It is based on a number of material assumptions that may prove to be incorrect.
- Actual results and events may be significantly different from what we currently expect due to the risks associated with our business.
- Forward-looking information is designed to help you understand management's current views of our near- and longer-term prospects and may not be appropriate for other purposes. We will not necessarily update this information unless we are required to by securities laws.

In particular, this MD&A may contain forward-looking statements pertaining to the following:

- the Company's business plans and general market conditions;
- the Company's operating history and largely negative profitability;
- the Company's sales, distribution, commercialization, production and development plans;
- unpredictable changes to the market prices for farm commodities, exchange rates and the Company's share price (in respect of both inputs and outputs);
- political, economic and other associated risks, including ongoing military conflicts;
- the application of the Company's technology portfolio and its expectations with respect to development of the technology;
- the Company's ability to attract and retain qualified personnel and service providers;
- the Company's ability to obtain additional financing on satisfactory terms and the related use of proceeds from any future financing; and
- the Company's future investments and allocation of capital resources.

Explicit and implicit examples of forward-looking information in this MD&A

- our expectations about 2026 and beyond, the future global agriculture industry, farmer buying patterns, trends, marketplace demands and marketplace usage for seeding and planting equipment in North America and internationally;



- our strategy for commercializing and manufacturing our technology and products;
- our expectation that we will continue to develop the SMART Seeder technology, achieve sales and continue expanding our sales during the upcoming year;
- our expectation for capital and working capital requirements in 2026 and beyond;
- our expectation of what will be undertaken by the Company individually and separately in the Joint Venture and achieving the results contemplated of the Company and of the Joint Venture;
- the combination of Clean Seed's variable rate and volumetric metering cluster will provide a new level of flexibility to the farmer;
- the value proposition that a customer may realize from utilizing our SMART Seeder technology;
- our plans for sales and production volume for the 2026 fiscal year and subsequent years;
- our expectation of arranging manufacturing and distribution strategies, arrangements or plans during the 2026 fiscal year and that we will execute those plans in 2026 or beyond;
- our expectation of obtaining financing through the issuance of equity or debt on reasonable terms, or at all, the proceeds from options or the sales of assets;
- our expectations of receiving intellectual property protection, the timing of receiving intellectual property protection and the timing of making applications to obtain intellectual property protection, and the applications for future patents;
- our ability to regain a listing of the Company's common shares on the TSXV; and
- the economic effects of military conflicts will not impact on North American demand for agricultural seeding and planting equipment of the nature to be sold by the Company.

The Company has assessed the following material risks, including, but not limited to:

- our ability to distribute our products in the timeline contemplated, including attracting and retaining qualified personnel, continuing to update and improve our products, and independently confirming the incremental benefit to a user for adopting our products;
- our ability to complete development and production of our products, meet our requirements in the definitive agreements to distribute or otherwise commercialize our products, the functionality and performance of our products, and the viability of our products;
- the Company's reliance on key management personnel and key technical personnel;
- the Company will succeed in generating sales of its products in the manner contemplated, including through the licensing and distribution agreements, or through any other opportunities available to the Company;
- the air seeder and planter marketplace have the majority of the unit sales with a small number of companies, some of whom are much larger than the Company with significantly greater resources to market and sell their products;
- the arrangements with Norwood and Mahindra will continue without modification, or be successful in the near- or long-term, or that the manufactured parts and products will work in the manner contemplated;
- the Company will not meet its purchase obligations for Mini-MAX units and the Company will not be able to continue accessing supply of Mini-MAX units;
- any products we sell or produce requiring substantial warranty work related to unexpected issues from using the equipment over several farming seasons limiting our ability to advance distribution, marketing and sales efforts in Canada, the United States and internationally;



- any products we sell are not able to be operated successfully by customers and those customers seek to have the product returned to Clean Seed under Company policy, provincial legislation, state legislation or other means leading to a significant refund;
- the ability of Clean Seed to achieve market success will require substantial marketing efforts and the expenditure of funds to inform potential customers of the distinctive benefits and characteristics of its products;
- the ability of Clean Seed to sell enough SMART Seeder or Mini-MAX units in the manner anticipated to earn sufficient funds to support operations and our working capital requirements based on the current financial condition and capital resources of the Company;
- the Mini-MAX will not qualify for subsidy in India or other markets, and accordingly, the product will not be priced competitively in the marketplace and will not generate sales anticipated as if it had qualified for such subsidies;
- the ability of Clean Seed to produce SMART Seeder MAX and Mini-MAX products for a cost that provides for profitability from the sale of any units;
- recent military conflicts having an adverse and prolonged impact on the agriculture industry, the public markets or the Company's operations directly;
- the anticipated benefit of the SMART Seeder technology is not translated to equipment purchased by customers from the Company;
- the agriculture industry, the consumer desires, the value proposition to the purchaser and the amount of the benefit to the end-user for our products do not meet our internal expectations;
- the desirability of our innovations, the demand for our products and the specifications the end-users value significantly differs from our expectations;
- our ability to raise sufficient funds to meet our ongoing obligations, existing liabilities, potential growth plans and forecasted administrative requirements for the 2026 fiscal year and periods thereafter, until our operations can generate sufficient cash flows to support all requirements of the Company;
- whether our operations can generate sufficient cash flows to support all requirements of the Company;
- the current financial position of the Company being in a significant working capital deficit with several debts either matured or coming due, its ability to extend the debts, the risk of facing legal action for debts that have matured, will matured, or for which the Company has received notice of requirement of repayment;
- the share price of the Company and low trading volume of the Company's common shares decrease our access to financing and negatively impact the terms at which the Company can secure financing;
- we cannot advance our technologies into products that are accepted by the marketplace due to financing, technical or sales limitations, or the Company incurs delays in production or development as a result of global developments, including regional slow-down due to virus or similar conditions;
- our ability to successfully obtain patents for patents pending we hold, or for which clear passage has been received in its PCT application, and provide protection over our competitive advantage in the marketplace;
- the Company is forced to defend its intellectual property through litigation and does not have the necessary resources to do so leading to financial difficulties, resource constraint and the inability to continue operations in the manner intended to generate profits;
- changes to domestic and foreign government regulations or policies that adversely affect us, including tax, tariffs, and trade laws and policies;



- the popularity of precision farming, planting technologies and air seeder technology declines, and as a result, precision farming equipment, air seeder equipment, planter equipment, and potential substitutions for air seeders and planters are not attractive to the marketplace;
- the Company, or the Company's target market, is affected by natural phenomena, including, but not limited to, climate change, inclement weather, fire, flood, drought and earthquakes;
- our activities are disrupted due to the unavailability of equipment, software, operating parts and supplies critical to production and development, equipment failure, labour shortages, transportation disruptions or accidents, or other development and operating risks;
- agriculture equipment industry weakens through i) agriculture equipment demand decline; ii) equipment replacement cycles are extended; and iii) farm receipts are weaker than expected or generally poor;
- market forces may render it difficult or impossible for the Company to secure financing through the issuance of new shares at prices that will not lead to severe dilution to existing shareholders, or at all. There can be no assurance that significant fluctuations in the trading price of the Company's common shares will not occur, or that such fluctuations will not materially adversely impact on the Company's ability to raise equity funding without significant dilution to its existing shareholders, or at all;
- the Company's market data could be inaccurate or unreliable with respect to geographical market sizes for seeding and planting equipment, revenue amounts of each segment, its estimated market values, number of seeding units sold, number of planting units sold or the amount of revenue within each of the types of seeding and planting equipment;
- as a Company with limited historical revenues and no sales in the current year, it may be impossible to obtain satisfactory debt financing forcing financing through the sale of shares to continue as a going concern;
- there is no assurance that actual results realized by customers will match the internal and historical results of testing of our technology;
- we may not have the management systems, processes and procedures to cope with high growth or high sales demands leading to financing difficulties or business execution risk; and
- departure of key personnel could have an adverse effect on planned operations.

The Company has made the following material assumptions as part of its business plan, including but not limited to:

- i. customer receptiveness to accepting and purchasing our products, including the SMART Seeder and Mini-MAX products;
- ii. market conditions upon which we have based our capital expectations;
- iii. the Company will have access to capital to meet its operating, investing and financing requirements on acceptable terms;
- iv. uncertainties surrounding competition, changing technologies and the agricultural industry;
- v. future demand for technology and technology-based solutions in the agricultural market;
- vi. liabilities inherent in our operations;
- vii. political, economic, commodity price and market risks, and changes in regulation;
- viii. producers' decisions regarding total seeded acreage, crop selection and utilization levels of farm inputs, such as fertilizers and pesticides;
- ix. forecasted farming receipts for the 2026/2027 fiscal year;
- x. uncertainties associated with estimated market demand and sector activity levels;
- xi. competition for, among other things, capital, acquisitions and skilled personnel;



- xii. dependence on key personnel and third party relationships, and the ability to hire or contract for skilled personnel to manage the Company, develop the technology, produce and distribute the products;
- xiii. our operations will not be significantly disrupted as a result of political instability, nationalization, terrorism, viruses, cyber-attack, sabotage, blockades, civil unrest, social activism, political activism, equipment breakdown, natural disasters, government actions, political actions, litigation or arbitration proceedings, unavailability of equipment, parts and supplies critical to production and development, labour shortages, or other development or operating risks;
- xiv. our ability to comply with government, environmental and regulatory requirements;
- xv. future expectations regarding tax rates and payments; and
- xvi. fluctuations in foreign exchange or interest rates and stock market volatility.

While these forward-looking statements and any assumptions upon which they are based are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested herein. The impact from the difference between estimates, predictions, projections, assumptions for future results, levels of activity, performance or achievements expressed or implied, and actual results thereto could be material.



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