

Shareholder Update

January 2023

2022

1. May – Closed Acquisition of Patent Applications and pending Trademarks
2. June - Closed financing of approx. \$1.95M
3. July – Established Toronto Lab for testing and research and development.
4. December - Moved into new Calgary manufacturing facility. We were a couple of months late gaining access to the facility as it is a new build and had supply chain issues.
5. December/January 2023 – Commenced receiving manufacturing equipment. But no power.
6. December – Confirmation from US patent office the Patent will be granted. Canadian patent application has been filed and we will push for issuance based on US results.
7. Water Tests:
 - a. Successfully tested waters removing phenols for an engineering firm on a former creosote facility. Will implement our product at client site upon having product to sell (mid-February).
 - b. Working on a second program with the same engineering firm removing arsenic for an oil and gas client.
 - c. Successfully tested waters removing primary targets, Selenium (selenate) and copper, for a BC copper mine. Awaiting confirmation of a scaled test program.
 - d. Successfully tested waters removing nitrates, sulfates, and ammonia for a BC copper mine. Awaiting confirmation of a scaled test program
 - e. Have several additional waters from industrial clients in-house for testing.
8. In discussions with multiple mines re water issues and Grafta’s passive remediation capabilities.

2023, Today

1. January – Setting up the manufacturing line. Waiting on power.
2. Jan 15th – confirmed we have had the USA patent approved, awaiting the payment notification from the patent office prior to completion.
3. February – Commission the plant with first production second week of February. Raw materials received
4. We have submitted application to MICA for CEMI funding for up to \$1.5M (non dilutive) for large pilot tests with mining companies.
5. Have engaged a professional grant writer to research grants for capital, proof of concepts and research. Success fee payment structure.
6. Commenced hiring of plant workers including plant supervisor and lead hand.

2023, Expectations

1. Move to full scale production utilizing 22 shifts per month by end of February.
2. Expansion of production to 44 shifts per month by mid April.
3. Expectation to close on larger scaled product testing at multiple BC mine sites. Revenue generating.
 - a. Testing has the potential to consume three months of production.
4. Positive EBITDA forecast for summer 2023.
5. Planning for second manufacturing facility in Sudbury upon sufficient proven demand for product in the Ontario mining industry. Lead time for ordering machines is six to ten months.
6. Further in-depth and large-scale testing, at mine expense, is in discussion for Selenium.