FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: **Deepspatial Inc.** (the "Issuer").

Trading Symbol: **CSE: DSAI**

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities* Act, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

General Instructions

(a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

(b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

Please see Interim Financial Statements for the three months ended September 30, 2025 and 2024 attached hereto as Schedule "A".

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

Not applicable.

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
(b) A description of the transaction(s), including those for which no amount has been recorded.
(c) The recorded amount of the transactions classified by financial statement category.
(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
(e) Contractual obligations with Related Persons, separate from other contractual obligations.
(f) Contingencies involving Related Persons, separate from other contingencies.

All related party transactions (if any) have been disclosed in the Issuer's financial statements attached hereto as Schedule "A" for the three months ended September 30, 2025 and 2024.

2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

(a) summary of securities issued during the period,

All securities issued, and options granted by the Issuer have been disclosed in the Issuer's financial statement Notes attached hereto as Schedule "A" for the three months ended September 30, 2025 and 2024.

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant

All securities issued, and options granted by the Issuer, have been disclosed in the issuer's financial statement Notes attached hereto as Schedule "A" for the three months ended September 30, 2025 and 2024.

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

(b) number and recorded value for shares issued and outstanding,

(c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

(d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

A summary of securities as at the end of the reporting period has been provided in the financial statements attached hereto as Schedule "A" for the three months ended September 30, 2025 and 2024.

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

Name of Officer/Director	Positions Held
Dr. Rahul Kushwah	**Chief Executive Officer and Director**
Sheldon Kales	**Chairman and Director**
Rakesh Malhotra	**Chief Financial Officer and Corporate Secretary**
David Goodman	**Director**
David Yu	**Director**

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

The Management's Discussion and Analysis of the Issuer for the three months ended September 30, 2025 is attached hereto as Schedule "B".

[Intentionally left blank; Signature page follows]

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated: **October 28, 2026.**

Rahul Kushwah
Name of Director or Senior Officer

/s/ "Rahul Kushwah"
Signature

Chief Executive Officer
Official Capacity

Issuer Details **Deepspatial Inc.**	*For Quarter Ended* **September 30, 2026**	Date of Report (Y/M/D) **2026/10/28**
Issuer Address **2400 – 40 King Street West**		
City/Province/Postal Code **Toronto, Ontario M5H 3Y3**	*Issuer Fax No.* **N/A**	*Issuer Telephone No.* **(647) 889-6916**
Contact Name **Dr. Rahul Kushwah**	*Contact Position* **Chief Executive Officer**	*Contact Telephone No.* **(647) 889-6916**
Contact Email Address **rahul.kushwahphd@gmail.com**	*Web Site Address* **https://www.deepspatial.ai/**	

SCHEDULE "A"

INTERIM FINANCIAL STATEMENTS

DEEPSPATIAL INC.

Condensed interim consolidated financial statements

For the three months ended September 30, 2025 and 2024

(Unaudited - expressed in Canadian Dollars)

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited consolidated interim financial statements have been prepared by and are the responsibility of the management.

The Company's independent auditor has not performed a review of these consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

DEEPSPATIAL INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

THREE MONTHS ENDED SEPTEMBER 30, 2025 and 2024

(Unaudited - Amounts expressed in Canadian Dollars)

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DeepSpatial Inc. (formerly, Aylen Capital Inc.)

Interim Consolidated Statements of Financial Position
(Unaudited- expressed in Canadian dollars)

ASSETS		**September 30, 2025**		June 30, 2025
CURRENT				
Cash and cash equivalents	$	39,715	$	72,552
Accounts receivable (Note 4)		10,982		47,453
Contract asset (Note 4)		672,171		459,537
Prepaid expenses		137,091		63,087
Sales tax receivable		124,746		89,687
		984,705		732,316
Intangible assets (Note 5)		-		-
TOTAL ASSETS	**$**	**984,705**	$	**732,316**
LIABILITIES AND SHAREHOLDERS' EQUITY				
LIABILITIES				
CURRENT				
Accounts payable and accrued liabilities (Note 7)	$	1,039,551	$	1,042,620
Contract liabilities (Note 4)		707,990		219,546
Loans (Note 11)		86,628		87,038
Income tax payable		126,448		87,108
Debentures (Note 13)		188,990		193,249
TOTAL LIABILITIES		2,149,607		1,629,561
SHAREHOLDERS' DEFICIENCY				
Share capital (Note 6)		6,411,261		6,411,261
Contributed surplus		751,323		751,323
Share based compensation reserve		836,131		836,131
Warrant reserve		486,685		486,685
Accumulated other comprehensive gain (loss)		(8,592)		(13,597)
Accumulated deficit		(9,641,710)		(9,369,048)
TOTAL SHAREHOLDERS' DEFICIENCY		(1,164,902)		(897,245)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$**	**984,705**	$	**732,316**

Organization and nature of operations (Note 1)
Basis of presentation and going concern (Note 2)
Contingencies (Note 14)
Subsequent events (Note 15)

Approved on behalf of the Board of Directors:

/s/ "Rahul Kushwah"
Rahul Kushwah, CEO and Director

/s/ "Sheldon Kales"
Sheldon Kales, Director

The accompanying notes are an integral part of these interim consolidated financial statements

DeepSpatial Inc. (formerly, Aylen Capital Inc.)
Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited- expressed in Canadian dollars)

		For the Three months ended September 30, 2025		For the Three months ended September 30, 2024
Revenue (Note 4)	$	280,955	$	440,015
Direct costs		235,397		190,789
Gross profit		45,558		249,226
Expenses:				
Consulting fees	$	48,791	$	30,483
Interest expense (Notes 11 and 13)		7,000		5,371
Interest accretion (Note 13)		-		3,446
Legal fees		-		1,900
Management fees (Note 7)		62,400		86,400
Marketing expenses (Note 7)		-		15,000
Office and miscellaneous		113,036		69,447
Payroll expenses		67,767		31,231
Research and development		-		14,598
Share based payments-restricted share units (Note 10 (b))		-		275
Transfer agent and regulatory fees		8,973		10,161
Travel, entertainment, and related		7,253		1,953
Vehicles use expenses (Note 7)		3,000		3,000
		(318,220)		(273,265)
Net loss before income taxes	$	(272,662)	$	(24,039)
Income-taxes		-		(17,560)
Net loss for the period	$	(272,662)	$	(41,599)
Loss per share-Basic and Diluted	$	(0.0027)	$	(0.0004)
Weighted average number of shares outstanding-Basic and Diluted		102,422,171		102,422,171

Net loss for the period	$	(272,662)	$	(41,599)
Currency translation adjustment		5,005		882
Comprehensive loss for the period	$	(267,657)	$	(40,717)

The accompanying notes are an integral part of these interim consolidated financial statements

DeepSpatial Inc. (formerly, Aylen Capital Inc.)
Interim Statement of Changes in Shareholders' Equity
(Unaudited- expressed in Canadian dollars)

	Number of common shares outstanding	Share capital	Contributed surplus	Share- based compensation reserve	Warrant reserve	Accumulated Deficit	Accumulated other comprehensive loss	Total
Balance as at June 30, 2024	102,422,171	$ 6,411,261	$ 751,323	$ 835,803	$ 486,685	$ (9,262,093)	$ (480)	$ (777,501)
Share based payments- restricted share units	-	-	-	275	-	-		275
Net loss and comprehensive loss for the period	-	-	-	-	-	(41,599)	882	(40,717)
Balance as at September 30, 2024	102,422,171	$ 6,411,261	$ 751,323	$ 836,078	$ 486,685	$ (9,303,692)	$ 402	$ (817,943)
Balance as at June 30, 2025	102,422,171	$ 6,411,261	$ 751,323	$ 836,131	$ 486,685	$ (9,369,048)	$ (13,597)	$ (897,245)
Net loss and comprehensive loss for the period	-	-	-	-	-	(272,662)	5,005	(267,657)
Balance as at September 30, 2025	102,422,171	$ 6,411,261	$ 751,323	$ 836,131	$ 486,685	$ (9,641,710)	$ (8,592)	$ (1,164,902)

The accompanying notes are an integral part of these interim consolidated financial statements

DeepSpatial Inc. (formerly, Aylen Capital Inc.)

Interim Statements of Cash Flows
(Unaudited- expressed in Canadian dollars)

		For the three months ended September 30, 2025		For the three months ended September 30, 2024
OPERATING ACTIVITIES				
Net loss	**$**	**(272,662)**	$	(41,599)
Non-cash items included in net loss and other adjustments:				
Interest accretion (Note 13)		**-**		3,446
Share based payments-restricted share units		**-**		275
Interest accrued on CEBA loan		**500**		500
Changes in non-cash working capital:				
Sales tax receivable		**(35,059)**		(34,726)
Accounts receivable		**36,471**		-
Contract asset		**(212,634)**		(289,769)
Contract liabilities		**488,444**		78,075
Prepaid expenses		**(74,004)**		(8,940)
Income tax payable		**39,340**		(209)
Accounts payable and accrued liabilities		**(3,069)**		254,118
CASH USED IN OPERATING ACTIVITIES		**(32,673)**		(38,829)
FINANCING ACTIVITIES				
Repayment of debentures (Note 13)		**(4,259)**		-
Due from related party		**-**		1,500
CASH (USED IN) PROVIDED BY FINANCING ACTIVITIES		**(4,259)**		1,500
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES		**4,095**		882
NET CHANGE IN CASH DURING THE PERIOD		**(32,837)**		(36,447)
CASH, BEGINNING OF PERIOD		**72,552**		232,298
CASH, END OF PERIOD	**$**	**39,715**	$	195,851
Cash paid for interest and income taxes	**$**	**-**	$	-

Non-cash investing and financing transactions:

There were no non-cash investing and financing transactions during the three months ended September 30, 2025 and 2024.

The accompanying notes are an integral part of these interim consolidated financial statements

1. Organization and Nature of Operations

Aylen Capital Inc. ("Aylen") was incorporated on October 28, 2010 under the Canada Business Corporations Act.

Aylen completed a triangular amalgamation (the "Transaction") pursuant to the terms of an acquisition agreement dated September 2, 2020 among Aylen, Loc8 Corp., 2774951 Ontario Limited, John Pennal and Grapevine Analytics Inc. The Transaction was completed on December 22, 2020.

The Transaction involved: (i) the acquisition of all of the issued and outstanding securities of Loc8 Corp. (now called DeepSpatial (Ontario) Inc.) ("Loc8") by way of a triangular amalgamation, pursuant to which, 2774951 Ontario Limited (a wholly owned subsidiary of Aylen) amalgamated with Loc8 (the "Acquisition"); (ii) the sale of Grapevine Analytics Inc. to RDH Inc.; and (iii) immediately prior to completion of the Acquisition, the consolidation of the common shares of Aylen on a one (1) new share for four (4) old share basis (the "Consolidation") resulting in 4,660,509 post Consolidation common shares.

Pursuant to the Acquisition, each shareholder of Loc8 received one (1) post-Consolidation common share for each Loc8 share held, resulting in the issuance of 87,794,000 post-Consolidation common shares to the shareholders of Loc8. Following the completion of the Transaction, Aylen had a total of 92,454,509 common shares outstanding. Aylen issued an additional 700,000 common shares as finder's fee in connection with the completion of the Transaction. The finder's shares were issued in January 2021.

At completion of the Transaction, Aylen changed its name to DeepSpatial Inc. (the "Company").

On March 26, 2022, the Company incorporated a subsidiary in India as DeepSpatial Asia Private Limited.

The Company leverages Artificial Intelligence to create robust intelligence solutions for transforming data into business outcomes for enterprises. At the same time, the company uses a similar approach to providing actionable insights for education, healthcare and agriculture

The Company's corporate head office is located at 40 King Street W, Suite 2400, Toronto, Ontario, Canada, M5H 3Y2.

The Company's shares are listed on the Canadian Securities Exchange ("CSE") under the symbol DSAI. Effective September 27, 2021, the Company's common shares started trading on the OTCQB Venture Market under the symbol DSAIF.

The Board of Directors of the Company authorized these condensed interim consolidated financial statements for issuance on October 28, 2026.

2. Basis of Presentation and Going Concern

Basis of Preparation

These condensed interim consolidated financial statements have been prepared on the historical cost basis except for financial instruments recorded at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The functional currency of the Company and its Canadian subsidiary is the Canadian dollar. The functional currency of the Company's Indian subsidiary is the Indian Rupee. These condensed interim consolidated financial statements are presented in Canadian dollars, which is the Company's presentation currency.

2. Basis of Presentation and Going Concern (Cont'd)

Basis of Consolidation

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly and indirectly, to govern the financial and operating polices of an entity and be exposed to the variable returns from its activities. The financial statements of the Company's subsidiaries are included in the interim consolidated financial statements from the date that control commences until the date that control ceases. These interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries DeepSpatial (Ontario) Inc. and DeepSpatial Asia Private Limited. All inter-company transactions and balances have been eliminated on consolidation.

Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting, using accounting policies consistent with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). They do not include all of the information required for annual financial statements and should be read in conjunction with the Company's audited annual consolidated financial statements for the year ended June 30, 2025.

Going Concern Assumption

These financial statements have been prepared using IFRS on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business, for the next fiscal year. At September 30, 2025, the Company had cash and cash equivalents of $39,715 (June 30, 2025 - $72,552), a working capital deficit of $1,164,902 (June 30, 2025 - $897,245) and an accumulated deficit of $9,641,710 (June 30, 2025 - $9,369,048). The continuing operations of the Company are dependent on funding provided by equity investors. The Company intends to finance its future requirements through a combination of equity and/or debt issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Significant Accounting Judgments and Estimates

The preparation of these consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities, shareholders' equity, and the disclosure of contingent assets and liabilities, as at the date of the financial statements, and expenses for the period reported.

Critical Judgements

The preparation of these consolidated financial statements requires management to make judgements regarding the going concern of the Company (discussed above), as well as the determination of functional currency. The functional currency is the currency of the primary economic environment in which an entity operates. The functional currency for the Company and its Canadian subsidiary has been determined to be the Canadian dollar. The functional currency for the subsidiary incorporated in India has been determined to be Indian Rupees.

2. Basis of Presentation and Going Concern (Cont'd)

Key Sources of Estimation Uncertainty

Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates and such differences could be significant.

Significant estimates made by management affecting the financial statements include:

Revenue recognition

Contract revenue relating to performance obligations satisfied over time is recognized using a percentage-of-completion approach. Contract revenue, contract assets, contract liabilities, and contract costs are determined based on management estimates and judgments used to measure progress toward completion of contracts. Progress toward completion is measured by comparing actual costs incurred to date with total estimated costs for the contract. In determining total estimated costs, management applies judgment and assumptions related to, among other factors, project schedules, material and labour costs, and changes in contract scope. Changes in estimates could impact the amount and timing of revenue recognized, as well as related contract assets and contract liabilities.

Revenue is recognized only when it is probable that the Company will collect the consideration to which it expects to be entitled. For contracts where collectability is not considered probable, no revenue or contract asset is recognized until such time as collectability becomes probable.

Deferred tax assets & liabilities

The estimation of income taxes includes evaluating the recoverability of deferred tax assets and liabilities based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets and liabilities will not be realized. The ultimate realization of deferred tax assets and liabilities is dependent upon the generation of future taxable income. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets or liabilities, and deferred income tax provisions or recoveries could be affected.

Useful life of intangible assets

The intangible asset is depreciated over its estimated useful life. Estimated useful lives are determined based on current facts and past experience and takes into consideration the anticipated life of the asset, the potential for technological obsolescence, and regulations.

Share-based Payments

Estimating fair value for granted stock options and warrants requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option or warrant, volatility, dividend yield, and rate of forfeitures and making assumptions about them.

2. Basis of Presentation and Going Concern (Cont'd)

Impairment

The Company applies judgment to assess whether there are any indications that the carrying value of its intangible assets, including trademarks and incorporation costs, may be impaired. Intangible assets are tested for impairment whenever there is an indication that their carrying value may exceed their recoverable amount. Additionally, intangible assets with indefinite useful lives, such as trademarks, are tested for impairment at least annually.

The recoverable amount of these intangible assets is determined based on the higher of fair value less costs to sell and value in use ("VIU"). Estimating the recoverable amount involves making assumptions about future cash flows, projected revenues, operating results, and other factors such as discount rates and margins. These estimates may change over time due to market conditions or business strategies.

The impairment test ensures that intangible assets are not carried at more than their recoverable amount, reflecting the Company's judgment about whether the expected future economic benefits from the asset remain intact.

Provisions

The Company recognizes provisions if there is a present obligation as a result of a past event, it is probable that the Company will be required to settle the obligation and the obligation can be reliably estimated. The amount recognized as a provision reflects management's best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

Convertible debentures

The Company makes estimates and assumptions relating to the fair value measurement and disclosure of its convertible debentures. The fair values are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, management's judgment is required to establish fair values.

Financial instruments

Financial assets and liabilities, with the exception of accounts receivable and contract asset that does not have a significant financing component, are initially recognized at fair value plus or minus directly attributable transaction costs as appropriate, except for financial assets at fair value through profit or loss, for which transaction costs are expensed. The determination of fair value requires the Company to make assumptions, estimates and judgments regarding approach, effective interest rate, impairment, and foreign exchange rates. As a result, the fair value impacts the Company's reported assets and liabilities.

Shares issued for non-cash consideration

The Company measures equity-settled share-based payment transactions based on an estimate of the fair value of goods or services received, unless that fair value cannot be estimated reliably, in which case the Company measures the fair value of the goods or services received based on the fair value of the equity instruments granted.

3. Material Accounting Policies

The accounting policies set out in the audited annual consolidated financial statements for the year ended June 30, 2025 have been applied consistently to all periods presented in these condensed interim consolidated financial statements.

Amendments to IAS 21, The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability), are effective for annual reporting periods beginning on or after January 1, 2025 and were adopted by the Company on July 1, 2025. The adoption did not have a material impact on these condensed interim consolidated financial statements.

IFRS 18, Presentation and Disclosure in Financial Statements, is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. The Company has not yet adopted this standard and is currently assessing the potential impact on its future financial statements.

4. Revenue

	2025	2024
Revenue from contracts	280,955	440,015
Total revenue from contract with customers	**280,955**	**440,015**

	2025	2024
Geographical markets		
India	280,955	440,015
Canada	-	-
Total revenue from contracts with customers	**280,955**	**440,015**

For the three months ended September 30, 2025, 1 customer made up 100% of the Company's total revenue. As at September 30, 2025, the Company recognized contract assets of $672,171 (June 30, 2025 - $459,537), contract liabilities of $707,990 (June 30, 2025 - $219,546) and accounts receivable of $10,982 (June 30, 2025 - $47,453).

5. Intangible assets

On September 9, 2019, the Company issued 63,450,000 common shares with a fair value price of $0.0338 per common share for a total fair value consideration of $2,145,000, issued to Algo8 AI Private Limited, a Company incorporated in India and its associates including their designates, being the purchase and assignment of Intellectual Property comprising of development and creation of the work product related to geospatial artificial intelligence for enterprises. The issuance of shares is being recorded as an asset acquisition. This intellectual property amount of $2,145,000 is estimated to have a useful life of 7 years and was being amortized on a straight-line basis.

		Intellectual Property
Cost:		
Balance as at June 30, 2024	$	2,145,000
Additions		-
Balance as at June 30, 2025	**$**	**2,145,000**
Additions		-
Balance as at September 30, 2025	**$**	**2,145,000**
Accumulated amortization:		
Balance as at June 30, 2024	$	2,145,000
Amortization		-
Balance as at June 30, 2025	**$**	**2,145,000**
Amortization		-
Balance as at September 30, 2025	**$**	**2,145,000**
Net book value:		
At September 30, 2025	$	**-**
At June 30, 2025	$	**-**

During the year ended June 30, 2024, the intangible assets were fully impaired to a net book value of $nil following the cancellation of the related common shares (Note 14).

6. Capital Stock

The Company is authorized to issue the following shares:

- Unlimited number of common shares and an unlimited number of preferred shares issuable in series

a) Common shares

The holders of common shares are entitled to receive dividends which are declared from time to time and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

At September 30, 2025 the Company has 102,422,171 (June 30, 2025: 102,422,171) common shares issued and outstanding.

b) Share issuance

During the three-month period ended September 30, 2025

The Company did not issue any shares during the three months ended September 30, 2025.

During the year ended June 30, 2025

The Company did not issue any shares during the year ended June 30, 2025.

c) Warrants

No warrants were issued during the three months ended September 30, 2025 or the year ended June 30, 2025. During the three months ended September 30, 2025, 12,870,000 warrants exercisable at $0.10 (expiring September 13, 2025) and 150,000 warrants exercisable at $0.12 (expiring September 15, 2025) expired unexercised.

6. Capital Stock (Cont'd)

c) Warrants (Cont'd)

Continuity of the Company's warrants is as follows:

	Number of Warrants	Weighted Average Exercise Price
Outstanding, June 30, 2024 and June 30, 2025	**24,272,665**	**$0.11**
Expired	(12,870,000)	$0.10
Expired	(150,000)	$0.12
Outstanding, September 30, 2025	**11,252,665**	**$0.13**

As at September 30, 2025, the Company had the following warrants outstanding:

Outstanding	Exercise Price	Remaining Life (Years)	Expiry Date
6,000,000	$0.10	0.02	October 6, 2025
333,333	$0.30	0.13	November 17, 2025
1,273,332	$0.30	0.18	December 4, 2025
3,646,000	$0.10	0.18	December 4, 2025
11,252,665	$0.13	0.09	

7. Related Party Transactions

Related parties include key management personnel, the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. Key management of the Company are members of the Board of Directors, the Executive Chairman, the Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO") and the Chief Technology Officer ("CTO"). Transactions with key management personnel not disclosed elsewhere in the financial statements include the following:

		September 30, 2025		September 30, 2024
Management fees expensed to directors and officers	$	62,400	$	86,400
Vehicle expenses		3,000		3,000
	$	65,400	$	89,400

At September 30, 2025, there was $513,648 (June 30, 2025: $450,648) due to related parties included in accounts payable and accrued liabilities.

As of September 30, 2025, an amount of $nil (June 30, 2025: $nil) was due from a Company related by common directors.

8. Financial Instruments

The fair value of the Company's accounts payable approximates carrying value, due to its short-term nature. The Company's cash is measured at fair value under the fair value hierarchy based on level one quoted prices in active markets for identical assets or liabilities.

Financial risk management and objectives

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, and market risk (including interest rate risk, foreign currency risk, and commodity price risk).

The Company thoroughly examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. Where material, these risks are reviewed and monitored by the Board of Directors.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's accounts receivable as of September 30, 2025 is $10,982 (June 30, 2025: $47,453) and contract assets are $672,171 (June 30, 2025: $459,537).

8. Financial Instruments (Cont'd)

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flows primarily from its financing activities.

The Company manages its liquidity needs by carefully monitoring scheduled costs. Liquidity is measured in various time bands, on day to day and week-to-week basis, as well as on long term liquidity needs over 180 days to 360 days look out periods. Funding for long-term liquidity needs is based on the ability of the Company to successfully complete private placements.

As at September 30, 2025, the Company had cash of $39,715 to settle current liabilities of $2,149,607.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity and equity prices, and foreign exchange rates.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

(b) Price risk

The Company is not exposed to significant price risk as it does not possess investments in publicly traded securities.

(c) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument denominated in a foreign currency will fluctuate because of changes in foreign exchange rates.

The Company's Indian subsidiary and Canadian subsidiaries transactions are in Indian Rupees ("INR") and Canadian dollars, respectively. The results of the Company's operations are subject to currency translation risk. The Company mitigates foreign exchange risk through forecasting its foreign currency denominated expenditures and maintaining an appropriate balance of cash in each currency to meet the expenditures.

As at September 30, 2025, a reasonably possible 10% fluctuation in the INR/CAD exchange rate would not have a material impact on the Company's net loss and comprehensive loss.

9. Capital Management

The Company considers its capital to be shareholders' equity, which is comprised of share capital and deficit, which as at September 30, 2025 was a deficit of $1,164,902. The Company's capital structure is adjusted based on the funds available to the Company such that it may continue to seek new opportunities. The Board of Directors does not establish quantitative return on capital criteria, but rather relies on the expertise of management and other professionals to sustain future development of the business.

The sources of future funds presently available to the Company are through the sale of equity capital of the Company. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital restrictions. There were no changes to the Company's management of capital during the period.

10. (a) Stock options

Effective November 1, 2021, the Company's existing stock option plan was replaced by an equity incentive plan called the Omnibus equity incentive plan. The number of common shares of the Company issuable pursuant to options under the Omnibus Equity Incentive Plan is set at 10% of the aggregate number of common shares of the Corporation issued and outstanding from time to time, subject to any limitations imposed by applicable regulations, laws, rules and policies. Upon valid exercise of the stock options granted under the Omnibus Equity Incentive Plan and payment of the exercise price for the common shares of the Company issuable in connection therewith, such common shares shall be issued as fully paid and non- assessable common shares in the capital of the Company.

Three-month period ended September 30, 2025

No stock options were issued during the three-month period ended September 30, 2025.

Year ended June 30, 2025

No stock options were issued during the year ended June 30, 2025.

Continuity of the Company's options is as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding June 30, 2023	9,400,000	$0.13
Expired during the year	(9,400,000)	-
Outstanding June 30, 2024	-	-
Granted during the year	-	-
Outstanding, June 30, 2025 and September 30, 2025	-	-

10. (b) Restricted Share Units ("RSU")

The Company adopted the equity incentive plan called the Omnibus equity incentive plan. The number of common shares of the Company issuable pursuant to restricted share units and deferred share units under the Omnibus Equity Incentive Plan be set at 10% of the aggregate number of common shares of the Corporation issued and outstanding from time to time, subject to any limitations imposed by applicable regulations, laws, rules and policies. Upon vesting of the RSU or deferred share units granted under plan in accordance with the terms thereof, the underlying common shares shall be issued as fully paid and non-assessable common shares in the capital of the Company. 956,000 Common Shares in the capital of the Corporation are reserved and set aside for issuance in satisfaction of vested RSUs, subject to the terms of the Plan.

RSUs are measured at fair value on the date of grant and are recognized as share-based compensation expense on a straight-line basis over the vesting period. The corresponding amount is recorded to the share-based compensation reserve. Upon the exercise of RSUs, the related share-based compensation reserve is transferred to share capital. During the three-month period ended September 30, 2025, the Company did not grant any RSU's. The Company expensed $nil (September 30, 2024: $275) being share based payments-restricted share unit expense on the vesting of the units.

	September 30, 2025	September 30, 2024
RSUs outstanding, beginning of three-month period	202,668	202,668
Granted	-	-
Settled	-	-
RSUs outstanding, end of period	202,668	202,668

11. Loans

In connection to the outbreak of COVID-19, Aylen had received, prior to the reverse merger, $40,000 in Canada Emergency Business Account ("CEBA") loans from the government of Canada. These CEBA loans are non-interest bearing if repaid by January 18, 2024. The loan can be extended to December 31, 2026 and 25% will be forgiven if the principal is repaid before the maturity date of January 18, 2024. Aylen had recognized the forgiveness of $10,000 prior to the reverse merger on December 22, 2020 and the funds and debt of $30,000 was transferred to the Company post-acquisition. As at March 31, 2024, the Company has not made payment on the CEBA loans for which the Company is now obligated to repay the principal of $40,000. The Company has accrued interest of $500 for the three-month period ended September 30, 2025 (September 30, 2024: $500). The CEBA loan balance, including accrued interest, was $43,400 at September 30, 2025 (June 30, 2025: $42,900).

The Company also has an unsecured loan of $43,228 (June 30, 2025: $44,138) , which is due on demand and carries interest at 10% per annum. The change in the balance during the period reflects foreign exchange translation. Total loans were $86,628 at September 30, 2025 (June 30, 2025: $87,038).

12. Segment Information

The Company has a single reportable segment. The Company leverages Artificial Intelligence to create robust location intelligence solutions for transforming existing location data into business outcomes.

As of September 30, 2025, all assets of the business are located in Canada except for cash of $23,336 (June 30, 2025: $47,023), contract asset of $672,171 (June 30, 2025: $459,537), accounts receivable of $10,982 (June 30, 2025: $47,453), sales tax receivable of $25,668 (June 30, 2025: $nil) and prepaid expenses of $137,091 (June 30, 2025: $63,087) which are located in India.

13. Debentures

The Company closed the first tranche of its issuance of unsecured convertible debentures on October 27, 2022, for a total consideration of $572,500. The Company closed the final tranche of its issuance of unsecured convertible debentures on March 24, 2023, for a total consideration of $102,750. These Convertible Debentures mature on the date which is two (2) years from the Closing Date (the "Maturity Date"). The Company shall have a right to prepay or redeem a part or the entire principal amount of the Convertible Debentures at par plus accrued and unpaid interest at any time by providing a minimum of 30 days and a maximum 60 days' notice prior to the date fixed for redemption (the "Redemption Date"). The Convertible Debentures bear interest at a rate of 10% per annum from the date of issue and payable on the earlier of the following: (i) conversion of the Convertible Debentures, (ii) the Redemption Date, and (iii) the Maturity Date.

Each Convertible Debenture will be convertible into Units at the option of the holder at any time prior to the close of the third business day prior to the earlier of: (i) the Maturity Date, and (ii) the Redemption Date, at a conversion price of per Unit equal to $0.15. Unsecured debentures convertible are convertible into units (“Units”) each consisting of one common share (the "Common Shares") of the Company and one-half warrant (the “Warrants”) to purchase Common Shares of the Company (the "Convertible Debentures"). Each warrant is exercisable into one Common Share at a price of $0.30 per warrant for a period of two years from the date of the Closing.

In the event that the Common Shares close at a trading price of at least $0.30 for 10 consecutive trading days, the Company may cause the Convertible Debentures to be converted into Units at the Conversion Price upon the Company delivering a notice (a "Forced Conversion Notice") to the Debenture holders not less than a minimum of 30 days and a maximum of 60 days prior to the conversion date specified in such Forced Conversion Notice.

Of the total consideration amount of $675,250, $90,768 was allocated to the equity component of the Debentures and the remaining amount allocated to the liability component, to be accreted over the term of the Debentures.

On November 17, 2023, the Company converted $100,000 convertible debentures to 666,666 units at $0.15 per unit. Each unit comprises of one common share and one-half share purchase warrant. Each whole warrant is exercisable into a common share of the Company at an exercise price of $0.30 per share for a period of 24 months.

On December 4, 2023, the Company converted $382,000 convertible debentures to 2,546,664 units at $0.15 per unit. Each unit comprises of one common share and one-half share purchase warrant. Each whole warrant is exercisable into a common share of the Company at an exercise price of $0.30 per share for a period of 24 months.

The debentures matured during the year ended June 30, 2025, are due for repayment on demand and are reflected as a current liability. During the three months ended September 30, 2025, the Company repaid $4,259 of the debentures.

13. Debentures (cont'd)

As at September 30, 2025, the Company's Debentures were comprised of the following:

	Equity component of convertible debenture	Liability component of convertible debenture	Total
Balance, June 30, 2023	$ 90,768	$ 610,938	$ 701,706
Accretion	$ -	58,310	58,310
Conversion	$ (64,445)	(482,000)	(546,445)
Balance, June 30, 2024	$ 26,323	$ 187,248	213,571
Accretion	$ -	6,001	6,001
Expiry of conversion option	$ (26,323)	-	(26,323)
Balance, June 30, 2025	$ -	$ 193,249	193,249
Repayment	$ -	(4,259)	(4,259)
Balance, September 30, 2025	$ -	$ 188,990	188,990

The Company expensed interest on debentures of $6,500 for the three-month period ended September 30, 2025 (September 30, 2024: $5,371). No accretion was recorded in the current period as the debentures had matured (September 30, 2024: $3,446).

14. Cancellation of shares and contingencies

On April 16, 2024, the Company cancelled 21,450,000 common shares initially issued in 2019 to Algo8 as part of a technology acquisition. The cancellation was due to a breach of contract, as the seller failed to provide adequate support for the effective utilization or enhancement of the acquired technology. As a result, the related intangible assets were fully impaired to $nil. Following the cancellation, the corresponding share capital of $725,000, originally recognized in 2019, was reversed and credited to contributed surplus. The cancellation is accounted for entirely within equity in accordance with IAS 32 and IFRS 2.

As of the reporting date, no legal action has been initiated by the sellers. Based on the Company's legal assessment, management believes the cancellation was valid, and no present obligation exists. Consequently, no provision has been recognized in the financial statements. However, the matter is disclosed as a contingent liability due to the inherent uncertainty involved.

If the shareholder disputes the cancellation and pursues litigation, there is a risk that the Company could be required to reissue an equivalent number of common shares. In such a case, the Company would recognize a loss equal to the fair value of the shares at the time of reissuance.

15. Subsequent events

Subsequent to September 30, 2025, the remaining 11,252,665 warrants outstanding expired unexercised: 6,000,000 warrants on October 6, 2025, 333,333 warrants on November 17, 2025 and 4,919,332 warrants on December 4, 2025.

SCHEDULE "B"

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS

DEEPSPATIAL INC.

(formerly, Aylen Capital Inc.)

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025

Introduction

Management's Discussion and Analysis ("MD&A") is intended to help the reader understand DeepSpatial Inc. (the "Company") unaudited condensed interim consolidated financial statements for the three months ended September 30, 2025. This MD&A should be read in conjunction with the audited consolidated financial statements of the Company and the notes thereto for the year ended June 30, 2025 and the unaudited condensed interim consolidated financial statements and notes thereto for the three months ended September 30, 2025. The effective date of this report is October 28, 2026. The financial statements are prepared in accordance with IFRS Accounting Standards ("IFRS") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. Unless expressly stated otherwise, all financial information is presented in Canadian dollars. This MD&A contains certain forward-looking information and involves risks and uncertainties, including but not limited to, those described in the "Risks and Uncertainties" section.

Forward-Looking Statements

Certain statements contained in the following MD&A constitute forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. The forward-looking statements may include statements regarding work programs, capital expenditures, timelines, strategic plans, market price of commodities or other statements that are not statement of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from the Company's expectations include uncertainties involved in disputes and litigation, uncertainty of estimates of capital and operating costs, recovery rates, production estimates and economic return; the need for cooperation of government agencies; the need to obtain additional financing and uncertainty as to the availability and terms of future financing.

It is the Company's policies that all forward-looking statements are based on the Company's beliefs and assumptions which are based on information available at the time these assumptions are made. The forward- looking statements contained herein are as of October 28, 2026 and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws.

Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate. Forward-looking information or statements in this MD&A include, but are not limited to, information or statements concerning our expectations regarding the ability to raise additional funds, results of the research and development performed in relation to the products and services of the Company, positive result due to the

change in business model, possibility of entering into strategic alliance, distribution agreements and other arrangements to market their products and services and possibility of producing viable products through the use of the new technologies purchased and developed.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties and factors including: the possibility that opportunities will arise that require more cash than the Company has or can reasonably obtain; dependence on key personnel; dependence on corporate collaborations; potential delays; uncertainties related to early stage of technology and product development; uncertainties as to fluctuation of the stock market; uncertainties as to future expense levels and the possibility of unanticipated costs or expenses or cost overruns; and other risks and uncertainties which may not be described herein. The Company has no policy for updating forward looking information beyond the procedures required under applicable securities laws.

CORPORATE OVERVIEW

The Company leverages Artificial Intelligence to create robust intelligence solutions for transforming data into business outcomes for enterprises. At the same time, the company uses a similar approach to providing actionable insights for education, healthcare and agriculture.

Extensive User Research has gone into its development. The Company comes from actual validation of client pain points and the value proposition would substantially improvise planning, resource allocation, and decision-making – predicting the surge in demand and supply, identifying the prospects of high and low margin, multiplying supply chain efficiency, and optimizing service delivery. The scope of solutions that can be improved with the integration of geolocation intelligence is simply endless. The Company's unique technology unites business data with business operations to help it understand: (1) customer personas (to distinguish and classify personalized product preferences and SKU relativity);

(2) predict inventory consumption and link it to effective supply chains and warehouse planning; (3) expand existing markets by locating potential customers analogous to already existing clientele; and (4) to promote targeted pricing and discount strategies on a geospatial basis. Its technology helps businesses better understand important questions including who a company's ideal customers are, how it can more effectively manage inventory, and where to open new locations or expand.

The following highlights the four steps involved in The Company's business solution:

1. Collect business data: **including SKU (Stock Keeping Unit) level, inventory levels and other business key performance indicators (KPIs).**

2. Collect public and private data: The Company's artificial algorithms **use** location context data (through various map engines) as well as public, proprietary and dynamic data in order to arrive at relevant insights. The company's pre-built algorithms customize this data in order to generate a unique geospatial algorithm for its clients that is used to optimize their business.

3. Utilize artificial intelligence and machine learning **engine to: arrive at future data sets (which are used as pre usage data sets); geospatially stitch information together to allow the automatic geocoding and display of such data; and apply its machine learning algorithms to arrive at relevant features important to a particular business processes and outcomes.**

4. Generated insights will allow businesses to understand:

    - WHO:
        - are the customers that a particular business should target?
        - are the "super fans" that can improve a company's NPS (net promoter score)
        - are the most active on social media?
        - should we be focusing our business efforts towards?
    - WHEN:
        - is the best time to launch a product or service?
        - is the best time to expand?
        - is the best time to scale back?
        - should a business allocate resources to a specific, time-sensitive initiative?
    - WHERE:
        - are the most profitable places for expansion?
        - should a business open a new location?
        - should a business keep its warehouse/office?
        - should a business target its marketing (traditional & digital) and spending?
        - should a company strategically increase/decrease its presence?
        - are the bottlenecks in the end of end process of the business as a whole?
    - HOW:
        - can a business/brand better connect with people?
        - can a business optimize its inventory and/or service management?
        - can a business build better supply chains?
        - can a business use social media and location data to discover unique factors of consumer behavior including regarding a consumer's hobbies and interests, lifestyle preferences, relationships, diet choices, entertainment preferences and his or her culture and beliefs?

  - can a business predict the probability that a service or product will succeed in a particular market?
- WHY:
  - is a business not obtaining the intended results?
  - is a business or segment growing?
  - isn't a business or segment growing?

The result? Smart, data driven decisions for business growth across multiple industries including retail, food and beverage, government as well as agriculture and engineering construction.

One of the most common challenges faced by companies is how to how to apply data (that is largely unstructured) in a meaningful way to their business. Our Company helps bridge that gap by synthesizing the collected data into a format that can easily understood by companies to provide data-driven answers. The data fusion platform together with the machine learning platform allows business to stitch data which is multi variable and analyze the same.

Product Pipeline

The company has launched products for the enterprise segment along with that an end to end platform for education, healthcare and agriculture. At the same time, the company is working on use cases associated with crime prevention.

Verticals Targeted

Our current efforts to commercialize our technology are targeted towards the government sector as being one of the focus segments along with players in the manufacturing, retail, food and beverage, and transportation verticals. As we mature, we hope to penetrate other industry verticals with our AI and alternative data offering that provides robust geo-intelligence insights for businesses. Currently, our biggest focus is on education, agriculture and healthcare.

In March, Deepspatial announced the appointment of technology and business development experts to its board to strategize technology development and to further business development. The following
Sourav Sachin, VP Engineering at BrowserStack, previously CEO of WoNoBo, Director of Engineering, Flipkart Kapil Raval, Director, Partner Ecosystem, Azure Global Engineering at Microsoft
Andrew Mandyam, Founding Partner, Utilis Consulting, previously Director at Enbridge Gas Distribution
Robert Luciano, CEO, DecisionSMART Retail Advisory, previously Director, Starbucks Coffee Canada
Pulkit Trivedi, Director, Google, previously Director, Facebook

Sourav Sachin is an alumnus of the prestigious Indian Institute of Technology, Bombay, and brings over two decades of experience in the technology, media, and retail sectors where he has built, scaled, and commercialized several technologies. He is currently the VP of Engineering at BrowserStack, a technology company specializing in building cloud web and mobile testing platforms that provide developers the ability to test their website and applications across on-demand browsers. Prior to joining BrowserStack, Sourav

served as the CEO of WoNoBo, a cloud-based GIS platform specializing in "street view" functionality. Sourav was the Director of Engineering for Flipkart, India's largest eCommerce company, which was acquired by WalMart for $16 billion USD.

Kapil Raval is currently a director in the energy vertical for Azure Global Engineering at Microsoft. Prior to this role, he was the Director of Corporate Business Development for AI-infused Industry Solutions for Microsoft. Before his work at Microsoft, Kapil was the Global Business Leader for Telecom Solutions at Hewlett Packard Enterprise, where he led teams globally, expanding HPE's telecom solutions market by over 12%.

Andrew Mandyam is currently the founder and CEO of Utilis Consulting, an energy consulting company based out of Ontario, specializing in offering a subscription-based product to players in the energy sector. Before founding Utilis, Andrew was the Director of Regulatory Affairs at Enbridge Gas, the largest natural gas utility in Canada serving over 2 million customers and bringing over $2 billion in annual revenues.

Robert Luciano brings over 25 years of experience in the retail sector, and currently serves as the CEO of DecisionSMART advisory, a consulting firm specializing in retail expansion for firms providing in-house expertise on the real estate and demographic variables. Prior to his foray into entrepreneurship, he was the Director of Store Development for Starbucks Coffee Canada, where he led the opening of 50+ new stores across the country and managed a portfolio of 500+ existing assets.

Pulkit Trivedi is currently a Director at Google Pay, India, and brings with him over 19 years of experience in a diverse range of environments and roles. Featured in the "40 Young Business Leaders Under 40" report published by Business Today in 2015, he has previously worked in executive roles across Intel, Microsoft, and IBM. At Intel, he was singlehandedly responsible for managing a $300 MM revenue portfolio in South Asia, and also worked on launching India's prominent "all-in-one" PC with HP in 2009.

In March, Deepspatial also announced partnership with DFM foods. DFM Foods is a leading player in the snack foods market in India, and its flagship product – CRAX rings – is a household name in the second most populous nation in the world. With product differentiation, aggressive marketing, and a focus on high quality, the company has grown its earnings at an aggressive 20% year over year rate and is currently listed on the Bombay Stock Exchange (BSE) with a $250 million+ market capitalization. To continue its longstanding journey of growth, the company has partnered with DeepSpatial to leverage the power of geospatial intelligence in customer profiling and market expansion. This is an arm's length transaction and DFM has come on board as a client for Deepspatial, where initially they are starting off with a specific geolocation and following successful delivery, they will be looking at expansion into other cities in South Asia.

DFM operates in a competitive industry facing fierce competition on pricing, product choice, and distribution in India. DeepSpatial will be stepping in to assist the firm in generating the following three categories of insight:

Geodemographic customer profiles: DeepSpatial will conduct a thorough analysis of product sales within different geographies and integrate the datasets with its own to arrive at ideal customer archetypes that precisely define the success criteria for a product within a certain demography. To develop such customer archetypes, DeepSpatial will deploy its proprietary machine learning algorithms to identify the correct features that provide predictable models of successful sales. These insights will allow DFM to target its marketing and distribution through a precise, granular, data-driven approach for the highest ROI.

Market Entry and Expansion: DeepSpatial will leverage the insights generated from geodemographic customer profiling to identify alternative markets for expansion in India, given certain bounded constraints such as delivery cost, pricing power, regional competitive profiles etc.

Distributor and Supply chain optimization: DFM foods currently engages with 3,000+ distributors and subcontractors that cater to 1.2 million+ retailers for effective delivery of various products to consumers. DeepSpatial will be analyzing this dataset geospatially to identify efficient delivery mechanisms, route optimizations strategies, and create predictive models of demand and supply to better manage the production supply chain.

Deepspatial received an initial purchase order from DFM foods in November 2021 for approx. $6,000 and expects to deliver the solution to the client within the next 3-4 weeks. At the same time, Deepspatial is in continuous discussions with DFM foods regarding technology scale up which is anticipated to lead to additional purchase orders from DFM foods.

Deepspatial is focused on growth and building long -term shareholder value. The company is focused on:

1) Expanding its technology portfolio to develop SaaS (“Software as a service”) driven AI products and has assembled a team to expedite this initiative.
2) As an AI company, Deepspatial is also developing custom solutions for clients. The company has brought on senior leadership to head sales and business development.
3) The company is also focused on establishing both data and strategic partnerships.
4) The company will also be looking at strategic acquisitions which can boost the offering of Deespatial in the geospatial space.

In line with long term growth, in April, the company announced the appointment of Pramod Misra, to its board of advisors. The new appointment will allow the company to scale its operations by catalyzing growth across two central pillars of its core business – scaling business activity and enabling strategic data partnerships.

Pramod currently serves as the General Manager and Lead Data Scientist at Indian telecom company – Vodafone. Educated at the Georgia Institute of Technology, he has over a decade’s worth experience in technical roles across various industries. Prior to Vodafone, Pramod has spent time at the Novartis Group and the Nuclear Power Corporation of India developing quantitative research models. His technical

expertise, foresight, and experience will allow Deepspatial to access and leverage specialized data partnerships across industries.

Their addition to the team will allow Deepspatial to improve its product offering and scale its operations, paving pathways of synergistic alliances and prospective growth. The company is focused on scaling its technology platform to new/novel domains with a focus on tech development and business expansion.

In the period from July 1, 2021 to March 31, 2022, the company had significant developments on the administration, technological along with the business development front.

On the administration and investor exposure front, the company announced that its common shares are now trading on the OTCQB Venture Market (OTCQB), a US trading platform that is operated by the OTC Markets Group in New York. The company is trading on the OTCQB under the symbol "DSAIF"; the Company's common shares will continue to trade on the Canadian Securities Exchange (CSE) under the symbol "DSAI". The OTCQB Venture is the premier marketplace for entrepreneurial and development stage U.S. and international companies that are committed to providing a high-quality trading and information experience for their US investors. To be eligible, companies must be current in their financial reporting, pass a minimum bid price test, and undergo an annual company verification and management certification process. The OTCQB Venture quality standards provide a strong baseline of transparency, as well as the technology and regulation to improve the information and trading experience for investors.

On the technological front, the company announced that it has filed patent application number 63244524 - Computer Implemented Method and System for Retail Management and Optimization with the United States Patent and Trademark Office (USPTO) for its proprietary methods of retail management with enhanced user experience for dynamic planning and decision making.

The company is currently working on 4 patent applications – two have been filed, and two are in process. The two filed patents focus on education and crop yield prediction which has applications in the government sector. The patent portfolio is anticipated to grow as the company expands into additional verticals which is anticipated to yield novel IP for which the company will seek patent protection. Therefore, the company expects to file patents on an on-going basis. At the same time, as part of our IP strategy, Deepspatial is also working towards filing the same patents in jurisdictions where the company is planning to operate in from a client business perspective. The company is focusing on filing patents in the US, Canada and India which are seen as favorable jurisdictions to maintain patent protection and patent infringement by a third party does carry significant penalties in these jurisdictions.

Challenge:

Advancements in information technology have revolutionized the landscape for e-commerce and retail. As digital transformations enrich and enhance existing businesses, retail businesses face new frontiers for expansion along with a novel constraint - location. As organizations adopt omni-channel strategies to deliver value, traditional retail needs to adapt to find novel solutions to thrive. In 2019, retailers in the United States announced over 9,000 store closings. In 2020, the onset of the current pandemic has only exacerbated the problem. Optimization of inventory management, pricing, supply chain, customer

sentiment at existing locations along with identification of new markets and identification of stores which need to be shut down are unique challenges which need to be addressed in the retail segment.

COVID-19 has impacted Deepspatial on two specific fronts – recruitment of talent for tech development along with customer acquisition in certain verticals such as retail. In the current environment, although potential customers have reduced the IT spend and are not focusing on expanding operations, the focus has turned towards optimization of operations and improving margins. This has allowed us to re-focus and re-position our solution as being a technology that can assist in making decisions, improving productivity which has a downstream impact on margins.

One of our initial focus areas was retail as well as the food & beverage sector which has been dramatically impacted by COVID-19. Initially, our solution was being positioned as the one which could offer insights on where to open and where to expand. However, in the current landscape, the expansion plans of retailers have come to a standstill. Therefore, we had to add certain modules, expand the technology focus towards providing insights on distribution optimization, customer archetypes, customer acquisition, marketing and optimizing supply chain. Although the government sector was initially not a top focus area for us, the COVID-19 landscape paved an opportunity which has allowed us to engage with government authorities in education and infrastructure.

The partnerships that we have announced are focused on the government sector where there are specific budgetary allocations focusing on infrastructure, education and health. Our partners are deeply entrenched in these sectors and see a need for our offering. As such, currently, we have begun to focus extensively on the government sector where we are working towards capitalizing on these potential business opportunities.

Although COVID-19 has significantly impacted workplaces, being an IT/AI company, our team of scientists/engineers are working remotely, and we have Key Performance Indicators (KPIs) in place to ensure progress is being made in a regular manner. At the same time, on the business front, due to the restrictions imposed globally due to COVID-19, we have pivoted heavily towards establishing a partner program for business development while also having our in- house team of business development professionals to work with partners as well as to onboard clients.

Deepspatial's Solution:

The company's technology (patent pending) is a complete solution that addresses all the pain points encountered in the retail sector. Deepspatial's proprietary Artificial Intelligence (AI) driven algorithms and the company's proprietary data sets are used in conjunction with the customer's data and insights which are client-specific to assist the customer in making critical business decisions.

Key features of the retail management platform include Inventory Optimization, E-Commerce Optimization, New Location Identification and Evaluation, Customer Persona Targets, Pricing Recommendations, Trend Prediction and more. Layering together proprietary, public and client data sets, along with social media sentiment analysis to capture consumer and customer perspectives, Deepspatial's Artificial Intelligence and Machine Learning engine determines what it the current state and predicts the future state for users to make critical, bottom-line, business decisions.

Furthermore, the company also announced recruitment of lead data scientist – Dr. Bushra Zaman. Leading the company's AI team is now Dr. Bushra Zaman, a senior data scientist who's an adjunct professor at the University of Utah and previously led high-profile projects with World Bank.

On the business development front, the company announced hiring of VP, Business development . Furthermore, the company also announced a partnership with one of the leading system integrators in India.

Deepspatial also announces addition of senior team members to lead global business development efforts. Debojoyti Purkayastha (Deb), previously an advisor to Deepspatial, has transitioned to the role of VP, Global business development. Deb has 23 years of experience in technology sales and helped scale up major global tech companies such as Voyager labs and Riverbed. Deb has transitioned to the role of Chief Business Officer since September 2024.

The company announced a partnership with SISL Infotech, to provide its patented AI (artificial intelligence) & GIS (geographic information systems) solutions to SISL Infotech's vast, industry-wide client base. SISL Infotech is a leading system integrator in India, helping customers automate their business functions with IT software and services. Some of their partners include Microsoft, IBM, Cisco, HP, Dell, and ESRI. SISL Infotech is one of the largest technology system integrators in India with more than 4000 employees and 6000 global customers. The Deepspatial / SISL Infotech partnership will empower businesses to tap into previously unserved markets by taking advantage of geo-spatial intelligence and AI-driven business insights. Our partnership with SISL will allow SISL infotech to offer our solutions to their wide range of clientele and the compensation for SISL will be a percentage of revenue share depending on the size of the order.

As part of the push into the government sector, in October, Deepspatial announced a partnership with IPE Global to provide its solutions to IPE Global's clients throughout government and private sectors. IPE Global will be leveraging Deepspatial's technology to assist their global client base in addition to working together towards jointly proposing their solutions to specific markets and clients identified by IPE Global. IPE Global Limited is a leading international development consulting group, providing Information and Communication Technology solutions for development and sustainable growth in developing countries. IPE Global currently operates in 8 countries encompassing Africa, Asia, and Europe with a workforce of over 1100 employees globally. This will broaden the reach of Deepspatial to government clients in several jurisdiction and the partnership will work on a revenue share basis.

Furthermore, Deepspatial also announced a partnership with Staqo in October. Staqo is an enterprise IT platform and services organization operating in many countries with over 200 experts in various domains of enterprise technology such as Deep Learning, Machine Learning, Blockchain, IoT, Image Recognition, Solutions Engineering, Cloud computing, AI, and IT infrastructure. Leveraging Staqo's strong grip in the areas of AI, Facial Recognition, Image Analytics, Application Development, and Cloud delivery – Deepspatial will be working alongside Staqo to empower its global client base to deliver a full spectrum of enterprise technology solutions. One of the key product offering of Staqo is a real time monitoring solution for employee attendance and distribution which is being used by clients in the industrial and retail space. This is complementary to Deepspatial platform as integration with Deepspatial leads to real time insights which can have an immediate impact in enhancing productivity. The two companies have executed a Joint

Marketing Agreement whereby Staqo will be offering its real time monitoring solution as an enterprise solution combined with Deepspatial's proprietary platform.

The addition of new team members, combined with technological advancement and business partnerships is setting the stage for long term growth on both the technology as well as business front. Deepspatial is currently working on securing additional partnerships with system integrators and solution providers. These partnerships will be on a revenue share basis where the cost to Deepspatial will typically be somewhere between 5-10 % of the revenue share on the contracts provided by these system integrators due to which there will be no capital costs for Deepspatial with the exception of sharing revenue from the contracts that the company gets through these partnerships. At the same time, Deepspatial has allocated approximately $50,000 in its annual budget for data partnerships, which will allow the company to layer additional data sets into the technology.

In October, the company also announced a partnership with Sheela Foam Ltd . Sheela Foam Ltd (NSE: SFL) is a publicly traded company on the National Stock Exchange in India (NSE) and is currently trading at a market cap of over CAD$ 2 billion and is the largest polyurethane foam manufacturer in Asia Pacific with footprints in India, Australia and Spain and also the largest manufacturer of mattresses in India under renowned brand name Sleepwell. Deepspatial will assist Sheela Foam in identifying new market opportunities for expansion and provide better coverage for their existing markets. Deepspatial's AI-driven solutions will be adopted by Sheela Foam Ltd., to help maximize its distribution & retail coverage which is expected to reduce costs and increase profitability, margins, and revenue.

As part of the company's push into the government sector, the company announced major developments in January and February. In January, the company announced the addition of a new partner and a new contract in India focusing on Health and Sanitation Planning, Waste Disposal Planning, Infrastructure Planning, and Tourism Site Planning and Development. Due to privacy reasons, this partner and client wish to remain anonymous. The contract marks a new entry in the infrastructure and urban planning sector for Deepspatial, where its solutions will be used to support organizations and provide AI & data driven decision making for key Government personnel, ensuring a better future and quality of life for its citizens. Furthermore, in February, Deepspatial announced a Memorandum of Understanding (MoU) with a Government of India Educational Program under the Ministry of Education in one of the States with the outcome of improving the quality and access to education while enabling schools to better prepare students for rewarding career paths. Deepspatial will be working closely with the officials of the flagship program under the Ministry of Education to identify key areas of opportunity for improving access to education and ensure students are prepared for higher education from the State. Throughout the discovery process, Deepspatial may provide additional services if deemed suitable and valuable to the underlying outcomes, which may lead to further commercial contracts.

The company continued to expand its intellectual property portfolio and filed it's first patent in the agriculture segment in March. The company announced filing of US patent entitled "System and Method for Classification of Crops Using Multi-Class Machine Learning Techniques" (Patent Application #63307982). Deepspatial has created a novel artificial intelligence-driven technology that solves several obstacles in agricultural practices such as crop yield prediction, crop rotation, crop selection, and other crop management activities that will result in a greater yield of crop and maximize crop utilization for farmers.

The Company's recently filed patent speaks to an artificial intelligence-driven platform that allows farmers, stakeholders, and decision makers to predict the crop yield for any given land and the type of crop that would thrive most to ensure maximum efficiency with every yield and season. The result not only allows farmers to capture the highest food yield for our ever-growing population, but will also directly impact their bottom line, ensuring they will continue to do unarguably valuable and challenging work. World population is growing and is expected to reach between 8 and 10 billion by 2050. Increase in population creates more demand for food, and it is estimated that total food consumption will have to increase by 50-70%. Traditional methods of agricultural farming are not equipped to handle the demand forecasted and the need for new methods and practices in agricultural management and technologies are becoming increasingly important. The global agriculture technology-as-a-service market is projected to grow from $1,101.6 million in 2020 to $3,089.8 million by 2025, at a CAGR of 22.91% from 2020 to 2025. High growth in the market is expected to be driven by the growing need to adopt agriculture technologies across the industry. The patent allows the company to venture into a new segment which has a tremendous growth rate and the company will leverage its's previously announced government and private sector partnerships to assist with business development in the agriculture segment.

On the investor front, the company received approval from the Depository Trust Company ("DTC") to make the Company's common shares (the "Common Shares") eligible to be electronically cleared and settled ("DTC Eligibility"). The Common Shares will continue to trade in the United States under the ticker symbol "DSAIF"on the OTCQB Venture Market and on the Canadian Securities Exchange (CSE) under the ticker symbol "DSAI".

DTC is a subsidiary of the Depository Trust & Clearing Corporation, a U.S. company that manages the electronic clearing and settlement of securities for publicly traded companies in the United States. Securities that are eligible to be electronically cleared and settled through DTC are "DTC eligible. "DTC eligibility is expected to simplify the process of trading and enhance the liquidity of the Company's Common Shares in the United States because of the accelerated settlement period and the expected reduction in costs for investors and brokers.

The company believes it has a strong sales pipeline consisting of new sectors and Government opportunities and expects growth in order booking. Moreover, based on the traction and client needs, the company also expects to further expand the data-science and technology team to meet forecasted project deadlines and new client orders.

The company achieved successful client validation of Platform in the government sector for educational advancements for underserved communities. The revenue producing project, encompassing and impacting over 100 schools, was created for the Department of Education in the State of Meghalaya, India. The education platform delivered by Deepspatial provided impactful insights by using its proprietary AI algorithms (patent pending).

The quality of education differs drastically between States and regions due to factors like demographics, environment, accessibility, healthcare, occupational, infrastructural, and several other factors. Every region is unique, and remote areas have varying characteristics that need to be accounted for while planning or implementing policy level decisions, especially those affecting education. As a result of the unequal access

and other factors, the passing rates of many secondary and higher secondary schools in remote-like districts were decreasing dramatically.

Deepspatial, in collaboration with Department of Education officials, initiated an interdisciplinary analysis of the factors affecting the Secondary and Higher Secondary Students of a District in the State of Meghalaya. The insights provided by Deepspatial's Platform has helped the policy and decision makers of the State understand the particular issues contributing to the decline of the passing rate of State's students, and provided actionable insights for decision making to impact change. Deepspatial is currently working towards scaling its technology throughout the State with the Department of Education to further impact the State's citizens.

The company also announced partnership with NielsenIQ. NielsenIQ is the leader in providing the most complete, unbiased view of consumer behavior, globally. Since launching in 2016, the NielsenIQ Partner Network has been instrumental in driving business value for more than 200 unique NielsenIQ clients by simplifying industry collaboration and providing more relevant and accurate results from partners that better align to the way clients measure their business.

The partnership empowers its partners to gain access to Nielsen's network of Fortune 500 clients. NielsenIQ clients also benefit a great deal as they can work directly with any of the partners who specialize across a broad range of areas including demand planning, data harmonization, machine learning, AI-driven promotion, and many other features. The offering with NielsenIQ will be on a revenue share basis.

In addition to the government segment, the company also expanded in the enterprise segment. In July 2022, the company secured a purchase order with a large global frozen-food conglomerate, headquartered in North America. Despite the rapid growth of the frozen food market, many companies are still facing expansion challenges due to multiple factors. In several jurisdictions, lack of proper infrastructure often results in a failure to supply safe, frozen food products in a timely manner. Frozen food usually has a long shelf-life, however, if not stored well (rapid change in temperatures), the product is wasted easily. Distribution remains a pain point for the frozen food sector and companies are looking for solutions to these challenges. Deepspatial will provide the frozen-food organization with its Geospatial Artificial Intelligence (Geo-AI) Platform to plan, optimize, and govern the client's distribution network while enhancing its decision-making capability for market expansion. Furthermore, in August 2022, the company also secured a purchase order from a leading FMCG (fast-moving consumer goods) company in South Asia. Despite the industry being valued at $105.85 billion in 20211, FMCG companies face several big challenges such as cost minimization, meeting increasingly diverse customer requirements, and ensuring availability and fulfillment of customer demand. With consumer demand sometimes peaking up to 400%, the flexibility to adapt to fluctuations and shorter lifespans poses significant challenges, which can be solved by optimizing distribution, logistics, and supply chain operations. Deepspatial's platform addresses the challenges that FMCG industry are currently facing with its distributors, wholesalers, retailers, and product segment availability for its appropriate target customers. The Company's platform empowers its clients to analyze and optimize distribution networks using multivariate geospatial data analysis and outcome modelling tools, in return, helping companies make smarter decisions that make a difference. The length of the project is estimated at four months and pending successful results of the project, the Company expects to work on a significant scale with the client.

The validation of company's platform for education led to Deepspatial receiving an exclusive invitation to present at the United Nations General Assembly Forum, UNESCO Artificial Intelligence for Information Accessibility 2022 Global Conference.The theme of the conference is promoting and understanding Artificial Intelligence. AI can be very beneficial to society but if abused it can also be very harmful. The theme, therefore, raises a range of issues, including the relationship between Artificial Intelligence and Law, AI and Ethics, media and our right to know, creativity, and innovation. UNESCO's programs contribute to the achievement of the Sustainable Development Goals defined in the 2030 Agenda, adopted by the UN General Assembly in 2015. Presenting at the Conference, Deepspatial will highlight the impact its Geo-AI Platform has made on many lives through its Education, Healthcare, and Agriculture platforms and how the Company's work can contribute to UNESCO's mandate of achieving sustainable development goals. Showcasing its novel AI-driven technology to international experts in AI, Deepspatial is becoming well-positioned as a thought leader in the space of Geospatial Artificial Intelligence.

Moreover, Deepspatial was also invited to present at the Bureau of Police Research and Development (BPRD) on August 18, 2022, as the only AI company selected this year to showcase and demonstrate the capability of its platform for law enforcement. Deepspatial was working with authorities at different levels of the Government to develop and refine its geospatial AI platform over the past 12 months. The Company's research and development has resulted in novel intellectual property which is currently being drafted into patent applications to be filed with the United States Patent and Trademark Office.

Deepspatial's geospatial AI-driven Platform for Law Enforcement empowers agencies to identify and analyze criminal activity, patterns, and trends to deploy resources effectively and efficiently. At the upcoming BPRD event to be attended by senior law enforcement officials from over 25 states across India, the Company will showcase its platform for law enforcement and its capabilities and features such as Demographic Analysis, Crime Prediction, Crime Prevention, Crime Drivers, Potential Escape Routes and Deployment of Resources, and others ground-breaking tools.

Over the last quarter, the company has achieved progress both on the government and the enterprise segment front which is important for business development and expansion. The company is anticipating filing of multiple patents along with major developments related to business development on the government front.

On Sep 8, 2023, the Company announced its intent to carry out a private placement to issue up to 20,000,000 units (the "Units") at a price of $0.05 per unit to investors for gross proceeds of up to $1,000,000. Each Unit will consist of one common share of the Company and one common share purchase warrant (a "Warrant"), whereby each Warrant entitles the holder to purchase one additional common share for a period of two years from closing at an exercise price of $0.10 per share. If, following four months and a day after the closing date, the volume weighted average price of the common shares on the CSE is equal to or greater than $0.20 for any 10 consecutive trading days, the Company may, upon providing written notice to the holders of Warrants, accelerate the expiry date of the Warrants to the date that is 30 days following the date of such written notice.
Net proceeds will be used for general operations (working capital) including business development and technology upgrades. All securities issued in connection with the private placement will be subject to a statutory hold period expiring four months and one day from the date of issuance of the securities.

On Sep 14 the company announced closing of the first tranche of placement. The Company issued 11,700,000 units (the "Units") at a price of $0.05 per unit to investors for gross proceeds of $585,000. Each Unit consists of one common share of the Company and one common share purchase warrant (a "Warrant"), whereby each Warrant entitles the holder to purchase one additional common share for a period of two years from closing at an exercise price of $0.10 per share. If, following four months and a day after the closing date, the volume weighted average price of the common shares on the CSE is equal to or greater than $0.20 for any 10 consecutive trading days, the Company may, upon providing written notice to the holders of Warrants, accelerate the expiry date of the Warrants to the date that is 30 days following the date of such written notice. On October 10, the company announced closing of the second tranche. The Company issued 6,000,000 units (the "Units") at a price of $0.05 per unit to investors for gross proceeds of $300,000. On Dec 4, the company announced it has closed the final tranche of its previously announced private placement, bringing the total to $1,038,000. As part of the final tranche the Company issued 3,060,000 units (the "Units") at a price of $0.05 per unit to investors for gross proceeds of $153,000.

On Dec 4, the company also announced that the majority of the debenture holders that participated in the Company's convertible debenture financing which was completed in October 2022 and March 2023 for total proceeds of $675,250 have elected to convert the debenture to units at a conversion price of $0.15 per unit, with each unit comprised of one common share and one-half of one warrant, with each whole warrant exercisable into a common share at an exercise price of $0.30 per share. The holders of principal amount $482,000 of convertible debentures have completed the conversion into units.

On Dec 7, the company announced a contract win in one of the states in India for its innovative AI-driven education platform.The contract, initially valued at $200,000 for the first year, signifies the commencement of a potentially long-term collaboration. Upon successful platform deployment, this engagement is anticipated to extend into a multi-year commitment encompassing comprehensive support, service, and updates.

The Company secured this significant contract following a thorough government selection process, where its collaborative bid with a reputable technology integrator was identified as the most technically and commercially viable solution. The platform's ground-breaking approach in integrating Item Response Theory (IRT) and pioneering multidisciplinary concepts in school education has garnered attention for its potential to reshape pedagogical approaches and improve learning outcomes. The company's AI-driven education platform introduces novel multidisciplinary concepts in school education, notably integrating practical applications of IRT. This innovative framework empowers educators to personalize learning experiences, enabling a more nuanced understanding of students' strengths and areas for improvement, fostering a more tailored educational environment.

On February 29th, the company announced a significant milestone in its corporate journey, having evolved from a phase of rigorous technological validation and strategic financial planning to achieving substantial market penetration in the transformative education sector. This transition marked the beginning of the company’s revenue-generating phase, underscoring its position as a leader in leveraging technological innovation to shape the future of education.

The company also provided a description of its geospatial AI platform:

Pioneering Geo-AI Analytics for Transformative Insights

Deepspatial AI's Geo-AI Analytics Platform represents a cutting-edge blend of geospatial analysis and artificial intelligence, designed to uncover hidden insights across various scales - from state-wide to global levels. The platform is built on a robust inference engine capable of processing diverse data sets across key sectors such as education, agriculture, and food & civil supplies.

Key Features and Value Proposition:

Inference Engine: At the heart of the platform, the inference engine is designed to share hidden insights by analyzing geospatial data. This enables state-wide, country-wide, and global inferencing capabilities.

Sector-Specific Insights: Initially focusing on education, agriculture, and enterprise-specific segments, the platform leverages state data sets to deliver tailored insights.

Scalable Insights: As we integrate more data, our platform's value grows, offering deeper insights. This scalability allows for more accurate modeling and inferencing as the customer base expands across state governments and enterprises.

Customizable Subscription Services: The company's business model includes segment-specific subscriptions such as Eduverse for education, AgriVerse for agriculture, and Fitverse for health and fitness, among others. This approach allows for targeted solutions that meet the unique needs of clients.

The company also announced appointment of David Yu as an independent director to the board. Mr. Yu brings a wealth of experience and a proven track record of success in the technology and business sectors. His previous role as CEO showcases his exceptional leadership and strategic vision, vital in navigating companies through growth and innovation. His background is further enriched by a bachelor's degree in electronic engineering, and extensive experience in IT support and engineering.

On March 20th, the company also announced a government contract valued at over $800,000. This end-to-end service agreement spans an initial period of three years, marking a significant milestone in Deepspatial's venture in addressing the global food crisis. Over the next eight months, Deepspatial will deploy its cutting-edge AI platform across more than 4,500 locations within one state in India, starting in April 2024. This ambitious project aims to enhance public distribution, market enforcement, and consumer protection through advanced data analytics and AI technologies. Deepspatial's platform will ensure that essential goods and services reach those in need efficiently and effectively. This technology will play a pivotal role in enhancing market discipline and safeguarding consumer interests by providing real-time insights and analytics for decision-makers.

This strategic partnership was secured in collaboration with a leading system integrator, through a competitive bid and RFP process. The collaboration signifies Deepspatial's commitment to leveraging its proprietary technology to address complex challenges in the public sector, ensuring efficient service deliveries and enhanced consumer satisfaction.

The company is proud to announce generation of meaningful revenue. On April 11th, the company announced that between January 1 and March 31, 2024, the Company has received a total of CDN$425,000

in payments from clients for the contracts awarded, demonstrating a significant leap in the Company's financial strength and market trust. Furthermore, the Company has successfully invoiced CDN$860,000 for its innovative solutions during this period, signaling a robust demand for its state-of-the-art AI-driven offerings. These financial achievements underscore Deepspatial's pivotal turning point in its operational success and financial stability.

Furthermore, the company significantly reduced its share count by announcing on April 22nd cancellation of 21,450,000 previously issued common shares of the Company (the "Shares"). The Shares were initially issued to Algo8 India Private Ltd ("Algo8") for acquisition of technology which was never delivered to Deepspatial. Nandan Mishra, a principal of Algo8, has also resigned from the board of directors of Deepspatial, effective immediately.

The company announced further progress in launch of its platform for education in the state of Meghalaya, India on May 13th. The company announced successful completion of a pilot program and the official launch of its education platform under the Government of India's Vidya Samiksha Kendra (VSK) initiative. This milestone marks a significant achievement in the implementation of the National Education Policy. Under the VSK initiative, Deepspatial's platform is being deployed in the state of Meghalaya. Deepspatial's AI-based learning analytics, assessment, and management system is a critical component of the entire VSK setup. VSK setup includes Deepspatial's AI platform along with setup being developed by one of the largest Japanese Multinational Conglomerate which is a Fortune 500 company and among the top 10 companies by market capitalization on NIKKEI index.

The development announced by Deepspatial involved tech enhancement, tech deployment along with revenue generation which together sets the stage for growth of the company moving forward.

Building on its operational momentum in early 2024, the Company continued to expand both the scale and impact of its AI-driven platforms across multiple government initiatives.

On October 2, 2024, Deepspatial was awarded the WGIC DEI Trailblazer Corporate Impact Award 2024 by the World Geospatial Industry Council. This international recognition reflects the measurable impact of the Company's edskCalibre platform in advancing equitable access to education through applied GeoAI and large-scale analytics. The award reinforces Deepspatial's growing credibility as a global public-sector technology partner.

Shortly thereafter, on October 10, 2024, the Company commenced implementation of its edskCalibre platform under a contract valued at approximately $2 million with the Department of Education, Government of Himachal Pradesh, India. The deployment supports personalized assessment, career guidance, and performance analytics for more than 530,000 students and approximately 5,000 educators. This state-wide rollout further validates the scalability of the Company's AI infrastructure and its ability to execute complex, multi-location public sector deployments.

On October 29, 2024, the Company expanded its education footprint through participation in a Government-led Talent Identification Programme designed to identify high-potential students for scholarship opportunities with the Aga Khan Foundation. By leveraging its proprietary analytics engine,

Deepspatial enabled large-scale, data-driven student assessment, further strengthening its positioning within the education technology and social impact ecosystem.

While operational progress continued, the Company also addressed regulatory matters. On November 1, 2024, the Ontario Securities Commission issued a Failure-to-File Cease Trade Order as a result of delays in filing audited financial statements and related disclosures for the fiscal year ended June 30, 2024. Management has prioritized resolution of these matters and has taken concrete steps to restore full compliance.

On November 11, 2025, the Company appointed new auditors to complete outstanding financial filings and advance the process toward revocation of the cease trade order. Management views this appointment as a critical governance milestone and remains focused on strengthening internal controls, completing required filings, and positioning the Company for re-engagement with capital markets.

Collectively, these developments reflect continued execution on large-scale government contracts, growing validation of the Company's technology at both national and international levels, and a structured effort to reinforce corporate governance as the Company prepares for its next phase of growth.

SELECTED FINANCIAL INFORMATION

The following table contains selected financial information of the Company for the three months ended September 30, 2025 and 2024.

	For the three months ended September 30, 2025 *$*	*For the three months ended September 30, 2024* *$*
Revenue	280,955	440,015
Gross profit	45,558	249,226
Total operating expenses	(318,220)	(273,265)
Net loss	(272,662)	(41,599)
Loss per common share – basic and diluted	(0.0027)	(0.0004)
Weighted average number of common shares outstanding	102,422,171	102,422,171

The chart below presents the summary financial information of the Company:

	As at September 30, 2025 ($)	*As at June 30, 2025 ($)*
Current assets	984,705	732,316
Non-current assets	-	-
Total assets	984,705	732,316
Current liabilities	2,149,607	1,629,561
Non-Current liabilities	-	-
Shareholders' equity (deficiency)	(1,164,902)	(897,245)
Cash dividends per common share	-	-

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

Revenue, Expenses and Net Loss

Total revenue for the three months ended September 30, 2025 was $280,955 (September 30, 2024 – $440,015). Direct costs were $235,397 (September 30, 2024 – $190,789), resulting in gross profit of $45,558 (September 30, 2024 – $249,226) and a gross margin of approximately 16.2% (September 30, 2024 – 56.6%).

Total operating expenses for the three months ended September 30, 2025 were $318,220 (September 30, 2024 – $273,265). The net loss for the period was $272,662 (September 30, 2024 – $41,599).

The following table summarizes quarterly financial information for the three months ended September 30, 2025 and the preceding seven quarters:

	Q1 2026	**Q4 2025**	**Q3 2025**	**Q2 2025**
	$	$	$	$
Profit (loss) before income taxes	(272,662)	(111,454)	375,646	(182,877)
Loss per share, basic and fully diluted	(0.003)	(0.001)	0.004	(0.002)

	Q1 2025	**Q4 2024**	**Q3 2024**	**Q2 2024**
	$	$	$	$
Profit (loss) before income taxes	(41,599)	(1,352,888)	(173,853)	(543,153)
Loss per share, basic and fully diluted	(0.000)	(0.012)	(0.001)	(0.005)

	For the Three months ended September 30, 2025	For the Three months ended September 30, 2024
Revenue (Note 4)	$ 280,955	$ 440,015
Direct costs	235,397	190,789
Gross profit	45,558	249,226
Expenses:		
Consulting fees	$ 48,791	$ 30,483
Interest expense (Notes 11 and 13)	7,000	5,371
Interest accretion (Note 13)	-	3,446
Legal fees	-	1,900
Management fees (Note 7)	62,400	86,400
Marketing expenses (Note 7)	-	15,000
Office and miscellaneous	113,036	69,447
Payroll expenses	67,767	31,231
Research and development	-	14,598

Share based payments-restricted share units (Note 10 (b))		-		275
Transfer agent and regulatory fees		8,973		10,161
Travel, entertainment, and related		7,253		1,953
Vehicles use expenses (Note 7)		3,000		3,000
		(318,220)		(273,265)
Net loss before income taxes	$	(272,662)	$	(24,039)
Income-taxes		-		(17,560)
Net loss for the period	$	(272,662)	$	(41,599)
Loss per share-Basic and Diluted	$	(0.0027)	$	(0.0004)
Weighted average number of shares outstanding-Basic and Diluted		102,422,171		102,422,171

The Company reported a comprehensive loss for the three months ended September 30, 2025 of $267,657, including a currency translation gain of $5,005, as compared to $40,717 for the three months ended September 30, 2024.

Variances for the three months ended September 30, 2025 and 2024

Revenue during the three months ended September 30, 2025 was $280,955 as compared to $440,015 for the three months ended September 30, 2024. All revenue is from contracted projects carried out by the Company's subsidiary in India, and one customer accounted for 100% of revenue for the period. Revenue is recognized using the percentage-of-completion method and varies from quarter to quarter with the progress of contract work.
Direct costs were $235,397 for the three months ended September 30, 2025 (prior period $190,789) and consist of project manpower, technical services and other costs incurred to deliver customer contracts. The gross margin decreased to approximately 16.2% (prior period 56.6%), reflecting a higher proportion of project delivery costs relative to revenue recognized in the period.

Transfer agent and regulatory costs for $8,973 for the three months ended September 30, 2025 (prior period $10,161) are primarily the costs of compliance for the Company's listing on the CSE and the OTC.

Amortization of intangible assets was $nil for the three months ended September 30, 2025 (prior period $nil). The intangible asset acquired on September 9, 2019 was fully amortized and impaired during the year ended June 30, 2024 and has a carrying amount of $nil.

Consulting fees costs $48,791 for the three months ended September 30, 2025 (prior period $30,483) consist primarily of fees paid to consultants supporting business development and project operations in India.

Research and development costs were $nil for the three months ended September 30, 2025 (prior period $14,598).

Management fees were $62,400 for the three months ended September 30, 2025 (prior period $86,400) and represent compensation to directors and officers (see "Transactions with Related Parties").

Share based payments-restricted share units expense was $nil for the three months ended September 30, 2025 (prior period $275), as previously granted RSUs were fully vested.

Marketing expenses were $nil for the three months ended September 30, 2025 (prior period $15,000).

Office and miscellaneous expenses were $113,036 for the three months ended September 30, 2025 (prior period $69,447). The increase relates to the growth of business operations in India, including office rent of $51,410.

Payroll expenses were $67,767 for the three months ended September 30, 2025 (prior period $31,231). The increase is a result of hiring additional staff for business operations in India.

Interest expense was $7,000 for the three months ended September 30, 2025 (prior period $5,371) and relates to interest on the debentures and the CEBA loan. No interest accretion was recorded in the current period as the debentures had matured (prior period $3,446).

Income tax expense was $nil for the three months ended September 30, 2025 (prior period $17,560).

No cash dividends have been paid by the Company. The Company has no present intention of paying cash dividends on its common shares as it anticipates that all available funds will be invested to finance existing activities.

CRITICAL ACCOUNTING ESTIMATES

Preparing financial statements in conformity with IFRS requires the Company to select from possible alternative accounting principles. Estimates also affect classification and reported amounts for various assets, liabilities, equity balances, revenues and expenses. Prior estimates are revised as new information is obtained and are subject to change in future periods. Management believes the accounting policies and estimates used in preparing the financial statements are considered appropriate in the circumstances but are subject to numerous judgments and uncertainties inherent in the financial reporting process.

The preparation of these financial statements requires management to make judgements regarding the going concern of the Company, as well as the determination of functional currency. The functional currency is the currency of the primary economic environment in which an entity operates and has been determined for the Company. The functional currency for the Company has been determined to be the Canadian dollar and its subsidiary in India as Indian Rupees.

Significant estimates made by management affecting the financial statements include:

Revenue recognition

Contract revenue relating to performance obligations satisfied over time is recognized using a percentage-of-completion approach. Contract revenue, contract assets, contract liabilities, and contract costs are determined based on management estimates and judgments used to measure progress toward completion of contracts. Progress toward completion is measured by comparing actual costs incurred to date with total estimated costs for the contract. In determining total estimated costs, management applies judgment and assumptions related to, among other factors, project schedules, material and labour costs, and changes in contract scope. Changes in estimates could impact the amount and timing of revenue recognized, as well as related contract assets and contract liabilities.

Revenue is recognized only when it is probable that the Company will collect the consideration to which it expects to be entitled. For contracts where collectability is not considered probable, no revenue or contract asset is recognized until such time as collectability becomes probable.

Deferred tax assets & liabilities

The estimation of income taxes includes evaluating the recoverability of deferred tax assets and liabilities based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets and liabilities will not be realized. The ultimate realization of deferred tax assets and liabilities is dependent upon the generation of future taxable income and the interpretation of tax regulations in multiple jurisdictions. As the final outcome of tax reviews may differ from the estimates recorded, changes in these estimates are recognized in the period they become known. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets or liabilities, and deferred income tax provisions or recoveries could be affected.

Useful life of intangible assets

The intangible asset is depreciated over its estimated useful life. Estimated useful lives are determined based on current facts and past experience and takes into consideration the anticipated life of the asset, the potential for technological obsolescence, and regulations.

Impairment

The Company applies judgment to assess whether there are any indications that the carrying value of its intangible assets, including trademarks and incorporation costs, may be impaired. Intangible assets are tested for impairment

whenever there is an indication that their carrying value may exceed their recoverable amount. Additionally, intangible assets with indefinite useful lives, such as trademarks, are tested for impairment at least annually.

The recoverable amount of these intangible assets is determined based on the higher of fair value less costs to sell and value in use ("VIU"). Estimating the recoverable amount involves making assumptions about future cash flows, projected revenues, operating results, and other factors such as discount rates and margins. These estimates may change over time due to market conditions or business strategies.

The impairment test ensures that intangible assets are not carried at more than their recoverable amount, reflecting the Company's judgment about whether the expected future economic benefits from the asset remain intact.

Share-based Payments

Estimating fair value for granted stock options and warrants requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires

determining the most appropriate inputs to the valuation model including the expected life of the option or warrant, volatility, dividend yield, and rate of forfeitures and making assumptions about them.

Provisions

The Company recognizes provisions if there is a present obligation as a result of a past event, it is probable that the Company will be required to settle the obligation and the obligation can be reliably estimated. The amount recognized as a provision reflects management's best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

Convertible debentures

The Company makes estimates and assumptions relating to the fair value measurement and disclosure of its convertible debentures. The fair values are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, management's judgment is required to establish fair values.

Financial instruments

Financial assets and liabilities, with the exception of accounts receivable and contract asset that does not have a significant financing component, are initially recognized at fair value plus or minus directly attributable transaction costs as appropriate, except for financial assets at fair value through profit or loss, for which transaction costs are expensed. The determination of fair value requires the Company to make assumptions, estimates and judgments regarding approach, effective interest rate, impairment, and foreign exchange rates. As a result, the fair value impacts the Company's reported assets and liabilities.

Shares issued for non-cash consideration

The Company measures equity-settled share-based payment transactions based on an estimate of the fair value of goods or services received, unless that fair value cannot be estimated reliably, in which case the Company measures the fair value of the goods or services received based on the fair value of the equity instruments granted.

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 2025, the Company had cash and cash equivalents of $39,715 (June 30, 2025: $72,552) and working capital deficit of $1,164,902 (June 30, 2025: working capital deficit of $897,245). During the three months ended September 30, 2025, the Company used $4,259 (September 30, 2024: received $1,500) in financing activities and used $32,673 (September 30, 2024: $38,829) in operating activities.

During the three months ended September 30, 2025, the Company had cash outflows from operating activities of $32,673 (prior period outflows of $38,829), which was a result of the net loss of $272,662

(prior period $41,599), reduced by non-cash items included in net loss of $500 (prior period $4,221) and by cash provided by changes in non-cash working capital of $239,489 (prior period cash used of $1,451).

The non-cash items included in net loss for the three months ended September 30, 2025 consist of interest accrued on the CEBA loan of $500 (prior period $500). The prior period also included share based payments-restricted share units of $275 and interest accretion of $3,446.

Changes in non-cash working capital provided $239,489 during the three months ended September 30, 2025. The principal source of cash was an increase in contract liabilities of $488,444, together with a decrease in accounts receivable of $36,471 and an increase in income tax payable of $39,340. These were partly offset by an increase in the contract asset of $212,634, an increase in prepaid expenses of $74,004, an increase in sales tax receivable of $35,059 and a decrease in accounts payable and accrued liabilities of $3,069.

The Company had no inflow or outflow from investing activities during the three-month periods ended September 30, 2025 and September 30, 2024.

The Company used $4,259 in financing activities during the three-month period ended September 30, 2025 for the repayment of debentures (prior period inflow of $1,500 from collection of the amount due from a related party). The effect of foreign exchange rate changes on cash was $4,095 (prior period $882).

The Company has started generating revenues. The ability of the Company to continue as a going concern is dependent on raising additional financing, development of its projects and generation of profitable operations in the future.

The Company has financed its operations from inception to date through the issuance of equity shares and convertible debentures. The Company intends to finance its future requirements through a combination of equity and/or debt issuance and the exercise of stock options, should the Company need additional funding. There is no assurance that future equity capital will be available to the Company or at the times desired by the Company or on terms that are acceptable to it, if at all. See “Caution Regarding Forward Looking Statements”, and “Risks and Uncertainties.” The Company has no material commitments.

The Company's objectives when managing its capital structure are to preserve the Company's access to capital markets and its ability to meet its financial obligations.

Based on available funds, the Company manages its capital structure and makes adjustments to it to maintain flexibility while achieving the objectives stated above as well as support future business opportunities. To manage the capital structure, the Company may adjust its project plans, operating expenditure plans, or issue new common shares. The Company monitors its capital structure using annual forecast cash flows, expenditure budgets and targets for the year as well as corporate capitalization schedules. This is achieved by the Board of Directors’ review and acceptance of expenditure budgets that are achievable within existing resources and the timely matching and release of the next stage of expenditure with the resources made available from private placements or other funding.

The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business. The Company is not subject to externally imposed capital requirements or covenants.

Going Concern Uncertainty

For the three months ended September 30, 2025, the Company incurred a net loss of $272,662 (September 30, 2024 - $41,599) and had negative operating cash flows of $32,673 (September 30, 2024 - $38,829). The Company has generated limited revenue from customer sales. The Company has an accumulated deficit of $9,641,710 since inception (June 30, 2025 - $9,369,048) and a working capital deficit of $1,164,902 (June 30, 2025 - $897,245). The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to generate cash flows from operations and to obtain and successfully close additional funding from equity financing, debt financing or through other arrangements. While the Company has been successful in arranging financing in the past, there can be no assurance the debt financing or any equity offering will be successful. These conditions indicate the existence of a material uncertainty that may cast significant doubt regarding the Company's ability to continue as a going concern.

While the Company has been successful in obtaining financing to date, there can be no assurance that it will be able to do so in the future, if required, on terms favorable for the Company. This need may be adversely impacted by uncertain market conditions, approval by regulatory bodies, and adverse results from operations.

OUTSTANDING SHARE DATA

At September 30, 2025, the Company had 102,422,171 common shares outstanding. As of October 28, 2026, the date of this MD&A, the Company has 102,422,171 common shares outstanding.

Information with respect to outstanding securities as at September 30, 2025 and October 28, 2026, the date of this MD&A, is as follows:

	October 28, 2026	**September 30, 2025**
Common shares	102,422,171	102,422,171
Stock options	-	-
RSU	202,668	202,668
Warrants	-	11,252,665
Fully diluted shares outstanding	**102,624,839**	**113,877,504**

Share issuances

During the three-month period ended September 30, 2025

The Company did not issue any shares during the three months ended September 30, 2025.

During the year ended June 30, 2025

The Company did not issue or cancel any common shares during the year ended June 30, 2025.

Warrants

During the three months ended September 30, 2025, 12,870,000 warrants exercisable at $0.10 and 150,000 warrants exercisable at $0.12 expired unexercised. Subsequent to September 30, 2025, the remaining 11,252,665 warrants expired unexercised between October 6, 2025 and December 4, 2025. No common shares, stock options, RSUs or warrants were issued after September 30, 2025 and before the date of this MD&A.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognized on the statements of financial position when the Company becomes a party to the contractual provisions of the financial instrument.

The following is the Company's accounting policy for financial instruments under IFRS 9:

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of loss and comprehensive loss in the period in which they arise.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI
These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

The Company's financial assets and liabilities are recorded and measured as follows:

Asset or Liability	Measurement
Cash	Amortized cost
Accounts receivable	Amortized cost
Contract asset	Amortized cost
Accounts payable	Amortized cost
Loans	Amortized cost
Debentures	Amortized cost

The Company determines the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

Cash has been measured at fair value using Level 1 inputs.

Impairment of financial assets

Financial assets are assessed at each reporting date to determine whether there is objective evidence that they are impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in a separate line item. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Financial risk management and objectives

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, and market risk (including interest rate risk, foreign currency risk, and commodity price risk).

The Company thoroughly examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. Where material, these risks are reviewed and monitored by the Board of Directors.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's accounts receivable as of September 30, 2025 is $10,982 (June 30, 2025: $47,453) and the contract asset is $672,171 (June 30, 2025: $459,537). One customer accounted for 100% of revenue for the three months ended September 30, 2025, resulting in significant customer concentration risk.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flows primarily from its financing activities.

The Company manages its liquidity needs by carefully monitoring scheduled costs. Liquidity is measured in various time bands, on a day to day and week-to-week basis, as well as on long term liquidity needs over 180 days to 360 days lookout periods. Funding for long term liquidity needs is based on the ability of the Company to successfully complete private placements. As at September 30, 2025, the Company had cash of $39,715 to settle current liabilities of $2,149,607.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	Total Contractual cash flows	Less than 1 year	1-3 years	4-5 years
Accounts payables and accrued liabilities	$ 1,039,551	$ 1,039,551	-	-
Government assistance loan	43,400	43,400	-	-
Loans	43,228	43,228	-	-
Income tax payable	126,448	126,448	-	-
Debentures	188,990	188,990	-	-
	$ 1,441,617	1,441,617	-	-

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity and equity prices, and foreign exchange rates.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

(b) Price risk

The Company is not exposed to significant price risk as it does not possess investments in publicly traded securities.

(c) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument denominated in a foreign currency will fluctuate because of changes in foreign exchange rates.

The Company's Indian subsidiary and Canadian subsidiaries transactions are in Indian Rupees ("INR") and Canadian dollars, respectively. The results of the Company's operations are subject to currency translation risk. The Company mitigates foreign exchange risk through forecasting its foreign currency denominated expenditures and maintaining an appropriate balance of cash in each currency to meet the expenditures. As at September 30, 2025, a reasonably possible 10% fluctuation in the INR/CAD exchange rate would not have a material impact on the Company's net loss and comprehensive loss.

TRANSACTIONS WITH RELATED PARTIES

Related parties include key management personnel, the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. Key management of the Company are members of the Board of Directors, the Executive Chairman, the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"). Transactions with key management personnel not disclosed elsewhere in the financial statements include the following:

		September 30, 2025		**September 30, 2024**
Management fees expensed to directors and officers	$	62,400	$	86,400
Vehicle expenses		3,000		3,000
	$	65,400	$	89,400

At September 30, 2025, there was $513,648 (June 30, 2025: $450,648) due to related parties included in accounts payable and accrued liabilities.

As of September 30, 2025, an amount of $nil (June 30, 2025: $nil) was due from a Company related by common directors.

The Company's Executive Chairman, CEO and CFO are Sheldon Kales, Rahul Kushwah and Rakesh Malhotra respectively. There were no changes in management after September 30, 2025 and before the date of this MD&A.

Notes:
a) The management fees paid to the Executive Chairman, CEO and CFO as detailed above are routine and regular compensation for services provided on an ongoing basis to the Company.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any material off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities, derivative instrument obligations, or with respect to any obligations under a variable interest entity arrangement.

BOARD PURPOSE AND FUNCTION

The directors and management of the company have experience operating in Canada and taking projects through to various stages of development.

The Board's purpose is to ensure corporate governance, risk, strategy and shareholder interests are priorities at all times. At September 30, 2025, the Board consisted of three members. There were no changes in the directors after September 30, 2025 and before the date of this MD&A.

CONTROL AND PROCEDURES

The Chief Executive Officer and Chief Financial Officer are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external purposes in accordance with IFRS. The design of the Company's internal control over financial reporting was assessed as of the date of this Management Discussion and Analysis.

Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could burden the Company's financial resources, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and workload will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial accounting and reporting.

(a) The Company being a venture issuer, is not required to certify the design and evaluation of the Company's Disclosure Control and Procedures ("DC&P") and Internal Control Over Financial Reporting ("ICFR") and has not completed such an evaluation; and

(b) inherent limitations on the ability of the certifying officers to design and implement on a cost effective basis DC&P and ICFR for the issuer may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

RISKS AND UNCERTAINTIES

The Company is subject to a number of risks and uncertainties due to the nature of its business and the present stage of development of its business. Current and potential investors should give special consideration to the risk factors involved.

Management

Dependence on Key Personnel, Contractors and Service Providers, shareholders of our Company rely on the good faith, experience and judgment of the Company's management and advisors in supervising and providing for the effective management of the business and the operations of the Company and in selecting and developing new investment and expansion opportunities. The Company may need to recruit additional qualified contractors and service providers to supplement existing management. The Company will be dependent on a relatively small number of key persons, the loss of any one of whom could have an adverse effect on the Company.

Value of Our Common Shares

The value of the Company's common shares could be subject to significant fluctuations in response to variations in and annual operating results, the success of the Company's business strategy, competition or other applicable regulations which may affect the business of the Company and other factors.

Additional Funding and Financing Risk

Additional funds will be required for future development. The source of future funds available to the Company is through the sale of additional equity capital or borrowing of funds. There is no assurance that such funding will be available to the Company. Furthermore, even if such financing is successfully completed, there can be no assurance that it will be obtained on terms favorable to the Company or will provide the Company with sufficient funds to meet its objectives, which may adversely affect the Company's business and financial position. In addition, any future equity financing by the Company may result in substantial dilution for existing shareholders.

Uninsured Hazards

The Company currently carries no insurance coverage. The potential costs that could be associated with any liabilities not covered by insurance or compliance with applicable laws and regulations may cause substantial delays and require significant capital outlays, adversely affecting the Company's financial position.

Conflicts of Interest

Certain Directors and Officers of the Company also serve as Directors and officers of other companies involved in development and production. Consequently, there exists the possibility that such Directors or Officers may be in a position of conflict of interest. Any decision made by such Directors or Officers involving the Company are made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such Directors will declare and refrain from voting on, any matter in which such Directors may have a material conflict of interest.

Permits, Licenses and Approvals

The operations of the Company may require licenses and permits from various governmental authorities. The Company believes it holds or is in the process of obtaining all necessary licenses and permits to carry on the activities which it is currently conducting under applicable laws and regulations. Such licenses and permits are subject to changes in regulations and in various operating circumstances. There can be no guarantee that the Company will be able to obtain all necessary licenses and permits that may be required to maintain its activities.

General Venture Company Risks

The common shares must be considered highly speculative due to the nature of the Company's business, the early stage of its deployment, its current financial position and ongoing requirements for capital. An investment in the common shares should only be considered by those persons who can afford a total loss of investment and is not suited to those investors who may need to dispose of their investment in a timely fashion. Investors should consult with their own professional advisors to assess the legal, financial and other aspects of an investment in common shares.

Uncertainty of Revenue Growth

There can be no assurance that the Company can generate substantial revenue growth, or that any revenue growth that is achieved can be sustained. Revenue growth that the Company has achieved or may achieve may not be indicative of future operating results. In addition, the Company may increase further its operating expenses in order to fund increase its sales and marketing efforts and increase its administrative resources in anticipation of future growth. To the extent that increases in such expenses precede or are not subsequently followed by increased revenues, the Company's business, operating results and financial condition will be materially adversely affected.

Marketing and Distribution Capabilities

In order to commercialize its technology, the Company must either acquire or develop an internal marketing and sales force with technical expertise and with supporting distribution capabilities or arrange for third parties to perform these services. In order to market certain of its products, the Company must either acquire or develop a sales and distribution infrastructure. In order to maximize sales of other products, the Company

may determine that it needs to either acquire or develop a sales and distribution infrastructure. The acquisition or development of a sales and distribution infrastructure would require substantial resources, which may divert the attention of its management and key personnel and defer its product development and deployment efforts. To the extent that the Company enters into marketing and sales arrangements with other companies, its revenues will depend on the efforts of others. These efforts may not be successful. If the Company fails to develop substantial sales, marketing and distribution channels, or to enter into arrangements with third parties for those purposes, it will experience delays in product sales and incur increased costs.

Rapid Technological Development

The markets for the Company's products and services are characterized by rapidly changing technology and evolving industry standards, which could result in product obsolescence or short product life cycles. Accordingly, the Company's success is dependent upon its ability to anticipate technological changes in the industries it serves and to successfully identify, obtain, develop and market new products that satisfy evolving industry requirements. There can be no assurance that the Company will successfully develop new products or enhance and improve its existing products or that any new products and enhanced and improved existing products will achieve market acceptance. Further, there can be no assurance that competitors will not market products that have perceived advantages over the Company's products or which render the products currently sold by the Company obsolete or less marketable.

The Company must commit significant resources to developing new products before knowing whether its investments will result in products the market will accept. To remain competitive, the Company may be required to invest significantly greater resources then currently anticipated in research and development and product enhancement efforts and result in increased operating expenses.

Competition

The Company's industry is competitive and composed of many foreign companies. The Company expects to experience competition from competitors whom it expects to continue to improve their products and technologies. Competitors may announce and introduce new products, services or enhancements that better meet the needs of end-users or changing industry standards, or achieve greater market acceptance due to pricing, sales channels or other factors. Competitors may be able to respond more quickly than the Company to changes in end-user requirements and devote greater resources to the enhancement, promotion and sale of their products.

Intellectual Property

The Company's ability to compete effectively will depend, in part, on its ability to maintain the proprietary nature of its technology. Although the Company considers certain of its technology to be proprietary, patents or copyrights do not protect all design and technology. The Company has adopted procedures to protect its intellectual property and maintain secrecy of its confidential business information and trade

secrets. However, there can be no assurance that such procedures will afford complete protection of such intellectual property, confidential business information and trade secrets. There can be no assurance that the Company's competitors will not independently develop technologies that are substantially equivalent or superior to the Company's technology.

To protect the Company's intellectual property, it may become involved in litigation, which could result in substantial expenses, divert the attention of its management, cause significant delays and materially disrupt the conduct of its business.

Regulatory Filings and Cease Trade Order

The Ontario Securities Commission issued a failure-to-file cease trade order on November 1, 2024 because of delays in the Company's continuous disclosure filings. The order restricts trading in the Company's securities and may adversely affect liquidity, investor confidence and access to capital until the required filings are completed and the order is revoked.

Customer Concentration

One customer accounted for 100% of the Company's revenue for the three months ended September 30, 2025. A reduction, delay, non-renewal or termination of business with this customer could have a material adverse effect on revenue, cash flows and operating results.

SUBSEQUENT EVENTS

The remaining 11,252,665 warrants outstanding at September 30, 2025 expired unexercised: 6,000,000 warrants on October 6, 2025, 333,333 warrants on November 17, 2025 and 4,919,332 warrants on December 4, 2025.

On November 11, 2025, the Company appointed new auditors to complete outstanding financial filings and advance the process toward revocation of the failure-to-file cease trade order.

During the remainder of the year ended June 30, 2026, the Company received $145,000 from a company related by common directors and loan proceeds of $177,323, and repaid a further $15,790 of debentures.

Subsequent to June 30, 2026, the Company repaid in full a third-party loan totaling $109,087 (including accrued interest), obtained and fully repaid an unsecured short-term third-party loan of $150,000 (together with accrued interest of $1,698), and obtained an additional unsecured loan of $75,000 bearing interest at 10% per annum and repayable on demand.

STRATEGY AND OUTLOOK

The Company's objective is to increase shareholder value by commercializing its artificial intelligence and geospatial analytics products, executing customer contracts and pursuing suitable strategic opportunities.