Introduction

The following interim Management Discussion & Analysis ("Interim MD&A") of FuelPositive Corporation (the "Company" or "FuelPositive") for the three and nine months ended June 30, 2025 has been prepared to provide material updates to the business, operations, liquidity and capital resources of the Company since its last annual management discussion & analysis, being the Management Discussion & Analysis for the fiscal year ended September 30, 2024 ("Annual MD&A"). This Interim MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

This Interim MD&A has been prepared in accordance with section 2.2.1 of Form 51-102F1 of the National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual consolidated financial statements for the years ended September 30, 2024 and 2023, together with the notes thereto, and unaudited condensed interim consolidated financial statements for the three and nine months ended June 30, 2025, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Information contained herein is prepared by management of the Company and approved by the Board of Directors on August 29, 2025, unless otherwise indicated.

Management is responsible for ensuring that processes are in place to provide sufficient knowledge to support the representations made in these filings. The audit committee and Board provide an oversight role with respect to all public financial disclosures by the Company and have reviewed this Interim MD&A and the accompanying financial statements.

The Chief Executive Officer (CEO), and the Chief Financial Officer (CFO), in accordance with National Instrument 52-109, have both certified that they have reviewed the consolidated financial statements and this MD&A (the "filings") and that, based on their knowledge having exercised reasonable diligence, that (a) the filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the filings; and (b) the consolidated financial statements together with the other financial information included in the filings fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the period presented in the filings.

For the purposes of preparing this Interim MD&A, management, in conjunction with the Board, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations can be obtained from the offices of the Company or on Electronic Document Analysis and Retrieval ("SEDAR+") website at www.sedarplus.ca.
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Caution Regarding Forward-Looking Statements

Certain statements contained in this Interim MD&A and in certain documents incorporated by reference in this Interim MD&A, constitute forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this Interim MD&A speak only as of the date of (i) this Interim MD&A or (ii) as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this Interim MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements	Assumptions	Risk factors
The Company intends to complete additional equity financing, debt borrowing or a combination of both.	The funds are intended to be used towards ongoing enhancement to the current technology, third-party partnering, direct sales, licensing diligence and negotiations, as well as working capital.	The Company may not be able to complete the desired financing due to market conditions or other factors needed to increase its cash on hand and continue to operate and support the Company.
Management believes that its technology, if proven successful, will allow the Company to successfully manufacture, license and/or joint venture with known third-party companies that require fertilizer and energy solutions with substantial advantages over currently available technologies.	The technology will be successfully commercially developed and will possess and demonstrate the performance and economic attributes anticipated.	The technology may not be successfully commercialized for financial, technical or other reasons, or in a manner providing the features and benefits expected or on a timely basis. The technology, even if successfully developed, may not be readily demonstrated or gain market acceptance. Also see "Risks and Uncertainties" section below.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors referenced in the "Risks and Uncertainties" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Interim MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. As a result, the Company cannot guarantee that any forward-looking statements will materialize. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Description of Business

FuelPositive Corporation is at the forefront of Canadian technology and is committed to delivering sustainable, environmentally responsible Green Ammonia solutions. The Company's innovative approach includes on-farm/on-site, containerized Green Ammonia production systems, effectively eliminating carbon emissions.

FuelPositive commercial Green Ammonia systems are versatile, serving multiple applications, including fertilizer for farming, fuel for grain drying, internal combustion engines, and hydrogen storage for fuel cells and other sectors.

The Company's main customer base consists of farmers, who currently utilize 80% of the global ammonia production. FuelPositive addresses their nitrogen fertilizer needs while advocating for environmental change.

FuelPositive, as a Canadian company, leverages Canada's expertise in technology and environmental stewardship to empower communities worldwide against food insecurity and is shaping a more resilient future for generations through collaboration and innovation.

The Company also holds certain technology rights to solid-state capacitor and related energy storage technologies, with the intention of pursuing further advancements with strategic third parties at the most opportune time .

FuelPositive owns 50.1% of the common shares of EEStor Inc., a US-based subsidiary (referred to as "EEStor"). FuelPositive also owns 100% of the preference shares of EEStor, which can be converted to common shares on a 1-to-1 basis. This would result in an as converted basis control of 71.3% of EEStor.

The Company's success depends on the commercialization of its technology. There is no assurance that FuelPositive will be successful in the manufacturing, distribution or licensing of its technology. Readers are directed to the "Risk Factors" disclosed in the Company's public filings.

Operational Highlights

Financings

Settlement of debt

On January 17, 2025, the Company issued 2,503,363 units of the Company in settlement of accounts payable of $137,575. Each unit consists of one (1) common share of the Company, and one (1) common share purchase warrant, with each warrant entitling the holder to acquire a further common share of the Company at a price of $0.07 per share for a period of sixty (60) months from the date of issuance.

On August 6, 2025, the Company announced that it will settle outstanding indebtedness (the "Debt Settlement") totaling $841,915.03 by issuing 16,036,477 Units at a deemed price of $0.0525 per Unit. Each Unit will consist of one common share of the Company and one common share purchase warrant, entitling the holder the right to acquire an additional common share at a price of $0.07 within sixty months.

Proceeds for shares to be issued

During the three and nine months ended June 30, 2025, the Company received $nil and $513,000, respectively, as advances for shares to be issued for in anticipation of a future private placement to be completed. The advances have been included in accounts payable and accrued liabilities on the unaudited condensed interim consolidated statement of financial position as at June 30, 2025.

Private placement

On August 13, 2025, the Company announced that it has filed the Offering Document for its non-brokered private placement in which it will offer up to 71,428,571 units at a price of $0.07 per unit, for gross proceeds of up to $5,000,000. Each unit will be comprised of one common share of the Company and one common share purchase warrant, entitling the holder to acquire an additional common share at a price of $0.10 within 48 months, subject to accelerated expiry in the event the volume-weighted average closing price of the common shares on the TSXV is $0.40 or more for 10 consecutive trading days

Bridge loan

During the nine months ended March 31, 2025, the Company entered into loan agreements with certain arms-length third parties for bridge loans of $100,000, which mature on the earlier of twelve months from the date of the advancement of the bridge loans. The loans bears an interest of 25% per annum.

During the three and six months ended March 31, 2025, the Company accrued an interest expense of $6,165 and $9,795, respectively.

Government assistance received

On October 10, 2023, the Company announced that it would receive a funding grant of up to $1.9 million through the Research and Innovation Stream of the Agriculture Clean Technology (ACT) Program, delivered by Agriculture and Agri-Food Canada (AAFC). During the year ended September 30, 2024, the Company received $526,641 from the ACT Program. During the three and nine months ended June 30, 2025, the Company received $236,986 and $363,514, respectively from the ACT Program which has been included in engineering and development in the unaudited condensed interim consolidated statements of loss and comprehensive loss for the three and nine months ended June 30, 2025.

Green Ammonia Production Technology

The world has discovered the potential of Green Ammonia to significantly reduce carbon emissions and surpass our international greenhouse gas reduction commitments. FuelPositive has the technology to make it happen economically and efficiently today.

The Company's lead product, a novel Green Ammonia production system, will revolutionize clean nitrogen fertilizer and fossil fuel switching through a patent-pending, first-of-its-kind technology invented in Canada. Adoption will dramatically support global targets to reduce greenhouse gas emissions. And the traditional ammonia industry will transform to a decentralized model because traditional fossil fuel based ammonia production will continue to be too expensive and too damaging to the environment.

FuelPositive's Green Ammonia production system will:

- Eliminate fertilizer-related carbon emissions in the agriculture sector;
- Replace fossil fuels used for various applications, including grain, drying and transportation;
- Provide an affordable, convenient, sustainable supply of green ammonia and green hydrogen for fuel cells;
- Offer storage of excess electricity for on-farm use and energy grids;
- Produce significant carbon credits as a result of emission reductions; and
- Reduce the need for the current massive, highly polluting ammonia production facilities and the accompanying unreliable supply chains:
  - No need for massive refineries, supertankers, pipelines leaking toxic fossil fuels
  - No CO2 emissions from the production of the Green Ammonia
  - No price fluctuations
  - No shortages

The production of FuelPositive's Green Ammonia will not contribute to CO2e. The Company is actively pursuing a number of technologies to reduce and ultimately eliminate emissions related to the use of green anhydrous ammonia across multiple applications.

The world needs sustainable, clean energy and fertilizers to reduce carbon emissions. FuelPositive is deploying its technology now, bringing measurable results immediately.

Results of Operations

Nine months ended June 30, 2025 compared to the nine months ended June 30, 2024.

The Company's net loss totaled $2,646,980 for the nine months ended June 30, 2025, with basic and diluted loss per share of $0.00, of which the share of the loss by the non-controlling interest in EEStor was $56,483. This compares with a net loss of $8,332,423 with basic and diluted loss per share of $0.02 for the nine months ended June 30, 2024, of which the share of the income by the non-controlling interest in EEStor was $71,478. The decrease in net loss of $5,685,443 was principally due to decreased general and administrative, engineering and development, amortization and depreciation of property and equipment and intangible assets, amortization of right-of-use asset and increased termination of lease offset by increased interest expense for the nine months ended June 30, 2025 compared to the nine months ended June 30, 2024.

General and administrative expenses are summarized for the nine months ended June 30, 2025 and 2024 as follows:

	Nine months ended June 30, 2025 ($)	Nine months ended June 30, 2024 ($)
Salaries, wages and bonuses	230,680	2,240,761
Stock based compensation	(50,263)	1,210,295
Investor relations	130,854	377,679
Professional fees	273,585	355,049
Consulting fees	(304,439)	824,658
Regulatory and filing fees	48,777	156,713
Office and general	295,737	844,907
Foreign exchange gain	(1,495)	22,264
Total General and Administrative	**623,436**	**6,032,326**

For the nine months ended June 30, 2025, stock-based compensation decreased by $1,260,558 over the same period of last year. 20,422,000 stock options were granted during the year ended September 30, 2024, and nil stock options were granted during the nine months ended June 30, 2025. Stock-based compensation expense will vary from period to period depending upon the number of options granted and vested during a period and the fair value of the options calculated as at the grant date.

For the nine months ended June 30, 2025, engineering and development decreased by $220,647 compared to the same period of last year.

For the nine months ended June 30, 2025, professional fees decreased by $81,464 compared to the same period of last year.

For the nine months ended June 30, 2025, consulting fees decreased by $1,129,097, salaries and benefits decreased by $2,010,081, investor relations increased by $246,825 and office general decreased by $549,170 over the same period of last year.

For the nine months ended June 30, 2025, amortization and depreciation of property and equipment and intangible assets decreased by $10,638 and amortization of right of use asset increased by $30,903 over the same period of last year.

Three months ended June 30, 2025 compared to the three months ended June 30, 2024

The Company's net loss totaled $1,432,200 for the three months ended June 30, 2025, with basic and diluted loss per share of $0.00, of which the share of the loss by the non-controlling interest in EEStor was ($265,159). This compares with a net loss of $2,880,456 with basic and diluted loss per share of $0.01 for the three months ended June 30, 2024, of which the share of the income by the non-controlling interest in EEStor was $53,653. The decrease in net loss of $1,448,256 was principally due to decreased general and administrative, engineering and development, amortization and depreciation of property and equipment and intangible assets and amortization of right-of-use asset offset by increased interest expense for the three months ended June 30, 2025 compared to the three months ended June 30, 2024.

General and administrative expenses are summarized for the three months ended June 30, 2025 and 2024 as follows:

	Three months ended June 30, 2025 ($)	Three months ended June 30, 2024 ($)
Salaries, wages and bonuses	nil	845,424
Stock based compensation	12,177	435,305
Investor relations	22,101	127,255
Professional fees	55,223	55,077
Consulting fees	23,237	274,056
Regulatory and filing fees	7,034	25,079
Office and general	46,406	315,580
Foreign exchange gain	1	18,077
Total General and Administrative	**166,179**	**2,095,853**

For the three months ended June 30, 2025, stock-based compensation decreased by $423,128 over the same period of last year. 20,422,000 stock options were granted during the year ended September 30, 2024, and nil stock options were granted during the three months ended June 30, 2025. Stock-based compensation expense will vary from period to period depending upon the number of options granted and vested during a period and the fair value of the options calculated as at the grant date.

For the three months ended June 30, 2025, engineering and development increased by $249,628 compared to the same period of last year.

For the three months ended June 30, 2025, professional fees increased by $146 compared to the same period of last year.

For the three months ended June 30, 2025, consulting fees decreased by $250,819, salaries and benefits decreased by $845,424, investor relations increased by $105,154 and office general decreased by $269,174 over the same period of last year.

For the three months ended June 30, 2025, amortization and depreciation of property and equipment and intangible assets decreased by $705,333 and amortization of right of use asset decreased by $14,446 over the same period of last year.

Cash Flow

At June 30, 2025, the Company had cash of $22,077 compared to $55,038 of cash at September 30, 2024. The decrease in cash of $32,961 resulted from cash outflow of $42,948 from operating activities offset by inflows in financing activities of $9,987.

Operating activities were affected by adjustments of depreciation and amortization of $2,130,522, amortization of right-of-use assets of $98,999, stock-based compensation of ($50,263), interest accrual of $12,547, gain on termination of lease of $21,792, consulting fees settled with units issued of $71,000 and accretion of lease liability of $14,045. Net change in non-cash working capital balances of $348,974 resulted from an increase in prepaid expenses and sundry assets of $390,745 and an increase in accounts payable and accrued liabilities of $739,719.

The Company received $119,431 from bridge loan offset by lease payment of $109,444.

The Company had no cash flows in investing activities during the nine months June 30, 2025.

Liquidity and Financial Position

The Company is a growth-stage development corporation and accordingly has not generated revenues from its technology. The Company has incurred an accumulated deficit from 2006 to date of $131,867,306 as at June 30, 2025 (September 30, 2024 – deficit of $129,276,809). The ability of the Company to continue operations is dependent upon obtaining sufficient funding to sustain operations through the development stage, successfully bringing its technologies to market and achieving profitable operations. During the nine months ended June 30, 2025, the Company received proceeds of $513,000 from investors for the anticipated issuance of shares and $100,000 from a bridge loan . From time to time, the Company may pursue the raising of funds by an equity investment, debt borrowing or a combination of both. There can be no assurance that additional financing will be available on commercially reasonable terms or at all. If adequate funds are not available on acceptable terms, the Company may not be able to fund its planned operations for at least the next 12 months and as a result may be required to substantially reduce or temporarily cease its operations, including but not limited to the reduction of payroll costs, development activities and other operating expenditures. Any such actions could have a material adverse effect on the Company's business, financial condition and prospects. On October 10, 2023, the Company announced that it would receive a funding grant of up to $1.9 million through the Research and Innovation Stream of the Agriculture Clean Technology (ACT) Program, delivered by Agriculture and Agri-Food Canada (AAFC). During the year ended September 30, 2024, the Company received $526,641 from the ACT Program. During the nine months ended June 30, 2025, the Company received $363,514 from the ACT Program

The Company manages its capital, which consists of cash provided from financing, with the primary objective being safeguarding sufficient working capital to sustain operations. The Board has not established capital benchmarks or other targets.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the TSXV which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of June 30, 2025, the Company is compliant with TSXV Policy 2.

As at June 30, 2025, the Company had cash of $22,077 ($55,038 at September 30, 2024). The Company will pursue additional funding through the issuance of additional equity or debt financing, as well as pursue significant non-dilutive operating loans and grants from various jurisdictions in Canada. The Company's short-term plans are dependent on its ability to access funding to continue operations and develop its technology. If the Company is unable to obtain funding through the issuance of common shares, warrants or stock options exercised, issuance of debt, or proceeds from operating loans and grants in a timely manner, then these programs and operations in general could be delayed or cease altogether.

The Company has not obtained profitable operations to date. For the nine months ended June 30, 2025, the Company had a net loss and comprehensive loss of $2,646,980. Whether and when the Company can attain profitability and positive cash flow is uncertain. These circumstances cast significant doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the ultimate appropriateness of the use of accounting principles applicable to a going concern. Management is actively pursuing the development and commercialization of its technologies, the acquisition of complimentary technologies and businesses and is continuously evaluating the availability of additional debt or equity financing to provide adequate cash resources to carry out its business objectives. Nevertheless, there is no assurance that these ongoing initiatives will continue to be successful. The Company received funding from a government assistance program during the period ended June 30, 2025. Please refer to "Operational Highlights" section above for details.

The Company's ability to continue as a going concern is dependent upon the Company's ability to obtain the ongoing support of its investors, obtain profitable operations, generate significant licensing fees and/or raise additional capital. The consolidated financial statements do not reflect adjustments in the carrying values of assets and liabilities, the reported expenses, and the balance sheet classifications used that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material. See "Risks and Uncertainties" below and "Caution Regarding Forward-Looking Statements" above.

Trends

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. During the period ended June 30, 2025, the ongoing Russo-Ukrainian War, external risks like a trade dispute with the U.S. could put significant strain on Canada's broader economy. Retaliatory import tariffs are typically inflationary, driving up costs and contributing to economic uncertainty. Apart from these and the risk factors noted under the heading "Risks and Uncertainties", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations. See "Risks and Uncertainties" below.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company.

Proposed Transactions

There were no proposed transactions as of the date of this Interim MD&A, except for the transaction disclosed in "Operational Highlights".

Segmented information

As at June 30, 2025, the operations and assets of the Company's wholly-owned subsidiaries are located in Canada. The operations and assets of EEStor are located at 40 Temperance Street Suite 3200 - Bay Adelaide Centre - North Tower, Toronto, Ontario, M5H 0B4, Canada.

Contingencies

There is an ongoing legal proceeding in the Ontario Superior Court of Justice involving a statement of claim (the "Claim") filed by Green NH3 Inc. ("Green NH3") against Ontario Tech University and Ibrahim Dincer (collectively, the "Defendants"). The Claim asserts that Green NH3 is the owner of certain intellectual property and rights (collectively, the "Intellectual Property Rights"). However, these Intellectual Property Rights were previously assigned to the Company pursuant to an intellectual property purchase agreement (the "Purchase Agreement") entered into with Ibrahim Dincer and his team, effective March 26, 2021.

The Company is not a party to the Claim and firmly believes the Claim is without merit. The Company understands that the Defendants intend to vigorously defend against the Claim, which has had no impact whatsoever on the Company's business operations or planned activities.

Through the Purchase Agreement, the Company has received contractual assurances regarding the ownership of the Intellectual Property Rights. Even in the unlikely event that the Claim was to succeed, management does not believe it would affect the Company's ability to fully exploit the Intellectual Property Rights.

Accordingly, the Company has made no provisions related to this legal proceeding in its unaudited condensed interim consolidated financial statements for the nine months ended June 30, 2025.

Transactions with Related Parties

Key Management Personnel Compensation

Key management personnel are those individuals having authority and responsibility for planning, directing and controlling the activities of the Company, including members of the Company's Board. The Company considers key management to be the members of the Board, the Chief Executive Officer, Chief Impact Officer, Chief Financial Officer and other Strategic Management Personnel.

Key management personnel may also participate in the Company's stock-based compensation plans. The remuneration of key management personnel was as follows:

	Three months ended June 30, 2025 ($)	Three months ended June 30, 2024 ($)	Nine months ended June 30, 2025 ($)	Nine months ended June 30, 2024 ($)
Wages and salaries	nil	346,050	212,500	1,197,600
Professional fees(1)	nil	5,090	30,302	32,458
Director fees	nil	62,500	nil	171,417
Stock based compensation	12,177	333,747	(50,263)	1,150,575
Total	**12,177**	**747,387**	**192,539**	**2,552,050**

(1) Mr. Jing Peng was appointed Chief Financial Officer of the Company in July 2019. Mr. Peng is also a senior employee of Marrelli Support Services Inc. ("Marrelli Support"). Marrelli Support also provides financial reporting services to the Company.

As at June 30, 2025, the Company owed director fees of $108,267 (September 30, 2024 - $122,583) and professional fees of $8,628 (September 30, 2024 - $11,842).

Use of Estimates and Judgments

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Significant areas requiring the use of management estimates and judgments relate to:

(i) Impairment of intangible assets

Management has assessed the Company as two cash-generating unit. Determination of the amount of impairment is based on management's estimate of the fair value less costs to sell the intangible assets. The basis of calculation (Market approach) involves multiple estimates such as estimated market price based on a historical transaction, adjustments for qualitative factors such as achievement of goals for further development , economic factors surrounding the battery industry etc. Judgment is required in assessing whether any indicators of impairment are applicable, as defined in IAS 36.

(ii) Stock-based transactions

The Company uses an option pricing model to determine the fair value of share-based compensation. Inputs to the model are subject to various estimates relating to volatility, interest rate and expected life of the instrument. Fair value inputs are subject to market factors as well as internal estimates. The Company considers historic trends together with any new information to determine the best estimate of fair value at the date of grant.

Separate from the fair value calculation, the Company is required to estimate the expected forfeiture rate of stock-based compensation.

(iii) Going concern

The Company makes significant judgments with respect to uncertainties in the ability of the Company to continue as a going concern based on estimates of future operations. The ability of the Company to continue as a going concern is dependent on the successful generation of revenue and financing.

(iv) Development costs

Management monitors the progress of its Green Ammonia technology. Significant judgment is required to distinguish between the research and development phases. Development costs are recognized as an asset when the following criteria are met: (i) technical feasibility; (ii) management's intention to complete the project; (iii) the ability to use or sell; (iv) the ability to generate future economic benefits; (v) availability of technical and financial resources; (vi) ability to measure the expenditures reliably. Research costs are expensed as incurred. Management also monitors whether the recognition requirements for development assets continue to be met and whether there are any indicators that capitalized costs may be impaired.

(v) Contingent liabilities

Management's decision that no provision is needed for the contingency represents management estimates and the eventual resolution of the liability may differ based on additional information and the occurrence of future events.

(vi) Estimated useful lives of equipment and intangible assets

Depreciation of equipment and intangible assets is dependent upon estimates of useful lives based management's judgment.

(vii) Functional currency

The functional currency of FuelPositive and its subsidiaries is the Canadian Dollar. The functional currency determination was conducted through an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates. The determination of functional currency involves certain judgments to determine the primary economic environment and the Company reconsiders the functional currency if there are changes in events and conditions of the factors used in the determination of the primary economic environment.

Risks and Uncertainties

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Investors in the Company's securities should consider each of the risks identified under the heading "Risks and Uncertainties" in the Company's Annual MD&A for the fiscal year ended September 30, 2024 available on SEDAR+ website at www.sedarplus.ca. In addition to the risks identified therein, additional risks not presently known to the Company may arise from to time and may cause a material adverse effect on the Company and any investment in the Company. Investors are cautioned not to rely upon any forward-looking statements in this Interim MD&A as such statements are subject to known and unknown risks.

Disclosure of Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements; and (ii) the consolidated financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented.

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

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated interim financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Additional Information

Additional information relating to the Company is available under the Company's profile on Electronic Document Analysis and Retrieval ("SEDAR+") website at www.sedarplus.ca.