

SECURITIES EXCHANGE ISSUER BID CIRCULAR

The Offer (as defined herein) has not been approved or disapproved by any securities regulatory authority nor has any securities regulatory authority passed upon the fairness or merits of the Offer or upon the adequacy of the information contained in this document. Any representation to the contrary is unlawful.

This document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The Offer is not being made to, nor will tenders be accepted from or on behalf of, holders of Class A Shares (as defined herein) in any jurisdiction in which the making or acceptance of the Offer would not be in compliance with the laws of such jurisdiction. However, Canterra (as defined herein) may, in its sole discretion, take such action as it may deem necessary to extend the Offer to such Class A Shareholders (as defined herein) in such jurisdiction.

June 26, 2026



CANTERRA SEEDS HOLDINGS LTD.

OFFER TO PURCHASE UP TO 755,115 CLASS A COMMON SHARES IN EXCHANGE FOR 3.25 CLASS E PREFERENCE SHARES FOR EACH CLASS A COMMON SHARE, WITH EACH CLASS E PREFERENCE SHARE HAVING A REDEMPTION PRICE OF \$1.00

Canterra Seeds Holdings Ltd. (“**Canterra**”, the “**Corporation**”, “**we**”, “**our**” or “**us**”) hereby offers to purchase from holders (“**Class A Shareholders**”) of Class A common shares in the capital of the Corporation (the “**Class A Shares**”) up to a maximum of 755,115 Class A Shares, with the purchase price (the “**Purchase Price**”) for each Tendered Class A Share (as defined herein) being satisfied solely through the issuance of 3.25 Class E preference shares in the capital of the Corporation (the “**Class E Shares**”), each having a redemption price (the “**Redemption Price**”) of C\$1.00 per Class E Share, upon the terms and subject to the conditions set forth in this offer to purchase (the “**Offer to Purchase**”), the accompanying issuer bid circular (the “**Circular**”) and letter of transmittal (the “**Letter of Transmittal**”, and together with the Offer to Purchase and Circular, each as amended or supplemented from time to time, the “**Offer**”).

The Offer will commence on June 26, 2026 and expire at 5:00 p.m. (Central time) on August 10, 2026, or at such later time and date to which the Offer may be extended by Canterra (the “Expiration Time”), unless terminated or withdrawn. The Offer is not conditional upon any minimum number of Class A Shares being tendered. The Offer is, however, subject to certain other conditions. Canterra reserves the right, subject to applicable laws, to terminate the Offer and not take up and pay for any Class A Shares tendered under the Offer unless the conditions described in Section 6 of the Offer to Purchase, “Conditions of the Offer”, are satisfied or waived.

Class A Shareholders have the option to tender all or any portion of their Class A Shares pursuant to the Offer, subject to proration as described herein if there are more than 755,115 Tendered Class A Shares. Each Class A Shareholder who has validly tendered Class A Shares and who has not validly withdrawn such Class A Shares (the “**Tendered Class A Shares**”) will promptly receive 3.25 Class E Shares for each such Tendered Class A Share (subject to applicable withholding taxes and the treatment of fractional Class

E Shares, if any, as described in the Circular), without interest, upon the terms and subject to the conditions of the Offer, including the provisions relating to proration described herein.

Class A Shareholders who wish to maintain their eligibility to produce and sell seed varieties of Canterra must, following completion of the Offer and inclusive of both registered and beneficial holdings, continue to hold an aggregate of no less than: (i) 2,400 Class A Shares, if such Class A Shareholder owns less than three retail locations; and (ii) 4,600 Class A Shares, if such Class A Shareholder owns three or more retail locations. Accordingly, such Class A Shareholders should ensure that the number of Class A Shares tendered pursuant to the Offer as indicated on the Letter of Transmittal does not result in a remaining aggregate holding of less than 2,400 or 4,600 Class A Shares, as applicable.

If there are more than 755,115 Tendered Class A Shares, the Tendered Class A Shares will be purchased on a *pro rata* basis according to the number of Class A Shares validly tendered, or deemed to be tendered, by Class A Shareholders pursuant to the Offer. See Section 3 of the Offer to Purchase, “Number of Class A Shares; Proration”.

The Redemption Price of the Class E Shares will be denominated in Canadian dollars.

Unless a Class A Shareholder requires delivery of an original certificate representing Class E Shares, the certificates will be issued and held in the minute books of the Corporation at the offices of MLT Aikins LLP, legal counsel to the Corporation. Notwithstanding the foregoing, Canterra will promptly provide to each Class A Shareholder, after the Expiration Time, a copy of the share certificate representing any Class A Shares not purchased under the Offer, including Class A Shares not purchased as a result of proration, and no new certificate will be issued in respect of such unpurchased shares.

Copies of the certificates representing any Class A Shares not purchased under the Offer (including Class A Shares not purchased because of proration), improper tenders of Class A Shares not taken up due to termination of the Offer or properly withdrawn before the Expiration Time, will be returned promptly after the Expiration Time (or termination of the Offer) or the date of withdrawal of the Class A Shares, without expense to the Class A Shareholder.

The Class A Shares are not listed or posted for trading on any recognized stock exchange. Canterra has not purchased any Class A Shares since its announcement of the Offer on June 26, 2026 and will not purchase any Class A Shares prior to the expiration or earlier termination of the Offer.

The purpose of the Offer is to enable Class A Shareholders who wish to have an opportunity to liquidate their investment in Canterra to exchange their Class A Shares for Class E Shares, the attributes of which include, among other things, the ability of the Corporation to redeem the Class E Shares for cash equal to the Redemption Price. Any such right will be subject to the Corporation’s discretion and authority under applicable corporate laws to redeem, whether in whole or in part, the then outstanding Class E Shares. The Corporation currently intends to redeem the Class E Shares in five equal annual instalments commencing January 2027.

Davidson + Company LLP (“**Davidson**” or the “**Valuator**”), a professional services firm offering a broad range of services, was engaged on November 19, 2025, by the Chair of the Board of Directors acting on behalf of an independent committee of the Board of Directors (the “**Independent Committee**”), to prepare a formal valuation of the Class A Shares and the Class E Shares as prescribed under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). A copy of Davidson’s valuation (the “**Valuation**”) is attached to this Offer to Purchase and Circular as Schedule “A”. The Valuation contains Davidson’s opinion that, based on the scope of its review and subject to the

assumptions, restrictions and limitations provided therein, as at March 4, 2026 (the “**Valuation Date**”), the fair market value of the Class A Shares falls within the range of C\$3.01 to C\$3.27 and the fair market value of the Class E Shares falls within the range of C\$0.84 to C\$0.92.

The Board of Directors of Canterra has approved the Offer. However, none of Canterra, the Independent Committee, the Board of Directors nor the Depositary (as defined herein) is making any recommendation to any Class A Shareholder as to whether to tender or refrain from tendering any or all of such Class A Shareholder’s Class A Shares pursuant to the Offer. Class A Shareholders are urged to evaluate carefully all information in the Offer to Purchase and Circular, consult their own investment and tax advisors and make their own decisions as to whether to tender Class A Shares to the Offer and, if so, how many Class A Shares to tender, if any.

Other than one (1) director, each of the directors and officers of Canterra has advised Canterra that he or she does not intend to tender any Class A Shares pursuant to the Offer.

In connection with the Offer, certain control persons and insiders each holding more than 20% and 10% of the issued and outstanding Class A Shares of the Corporation, respectively (together with the directors and officers who have agreed not to tender their Class A Shares, the “**Standstill Parties**”) have entered into standstill agreements with the Corporation (collectively, the “**Standstill Agreements**”). The Standstill Agreements were entered into to avoid potential conflicts of interest and to accomplish the Corporation’s objective of providing long-standing minority Class A Shareholders with a path to divest their investment in the Corporation. Pursuant to the terms of the Standstill Agreements, each of the Standstill Parties has agreed that it will not, directly or indirectly, tender any Class A Shares of which it is the registered or beneficial owner towards the Offer.

Class A Shareholders should carefully consider the income tax consequences of accepting the Offer and tendering Class A Shares to the Offer. See Section 25 of the Circular, “Income Tax Consequences”. Class A Shareholders should consult their own tax advisors with respect to their particular circumstances and tax considerations applicable to them.

Class A Shareholders who wish to tender all or any portion of their Class A Shares pursuant to the Offer must comply in all respects with the delivery procedures described herein. See Section 4 of the Offer to Purchase, “**Procedure for Tendering Class A Shares**”.

Class A Shareholders should carefully read in full the information in this Offer to Purchase, accompanying Circular and appendices and schedules thereto, including our reasons for making the Offer. Class A Shareholders are also encouraged to discuss their decisions with their respective financial and tax advisors.

NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY RECOMMENDATION ON BEHALF OF CANTERRA AS TO WHETHER CLASS A SHAREHOLDERS SHOULD TENDER OR REFRAIN FROM TENDERING CLASS A SHARES PURSUANT TO THE OFFER. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE OFFER OTHER THAN AS SET FORTH IN THIS OFFER TO PURCHASE OR IN THE ACCOMPANYING CIRCULAR. IF GIVEN OR MADE, ANY SUCH RECOMMENDATION OR ANY SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY CANTERRA, THE BOARD OF DIRECTORS OR THE DEPOSITARY.

Any questions or requests for information regarding the Offer should be directed to Brent Derkatch, President and Chief Executive Officer, Gerry Cantin, Chief Financial Officer or Jim Wilson, Chairman, using the contact information found on the back cover page of this Offer to Purchase and Circular.

FORWARD-LOOKING INFORMATION

This Offer to Purchase and the accompanying Circular contain “forward-looking information” within the meaning of Canadian securities laws. Specific forward-looking information includes, without limitation, statements regarding the Corporation’s intention to redeem the Class E Shares in accordance with a defined redemption schedule. The forward-looking information in this Offer to Purchase and Circular is presented for the purpose of providing disclosure of the current expectations of our future events or results, having regard to current plans, objectives and proposals, and such information may not be appropriate for other purposes. Such forward-looking information may, without limitation, be preceded by, followed by or include words such as “expects”, “anticipates”, “targets”, “goals”, “projects”, “intends”, “plans”, “believes”, “seeks”, “estimates”, “continues”, “endeavors”, “strives”, “may” or variations of such words, and similar expressions, that are intended to identify such forward-looking information.

The purpose of the forward-looking information is to provide the reader with a description of management’s expectations and may not be appropriate for other purposes; readers should not place undue reliance on the forward-looking statements made herein. Furthermore, unless otherwise stated, the forward-looking statements contained in this Offer to Purchase are made as of the date of this Offer to Purchase or the date of the documents incorporated herein, as applicable, and the Corporation has no intention and undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Forward-looking statements are not guarantees of future performance and, by their very nature, involve a number of inherent risks and uncertainties, some that are similar to other companies carrying on business in the agricultural sector and some that are unique to the Corporation. Forward-looking statements are based on the Corporation’s current expectations and assumptions, both general and specific, made by the Corporation in light of its experience, current conditions and expected future developments, as well as other factors that the Corporation believes are appropriate and reasonable in the circumstances. The Corporation cautions that there can be no assurance that such assumptions will prove to be correct or that the Corporation’s expectations regarding the Offer or the Corporation’s business guidance, objectives, plans and strategic priorities will be achieved.

Forward-looking information is provided for the purpose of assisting readers in understanding management’s current expectations and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes. Forward-looking statements are not guarantees of future performance and are subject to many factors, risks, uncertainties and assumptions that are difficult to predict, including risks related to the Corporation’s business, financial performance and the satisfaction of certain criteria (including solvency tests) that must be satisfied under corporate laws in order for the Corporation to redeem Class E Shares in the future. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking information. Other than with respect to the Offer, the foregoing and other material risks and uncertainties are discussed under Section 10 of Schedule “B” – Additional Disclosure Regarding Canterra, “Risk Factors” and in Canterra’s 2025 Annual Report, a copy of which is attached hereto as Appendix I.

These factors are not intended to represent a complete or exhaustive list of the factors that could affect the Corporation; however, these factors should be considered carefully. Other factors not listed herein could also cause the Corporation’s expectations regarding the Offer to differ materially from those expressed or implied by the forward-looking statements.

All forward-looking statements attributable to the Corporation are expressly qualified by these cautionary statements. Except as required by applicable law, the Corporation is under no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise.

CURRENCY

Except where otherwise indicated, all dollar amounts set forth in this Offer to Purchase and Circular are expressed in Canadian dollars and “\$” means Canadian dollars.

NOTICE TO HOLDERS OF CLASS A SHARES

The Offer is made only for Class A Shares and not for any other class of shares of Canterra. Class A Shareholders must tender their Class A Shares in advance of the Expiration Time and in accordance with the terms and conditions as set out in the Offer.

INFORMATION FOR UNITED STATES CLASS A SHAREHOLDERS

The Offer for Class A Shares is being made by Canterra, a Canadian issuer, for its own securities, and while the Offer to Purchase and Circular are subject to the disclosure and other requirements of the provinces and territories of Canada, Class A Shareholders in the United States should be aware that these requirements are different from those of the United States. Neither the Class A Shares nor any other class of equity securities have been registered under Section 12 of the U.S. Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), nor are the Class A Shares or any other class of equity securities subject to a reporting obligation under section 15(d) of the Exchange Act. As a result, the Offer is not subject to the requirements of Rule 13e-4 under the Exchange Act, but is being conducted in compliance with the requirements of Regulation 14E under the Exchange Act, to the extent applicable. Financial statements referenced in this Offer to Purchase and the Circular have been prepared in accordance with International Financial Reporting Standards, and are subject to Canadian auditing and auditor independence standards, and thus are not comparable in all respects to financial statements of U.S. domestic companies. The enforcement by Class A Shareholders of any civil liabilities under U.S. federal securities laws may be adversely affected by the fact that Canterra is organized under the laws of Canada (or a jurisdiction thereof), none of its directors and officers (other than one (1) director) are residents of the United States and that all or a substantial portion of their respective assets may be located outside of the United States. Enforcement of any civil liabilities under U.S. federal securities laws may further be adversely affected by the fact that some or all of the experts named in the Offer may not be residents of the United States. You may not be able to sue, or enforce a judgment against, directors or officers of a Canadian corporation in a Canadian court for violations of U.S. securities laws.

Class A Shareholders in the United States should be aware that acceptance of the Offer will have certain tax consequences under U.S. tax laws. Such consequences are not described in the Circular and as such, Class A Shareholders in the United States should consult their own tax advisors with respect to those U.S. tax consequences. See Section 25 of the Circular, “Income Tax Consequences”.

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SUMMARY

The following is a summary of information contained elsewhere in this Offer to Purchase and Circular and does not fully describe all the details of the Offer. This summary is provided for convenience only and should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing or referred to elsewhere in this Offer to Purchase and Circular. Certain capitalized words and terms used in this summary, unless otherwise defined herein, are defined in the section under the heading “Glossary” in this Offer to Purchase.

WHO IS OFFERING TO PURCHASE MY CLASS A SHARES?

Canterra Seeds Holdings Ltd., the issuer of the Class A Shares, is offering to purchase your Class A Shares.

WHY IS CANTERRA MAKING THE OFFER?

On June 26, 2026, the Corporation announced its intention to make a substantial issuer bid.

The Board of Directors believes that it is in the best interests of the Corporation to make the Offer, which will provide Class A Shareholders with the opportunity to access liquidity by exchanging all or some of their Class A Shares for Class E Shares which, subject to the satisfaction of certain conditions, will be redeemed by the Corporation over time.

The Board of Directors believes that the Offer is in the best interests of the Corporation. The Offer provides Canterra with the opportunity to ultimately return (pursuant to subsequent redemptions of Class E Shares) up to \$2.45 million in capital to those holders of Class A Shares who elect to tender their Class A Shares to the Offer, while at the same time increasing the proportionate Class A Share ownership of those holders of Class A Shares who elect not to tender. See Section 9 of the Circular, “Purpose and Background to the Offer”.

WHAT WILL BE THE PURCHASE PRICE FOR TENDERED CLASS A SHARES AND WHAT WILL BE THE FORM OF CONSIDERATION FOR TENDERED CLASS A SHARES?

Canterra is offering to purchase the Class A Shares under the Offer for total consideration of 3.25 Class E Shares issued in exchange for each Tendered Class A Share. If your Class A Shares are purchased under the Offer, you will be provided with a copy of the share certificate representing such Class E Shares, reflecting an aggregate Redemption Price equal to \$3.25 (subject to applicable withholding taxes and the treatment of fractional Class E Shares, if any), without interest, promptly following the expiration of the Offer, for each such Class A Share. Canterra intends to redeem the Class E Shares over time.

WHAT ARE THE ATTRIBUTES OF THE CLASS E SHARES?

The Class E Shares are not entitled to receive dividends, whether cumulative or non-cumulative. The Corporation may at its sole option redeem, in whole or in part, the then outstanding Class E Shares at the Redemption Price. The Corporation currently intends to redeem the Class E Shares in five equal annual instalments commencing January 2027. Redemption of the Class E Shares will be subject to the Corporation having sufficient available funds and the Board of Directors determining, at the time of redemption, that the Corporation satisfies the applicable corporate law solvency tests, including that the Corporation is able to pay its liabilities as they become due and that the realizable value of the Corporation’s assets is not less than the Corporation’s aggregate liabilities.

In the event of liquidation, dissolution or winding-up of the Corporation, the Class E Shares shall rank on parity with the Class A Shares and shall be entitled to participate ratably with the Class A Shares in the distribution of the

Corporation's remaining assets until holders of the Class E Shares (the "Class E Shareholders") have received, in the aggregate, an amount equal to the Redemption Price of such Class E Shares.

Class E Shares are not entitled to receive notice of or to attend any meeting of the shareholders of the Corporation and are not entitled to vote at any such meeting. See Section 1 of the Circular, "Name of Issuer".

WILL THE CORPORATION HAVE SUFFICIENT FINANCIAL RESOURCES REMAINING IN THE EVENT THAT CLASS E SHARES ARE REDEEMED PROMPTLY FOLLOWING THE OFFER?

In the event that the maximum number of Class A Shares are purchased under the Offer, there will be an aggregate of 2,454,123 Class E Shares issued in exchange for the Tendered Class A Shares, which would be redeemable at the option of the Corporation for an aggregate Redemption Price of \$2,454,123. The Board of Directors will assess the financial resources of the Corporation with a view to ensuring that any redemption of the Class E Shares does not cause financial hardship to the Corporation, allowing it to conduct its business in the ordinary course following any such redemptions.

HOW MANY CLASS A SHARES WILL CANTERRA PURCHASE IN THE OFFER?

Canterra is offering to purchase up to a maximum of 755,115 Class A Shares under the Offer, which represents approximately 10% of the issued and outstanding Class A Shares as at June 26, 2026. The Offer is not conditional upon any minimum number of Class A Shares being tendered.

WAS A VALUATION OBTAINED?

In accordance with MI 61-101, the Valuator was retained by the Independent Committee of the Board of Directors to provide the Valuation. The Valuation is a formal valuation prepared in compliance with the provisions of MI 61-101. The Valuation contains the Valuator's opinion that, based on the scope of its review and subject to the qualifications, assumptions and restrictions provided therein, as at March 4, 2026, the fair market value per Class A Share is in the range of \$3.01 to \$3.27 and the fair market value per Class E Share is in the range of \$0.84 to \$0.92. A copy of the Valuation is attached hereto as Schedule "A". See Section 20 of the Circular, "Valuation".

WHAT WILL HAPPEN IF MORE THAN THE MAXIMUM NUMBER OF CLASS A SHARES ARE TENDERED UNDER THE OFFER?

If the Tendered Class A Shares exceed the maximum Class A Shares that Canterra is offering to purchase, then Canterra will only purchase the maximum number of Tendered Class A Shares on a *pro rata* basis according to the number of Class A Shares tendered by Class A Shareholders. See Section 3 of this Offer to Purchase, "Number of Class A Shares; Proration".

IN WHAT CURRENCY IS THE REDEMPTION PRICE DENOMINATED AND PAID?

All Class A Shareholders who tender their Class A Shares to the Offer will receive the same Purchase Price per Class A Share, being 3.25 Class E Shares. The Redemption Price of each Class E Share is \$1.00 and is denominated in Canadian dollars. See Section 7 of this Offer to Purchase, "Acceptance for Payment and Payment for Class A Shares".

MAY I TENDER ONLY A PORTION OF THE CLASS A SHARES I OWN?

Yes. You do not have to tender all of the Class A Shares you own to participate in the Offer. **If you are a Class A Shareholder who wishes to maintain your eligibility to produce and sell seed varieties of Canterra, you must continue to hold, inclusive of both registered and beneficial holdings, an aggregate of at least: (i) 2,400 Class A Shares if you own less than three retail locations,**

and (ii) 4,600 Class A Shares if you own three or more retail locations. Accordingly, you should ensure that the number of Class A Shares tendered pursuant to the Offer does not result in a remaining aggregate holding of less than 2,400 or 4,600 Class A Shares, as applicable.

HOW LONG DO I HAVE TO TENDER MY CLASS A SHARES?

You may tender your Class A Shares prior to the expiration of the Offer. The Offer will expire on August 10, 2026 at 5:00 p.m. (Central time), unless we extend it or terminate it prior to such time. We may choose to extend the Offer for any reason, subject to applicable laws. If a broker, dealer, trust company or other intermediary or nominee holds your Class A Shares, it is likely that it has an earlier deadline, for administrative reasons, for you to act to instruct it to tender Class A Shares on your behalf. **We urge you to promptly contact such intermediary or other nominee to confirm any earlier deadline.** See Section 8 of this Offer to Purchase, "Extension and Variation of the Offer".

CAN THE OFFER BE TERMINATED, EXTENDED OR VARIED?

Yes. We may extend or vary the Offer in our sole discretion, subject to compliance with all applicable legal requirements. See Section 8 of this Offer to Purchase, "Extension and Variation of the Offer". We may also terminate the Offer under certain circumstances. See Section 6 of this Offer to Purchase, "Conditions of the Offer".

HOW WILL I BE NOTIFIED IF CANTERRA EXTENDS OR AMENDS THE OFFER?

We will issue a public announcement of any extension, delay, termination or amendment of the Offer promptly. In the case of an extension of the Offer, we will issue a press release by 9:00 a.m. (Central time) on the Business Day (as defined herein) following the previously scheduled Expiration Time. See Section 8 of this Offer to Purchase, "Extension and Variation of the Offer".

ARE THERE ANY CONDITIONS TO THE OFFER?

Yes. The Offer is subject to a number of conditions, such as the absence of court and governmental action prohibiting the Offer, compliance by certain Class A Shareholders regarding their agreement not to tender any Class A Shares pursuant to the Offer and changes in market and general economic conditions that, in our judgment, are or may be materially adverse to us, as well as certain other conditions that in each case must be satisfied or waived by us on or prior to the expiration of the Offer. The Offer is not conditional upon any minimum number of Class A Shares being tendered. See Section 6 of this Offer to Purchase, "Conditions of the Offer".

FOLLOWING THE OFFER, WILL CANTERRA CONTINUE AS A REPORTING ISSUER?

Yes, following completion of the Offer in accordance with its terms and conditions, Canterra will continue to be subject to the same continuous disclosure requirements applicable to reporting issuers under applicable securities laws of the Provinces of Manitoba and Saskatchewan.

HOW DO I TENDER MY CLASS A SHARES TO THE OFFER?

MLT Aikins LLP holds all Class A Share certificates, other than certificates of certain shareholders who require physical delivery of their certificates. To tender your Class A Shares, you must:

- unless it is already retained in Canterra's minute book, deliver your original Class A Share certificate(s) for all Tendered Class A Shares in proper form for transfer, and a properly completed and duly executed Letter of Transmittal and any other documents required by the Letter of Transmittal,

to the Depository at the address appearing on the back cover page of this Offer to Purchase and Circular prior to the Expiration Time; or

- where your original Class A Share certificate(s) for all Tendered Class A Shares are held by an intermediary or nominee and will not be delivered prior to the Expiration Time, comply with the guaranteed delivery procedure outlined in Section 4 of this Offer to Purchase, "Procedure for Tendering Class A Shares".

If your Class A Shares are held through a broker, trust company or other intermediary or nominee, in order to tender your Class A Shares in the Offer, you must request that your investment dealer, securities registrant, commercial bank, trust company or other nominee tender your Class A Shares on your behalf.

You may contact Brent Derkatch, President and Chief Executive Officer, Gerry Cantin, Chief Financial Officer or Jim Wilson, Chairman, using the contact information found on the back cover page of this Offer to Purchase and Circular. See Section 4 of this Offer to Purchase, "Procedure for Tendering Class A Shares" and the instructions to the Letter of Transmittal.

ONCE I HAVE TENDERED CLASS A SHARES TO THE OFFER, CAN I WITHDRAW MY TENDER?

You may withdraw any Class A Shares you have tendered at any time prior to the Expiration Time or before we take up the Class A Shares. In addition, if we have taken up but not paid for your Class A Shares through the issuance of Class E Shares within five Business Days of take-up, you may withdraw your Class A Shares. Furthermore, if we amend the Offer, you will have 10 days to withdraw your Class A Shares from the date we give notice of the amendment in accordance with Section 8 of this Offer to Purchase, "Extension and Variation of the Offer". However, if the amendment consists solely of an increase in the consideration offered for the Class A Shares and the Offer is not extended for more than 10 days or the amendment consists solely of a waiver of a condition of the Offer, the amendment will not entitle you to withdraw your Class A Shares. See Section 5 of this Offer to Purchase, "Withdrawal Rights".

HOW DO I WITHDRAW CLASS A SHARES I PREVIOUSLY TENDERED?

You must deliver a written notice of withdrawal to the Depository at the address shown on the back cover of this Offer to Purchase and Circular. The notice of withdrawal must be signed by or on behalf of the person who signed the Letter of Transmittal or Notice of Guaranteed Delivery that accompanied the Class A Shares being withdrawn and must specify the name of the person who tendered the Class A Shares, the name of the registered holder, if different from that of the person who tendered the Class A Shares and the number of Class A Shares to be withdrawn. The withdrawal will take effect only upon actual timely receipt by the Depository of the properly completed and executed written notice. See Section 5 of this Offer to Purchase, "Withdrawal Rights".

HAS CANTERRA OR ITS BOARD OF DIRECTORS ADOPTED A POSITION ON THE OFFER?

Our Board of Directors has approved the Offer. However, neither our Board of Directors, the Independent Committee, management of the Corporation nor the Depository is making any recommendation to you as to whether you should tender or refrain from tendering your Class A Shares. You must make your own decision as to whether to tender your Class A Shares and, if so, how many Class A Shares to tender.

Each of our directors and officers (other than one (1) director) and the Standstill Parties have advised us that he or she will not, directly or indirectly, tender any

Class A Shares of which he or she is the registered or beneficial owner towards the Offer. See Section 9 of the Circular, “Purpose and Background to the Offer”.

WHEN WILL CANTERRA
PAY FOR THE CLASS A
SHARES I TENDER?

Promptly after the Expiration Time, we will take up and pay for Tendered Class A Shares through the issuance of the applicable number of Class E Shares. See Section 7 of this Offer to Purchase, “Acceptance for Payment and Payment for Class A Shares”.

WILL I HAVE TO PAY
BROKERAGE
COMMISSIONS IF I TENDER
MY CLASS A SHARES?

If you are a Class A Shareholder of record and you tender your Class A Shares directly to the Depository, you will not be obligated to pay any brokerage fees or commissions. If you hold your Class A Shares through an investment dealer, securities registrant, commercial bank, trust company or other nominee, you should consult with such persons regarding whether transaction costs will apply.

ARE THERE CANADIAN
INCOME TAX
CONSEQUENCES IF I
TENDER MY CLASS A
SHARES?

A summary of certain Canadian federal income tax consequences of accepting the Offer is described in Section 25 of the Circular, “Income Tax Consequences”. The summary is intended to be a general summary only and is subject to various assumptions. You should carefully consider those consequences in deciding whether to tender your Class A Shares. We urge you to seek advice from your own tax advisors with respect to your particular circumstances and the tax consequences to you of tendering your Class A Shares pursuant to the Offer.

HOW DO I GET MY CLASS A
SHARES BACK IF I HAVE
TENDERED THEM
PURSUANT TO THE OFFER
BUT THEY ARE NOT TAKEN
UP?

All Class A Shares tendered but not taken up, including Class A Shares not taken up due to proration, improper tenders or termination of the Offer, will, promptly after the Expiration Time or termination of the Offer and without expense to the tendering Class A Shareholder, be returned by providing to such shareholder a copy of the share certificate representing such unpurchased Class A Shares. See Section 4 of this Offer to Purchase, “Procedure for Tendering Class A Shares”.

WHAT WILL HAPPEN IF I
DO NOT TENDER MY CLASS
A SHARES?

Upon the completion of the Offer, non-tendering Class A Shareholders, and Class A Shareholders who retain some Class A Shares as a result of a partial tender of Class A Shares or proration, will realize a proportionate increase in their relative Class A Share ownership interest in Canterra, subject to Canterra’s right to issue additional Class A Shares and other equity securities (and securities exercisable for, or convertible into, equity securities) in the future. See Section 9 of the Circular, “Purpose and Background to the Offer”.

WHOM CAN I TALK TO IF I
HAVE QUESTIONS?

You may contact Brent Derkatch, President and Chief Executive Officer, Gerry Cantin, Chief Financial Officer or Jim Wilson, Chairman, using the contact information found on the back cover page of this Offer to Purchase and Circular.

NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY RECOMMENDATION ON BEHALF OF CANTERRA AS TO WHETHER CLASS A SHAREHOLDERS SHOULD TENDER OR REFRAIN FROM TENDERING CLASS A SHARES PURSUANT TO THE OFFER. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE OFFER OTHER THAN AS SET FORTH IN THIS OFFER TO PURCHASE OR IN THE ACCOMPANYING CIRCULAR. IF GIVEN OR MADE, ANY SUCH RECOMMENDATION OR ANY SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY CANTERRA, THE BOARD OF DIRECTORS OR THE DEPOSITARY.

GLOSSARY

In the Offer to Purchase and the Circular, including the Summary, unless the subject matter or context is inconsistent therewith, the following terms have the meanings set forth below:

“**allowable capital loss**” has the meaning ascribed thereto in Section 25 of the Circular, “Income Tax Consequences”.

“**Board of Directors**” or “**Board**” means the board of directors of Canterra.

“**Business Day**” means any day of the year, other than a Saturday, Sunday or day observed as a statutory holiday in Winnipeg, Manitoba.

“**Canterra**”, the “**Corporation**”, “**we**”, “**us**” and “**our**” mean Canterra Seeds Holdings Ltd., a corporation governed by the federal laws of Canada.

“**CBCA**” means the *Canada Business Corporations Act*.

“**Circular**” means the issuer bid circular accompanying and forming part of the Offer to Purchase.

“**Class A Shareholder**” means a holder of Class A Shares.

“**Class A Shares**” means the Class A common shares in the capital of Canterra.

“**Class E Shareholder**” means a holder of Class E Shares.

“**Class E Shares**” means the Class E preference shares in the capital of Canterra.

“**Depository**” means MLT Aikins LLP, legal counsel to the Corporation, at its offices located at 3000 – 360 Main Street, Winnipeg, Manitoba, R3C 4G1, Attention: Krista Olsson, or such other person as is appointed to act as Depository for the purposes of the Offer by Canterra.

“**Expiration Time**” means 5:00 p.m. (Central time) on August 10, 2026, unless Canterra extends the Offer, in which event the term “**Expiration Time**” refers to the date and time on which the Offer, as so extended by Canterra, will expire.

“**Independent Committee**” means the committee established by the Board of Directors comprised solely of directors who are independent for the purposes of MI 61-101 for the purpose of supervising the Valuation and considering whether to proceed with a substantial issuer bid and the terms thereof.

“**Letter of Transmittal**” means the letter of transmittal in the form accompanying the Offer to Purchase.

“**MI 61-101**” means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

“**Notice of Guaranteed Delivery**” means the notice of guaranteed delivery, which may be obtained from the Corporation upon request, to certain Class A Shareholders whose Class A Shares are held through an intermediary or nominee.

“**Offer**” means the offer by Canterra hereunder to purchase from Class A Shareholders up to 755,115 Class A Shares at the Purchase Price, for an aggregate purchase amount not exceeding \$2,454,123, with the Purchase Price for each Class A Share satisfied by Canterra through the issuance of 3.25 Class E Shares, each Class E

Share having a Redemption Price of \$1.00, on and subject to the terms and conditions set forth in the Offer to Purchase and the accompanying Letter of Transmittal.

“**Offer to Purchase**” means the offer to purchase which is accompanied by the Circular, and which, together with the Letter of Transmittal and, if applicable, the Notice of Guaranteed Delivery, sets forth the terms and conditions of the Offer.

“**Purchase Price**” means 3.25 Class E Shares issued in exchange for each Class A Share.

“**Redemption Price**” means \$1.00 per Class E Share.

“**Tax Act**” means the *Income Tax Act* (Canada) and the *Income Tax Regulations*, all as amended, re-enacted or replaced from time to time.

“**taxable capital gain**” has the meaning ascribed thereto in Section 25 of the Circular, “Income Tax Consequences”.

“**Tendered Class A Shares**” means Class A Shares validly tendered pursuant to the Offer and not properly withdrawn prior to the Expiration Time.

“**U.S.**” or “**United States**” means the United States of America.

“**Valuation**” means the formal valuation by the Valuator with respect to the fair market value of the issued and outstanding Class A Shares and the Class E Shares as at the Valuation Date.

“**Valuation Date**” means March 4, 2026.

“**Valuator**” means Davidson + Company LLP.

OFFER TO PURCHASE

To the Holders of Class A Shares of Canterra Seeds Holdings Ltd.:

Canterra Seeds Holdings Ltd. hereby offers to purchase from Class A Shareholders up to 755,115 Class A Shares (representing approximately 10% of the issued and outstanding Class A Shares on the date hereof), with the Purchase Price per Class A Share being satisfied through the issuance of 3.25 Class E Shares (the attributes of which include, among other things, a right of the Corporation to redeem each Class E Share at a price of \$1.00) upon the terms and subject to the conditions set forth in this Offer to Purchase and the accompanying Circular, Letter of Transmittal and, in the case of intermediaries and nominees, Notice of Guaranteed Delivery.

The Offer will commence on June 26, 2026, being the date of mailing and filing of the Offer to Purchase and Circular, and will expire at 5:00 p.m. (Central time) on August 10, 2026, or at such later time and date to which the Offer may be extended. Canterra may choose to extend the Offer for any reason, subject to applicable laws.

The Offer is not conditional upon any minimum number of Class A Shares being tendered. The Offer is, however, subject to certain other conditions. Canterra reserves the right, subject to applicable laws, to terminate the Offer and not take up and pay for any Class A Shares tendered under the Offer if the conditions of the Offer are not satisfied. See Section 6 of this Offer to Purchase, “Conditions of the Offer”.

Subject to the satisfaction or waiver by Canterra of the conditions of the Offer, all Class A Shareholders who have validly tendered and have not withdrawn their Class A Shares under the Offer will receive, for each such Class A Share, 3.25 Class E Shares (subject to applicable withholding taxes and the treatment of fractional Class E Shares, if any), upon the terms of the Offer, including the provisions relating to proration.

The Offer is made for Class A Shares only and not for any other class of shares of Canterra.

Canterra will promptly provide to each Class A Shareholder, after the Expiration Time, a copy of the share certificate representing any Class A Shares not purchased under the Offer, including Class A Shares not purchased as a result of proration, and no new certificates will be issued in respect of such unpurchased shares. Class A Shareholders of record who tender their Class A Shares directly to the Depositary will not be obligated to pay any brokerage fees or commissions. Class A Shareholders who hold their Class A Shares through an investment dealer, securities registrant, commercial bank, trust company or other nominee should consult with such persons regarding whether transaction costs will apply.

The Board of Directors of Canterra has approved the Offer. However, none of Canterra, the Independent Committee, the Board of Directors, management of the Corporation or the Depositary is making any recommendation to any Class A Shareholder as to whether to tender or refrain from tendering any or all of such Class A Shareholder’s Class A Shares pursuant to the Offer. Class A Shareholders are urged to evaluate carefully all information in the Offer to Purchase and Circular, consult their own investment and tax advisors and make their own decisions as to whether to tender Class A Shares to the Offer and, if so, how many Class A Shares to tender, if any.

Each of the directors and officers of Canterra (other than one (1) director) has advised Canterra that he or she does not intend to tender any Class A Shares pursuant to the Offer.

In connection with the Offer, the Standstill Parties have entered into Standstill Agreements with the Corporation. The Standstill Agreements were entered into to avoid potential conflicts of interest and to promote the fair and equal treatment of Class A Shareholders during the course of the Offer. Pursuant to the terms of the Standstill

Agreements, each of the Standstill Parties has agreed that it will not, directly or indirectly, tender any Class A Shares of which it is the registered or beneficial owner towards the Offer.

Class A Shareholders should carefully consider the income tax consequences of accepting the Offer and tendering Class A Shares pursuant to the Offer (and, if they tender any Class A Shares and receive Class E Shares in exchange, the income tax consequences of redeeming Class E Shares). See Section 25 of the Circular, “Income Tax Consequences”. Class A Shareholders should consult their own tax advisors with respect to their particular circumstances and tax considerations applicable to them.

The accompanying Circular, Letter of Transmittal and, if applicable, Notice of Guaranteed Delivery contain important information and should be read carefully before making a decision with respect to the Offer.

1. VALUATION

The Board of Directors formed an Independent Committee to consider whether to proceed with a substantial issuer bid and the terms thereof. The Board of Directors retained the Valuator and the Independent Committee supervised the Valuation.

The Valuation contains the Valuator’s opinion that, based on the scope of its review and subject to the assumptions, restrictions and limitations provided therein, as of March 4, 2026, (i) the fair market value per Class A Share is in the range of \$3.01 to \$3.27; and (ii) the fair market value per Class E Share is in the range of \$0.84 to \$0.92.

The full text of the written opinion of the Valuator, set out in the Valuation, which sets forth, among other things, assumptions made, procedures followed, matters considered, qualifications and exceptions and limitations of the review undertaken in rendering the opinion, is attached hereto as Schedule “A” to the Circular. Class A Shareholders are urged to read the Valuation carefully and in its entirety.

The opinion of the Valuator is directed to the Board of Directors and addresses only the matters set out therein and is not a recommendation by the Board of Directors, the Independent Committee, the Depositary, management of the Corporation or any other person or entity as to whether a Class A Shareholder should accept the Offer. Further, the Valuator’s opinion does not in any manner address the underlying business decision to pursue the Offer or the relative merits of the Offer.

The Circular contains a summary of the Valuation and attaches a copy of the Valuation in its entirety. The Valuator noted that the basis and methodology for the Valuation have been designed specifically for this purpose and may not translate to any other purposes. While this summary describes the analyses and factors that the Valuator deemed material in its presentation and opinion to the Independent Committee and the Board of Directors, it does not purport to be a comprehensive description of all analyses and factors considered by the Valuator. The Valuation is based on the comprehensive consideration of the various analyses performed. This summary is qualified in its entirety by reference to the full text of the Valuation.

The Valuation summarizes the Valuator’s scope of review and general assumptions, qualifications and limitations in arriving at its opinion of value set forth in the Valuation.

2. PURCHASE PRICE

The Purchase Price is 3.25 Class E Shares per Class A Share. Upon the terms and subject to the conditions of the Offer (including the provisions relating to proration), all Class A Shareholders who have validly tendered and not withdrawn their Class A Shares will receive, for each such Class A Share, 3.25 Class E Shares (subject to applicable withholding taxes and the treatment of fractional Class E Shares, if any). The Redemption Price of

the Class E Shares is denominated in Canadian dollars. See Section 7 of this Offer to Purchase, “Acceptance for Payment and Payment for Class A Shares”.

3. NUMBER OF CLASS A SHARES; PRORATION

As at June 26, 2026, there were 7,551,147 Class A Shares issued and outstanding. Subject to the satisfaction or waiver by Canterra of the conditions of the Offer, Canterra will purchase, at the Purchase Price, up to a maximum of 755,115 Tendered Class A Shares, representing approximately 10% of the total number of issued and outstanding Class A Shares as at June 26, 2026.

If the number of Tendered Class A Shares (not withdrawn in accordance with Section 5 of this Offer to Purchase, “Withdrawal Rights”) is less than or equal to 755,115 Class A Shares, Canterra will, upon the terms and subject to the conditions of the Offer, purchase at the Purchase Price all Tendered Class A Shares in exchange for the applicable number of Class E Shares.

If the number of Tendered Class A Shares (not withdrawn in accordance with Section 5 of this Offer to Purchase, “Withdrawal Rights”) is greater than 755,115, such Tendered Class A Shares will be purchased on a *pro rata* basis according to the number of Class A Shares tendered or deemed to be tendered by the tendering Class A Shareholders (with any fractions of Class A Shares rounded down to the nearest whole share to avoid the purchase of fractional Class A Shares).

4. PROCEDURE FOR TENDERING CLASS A SHARES

Valid Tender of Class A Shares

To tender Class A Shares pursuant to the Offer: (i) the original certificates for all Tendered Class A Shares in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof), and any other documents required by the Letter of Transmittal, must be received by the Depository at its address set forth on the back cover of this Offer, prior to the Expiration Time, or (ii) the guaranteed delivery procedure described below must be followed.

The Letter of Transmittal must be signed using the name that is exactly the same as the name of the registered holder appearing on the Class A Share certificate tendered therewith, with payment and delivery to be made directly to such registered holder. In circumstances where the Letter of Transmittal must be signed by an authorized representative (such as an attorney-in-fact, executor, administrator, trustee, guardian, officer of a corporation or other legal representative acting in a fiduciary or representative capacity to the tendering Class A Shareholder), such representative must so indicate in the applicable box.

If your Class A Shares are held through a broker, dealer, trust company or other intermediary nominee, you must request that such intermediary or other nominee tender your Class A Shares for you. If your Class A Shares are so held, you should immediately contact such nominee in order to take the necessary steps to be able to tender such Class A Shares under the Offer. In addition, it is likely that such intermediary or other nominee has an earlier deadline, for administrative reasons, for you to instruct such nominee to tender Class A Shares on your behalf. We urge you to contact your broker, dealer, commercial bank, trust company or other nominee to confirm any earlier deadline.

Method of Delivery

MLT Aikins LLP holds all Class A Share certificates, other than certificates of certain shareholders who require delivery of their certificates. The method of delivery of such certificates representing Class A Shares and all other required documents is at the option and sole risk of the tendering Class A Shareholder. If certificates

representing Class A Shares are to be sent by mail, registered mail that is properly insured is recommended and it is suggested that the mailing be made sufficiently in advance of the Expiration Time to permit delivery to the Depository prior to such time. Delivery of such certificates will be deemed to occur only upon actual receipt by the Depository of such certificate.

Guaranteed Delivery¹

If a Class A Shareholder wishes to tender Class A Shares pursuant to the Offer and cannot deliver certificates for such Class A Shares, or time will not permit all required documents to reach the Depository prior to the Expiration Time, such Class A Shares may nevertheless be tendered if all of the following conditions are met:

- (a) a properly completed and duly executed Notice of Guaranteed Delivery in the form provided to Class A Shareholders, together with this Offer to Purchase is received by the Depository prior to the Expiration Time; and
- (b) the original certificates for all Tendered Class A Shares in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof), and any other documents required by the Letter of Transmittal, are received by the Depository, before 5:00 p.m. (Central time) on or before the second Business Day after the Expiration Time.

The Notice of Guaranteed Delivery may be couriered or mailed to the office of the Depository.

Notwithstanding any other provision hereof, payment for Class A Shares tendered and accepted for payment pursuant to the Offer will be made only after timely receipt by the Depository of: (i) original certificates for such Class A Shares (applicable to those Class A Shareholders who require delivery of their certificates); or (ii) a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof) relating to such Class A Shares; and (iii) any other documents required by the Letter of Transmittal.

The tender information specified in a Notice of Guaranteed Delivery by a person completing such Notice of Guaranteed Delivery will, in all circumstances, take precedence over the tender information that is specified in the related Letter of Transmittal that is subsequently delivered.

Return of Unpurchased Class A Shares

Copies of the certificates representing any Class A Shares not purchased under the Offer (including Class A Shares not purchased because of proration), improper tenders or Class A Shares not taken up due to termination of the Offer or properly withdrawn before the Expiration Time, will be returned promptly after the Expiration Time (or termination of the Offer) or the date of withdrawal of the Class A Shares, without expense to the Class A Shareholder.

Determination of Validity, Rejection; Waiver of Defects; No Obligation to Give Notice of Defect

All questions as to the number of Class A Shares to be taken up, the form of documents and the validity, eligibility (including time of receipt) and acceptance for payment of any tender of Class A Shares will be determined by the Corporation, in its sole discretion, which determination will be final and binding on all parties, except as otherwise finally determined in a subsequent judicial proceeding in a court of competent jurisdiction or as required by law. Canterra reserves the absolute right to reject any or all tenders of Class A Shares determined by

¹ Guaranteed Delivery is **only** relevant to Class A Shareholders who hold through an intermediary or nominee and whose certificates will not be delivered prior to the Expiration Time.

it in its sole discretion not to be in proper form or not completed in accordance with the instructions set forth herein and in the Letter of Transmittal or the acceptance for payment of, or payment for, which may, in the opinion of the Corporation's counsel, be unlawful. Canterra also reserves the absolute right to waive any of the conditions of the Offer or any defect or irregularity in the tender of any particular Class A Shares, in each case prior to the Expiration Time. Unless waived, any defects or irregularities in connection with tenders must be cured within such time as the Corporation shall determine. No individual tender of Class A Shares will be deemed to be properly made until all defects and irregularities have been cured or waived. The Corporation will not be liable for failure to waive any condition of the Offer or any defect or irregularity in any tender of Class A Shares. **None of the Corporation, the Depositary or any other person will be obligated to give notice of defects or irregularities in tenders, nor shall any of them incur any liability for failure to give any such notice.** The Corporation's interpretation of the terms and conditions of the Offer (including the Letter of Transmittal and, if applicable, the Notice of Guaranteed Delivery) will be final and binding, except as otherwise finally determined in a subsequent judicial proceeding in a court of competent jurisdiction or as required by law.

The amount paid for Class A Shares tendered pursuant to the guaranteed delivery procedures will be the same as that for Class A Shares delivered to the Depositary on or prior to the Expiration Time.

Lost or Destroyed Class A Share Certificates

If any certificate representing Class A Shares has been lost or destroyed by the Class A Shareholder, such Class A Shareholder should promptly notify the Corporation. The Corporation will respond with the replacement requirements, which may include an indemnity and bonding requirement. The Letter of Transmittal and related documents cannot be processed until the procedures for replacing lost or destroyed certificates have been followed. Class A Shareholders are requested to contact the Corporation immediately in order to permit timely processing of this documentation.

Further Assurances

Each Class A Shareholder accepting the Offer covenants under the terms of the Letter of Transmittal to execute, upon request of Canterra, any additional documents, transfers and other assurances as may be necessary or desirable to complete the sale, assignment and transfer of any Class A Shares proposed to be taken up by the Corporation. Each authority therein conferred or agreed to be conferred may be exercised during any subsequent legal incapacity of such Class A Shareholder and shall, to the extent permitted by law, survive the death or incapacity, bankruptcy or insolvency of the Class A Shareholder and all obligations of the Class A Shareholder therein shall be binding upon the heirs, personal representatives, successors and assigns of such Class A Shareholder.

5. WITHDRAWAL RIGHTS

Except as otherwise provided in this Section 5, tenders of Class A Shares pursuant to the Offer will be irrevocable. Class A Shares tendered pursuant to the Offer may be withdrawn by the Class A Shareholder:

- (a) at any time prior to the Expiration Time;
- (b) at any time if the Class A Shares have not been taken up by the Corporation before actual receipt by the Depositary of a notice of withdrawal in respect of such Class A Shares;
- (c) if the Class E Shares have not been issued by the Corporation within five Business Days of being taken up; or

- (d) at any time before the expiration of 10 days from the date that a notice of change or notice of variation has been given in accordance with this Offer to Purchase (other than a variation that: (i) consists solely of an increase in the consideration offered for the Class A Shares under the Offer where the time for tender is not extended for greater than 10 days; or (ii) consists solely of the waiver of a condition of the Offer). See Section 8 of the Offer to Purchase, “Extension and Variation of the Offer”.

For a withdrawal to be effective, a written or printed copy of a notice of withdrawal must be actually received by the Depositary prior to 5:00 p.m. (Central time) on the applicable date specified above at the place of tender of the relevant Class A Shares. Any such notice of withdrawal must: (i) be signed by or on behalf of the person who signed the Letter of Transmittal that accompanied the Class A Shares being withdrawn or be accompanied by evidence sufficient to the Depositary that the person withdrawing the tender has succeeded to the beneficial ownership of the Class A Shares; and (ii) specify the name of the person who tendered the Class A Shares to be withdrawn, the name of the registered holder (if different from that of the person who tendered such Class A Shares) and the number of Class A Shares to be withdrawn. If the certificates for the Class A Shares tendered pursuant to the Offer have been delivered or otherwise identified to the Depositary, then, prior to the release of such certificates, the tendering Class A Shareholder must submit the certificate number(s) shown on the particular certificates evidencing the Class A Shares to be withdrawn. A withdrawal of Class A Shares tendered pursuant to the Offer can be accomplished only in accordance with the foregoing procedure. The withdrawal shall take effect only upon actual receipt by the Depositary of a properly completed and executed notice of withdrawal in writing.

A Class A Shareholder who wishes to withdraw Class A Shares under the Offer and who holds Class A Shares through a broker, dealer, trust company or other intermediary or nominee should immediately contact such intermediary or nominee in order to take the necessary steps to be able to withdraw such Class A Shares under the Offer. Please be advised that such nominees may have their own deadlines relating to the withdrawal of your Class A Shares that differ from those set out in this Offer to Purchase. We recommend that you promptly contact any such intermediary or nominee to find out its deadline.

All questions as to the form and validity (including time of receipt) of notices of withdrawal will be determined by the Corporation, in its sole discretion, which determination shall be final and binding, except as otherwise finally determined in a subsequent judicial proceeding in a court of competent jurisdiction or as required by law. None of the Corporation, the Depositary nor any other person will be obligated to give notice of defects or irregularities in notices of withdrawal, nor shall any of them incur any liability for failure to give any such notice.

Any Class A Shares properly withdrawn will thereafter be deemed not tendered for purposes of the Offer. However, withdrawn Class A Shares may be re-tendered prior to the Expiration Time by again following the procedures described herein.

If Canterra extends the period of time during which the Offer is open, is delayed in its purchase of Class A Shares or is unable to purchase Class A Shares pursuant to the Offer for any reason, then, without prejudice to Canterra’s rights under the Offer, the Depositary may, subject to applicable law, retain on behalf of Canterra all Tendered Class A Shares. In the event of such retention, such Class A Shares may not be withdrawn except to the extent tendering Class A Shareholders are entitled to withdrawal rights as described under this Section.

6. CONDITIONS OF THE OFFER

The Offer is not conditional upon any minimum number of Class A Shares being tendered. Notwithstanding any other provision of the Offer, Canterra will not be required to accept for purchase or, subject to applicable law, pay for any Class A Shares tendered and may terminate, extend or vary the Offer or may, subject to applicable law, postpone the payment for Class A Shares tendered if, at any time before the payment for any such Class A Shares, any of the following events has occurred (or has been determined by Canterra, in its sole judgment, to

have occurred) which, in Canterra's sole judgment, acting reasonably, in any such case, makes it inadvisable to proceed with the Offer or with such acceptance of purchase or payment:

- (a) there shall have been threatened, instituted or is pending any action or proceeding by any government or governmental authority or regulatory or administrative agency in any jurisdiction, or by any other person in any jurisdiction, before any court or governmental authority or regulatory or administrative agency in any jurisdiction: (i) challenging or seeking to cease trade, make illegal, prohibit, prevent, restrict or delay, directly or indirectly, the consummation of the Offer, the acceptance of the tender of some or all of the Tendered Class A Shares by Canterra or otherwise directly or indirectly relating in any manner to or affecting the Offer, or seeking to obtain material damages in respect of the Offer; or (ii) that, in the sole judgment of Canterra, has or may have a material adverse effect on the value of Class A Shares or the business, income, assets, liabilities, condition (financial or otherwise), properties, operations, results of operations or prospects of Canterra, its subsidiaries, joint operations and joint ventures and investments, taken as a whole; or (iii) would or may materially impair the contemplated benefits of the Offer to Canterra; or (iv) makes it inadvisable to proceed with the Offer;
- (b) there shall have been any approval withheld or any action or proceeding threatened, pending or taken or any statute, rule, regulation, stay, decree, judgment or order or injunction proposed, sought, enacted, enforced, promulgated, amended, issued or deemed applicable to the Offer or Canterra or any of its subsidiaries, joint operations and joint ventures or investments by or before any court, government or governmental authority or regulatory or administrative agency or any statute, rule or regulation has become operative or applicable in any jurisdiction that, in the sole judgment of Canterra, might directly or indirectly result in any of the consequences referred to in clauses (i), (ii), (iii) or (iv) of paragraph (a) above;
- (c) there shall have occurred: (i) any general suspension of trading in securities of Canterra in Canada or other relevant jurisdictions pursuant to a cease trade order or otherwise; (ii) a natural disaster or the commencement or material worsening of a war, armed hostilities or other international or national calamity directly or indirectly involving Canada; (iii) any legislation, regulation, published policy statement or administrative practice by any governmental, regulatory or administrative authority or agency or any other event that, in the sole judgment of Canterra, could reasonably be expected to have a material adverse effect on the business of Canterra; (iv) any change in the general political, market, economic or financial conditions that has or may have a material adverse effect on the business, income, assets, liabilities, condition (financial or otherwise), properties, operations, results of operations or prospects of Canterra (and any subsidiaries and investments), taken as a whole, or the value of, the Class A Shares; or (v) in the case of any of the foregoing existing at the time of the commencement of the Offer, an acceleration or worsening thereof;
- (d) any change shall have occurred (or any development has occurred involving any prospective change or changes) in the business, assets, liabilities, properties, condition (financial or otherwise), operations, results of operations or prospects of Canterra, its subsidiaries or investments that, in the sole judgment of Canterra, has or may have a material adverse effect on the business, income, assets, liabilities, condition (financial or otherwise), properties, operations, results of operations or prospects of Canterra (and any subsidiaries and investments), taken as a whole;
- (e) Canterra shall have concluded, in its sole judgment, that the Offer or the taking up and payment for any or all of the Class A Shares by Canterra is illegal or not in compliance with applicable law and, if required under any applicable law, Canterra shall have not received the necessary exemptions from or approvals or waivers of the appropriate courts or regulatory or administrative bodies in respect of the Offer;

- (f) any change shall have occurred or been proposed to the Tax Act, to the publicly available administrative policies or assessing practices of the Canada Revenue Agency or to relevant jurisprudence that, in the sole judgment of Canterra, is detrimental to Canterra (and any subsidiaries and investments, taken as a whole), or to a Class A Shareholder, or with respect to making the Offer or taking up and paying for Class A Shares tendered pursuant to the Offer;
- (g) any take-over bid or tender or exchange offer with respect to some or all of the securities of Canterra, or any merger, business combination or acquisition proposal, disposition of assets outside of the ordinary course of business, or other similar transaction with or involving Canterra or its subsidiaries, joint operations and joint ventures or investments, other than the Offer, or any solicitation of proxies, other than by management, to seek to control or influence the Board of Directors, shall have been proposed, announced or made by any individual or entity;
- (h) there will have occurred a material change in Canadian or any other currency exchange rates or a suspension of or limitation on the markets for such currencies that, in the Corporation's sole judgment, has or may have a material adverse effect on the business, properties, assets, liabilities, capitalization, Class A Shareholders' equity, condition (financial or otherwise), operations, results of operations or prospects of Canterra (and any subsidiaries and investments, taken as a whole); or
- (i) the Valuator shall have withdrawn or amended the Valuation provided by it in connection with the Offer.

The foregoing conditions are for the sole benefit of Canterra and may be asserted by Canterra, in its sole discretion, regardless of the circumstances (including any action or inaction by Canterra) giving rise to any such conditions, or may be waived by Canterra, in its sole discretion, in whole or in part at any time. The failure by Canterra at any time to exercise its rights under any of the foregoing conditions will not be deemed a waiver of any such right; the waiver of any such right with respect to particular facts and circumstances shall not be deemed a waiver with respect to any other facts and circumstances; and each such right will be deemed an ongoing right which may be asserted at any time or from time to time. Any determination by Canterra concerning the events described in this Section 6 of this Offer to Purchase will be final and binding on all parties, except as otherwise finally determined in a subsequent judicial proceeding or as required by law.

Any waiver of a condition by Canterra, or the termination of the Offer by Canterra, will be deemed to be effective on the date on which written notice of such waiver or termination is delivered or otherwise communicated to the Depositary. Canterra, after giving notice to the Depositary of any waiver of a condition or the termination of the Offer, will forthwith thereafter make a public announcement of such waiver or termination. If the Offer is terminated, Canterra will not be obligated to take up, accept for purchase or pay for any of the Tendered Class A Shares, and the Depositary will, as soon as practicable, return all certificates for Tendered Class A Shares, Letters of Transmittal and, if applicable, Notices of Guaranteed Delivery and any related documents to the parties by whom they were tendered.

7. PARTICIPATION AND ACCEPTANCE AND PAYMENT FOR CLASS A SHARES

If all conditions referred to in Section 6 of this Offer to Purchase, "Conditions of the Offer", have been satisfied or waived by Canterra at or prior to the Expiration Time, Canterra will, subject to the terms and conditions of the Offer (including the proration provisions) take up Class A Shares validly tendered pursuant to the Offer in accordance with the terms thereof and subject to and in accordance with requirements or exemptions from applicable securities laws promptly after the Expiration Time. Canterra will pay for Class A Shares through the issuance of Class E Shares promptly, and in any event within five Business Days, after taking up such Class A Shares.

For the purposes of the Offer, Canterra will be deemed to have taken up and accepted for payment, subject to proration, Class A Shares validly tendered and not withdrawn if, as and when Canterra gives written notice or other communication confirmed in writing to the Depository of its acceptance of such Class A Shares for payment pursuant to the Offer.

The Corporation reserves the right, in its sole discretion, subject to applicable Canadian securities laws, to delay taking up or paying for any Class A Shares or to terminate the Offer and not take up or pay for any Class A Shares if any event specified under Section 6 of this Offer to Purchase, "Conditions of the Offer", occurs on or prior to the Expiration Time, by giving written notice thereof or other communication confirmed in writing to the Depository. The Corporation also reserves the right, in its sole discretion and notwithstanding any other condition of the Offer but subject to all applicable laws, to delay taking up and paying for Class A Shares in order to comply, in whole or in part, with any applicable law.

Each Class A Shareholder who has tendered Class A Shares pursuant to the Offer will receive payment of the Purchase Price for accepted Class A Shares through the issuance of the applicable number of Class E Shares, which will be evidenced by a copy of the share certificate representing such Class E Shares.

The Class A Shares taken up and paid for by Canterra pursuant to the Offer will promptly be cancelled by Canterra.

The amount paid for Class A Shares tendered pursuant to the guaranteed delivery procedures will be the same as that for Class A Shares delivered to the Depository on or prior to the Expiration Time.

In the event of proration of Tendered Class A Shares, Canterra will determine the proration factor and pay for those Tendered Class A Shares accepted promptly after the Expiration Time in accordance with this Section 7. However, Canterra does not expect to be able to announce the final results of any such proration until approximately three Business Days after the Expiration Time.

Copies of the certificates representing any Class A Shares not purchased under the Offer (including Class A Shares not purchased because of proration), improper tenders or Class A Shares not taken up due to termination of the Offer or properly withdrawn before the Expiration Time, will be returned promptly after the Expiration Time (or termination of the Offer) or the date of withdrawal of the Class A Shares, without expense to the Class A Shareholder.

Unless a Class A Shareholder requires delivery of an original certificate representing Class E Shares, the certificates will be issued and held in the minute books of the Corporation at the offices of MLT Aikins LLP, legal counsel to the Corporation.

The settlement with each Class A Shareholder who has tendered Class A Shares pursuant to the Offer will be effected through the issuance of the applicable number of Class E Shares in the name of the person signing the Letter of Transmittal or in the name of such other person as specified by the person signing the Letter of Transmittal by properly completing the appropriate box in such Letter of Transmittal. Unless the tendering Class A Shareholder instructs the Depository to deliver the certificate representing Class E Shares to the address of the tendering Class A Shareholder as it appears in the register of Class A Shares maintained by the Corporation or other address specified in the Letter of Transmittal by checking the appropriate box in the Letter of Transmittal, the certificate will be issued and held in Canterra's minute books. Any certificates mailed in accordance with this paragraph will be deemed to have been delivered at the time of mailing.

8. EXTENSION AND VARIATION OF THE OFFER

Subject to applicable law, Canterra expressly reserves the right, in its sole discretion, at any time or from time to time, to extend the period of time during which the Offer is open or to vary the terms and conditions of the Offer by giving written notice or other communication confirmed in writing of extension or variation to the Depositary and by causing the Depositary to provide, where required by law, as soon as practicable thereafter, a copy of the notice in the manner set forth under Section 11 of this Offer to Purchase, "Notice", to all Class A Shareholders. Promptly after giving notice of an extension or variation to the Depositary, Canterra will make a public announcement of the extension or variation and file or cause to be filed notice of such extension or variation to the applicable securities regulatory authorities. In the case of an extension of the Offer, Canterra will also issue a press release announcing the extension by 9:00 a.m. (Central time) on the Business Day following the previously scheduled Expiration Time. Any notice of extension or variation will be deemed to have been given and be effective on the day on which it is delivered or otherwise communicated in writing to the Depositary.

If the Corporation varies the terms of the Offer or a change occurs in the information concerning the Offer that would reasonably be expected to affect the decision of the Class A Shareholders to accept or reject the Offer (other than a change that is not within the control of Canterra or its affiliates), or if otherwise required by applicable Canadian provincial and territorial securities laws, the Corporation will extend the time during which the Offer is open to the extent required under such laws.

If, prior to the Expiration Time, a variation in the terms of the Offer increases the consideration offered to Class A Shareholders by Canterra, such increase will be applicable to all Tendered Class A Shares that are taken up pursuant to the Offer. The number of Class E Shares to be issued in satisfaction of the Purchase Price for any Class A Share taken up and paid for as a result of an extension of the Offer will be the same number of Class E Shares issued in satisfaction of the Purchase Price paid in respect of a Class A Share taken up and paid for pursuant to, and prior to the extension of, the Offer.

Canterra also expressly reserves the right, in its sole discretion and subject to applicable law: (i) to terminate the Offer and not to accept for purchase any Class A Shares upon the occurrence of any of the events specified in Section 6 of this Offer to Purchase, "Conditions of the Offer" or (ii) at any time or from time to time, to vary the Offer in any respect, including by increasing or decreasing the number of Class A Shares that Canterra may purchase or the Purchase Price per Class A Share it may pay pursuant to the Offer, subject to compliance with all applicable securities laws.

9. PAYMENT IN THE EVENT OF MAIL SERVICE INTERRUPTION

Notwithstanding the provisions of the Offer, copies of the certificates issued for Class E Shares in payment for Class A Shares purchased under the Offer and copies of the certificates for any Class A Shares to be returned will not be mailed if Canterra determines that delivery by such mail may be delayed. Such copies (subject to the provisions of the Offer) in the following instance will be made by courier until Canterra has determined that delivery by mail will no longer be delayed. Canterra will provide notice as provided under Section 11 of this Offer to Purchase, "Notice", of any determination not to mail under this Section 9 as soon as reasonably practicable after such determination is made.

10. ENCUMBRANCES AND DIVIDENDS

Class A Shares acquired pursuant to the Offer will be acquired by Canterra free and clear of all hypothecs, liens, charges, encumbrances, security interests, claims, restrictions and equities whatsoever, together with all rights and benefits arising therefrom, provided that any dividends which may be declared, paid, issued, distributed, made or transferred on or in respect of such Class A Shares to Class A Shareholders of record prior to the date upon which the Class A Shares are taken up and accepted for purchase under the Offer will be for the account of such

Class A Shareholders. Each Class A Shareholder of record on that date will be entitled to receive such dividend, whether or not such Class A Shareholder tenders Class A Shares pursuant to the Offer.

Class A Shares tendered pursuant to any method of delivery set forth herein will also constitute a representation and warranty to Canterra that the tendering Class A Shareholder has full power and authority to tender, sell, assign and transfer such Class A Shares and any and all dividends, payments, securities, rights, assets or other interests which may be declared, paid, issued, distributed, made or transferred on or in respect of the Class A Shares with a record date on or after the date that Canterra takes up and accepts for purchase the Tendered Class A Shares and that, if the Tendered Class A Shares are taken up and accepted for purchase by Canterra, Canterra will acquire good and marketable title thereto, free and clear of all liens, charges, claims, encumbrances, security interests, restrictions and equities whatsoever, together with all rights and benefits arising therefrom. Any such Class A Shareholder will, on request by the Depositary or Canterra, execute and deliver any additional documents determined by the Depositary or Canterra to be necessary or desirable to complete the sale, assignment and transfer of the Tendered Class A Shares, all in accordance with the terms of the Offer.

All authority conferred or agreed to be conferred by delivery of the Letter of Transmittal will be binding on the successors, assigns, heirs, personal representatives, executors, administrators and other legal representatives of the Class A Shareholder and will not be affected by, and will survive, the death or incapacity of such Class A Shareholder.

11. NOTICE

Without limiting any other lawful means of giving notice, any notice to be given by Canterra or the Depositary under the Offer will be deemed to have been properly and validly given if it is mailed to the Class A Shareholders of record at their respective addresses as shown on the Class A Share registers maintained in respect of the Class A Shares and will be deemed to have been received on the second Business Day following the date of mailing. These provisions apply despite: (i) any accidental omission to give notice to any one or more Class A Shareholders; and (ii) an interruption of mail service in Canada following mailing. In the event of an interruption of mail service following mailing, Canterra will use reasonable efforts to disseminate the notice by other means, such as publication.

12. OTHER TERMS

- (a) No investment dealer, securities registrant or other person has been authorized to give any information or to make any representation on behalf of Canterra, other than as contained in this Offer to Purchase and the Letter of Transmittal, and, if any such information or representation is given or made, it must not be relied upon as having been authorized by Canterra, the Board of Directors or the Depositary.
- (b) The Offer and all contracts resulting from the acceptance thereof will be governed by and construed in accordance with the laws of the Province of Manitoba and the federal laws of Canada applicable therein.
- (c) Canterra, in its sole discretion, is entitled to make a final and binding determination in respect of all questions relating to the interpretation of the Offer, the validity of any acceptance of the Offer, the *pro rata* entitlement of each tendering Class A Shareholder, if applicable, and the validity of any withdrawal of Class A Shares, except as otherwise finally determined in a subsequent judicial proceeding in a court of competent jurisdiction or as required by law.
- (d) The Offer is not being made to, nor will tenders of Class A Shares be accepted from or on behalf of, Class A Shareholders residing in any jurisdiction in which the making of the Offer or the acceptance thereof would not be in compliance with the laws of such jurisdiction. Canterra may, in its sole discretion, take

CIRCULAR

This Circular is being furnished in connection with the accompanying Offer to Purchase by Canterra to purchase up to 755,115 Class A Shares, with the Purchase Price for each Tendered Class A Share payable through the issuance of 3.25 Class E Shares. Capitalized words and terms used in this Circular, unless otherwise defined herein, have the meanings given to them hereinafter under the heading “Glossary” in the Offer to Purchase. The terms and conditions of the Offer to Purchase are incorporated into and form part of this Circular. Reference is made to the Offer to Purchase for details of the terms and conditions of the Offer.

1. NAME OF ISSUER

General

The Corporation was incorporated on March 14, 1996 under the laws of the Province of Saskatchewan. The Corporation’s head and registered office is located at 201-1475 Chevrier Boulevard, Winnipeg, Manitoba, R3T 1Y7. On February 5, 2004, the Corporation became a reporting issuer in the Provinces of Manitoba and Saskatchewan. On January 1, 2011, the Corporation was reorganized under the CBCA. No shares of the Corporation are listed on a recognized stock exchange in any jurisdiction.

A prominent figure in the Canadian agricultural seeds industry, Canterra focuses its operations on developing, acquiring, producing and selling market-leading seed varieties, which include cereals, canola and other specialty crops, to its customers throughout Western Canada. Through strategic partnerships with plant breeders and research organizations, Canterra develops advanced seed varieties designed to improve crop performance and support sustainable and productive farming practices.

Canterra is a “venture issuer” within the meaning of applicable Canadian securities laws and, in accordance therewith, is subject to prescribed continuous disclosure requirements thereunder. Class A Shareholders may access documents filed with the Canadian provincial securities regulators under the Corporation’s profile on SEDAR+ at www.sedarplus.ca, which do not form a part of and are not incorporated by reference into this Circular.

Class A Share Capital

The Corporation is authorized to issue an unlimited number of Class A Shares. As at June 26, 2026, there are 7,551,147 Class A Shares issued and outstanding. None of the Corporation’s Class A Shares are listed or posted for trading on any stock exchange.

The holders of Class A Shares are entitled to receive notice of, and to cast one vote per Class A Share at, every meeting of Class A Shareholders and to fully participate with respect to dividends and distributions of capital upon liquidation or winding-up of the Corporation, after the creditors of the Corporation have been satisfied.

Class E Share Capital

In connection with the Offer, the Corporation has amended its articles to authorize the issuance of an unlimited number of Class E Shares with the following attributes:

- (a) **Dividends.** The Class E Shares shall not be entitled to receive dividends, whether cumulative or non-cumulative.
- (b) **Redemption.** The Corporation may in its sole discretion, in whole or in part, redeem any of the then outstanding Class E Shares upon payment of the Redemption Price for each such Class E Share. If the

Corporation elects to redeem less than the then outstanding Class E Shares, the Corporation shall select such Class E Shares on a *pro rata* basis, disregarding fractions, according to the number of Class E Shares held by each of the Class E Shareholders. In any case of redemption of Class E Shares, the Corporation shall, not more than thirty (30) days and not less than five (5) days before the date specified for redemption, deliver to each Class E Shareholder notice in writing of the intention of the Corporation to redeem the Class E Shares held by such Class E Shareholder. Payment in respect of Class E Shares being redeemed shall be made by cheque in the amount equal to the aggregate Redemption Price payable to the holder thereof, such cheque satisfying and discharging all liability of the Corporation for the aggregate Redemption Price.

The Corporation currently intends to redeem the Class E Shares in five equal annual instalments commencing January 2027. Redemption of the Class E Shares will be subject to the Corporation having sufficient available funds to operate its business in the ordinary course and to the Board of Directors determining, at the time of redemption, that the Corporation satisfies the applicable corporate law solvency tests, including that the Corporation is able to pay its liabilities as they become due and that the realizable value of the Corporation's assets is not less than the Corporation's aggregate liabilities. Redemptions of Class E Shares will be made at the discretion of the Board of Directors.

- (c) **Liquidation, Dissolution or Winding-Up.** Subject to the rights attaching to any shares of the Corporation that rank prior to the Class E Shares in terms of priority in the distribution of property and assets upon the liquidation, dissolution or winding-up of the Corporation, the Class E Shares shall rank *pari passu* with the Class A Shares and shall be entitled to participate ratably in such distribution with the Class A Shares until the Class E Shareholders have received, in the aggregate, an amount equal to the Redemption Price of such Class E Shares. Upon receipt in full of such Redemption Price, Class E Shareholders shall have no further rights to participate in any distribution of the remaining property or assets of the Corporation.
- (d) **Voting Rights.** Except as may be required by law, Class E Shareholders shall not be entitled to receive notice of or to attend at any meeting of the shareholders of the Corporation and shall not be entitled to vote at any such meeting.

2. SECURITIES SUBJECT TO THE BID

The Offer is for up to 755,115 Class A Shares, representing approximately 10% of the issued and outstanding Class A Shares on the date hereof.

The Offer is made only for Class A Shares and not for any other class of shares of Canterra. Class A Shareholders must tender their Class A Shares in advance of the Expiration Time and in accordance with the terms and conditions as set out in the Offer.

3. TIME PERIOD

The Offer will commence on June 26, 2026, being the date of mailing and filing of the Offer to Purchase and Circular, and will expire at 5:00 p.m. (Central time) on August 10, 2026, or at such later time and date to which the Offer may be extended. Canterra may choose to extend the Offer for any reason, subject to applicable laws.

4. CONSIDERATION

The Purchase Price is 3.25 Class E Shares per Class A Share. Upon the terms and subject to the conditions of the Offer (including the provisions relating to proration), all Class A Shareholders who have validly tendered and

not withdrawn their Class A Shares will receive, for each such Class A Share, 3.25 Class E Shares (subject to applicable withholding taxes and the treatment of fractional Class E Shares, if any).

The Redemption Price of the Class E Shares is denominated in Canadian dollars.

5. ISSUANCE OF CLASS E SHARES IN EXCHANGE FOR CLASS A SHARES

Number of Class A Shares

Upon the terms and subject to the conditions of the Offer, the Corporation will take up such Class A Shares promptly after the Expiration Time, as described in Section 7 of the Offer to Purchase, "Acceptance for Payment and Payment for Class A Shares". For purposes of the Offer, the Corporation will be deemed to have accepted for payment, subject to proration, Class A Shares deposited and not withdrawn, if, as and when the Corporation gives written notice or other communication in writing to the Depository of its acceptance of such Class A Shares for payment pursuant to the Offer.

Satisfaction of Purchase Price

The applicable Purchase Price will be satisfied through the issuance of 3.25 Class E Shares in exchange for each Tendered Class A Share, with any resulting fractions of Class E Shares rounded down to the nearest whole share to avoid the issuance of fractional Class E Shares. The fair market value of the Class E Shares being issued will not exceed the fair market value of the Tendered Class A Shares being received upon such exchange.

In the event of proration of Tendered Class A Shares, the Corporation will determine the proration factor and pay for those Tendered Class A Shares accepted as soon as reasonably practicable after the Expiration Time. However, the Corporation does not expect to be able to announce the final results of any such proration until approximately three Business Days after the Expiration Time.

Class A Shareholders depositing Tendered Class A Shares will not be obligated to pay brokerage fees or commissions to the Corporation or the Depository. However, Class A Shareholders are cautioned to consult with their own brokers or other intermediaries to determine whether any fees or commissions are payable to their brokers or other intermediaries in connection with a deposit of Tendered Class A Shares pursuant to the Offer.

Canterra's determination as to proration shall be final and binding on all parties.

For further information, see Section 7 of the Offer to Purchase, "Participation and Acceptance and Payment for Class A Shares".

6. WITHDRAWAL RIGHTS

The withdrawal rights of Class A Shareholders are described under Section 5 of the Offer to Purchase, "Withdrawal Rights", and are incorporated into and form part of this Circular.

7. SOURCE OF FUNDS

The completion of the Offer is not conditional on the Corporation obtaining financing. Future redemptions of Class E Shares will be at the discretion of the Corporation and will be dependent on the Corporation having, or having access to, sufficient funds and the determination of the Board of Directors to use such funds to redeem Class E Shares, having regard to corporate law requirements and consideration of the Corporation's growth initiatives at the time.

8. PARTICIPATION

The completion of the Offer is not conditional upon any minimum number of Class A Shares tendered. The Offer is, however, subject to other conditions, and Canterra reserves the right to withdraw the Offer and not take up and pay for any Class A Shares deposited under the Offer unless certain conditions are satisfied. See Section 6 of the Offer to Purchase, “Conditions of the Offer”.

9. PURPOSE AND BACKGROUND TO THE OFFER

The Corporation has been a reporting issuer under the applicable securities laws of the Provinces of Manitoba and Saskatchewan since February 5, 2004, however the Class A Shares are not listed or posted for trading on any stock exchange. The purchase of Class A Shares pursuant to the Offer will not result in the Corporation ceasing to be a reporting issuer in the Provinces of Manitoba and Saskatchewan. Due to there being no public market for the Class A Shares and there being no expectation that such a market will develop, it is difficult for Class A Shareholders to liquidate their investment in the Corporation.

The Corporation periodically and regularly assesses the ability of Class A Shareholders to liquidate their investment in the Corporation on an efficient basis. At a meeting of the Board of Directors held on October 31, 2025, the Board of Directors gave consideration to, among other things, the capital requirements and financial resources of the Corporation and proposed that the Corporation consider repurchasing its Class A Shares pursuant to a substantial issuer bid as a potential liquidity alternative. At such meeting, the Board was advised by legal counsel of obligations of the Corporation and the Board, including duties of the directors under applicable corporate law, Board processes and disclosure obligations under MI 61-101 to ensure the protection of minority shareholders.

On November 19, 2025, the Chair of the Board of Directors engaged the Valuator to prepare a formal valuation report in respect of the Class A Shares and Class E Shares in accordance with the requirements of MI 61-101. Shortly after, the Corporation mandated the Independent Committee composed of Jim Wilson, Kris Mayerle, Dan Richards and Joe Dales to liaise with the Valuator and further explore the possibility of implementing the substantial issuer bid. Following the meeting, the Independent Committee tasked management to complete further analysis and to discuss with external advisors in order to assist the Board of Directors in making a determination regarding the feasibility and desirability of pursuing a substantial issuer bid. The Independent Committee further considered the proposed substantial issuer bid and whether it would be in the best interests of the Corporation. The Chair of the Independent Committee and management of the Corporation, as requested by the Valuator, met and corresponded with the Valuator throughout the evaluation process, providing information as necessary. At a meeting of the Board of Directors held on November 27, 2025, the Independent Committee met with legal counsel to further discuss the legal obligations of the Board of Directors and the Corporation.

At a meeting of the Independent Committee held on January 19, 2026, the Valuator presented a formal valuation, and based on the ranges of fair market value of the Class A Shares and the Class E Shares set forth therein, calculated an exchange ratio ranging from 3.23 Class E Shares for each Tendered Class A Share on the low end and 3.84 Class E Shares for each Tendered Class A Share on the high end. The Board also received further advice from legal counsel as to their obligations.

Subsequent to the meeting of the Independent Committee held on January 19, 2026, the Corporation finalized its unaudited consolidated financial statements for the quarter ended December 31, 2025. As a result, the Valuator was advised to update the Valuation to take such financial statements into account. At a meeting of the Independent Committee held on March 4, 2026, the Valuator provided the Independent Committee with the updated Valuation.

At a meeting of the Independent Committee held on June 24, 2026, after receiving further advice from legal counsel as to their legal duties to the Corporation, the Independent Committee unanimously resolved to recommend to the Board that the Corporation proceed with the Offer on the terms set forth in this Offer.

At a meeting of the Board of Directors held on June 24, 2026, the Board of Directors, based on the unanimous recommendation of the Independent Committee and after giving careful consideration to the factors set forth below, unanimously determined that the conducting of the Offer was in the best interests of the Corporation and approved the terms, conditions and parameters of the Offer and the delivery of the Circular to the Corporation's Class A Shareholders.

The Board of Directors believes that there is currently interest from certain Class A Shareholders to liquidate all or some of their investment in the Corporation. The Offer will provide all Class A Shareholders (other than the Standstill Parties who, pursuant to the Standstill Agreements, have voluntarily agreed not to tender their Class A Shares under the Offer) with the option to access some future liquidity of at least some of their investment in the Corporation.

The Board of Directors also believes that the Offer (and subsequent redemption of Class E Shares issued under the Offer) is a prudent use of Canterra's financial resources. The Offer provides Canterra with the opportunity to ultimately return (pursuant to subsequent redemptions of Class E Shares) up to \$2.45 million of capital to those holders of Class A Shares who elect to tender their Class A Shares to the Offer, while at the same time increasing the proportionate Class A Share ownership of those holders of Class A Shares who elect not to tender.

As at June 26, 2026, there were 7,551,147 Class A Shares issued and outstanding. Accordingly, the Offer is for approximately 10% of the total number of issued and outstanding Class A Shares. Assuming that the Offer is fully subscribed, the effect of the Offer would be to increase the proportionate Class A Share ownership of each Class A Shareholder who elects not to tender by approximately 11.1%.

For the reasons described above and for the reasons set out below, the Board of Directors has determined that it is in the best interests of the Corporation to proceed with the Offer. The Offer was unanimously approved by the Board of Directors on June 24, 2026. In approving the Offer, the Board of Directors gave careful consideration to a number of factors, including, without limitation, the following:

- (a) the purchase for cancellation of up to 10% of the outstanding Class A Shares under the Offer is in the best interests of the Corporation;
- (b) the belief that the Offer is an appropriate means to provide Class A Shareholders with access to future liquidity by exchanging all or some of their Class A Shares for Class E Shares which, subject to the satisfaction of certain conditions, will be redeemed by the Corporation over time;
- (c) whether, after giving effect to the Offer and the subsequent redemption of Class E Shares, Canterra will continue to have sufficient financial resources and working capital to conduct its ongoing business and operations and to satisfy the applicable corporate law solvency tests, including that Canterra is able to pay its liabilities as they become due and that the realizable value of Canterra's assets is not less than Canterra's aggregate liabilities;
- (d) tendering Class A Shares under the Offer is optional and available to all Class A Shareholders (other than those Class A Shareholders who voluntarily entered into a Standstill Agreement) and, therefore, each Class A Shareholder is free to accept or reject the Offer;
- (e) the Offer is not conditional upon any minimum number of Class A Shares being tendered; and

- (f) Class A Shareholders who do not tender their Class A Shares to the Offer, or who otherwise retain an equity interest in Canterra, will realize a proportionate increase in their Class A Share equity interest in Canterra to the extent Class A Shares are purchased by Canterra and exchanged for Class E Shares pursuant to the Offer.

The foregoing summary of the factors considered by the Board of Directors and the Independent Committee is not, and is not intended to be, exhaustive. In view of the variety of factors and the amount of information considered in connection with its determination to proceed with the Offer, the Board of Directors and the Independent Committee did not find it practical to, and did not, quantify or otherwise attempt to assign any relative weight to each specific factor considered in reaching its conclusion.

The Board of Directors has approved the terms of the Offer, the pricing of the Offer, the number of Class E Shares to be issued for each Tendered Class A Share and the forms of the Offer to Purchase, this Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery.

Notwithstanding the foregoing considerations, before making any decision to tender their Class A Shares to the Offer, Class A Shareholders should carefully consider the risks associated with Canterra's business, including the risks described under Section 10 of Schedule "B" – Additional Disclosure Regarding Canterra, "Risk Factors" and in Canterra's 2025 Annual Report, a copy of which is attached hereto as Appendix I.

Neither the Board of Directors, the Independent Committee, management of the Corporation nor the Depositary is making any recommendation to any Class A Shareholder as to whether to tender or refrain from tendering any or all of such Class A Shareholder's Class A Shares pursuant to the Offer. No person has been authorized to make any such recommendation.

Class A Shareholders are urged to evaluate carefully all information in the Offer to Purchase, this Circular and all schedules and attachments thereto, consult their own investment and tax advisors and make their own decisions as to whether to tender Class A Shares to the Offer and, if so, how many Class A Shares to tender, if any.

10. TRADING IN SECURITIES TO BE ACQUIRED

The Class A Shares are not listed or posted for trading on any stock exchange. There is no formal market for the Class A Shares and one is not expected to develop.

11. OWNERSHIP OF SECURITIES OF CANTERRA

Interests of Directors and Officers

Except as set forth in the Offer to Purchase and Circular, neither the Corporation nor, to the Corporation's knowledge, any of its officers or directors is a party to any contract, arrangement or understanding, formal or informal, with any security holder relating, directly or indirectly, to the Offer or with any other person or company with respect to any securities of the Corporation in relation to the Offer, nor are there any contracts or arrangements made or proposed to be made between the Corporation and any of its directors or officers. No change to the directors and officers of the Corporation is anticipated as a result of the completion of the Offer.

Except as set forth in the Offer to Purchase, neither the Corporation, nor to the Corporation's knowledge, any of its officers or directors has any material interest in any transaction involving the Corporation in the past three completed financial years or in any current proposed transaction, in each case that would be material to the Corporation.

Ownership of Securities

To the knowledge of Canterra after reasonable inquiry, the following table indicates, as at the date hereof, the number of outstanding Class A Shares and securities exercisable for Class A Shares beneficially owned, directly or indirectly, or over which control or direction was exercised, by each director and officer of Canterra and, to the knowledge of Canterra after reasonable enquiry, each associate or affiliate of Canterra, each insider of Canterra (other than directors or officers) and their respective associates and affiliates, if any, each person or company who beneficially owns or exercises control or direction over more than 10% of Class A Shares, as well as the percentage of outstanding Class A Shares so owned. No person or company is acting jointly or in concert with Canterra in connection with the Offer.

Name	Relationship with Canterra	Principal Occupation, Business or Employment for Past 5 years	Class and Number of Voting Shares Held	Period when Director
Jim Wilson	Director	Farmer and Retired Seed Retailer	24,000 Class "A" (Held by Wilson Seeds Ltd.)	Since 03/08/2010
Kris Mayerle	Director	Farmer and Seed Retailer	24,000 Class "A" (Held by Greenleaf Seed Ltd.)	Since 02/03/2010
Lloyd Affleck	Director	Retired Farmer and Seed Retailer	24,000 Class "A"	Since 03/07/2005
Joe Dales	Director	Entrepreneur and Thought Leader in the agriculture and food industry, Founder and Mentor RH Accelerator	0 shares held	Since 02/27/2004
Dan Richards	Director	Farmer and Seed Retailer	2,400 Class "A" (Held by Scenic Heights Farms Ltd.)	Since 07/20/2023
Scott Bolton	Director	Retired President and CEO, United Farmers of Alberta Co-operative Limited	0 held personally but represents 1,286,187 Class "A" held by United Farmers of Alberta Co-operative Limited	Since 07/01/2024
Cecile Richard	Director	CEO Americas, Limagrain Field Seeds CEO – Limagrain Field Seeds, Asia	0 held personally but represents 2,265,344 Class "A" held by LFS USA Corp. (Limagrain)	Since 07/22/2021
David Pearson	Director	Head of Branding, Limagrain Field Seeds	0 held personally but represents 2,265,344 Class "A" held by LFS USA Corp. (Limagrain)	Since 02/01/2023

Name	Relationship with Canterra	Principal Occupation, Business or Employment for Past 5 years	Class and Number of Voting Shares Held	Period when Director
Tatiana Henry	Director	COO, Limagrain Cereal Seeds CEO, Limagrain Cereals Research Canada	0 held personally but represents 2,265,344 Class "A" held by LFS USA Corp. (Limagrain)	Since 07/01/2017

12. COMMITMENTS TO ACQUIRE SECURITIES OF CANTERRA

Canterra has no agreements, commitments or understandings to purchase Class A Shares or other securities of Canterra, other than pursuant to the Offer.

Applicable Canadian securities laws generally prohibit the Corporation and persons or companies acting jointly or in concert with the Corporation from acquiring or offering to acquire beneficial ownership of any Class A Shares, other than pursuant to the Offer, from the period commencing on the date of announcement of the Corporation's intention to make the Offer until the Expiration Time. In addition, the Corporation and persons or companies acting jointly or in concert with the Corporation are generally prohibited from acquiring or offering to acquire beneficial ownership of any Class A Shares during the period commencing with the Expiration Time and ending on the date that is twenty (20) Business Days after the Expiration Time.

Accordingly, Canterra has not purchased and will not purchase Class A Shares, since the time the Offer was publicly announced until its expiration. Canterra may in the future, subject to applicable law, purchase additional Class A Shares through other substantial issuer bids or otherwise, if legally permitted. Any such purchases may be on the same terms or on terms which are more or less favourable to Class A Shareholders than the terms of the Offer. Any possible future purchases by the Corporation will depend on many factors, including the market price of the Class A Shares, the Corporation's business and financial position, the results of the Offer and general economic and market conditions.

To the knowledge of Canterra, after reasonable enquiry, no person named under Section 11 of this Circular, "Ownership of Securities of Canterra" has any agreement, commitment or understanding to purchase Class A Shares or other securities of Canterra.

13. ACCEPTANCE OF THE OFFER

To the knowledge of Canterra, after reasonable enquiry, no persons named under Section 11 of this Circular, "Ownership of Securities of Canterra" will be tendering any Class A Shares pursuant to the Offer other than Lloyd Affleck, who informed Canterra that he intends to tender all or a portion of his Class A Shares pursuant to the Offer.

14. BENEFITS FROM THE OFFER

No person named under Section 11 of this Circular, "Ownership of Securities of Canterra" will receive any direct or indirect benefit from accepting or refusing to accept the Offer, other than those benefits available to any Class A Shareholder from accepting or refusing to accept the Offer.

Depending on the number of Class A Shares purchased by the Corporation under the Offer, the Class A Share equity interest of non-tendering Class A Shareholders may increase as a result of the Offer.

15. MATERIAL CHANGES IN THE AFFAIRS OF CANTERRA

Except as described or referred to herein, Canterra and its directors and officers are not aware of any proposals for any material changes concerning Canterra that have not been generally disclosed.

No person named under Section 11 of this Circular, “Ownership of Securities of Canterra” has any specific benefit, direct or indirect, as a result of any proposed changes or transactions.

16. OTHER BENEFITS

See Section 14 of this Circular, “Benefits from the Offer”.

17. ARRANGEMENTS BETWEEN CANTERRA AND CLASS A SHAREHOLDERS

Except as described in this Section 17, there are no agreements, commitments or understandings, formal or informal, between Canterra and any Class A Shareholder with respect to the Offer or any person or company with respect to any securities of Canterra in relation to the Offer.

In connection with the Offer, the Standstill Parties have entered into Standstill Agreements with the Corporation. The Standstill Agreements were entered into to accomplish the Corporation’s objective of providing long-standing minority Class A Shareholders with a path to divest their investment in the Corporation. Pursuant to the terms of the Standstill Agreements, each of the Standstill Parties has agreed that it will not, directly or indirectly, tender any Class A Shares of which it is the registered or beneficial owner towards the Offer.

The Standstill Agreements were entered into by the parties voluntarily and restrict the ability of the Standstill Parties to accept the Offer and, accordingly, do not constitute a “collateral benefit” (within the meaning of applicable securities laws) to the parties.

18. PREVIOUS PURCHASES AND SALES

No securities of the Corporation have been purchased or sold by the Corporation during the 12 months preceding the date of the Offer.

19. FINANCIAL STATEMENTS

The Corporation’s most recent audited consolidated financial statements for the year ended September 30, 2025 are included in Canterra’s 2025 Annual Report, a copy of which is attached hereto as Appendix I. The Corporation’s unaudited interim consolidated financial statements for the six-month period ended March 31, 2026 are contained in the Corporation’s 2026 Q2 Report, which may be obtained under the Corporation’s profile on SEDAR+ at www.sedarplus.ca and does not form a part of and is not incorporated by reference into this Circular.

20. VALUATION

Engagement of Valuator

The Independent Committee engaged the Valuator on November 19, 2025, to prepare the Valuation of the Class A Shares and the Class E Shares in accordance with MI 61-101. The Valuation contains the Valuator’s opinion that, based on the scope of its review and subject to the assumptions, restrictions and limitations provided therein, as of the Valuation Date, the fair market value of the Class A Shares falls within the range of \$3.01 to \$3.27 per

Class A Share and the fair market value of the Class E Shares falls within the range of \$0.84 to \$0.92 per Class E Share.

A summary of the Valuation is set out under Section 1 of the Offer to Purchase, “Valuation”. The full text of the Valuation, which sets forth, among other things, assumptions made, procedures followed, matters considered, qualifications and exceptions and limitations of the review undertaken in rendering the opinion, is attached hereto as Schedule “A” to this Circular. Class A Shareholders are urged to read the Valuation carefully and in its entirety. Selecting portions of the Valuation’s analysis could create a misleading view of the methodologies and approaches underlying the Valuation’s conclusions. The preparation of a valuation is a complex process and not necessarily susceptible to a partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

The Valuation was prepared for the use of the Independent Committee and is not intended to be, and does not constitute, a recommendation to the Class A Shareholders with respect to the Offer. The Valuation does not address the relative merits of the Offer as compared to other transactions or business strategies that might be available to the Corporation.

The Valuator’s fee of \$66,150, inclusive of applicable taxes, was paid by the Corporation. The fees and expenses of the Valuator are not contingent in whole or in part upon the outcome of the Offer, and the Valuator has no financial interest in Canterra or in any other “interested party” (as such term is defined in MI 61-101) that may be affected by the Offer. The Board of Directors determined the compensation paid for the services provided by the Valuator.

Qualifications of Valuator

The Valuator has been determined by the Board of Directors to be qualified to produce the Valuation on the basis of its qualifications, as presented to the Board of Directors and as set out in the Valuation. The Valuator has advised that it has participated in a significant number of transactions involving both public and private companies and has extensive experience in preparing valuations. On the basis of the foregoing, the Valuator has represented to the Corporation that, for the purposes of the Valuation, the Valuator has appropriate qualifications within the meaning of MI 61-101.

Independence of Valuator

The Valuator has been determined by the Independent Committee to be independent of the Corporation on the basis that there has been no past relationship, and there is no present or anticipated relationship, other than the engagement of the Valuator by the Corporation for purposes of preparing the Valuation, between the Valuator and the Corporation or any other “interested party” (as such term is defined in MI 61-101) that may be relevant to any perceived lack of independence of the Valuator.

The Valuator has represented that it is of the view that it is independent of Canterra and any other interested party and that neither the Valuator nor any of its “affiliated entities” (as such term is defined in MI 61-101): (i) is an associated or affiliated entity or issuer insider of Canterra or any other interested party; (ii) is an advisor to Canterra or any other interested party in respect of the Offer; or (iii) has a material financial interest in the completion of the Offer. There are no understandings or agreements between the Valuator and Canterra or any other interested party with respect to future business dealings.

The Board of Directors determined that the compensation paid to the Valuator did not in any way interfere with the Valuator’s independence and is not dependent, in whole or in part, on the conclusions reached by the Valuator or the outcome of the Offer. Having reviewed all of the relevant circumstances, the Valuator has advised Canterra that it is qualified for and independent in the preparation of the Valuation.

Conclusions of Valuation

Based on the scope of its review and subject to the assumptions, restrictions, limitations and qualifications contained in the Valuation, the Valuator has concluded that in its opinion, as at March 4, 2026: (i) the fair market value of the Class A Shares falls within the range of \$3.01 to \$3.27 per Class A Share; and (ii) the fair market value of the Class E Shares falls within the range of \$0.84 to \$0.92 per Class E Share. These determinations result in an implied exchange ratio range of 3.2717 to 3.8929, which suggests that each outstanding Class A Share will be exchanged for approximately 3.55 Class E Shares, subject to proration of the Tendered Class A Shares.

Definitions and Approach to Fair Market Value

For the purpose of the Valuation, fair market value is defined in accordance with MI 61-101 as “the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, each acting at arm’s length with the other and under no compulsion to act”. See the Valuation attached as Schedule “A” to this Circular.

Scope of Review

In connection with the Valuation, the Valuator reviewed and relied on, among other things, the following information in respect of the Class A Shares:

- (a) a draft of this Circular;
- (b) the Forecast Model (as defined below);
- (c) articles of the Corporation;
- (d) historical audited financial statements of the Corporation for the fiscal years ended September 30, 2022 to 2025;
- (e) interim financial statements for the three-month period ended December 31, 2025;
- (f) meeting minutes and presentations of the Board of Directors for June 17, October 31 and November 27, 2025;
- (g) public information, including securities filings, relating to the business, operations, financial performance of the Corporation;
- (h) precedent transactions considered relevant to the Corporation;
- (i) such other corporate, legal, industry, economic and financial market information, investigations, and analyses as was considered necessary or appropriate in the circumstances, including but not limited to reports published by equity research analysts and industry sources, as available; and
- (j) discussions with management of Canterra with respect to the information referred to above and other issues and matters considered relevant, including:
 - (i) management’s 10-year financial forecast for the Corporation for the fiscal years ended September 30, 2026 to 2035;

- (ii) management's detailed budget forecasts for the Corporation for the fiscal year ending September 30, 2026; and
- (iii) management's product-specific sales forecasts and presentations for canola, barley, pea and oats for the 2026 to 2030 projection period.

Valuation Assumptions

The Valuation is subject to the following assumptions:

- (a) the statements of facts contained in the Valuation are true and correct;
- (b) information provided to the Valuator is complete and accurate and there have been no material changes of fact in the materials, data, advice, opinion and representations provided, including material changes to the financial or operating results for the Corporation from the date of the most recently available draft financial statements to the Valuation Date;
- (c) Canterra has no contingent or unrecorded liabilities, environmental liabilities, unusual contractual obligations or substantial commitments, other than in the ordinary course of business, or pending or threatened litigation, unless otherwise stated;
- (d) there are no material legal proceedings regarding the business or affairs of Canterra, unless otherwise stated;
- (e) there is compliance with all applicable federal, local and national laws and regulations, in all material respects, as well as the policies and applicable regulators, and that all required licenses, rights, consents, or legislative or administrative authority from any federal, local, or national government, regulatory agency, or organization have been or can be obtained or renewed for the operation of Canterra in its ordinary course of business;
- (f) there are no restrictions on the transfer of ownership of Class A Shares or Class E Shares that would limit or reduce the value otherwise determined;
- (g) no other information was available or provided to the Valuator that provides any specific independent and reliable evidence as to the fair market value of Canterra other than the data and information outlined and specified in the Valuation;
- (h) the forecast cash flows in the financial models provided by management of Canterra reflect the best information and expectations regarding the future performance of Canterra as of the Valuation Date;
- (i) the effective Canadian federal and Manitoba provincial corporate income tax rates provided by the Board are representative of the appropriate rates to apply to future earnings known at the Valuation Date;
- (j) conditions to the Offer can and will be satisfied in due course;
- (k) all consents, permissions, exemptions or orders of relevant regulatory authorities or third parties will be obtained, without adverse conditions or qualifications; and
- (l) the procedures being followed to implement the Offer are valid and effective and the Offer will be completed as outlined, within the time frame specified.

Class A Shareholders should note that in completing the Valuation, the Valuator has also made numerous assumptions with respect to economic, industry and operating performance and expectations that are matters over which the Valuator has no control. As a result, there is a degree of uncertainty in the concluded estimates of value as set forth in the Valuation.

Valuation Approach and Methodologies

For the purpose of the Valuation, fair market value is defined in accordance with MI 61-101 as “the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, each acting at arm’s length with the other and under no compulsion to act”. See the Valuation attached as Schedule “A” to this Circular.

Cost Approach

The cost approach is based on the premise that a prudent third-party purchaser would pay no more for an asset than its replacement cost. The fair market value of the asset is therefore derived as an estimate of the current cost to reproduce, purchase, or replace the asset. The cost to replace an asset would include all costs necessary to construct a similar asset with the same functional utility using prices applicable at the valuation date.

To the extent that the assets being valued provide less utility than a newly constructed asset, the reproduction or replacement cost would be adjusted to reflect appropriate physical deterioration, functional obsolescence and economic obsolescence.

Market Approach

The market approach uses market data to determine the fair market value of an asset based on observed transaction values for comparable assets under similar circumstances. Comparable transactions may be identified through a review and comparison with comparable publicly traded companies or acquisitions of comparable companies. The market approach relies on the availability of recent and transparent information related to similar assets.

The market approach requires the determination of financial results considered to be representative of the future performance of the subject asset or company and capitalizing those amounts by appropriate risk-adjusted rates, or using similar non-financial metrics specific to an asset.

Income Approach

The income approach is based on the premise that the value of an asset is the present value of the future earnings available for distribution to investors. A commonly used income approach to value securities or individual assets is the discounted cash flow (“**DCF**”).

The DCF method is a frequently used form of the income approach. It estimates the present value of the projected future cash flows to be generated by a company and theoretically available (though not necessarily paid) to the capital providers of the subject company. The discount rate is intended to reflect all risks of ownership and the associated risks of realizing the stream of projected future cash flows. It can also be interpreted as the rate of return that would be required by providers of capital to a company to compensate them for the time value of their money, as well as the risk inherent in the particular investment.

The DCF method requires an accurate forecast of the cash flow expected to be generated by the operations of the business or subject asset. It incorporates the positive (or negative) cash flow from operations, as well as cash expenditures related to working capital investment and fixed asset purchases. Non-cash expenses included in

accounting profit are adjusted in the forecast. These cash flows are typically projected over a limited number of years, which depends on a company's planning horizon and other factors related to industry and the general economy.

Class A Shares

The fair market value of Canterra was analyzed on a going concern basis. As Canterra is generating positive cash flows and is forecasted to continue doing so for the foreseeable future, the Valuator determined that the most appropriate method in determining the range of the fair market value of the Class A Shares was the DCF approach, based on management's five-year consolidated financial forecast model (the "**Forecast Model**"). Key inputs and assumptions in the Forecast Model include: (i) revenue volumes of canola and pedigree seeds, (ii) cost of sales, (iii) operating expenses, (iv) incremental net working capital flows, and (v) capital expenditures of the Corporation.

As part of the DCF valuation analysis, the Valuator employed a sensitivity analysis. The following tables summarize the sensitivity of the estimated fair market value per Class A Share to changes in certain key assumptions used in the Valuation. The sensitivity analysis illustrates the impact on the estimated fair market value per Class A Share resulting from a 1.0% increase or decrease in each of the indicated assumptions, with all other assumptions held constant. The analysis is provided for illustrative purposes only and should not be viewed as a prediction of future results or the likelihood that any particular assumption will occur.

Low end of fair market value range at \$3.01 per Class A Share		
Assumption	+1.0% Change	-1.0% Change
Discount Rate	(\$0.23)	\$0.26
Incremental net working capital as a % of revenue	(\$0.13)	\$0.13
Long-term growth rate	\$0.09	(\$0.08)
% change in sales volume	\$0.41	(\$0.40)
% change in cost of sales	(\$0.65)	\$0.64
% change in operating expenses	(\$0.13)	\$0.12

High end of fair market value range at \$3.27 per Class A Share		
Assumption	+1.0% Change	-1.0% Change
Discount Rate	(\$0.26)	\$0.30
Incremental net working capital as a % of revenue	(\$0.15)	\$0.13
Long-term growth rate	\$0.12	(\$0.11)
% change in sales volume	\$0.45	(\$0.44)
% change in cost of sales	(\$0.69)	\$0.69
% change in operating expenses	(\$0.15)	\$0.13

The Valuator also conducted an analysis in determining the fair market value of the Corporation's 30.0% *pro rata* investment in Limagrain Cereals Research Canada ("**Limagrain**") by considering: (i) management's five-year financial forecast of Limagrain, which indicated cumulative negative undiscounted cash flows, and (ii) Limagrain's historical financial results, which indicated annual net losses on a consistent basis, as well as

Limagrain's unaudited financial statements as at December 31, 2025. Based on this analysis, the Valuator did not ascribe any value to the fair market value of the Corporation's investment in Limagrain.

Class E Shares

In determining the fair market value of the Class E Shares, the Valuator also employed the DCF approach by estimating the present value of the expected redemption payments as at the Valuation Date. The Valuator based its analysis on:

- (a) the Board of Directors' intention of an annual scheduled redemption payment of \$0.20 per Class E Share, with the first annual payment occurring on January 31, 2027 and the final annual payment occurring on January 31, 2031; and
- (b) the discount rate range used to value the redemption payment cash flows of the Class E Shares and bracket the appropriate required return for such cash flows, based on:
 - (i) the Corporation's borrowing rate of 5.95% as an upper-bound proxy reflecting the Corporation's cost of funding; and
 - (ii) the five-year Government of Canada bond yield of 2.81% as a lower-bound proxy for a risk-free reference rate.

In the context of the foregoing, the expected redemption payments were assessed as having a risk profile more closely aligned with low-risk, debt-like cash flows rather than residual equity cash flows. While the Board of Directors' stated commitment to redemption payments is an important factor in assessing the expected risk profile of the scheduled redemptions, the Class E Shares remain equity securities and redemption is effected through corporate action. Accordingly, the valuation of the Class E Shares is expressed as a range reflecting the selected discount rate bounds.

Prior Valuations

Pursuant to the provisions of MI 61-101, an issuer making an offer for its securities must, with certain limited exceptions, disclose every prior valuation or appraisal, made in the 24 months before the date of such offer, of the Corporation, its securities or material assets, whether or not prepared by an independent valuator, that would reasonably be expected to affect the decision of a Class A Shareholder to retain or dispose of the Class A Shares. To the knowledge of Canterra and the directors and senior officers of Canterra, other than the Valuation prepared in connection with the Offer, a copy of which is attached hereto as Schedule "A", no "prior valuations" (as such term is defined in MI 61-101) regarding Canterra, its material assets or the Class A Shares have been prepared within the 24 months preceding the date hereof.

The Corporation routinely undertakes valuations of assets prior to their acquisition, financing or refinancing. In the course of the preparation of its financial statements, in order to determine the fair value of its development and investment holdings and income properties as recorded in its financial statements, the Corporation uses internally prepared valuations and obtains appraisals from qualified external professionals on a rotational basis.

21. SECURITIES OF CANTERRA TO BE EXCHANGED FOR OTHERS

See Section 1 of this Circular, "Name of Issuer" for disclosure on Canterra.

22. APPROVAL OF ISSUER BID CIRCULAR

The Offer and this Circular have been approved by the Board of Directors, and the delivery thereof to the Class A Shareholders has also been authorized by the Board of Directors.

23. PREVIOUS DISTRIBUTIONS

No Class A Shares have been distributed by the Corporation or any Class A Shareholders in the five years preceding the date of this Circular.

24. DIVIDEND POLICY

The Corporation has not previously paid any dividends on the Class A Shares. The Board considers whether to declare dividends from time to time in the context of the Corporation's earnings, financial condition and other relevant factors. There is no legal restriction on the Corporation's ability to pay dividends, other than satisfaction of the solvency tests under corporate laws, and subject to the discretion of the Board of Directors. The Board of Directors does not have any current plan or intention to declare a dividend on the Class A Shares.

25. INCOME TAX CONSEQUENCES

General

The following summary generally describes, as of the date hereof, the principal Canadian federal income tax considerations applicable to a Class A Shareholder who sells Class A Shares to Canterra pursuant to the Offer and who, at all relevant times, deals at arm's length with Canterra, is not affiliated with Canterra and holds all Class A Shares as capital property, as determined for purposes of the Tax Act. Class A Shares generally will constitute capital property to a Class A Shareholder for purposes of the Tax Act, unless any such shares are held in the course of carrying on a business of trading or dealing in shares or otherwise as part of a business of buying and selling securities or such Class A Shareholder has acquired such shares in one or more transactions considered to be an adventure or concern in the nature of trade. Certain Class A Shareholders who are resident in Canada for purposes of the Tax Act may be entitled to make or may have already made the irrevocable election permitted by subsection 39(4) of the Tax Act, the effect of which may be to deem Class A Shares and all other "Canadian securities", as defined in the Tax Act, owned by such Class A Shareholder to be capital property in the taxation year in which the election is made and in all subsequent taxation years. Class A Shareholders contemplating making such an election should first consult their own tax advisors.

This summary is not applicable to a Class A Shareholder: (a) that is a "financial institution" for purposes of certain rules in the Tax Act referred to as the mark-to-market rules; (b) that is a "specified financial institution"; (c) an interest in which is a "tax shelter investment"; (d) that reports its "Canadian tax results" in a currency other than Canadian currency; (e) that has entered into, or will enter into, with respect to its Class A Shares, a "derivative forward agreement"; (f) that acquired Class A Shares under or in connection with any equity based compensation arrangement; or (g) that is exempt from tax under Part I of the Tax Act (all terms as defined in the Tax Act). Any such Class A Shareholder should consult with their own tax advisors.

This summary is based on the facts set out in this Circular, the provisions of the Tax Act in force as of the date hereof, all specific proposals to amend the Tax Act that have been publicly announced prior to the date hereof by or on behalf of the Minister of Finance (Canada) ("Proposed Amendments") and Canterra's understanding of the current published administrative and assessing practices and policies of the Canada Revenue Agency. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Proposed Amendments, does not take into account or anticipate any changes in the law or any changes in administrative or assessing practices or policies, whether by way of legislative, governmental or judicial action, nor does it take into account provincial, territorial or foreign tax considerations, which may differ significantly from the Canadian federal income tax considerations discussed herein. No assurance can be given that the Proposed Amendments will be enacted as currently proposed or at all.

This summary is of a general nature only and neither is intended to be, nor should be construed to be, legal, tax or business advice to any particular Class A Shareholder. Consequently, Class A Shareholders should consult their own advisors regarding the tax consequences applicable to them in their particular circumstances.

Class A Shareholders Resident in Canada

The following portion of this summary is applicable to a Class A Shareholder who, at all relevant times, for purposes of the Tax Act, is or is deemed to be resident in Canada (a "**Resident Class A Shareholder**").

Exchange of Class A Shares for Class E Shares

A Resident Class A Shareholder that disposes of a Class A Share in exchange for 3.25 Class E Shares will, provided section 51 of the Tax Act applies to such an exchange, be deemed not to have disposed of such Class A Share, and accordingly, will not be considered to realize a capital gain (or capital loss) on such exchange. The aggregate cost to a Resident Class A Shareholder of new Class E Shares acquired on the exchange will, provided section 51 applies to such an exchange, generally be equal to the aggregate of the Resident Class A Shareholder's adjusted cost base of the Class A Shares that were exchanged. The adjusted cost base to a Resident Class A Shareholder of new Class E Shares at any time will be determined by averaging the cost of such new Class E Shares with the adjusted cost base of any other Class E Shares owned by the Resident Class A Shareholder as capital property at the time.

A Resident Class A Shareholder that disposes of a Class A Share in exchange for 3.25 Class E Shares should not result in a deemed dividend or income for purposes of the Tax Act for any Resident Class A Shareholder.

Redemption of Class E Shares

If Canterra redeems or otherwise acquires Class E Shares held by a Resident Class A Shareholder, the Resident Class A Shareholder will: (a) be deemed to have received a taxable dividend equal to the amount by which the amount received from Canterra exceeds the paid-up capital ("PUC"), as determined for purposes of the Tax Act, of such Class E Shares at such time; and (b) realize a capital gain (or a capital loss) on the disposition of their Class E Shares equal to the amount, if any, by which the proceeds of disposition, net of any reasonable costs of disposition exceed (or are less than) the adjusted cost base to such Resident Class A Shareholder of their Class E Shares. For purposes of determining a Resident Class A Shareholder's capital gain (or capital loss) on the disposition of their Class E Shares on such a redemption, the Resident Class A Shareholder's proceeds of disposition should be equal to the amount received for the shares less the amount of any deemed dividend, as described above. Canterra estimates that the PUC per Class E Share, immediately following the exchange of Class A shares for Class E Shares, will be approximately \$0.4934.

Dividends deemed to be received on a redemption of Class E Shares by a Resident Class A Shareholder who is an individual should be included in computing the Resident Class A Shareholder's income and should be subject to the gross-up and dividend tax credit rules normally applicable to taxable dividends received from taxable Canadian corporations. If Canterra designates such deemed dividend to be an "eligible dividend" for the purposes of the Tax Act, the enhanced gross-up and dividend tax credit rules normally applicable to taxable dividends that are eligible dividends should apply.

Dividends deemed to be received on a redemption of Class E Shares by a Resident Class A Shareholder that is a corporation should be included in computing the corporation's income and normally should be deductible in computing its taxable income to the extent and in the circumstances provided in the Tax Act. In addition, in some circumstances, the amount of such dividend may be treated as proceeds of disposition or a capital gain on the Class E Shares and not as a dividend. The taxation of capital gains and capital losses is described below under the heading "Class A Shareholders Resident in Canada – Taxation of Capital Gains and Capital Losses".

A Resident Class A Shareholder that is a “private corporation”, as defined in the Tax Act, or any other corporation resident in Canada and controlled or deemed to be controlled by or for the benefit of an individual (other than a trust) or a “related group”, as defined in the Tax Act, of individuals (other than trusts) may be liable to pay a refundable tax under Part IV of the Tax Act of 38 1/3% of any dividends deemed to be received on Class E Shares to the extent that such dividends are deductible in computing the Resident Class A Shareholder’s taxable income.

Taxation of Capital Gains and Capital Losses

Generally, a Resident Class A Shareholder is required to include in computing its income for a taxation year one-half of any capital gain (a “**taxable capital gain**”) realized in the year. Subject to and in accordance with the provisions of the Tax Act, a Resident Class A Shareholder is required to deduct one-half of the amount of any capital loss (an “**allowable capital loss**”) realized in a taxation year from taxable capital gains realized by the Resident Class A Shareholder in the year. Allowable capital losses in excess of taxable capital gains for the year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year, in each case generally only against net taxable capital gains realized in such years. The amount of any capital loss realized by a Resident Class A Shareholder that is a corporation on the disposition of a Class E Share may be reduced by the amount of any dividends deemed to be received by the Resident Class A Shareholder on such Class E Share to the extent and under the circumstances set out in the Tax Act. Similar rules may apply where a Class E Share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. A Resident Class A Shareholder to whom these rules may be relevant should consult with their own tax advisors. A Resident Class A Shareholder that throughout the relevant taxation year is a “Canadian-controlled private corporation” or a “substantive CCPC” (each as defined in the Tax Act) may be liable to pay an additional refundable tax of 10 2/3% on certain investment income, including taxable capital gains. Capital gains realized by a Resident Class A Shareholder who is an individual or a trust, other than certain specified trusts, may give rise to a liability for minimum tax under the Tax Act. Resident Class A Shareholders are urged to consult their own tax advisors.

Class A Shareholders Not Resident in Canada

Class A Shareholders that are subject to U.S. tax should consult their own tax advisers as to the specific tax consequences to them of accepting the Offer, including tax return reporting requirements, withholding tax rules, the applicability and effect of Canadian, U.S. federal, state, and local tax laws, and the effect of any proposed changes in applicable tax laws.

26. EXPENSES OF THE OFFER

Canterra will not pay any fees or commissions to any broker, dealer or other person for soliciting tenders of Class A Shares pursuant to the Offer. Investment dealers, stock brokers, trust companies and intermediaries and other nominees may, upon request, be reimbursed by Canterra for customary clerical and mailing expenses incurred by them in forwarding materials to their customers.

The Valuator has been retained by Canterra to deliver the Valuation. The Valuator will receive a fee from Canterra for its services in providing the Valuation and will be reimbursed for certain reasonable out-of-pocket expenses.

Canterra has retained MLT Aikins LLP, legal counsel to the Corporation, to act as the Depositary in connection with the Offer for, among other things: (i) the receipt of certificates representing Class A Shares and related Letters of Transmittal tendered under the Offer, and (ii) where in accordance with the terms of the Offer to Purchase, the receipt of certificates delivered pursuant to the procedures for guaranteed delivery set forth in Section 4 of the Offer to Purchase, “Procedure for Tendering Class A Shares”. Canterra will issue the certificates

representing the Class E Shares issued in consideration for the Class A Shares acquired by Canterra under the Offer. The Depositary will receive reasonable and customary compensation for its services as legal counsel, will be reimbursed for certain reasonable out-of-pocket expenses and will be indemnified against certain liabilities and expenses in connection with the Offer, including certain liabilities under Canadian securities laws. Certain officers and employees of Canterra may render services in connection with the Offer but will not receive any additional compensation for such services.

Canterra is expected to incur expenses of approximately \$100,000 in connection with the Offer, including filing fees and legal, valuation, Depositary, printing and mailing fees.

27. RIGHTS OF APPRAISAL AND ACQUISITION

Neither Canterra nor its shareholders have any rights of appraisal in respect of the Offer under applicable securities laws or the articles of Canterra.

28. STATEMENT OF RIGHTS

Securities legislation in the provinces and territories of Canada provides Class A Shareholders with, in addition to any other rights they may have at law, one or more rights of rescission, price revision or to damages, if there is a misrepresentation in a circular or notice that is required to be delivered to the Class A Shareholders. However, such rights must be exercised within prescribed time limits. Class A Shareholders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult with a lawyer.

29. OTHER MATERIAL FACTS AND DISCLOSURE

Due to the fact that Canterra is offering Class E Shares in exchange for Class A Shares, Canterra is required to provide the additional disclosure as set forth in Schedule “B” – Additional Disclosure Regarding Canterra, which is not set forth elsewhere in this Circular.

There are no other material facts relating to the securities proposed to be distributed in connection with the Offer that have not been disclosed elsewhere in this Circular.

30. SOLICITATIONS

No broker, dealer or other person (including the Depositary) has been authorized to give any information or to make any representation or warranty on behalf of Canterra or any of its affiliates in connection with the Offer other than as contained in the Offer, Circular and Letter of Transmittal and, if any such information, representation or warranty is given or made, it must not be relied upon as having been authorized.

31. ADDITIONAL INFORMATION

The Corporation is subject to Canadian securities laws, and in accordance therewith files reports and other information on SEDAR+ at www.sedarplus.ca. In addition, the Corporation maintains a website that contains information about the Corporation at www.canterra.com. Information on or accessible through SEDAR+ or the Corporation’s website do not form a part of and are not incorporated by reference into this Circular.

Any questions or requests for assistance may be directed to the Depositary at their addresses and telephone numbers as set forth on the back cover of this Offer to Purchase and Circular. Any requests for additional copies of this Offer to Purchase and Circular, the related Letter of Transmittal and, if applicable, Notice of Guaranteed Delivery or other related documents may be directed to the Depositary. A Class A Shareholder may also contact

such Class A Shareholder's investment dealer, broker, bank, lawyer, accountant or other professional advisor for assistance concerning the Offer.

CERTIFICATE

June 26, 2026

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

CANTERRA SEEDS HOLDINGS LTD.

Brent Derkatch

CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER

ON BEHALF OF THE BOARD OF DIRECTORS

Jim Wilson

DIRECTOR



DIRECTOR

CONSENT OF DAVIDSON + COMPANY LLP

(See attached.)

PRIVATE & CONFIDENTIAL

June 26, 2026

The Board of Directors
Canterra Seeds Holdings Ltd.
201 – 1475 Chevrier Boulevard
Winnipeg, MB, R3T 1Y7

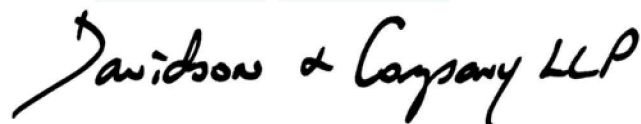
Attention: Mr. Jim Wilson, CPA, CA, C.Dir
Chair of the Board of Directors

Dear Sir:

Re: Formal Valuation

We refer to the formal valuation dated March 4, 2026, which we prepared for the Corporation in connection with its offer to the holders of Class A Shares. We consent to the filing of the formal valuation with the securities regulatory authorities and the inclusion of our name and the references to and summary of our formal valuation dated March 4, 2026, in the section titled "Valuation" in the Circular dated June 26, 2026 of the Corporation and the inclusion of the text of our formal valuation in Schedule "A".

Yours very truly,



Davidson + Company LLP
June 26, 2026

CONSENT OF MNP LLP

(See attached.)

June 26, 2026

The Manitoba Securities Commission

Dear Sir/Madam:

Re: Canterra Seeds Holdings Ltd.

We refer to the issuer bid circular of Canterra Seeds Holdings Ltd. (the “Company”) dated June 26, 2026 (the “Circular”) relating to the offer by the Company to purchase up to 755,155 Class A Common Shares in exchange for Class E Preferred Shares.

We consent to being named and to the use in the above-mentioned Circular of our report dated January 23, 2026 to the Shareholders of the Company on the following financial statements:

- a. Consolidated statements of financial position as at September 30, 2025 and 2024 and,
- b. Consolidated statements of net income and other comprehensive income, changes in shareholders’ equity and cash flows for each of the years in the two-year period ended September 30, 2025, and the notes to the consolidated financial statements

We report that we have read the Circular and all information therein and have no reason to believe that there are any misrepresentations in the information contained therein that are derived from the consolidated financial statements upon which we have reported or that are within our knowledge as a result of our audit of such consolidated financial statements. We have complied with Canadian generally accepted standards for an auditor’s consent to the use of a report of the auditor included in an offering document, which does not constitute an audit or review of the prospectus as these terms are described in the CPA Canada Handbook – Assurance.

Sincerely,



Chartered Professional Accountants

encls.

SCHEDULE "A" – VALUATION OF DAVIDSON + COMPANY LLP

(See attached.)

Canterra Seeds Holdings Ltd.

Formal Valuation of the Class A Common Shares and Class E Preferred Shares

Valuation Date: March 4, 2026

Report Date: March 4, 2026

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March 4, 2026

The Special Committee of the Board of Directors
Canterra Seeds Holdings Ltd.
201 – 1475 Chevrier Boulevard
Winnipeg, MB, R3T 1Y7

Attention: Mr. James Wilson, CPA, CA, C. Dir
Chair, Special Committee of the Board of Directors and the
Board of Directors of Canterra Seeds Holdings Ltd.

Introduction

Davidson + Company LLP (“Davidson”) understands that Canterra Seeds Holdings Ltd. (“Canterra Seeds” or the “Company”) has approved an amendment to the articles (the “Articles”) of Canterra Seeds that will create a new class of preferred shares (the “Class E Preferred Shares”), as it considers a potential liquidity opportunity for holders (the “Class A Shareholders”) of Class A common shares (the “Class A Common Shares”) of the Company involving a substantial issuer bid which whereby such holders would have a one-time right to exchange some or all of their Class A Common Shares for Class E Preferred Shares (the “Share Exchange” and the “Issuer Bid”). Under the terms of the Issuer Bid, the Class A Shareholders would elect to receive, in exchange for each Class A Common Share, Class E Preferred Shares based upon an exchange ratio to be approved by the Board of Directors of the Company after receiving the recommendation of the Special Committee.

The elections of Class A Shareholders to receive Class E Preferred Shares will be subject to proration in the event Class A Shareholders elect, in the aggregate, to exchange more than a maximum number of Class A Common Shares determined by the Board of Directors of the Company after receiving the recommendation of the Special Committee, which we understand is currently anticipated to be 755,115 Class A Common Shares, representing approximately 10% of the outstanding Class A Common Shares as of March 4, 2026.

Davidson further understands that should the Company proceed with the Issuer Bid, it would commence within 120 days of the Valuation Date and certain Class A Shareholders have agreed to not tender any of their Class A Common Shares to the Issuer Bid.

The above description is summary in nature. The specific terms and conditions of the Issuer Bid, if approved by the Company, will be described in a circular (the “Issuer Bid Circular”) that will be mailed to Class A Shareholders in connection with the Issuer Bid.

Engagement of Davidson

Davidson was formally engaged by the Special Committee of the Board of Directors (the “Special Committee”) of Canterra Seeds pursuant to an engagement agreement (the “Engagement Agreement”) dated November 17, 2025 and executed on November 19, 2025, to provide a formal valuation (the “Formal Valuation”) of the Class A Common Shares and Class E Preferred Shares of the Company, as at March 4, 2026 (the “Valuation Date”), pursuant to Multilateral Instrument 61-101 Protection of Minority Shareholders in Special Transactions (“MI 61-101”) in relation to the Issuer Bid.

Davidson is to receive a fee, as stipulated in the Engagement Agreement, based strictly on the professional time expended on the engagement, at its standard hourly rates, for the Formal Valuation. The fee payable to Davidson is not contingent, in whole or in part, on whether the Issuer Bid is completed or on the conclusions reached in the Formal Valuation. Furthermore, Davidson does not hold any material financial interest that is either directly in or that is contingent upon the completion of the Issuer Bid.

Davidson further understands that the Formal Valuation will be considered by the Special Committee as one factor, amongst others, for purposes of determining whether to approve and recommend the Issuer Bid and that, therefore, the Formal Valuation does not constitute the sole or primary basis upon which the Special Committee may base its decision on.

On March 4, 2026 at the request of the Special Committee of the Board, Davidson orally delivered to Special Committee of the Board the substance of the Formal Valuation. The Formal Valuation contained herein provides the same conclusions, in writing, as those delivered orally on March 4, 2026. This Formal Valuation has been prepared for the Special Committee in accordance with our Engagement Agreement for the specific purpose above and is not to be used in any other context without the express written consent of Davidson. Davidson consents to the inclusion of the Formal Valuation in the Issuer Bid Circular, along with a summary thereof, in a form acceptable to Davidson, and to the filing thereof with the applicable Canadian securities’ regulatory authorities.

Fair Market Value and Valuation Considerations

MI 61-101 defines fair market value as “the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, each acting at arm’s length with the other and under no compulsion to act”.

In determining the fair market values of the Class A Common Shares and the Class E Preferred Shares, and in accordance with MI 61-101, Davidson did not include a downward adjustment to reflect the liquidity of these securities, the effect of the Issuer Bid on the Class A Common Shares or the fact that the Class A Common Shares tendered to the Issuer Bid do not form part of a controlling interest. Values determined on the foregoing basis represent “en bloc” values, which are values that an acquirer of 100% of the securities of the Company would be expected to pay in an open auction of the Company.

No value was ascribed to or included in the fair market value related to the benefits that would accrue to any control person of the Company, or any person that would be reasonably expected to be a control person of the Company upon successful completion of the Issuer Bid.

In preparing this Formal Valuation, Davidson was guided by MI 61-101 and the standards of the Canadian Institute of Chartered Business Valuators (the “CBV Institute”) including Practice Standards No. 100, 110, 120 and 130 and Appendix A to Practice Standard No. 110.

Credentials

Davidson is a full-service professional services firm of Chartered Professional Accountants located in Vancouver, BC, Canada. Davidson’s Valuation professionals are comprised of Chartered Business Valuator members of the CBV Institute, all experienced in providing professional advisory services in connection with merger, acquisition, divestiture, formal valuation and fairness opinion matters.

The Formal Valuation has been prepared in conformity with the Practice Standards of the CBV Institute by Fred Tang, CPA, CA, CBV and Mark Weston, CPA, CA, CBV.

The Formal Valuation expressed herein is as of March 4, 2026 and represents the opinion of Davidson as a firm.

Independence

Davidson prepared this Formal Valuation to the best of its knowledge, acting independently and objectively.

Davidson has prepared the Formal Valuation based on an independent review of Canterra Seeds and is independent of all “Interested Parties” to the Issuer Bid, as defined in MI 61-101. Furthermore, Davidson confirms that:

- Davidson, or an affiliated entity of Davidson, is not an “associated entity” or “affiliated entity” or “issuer insider”, as defined in MI 61-101, of Canterra Seeds or the Interested Parties.
- Davidson, or an affiliated entity of Davidson, does not act as an advisor to the Interested Parties in respect of the Issuer Bid.
- Davidson’s fees are not contingent on the completion of the Issuer Bid or on the conclusions expressed by Davidson.
- Davidson, or an affiliated entity of Davidson, has no financial interest in, or commitments to, the outcome of the Issuer Bid, nor in any other transaction with Canterra Seeds or the Interested Parties.
- Davidson, or an affiliated entity of Davidson, has no interest in the completion of the Share Exchange.

Other than our engagement by the Special Committee on November 19, 2025, to provide this Formal Valuation, Davidson has not been engaged by, performed any services for, or received any

compensation from Canterra Seeds or its affiliates within the past 24 months. Other than as set forth above, there are no understandings, agreements, or commitments between Davidson and any of the Interested Parties with respect to future business dealings.

Scope of Review

In connection with this Formal Valuation, Davidson had discussions with the Special Committee and senior management¹ (“Management”) of Canterra Seeds, conducted procedures on and relied upon information obtained from these procedures, on the following:

- The Articles;
- The unaudited consolidated financial statements of Canterra Seeds for the quarter ended December 31, 2025;
- The audited consolidated financial statements of Canterra Seeds and analysis related thereto for the fiscal years ended September 30, 2022 to 2025;
- Management’s 10-year financial forecast (“Management’s Forecast) for Canterra Seeds for the fiscal years ended September 30, 2026 to 2035;
- The T2 Corporation Income Tax Returns for the fiscal year ended September 30, 2024 for Canterra Seeds and Canterra Seeds (2002) Ltd. (“Canterra Seeds 2002”), respectively.
- Management’s detailed budget forecast for Canterra Seeds for the fiscal year ending September 30, 2026;
- Management’s product specific sales forecasts and presentations for canola, Canada Western Red Spring Wheat (“CWRS”), barley (both feed and malting), pea, and oats for the 2026 to 2030 projection period;
- Management’s financial forecast for Limagrain Cereals Research Canada (“LCRC”) for the fiscal years ending June 30, 2026 to 2030;
- The draft unaudited financial statements of LCRC for the six months ended December 31, 2025;
- The audited financial statements of LCRC for the years ended June 30, 2022 to 2025;
- The Joint Venture and Partnership Agreement Amending Agreement between Canterra Seeds (2002), Canterra Seeds, Vilmorin et Cie SA and Vilmorin USA Corp. , dated July 3, 2025.
- Management’s 11-year financial forecast for Alliance Seed Corporation (“Alliance Seed”) for the fiscal years ending July 31, 2026 to 2036;
- The audited financial statements of Alliance Seed for the years ended July 31, 2022 to 2024;

¹ Brent Derkatch, President & Chief Executive Officer, Gerry Cantin, CPA, CA, Chief Financial Officer & Corporate Secretary and Curt Baldwin, Director, Operations & Product Strategy.

- Considered Canterra Seeds' Board of Directors meeting minutes and presentations for June 17, October 31, and November 27, 2025;
- Considered presentations prepared by Canterra Seeds' Management or other parties, which Davidson considered relevant;
- Considered publicly information relating to the operations of Canterra Seeds and other selected public listed companies Davidson considered relevant;
- Considered other securities regulatory filings of Canterra Seeds for the fiscal years ended September 30, 2022 to 2025 filed under the profile of the Company on the System for Electronic Document Analysis and Retrieval+ ("SEDAR+") at www.sedarplus.ca;
- Prepared a discounted cash flow ("DCF") valuation analysis to determine the fair market value of Canterra Seeds' Class A Common Shares.
- Considered publicly available information regarding public company trading data and precedent transactions Davidson considered relevant to Canterra Seeds.
- Assessed the reasonableness of the valuation multiples implied by DCF valuation analysis by comparing these to the observed valuation multiples in Canterra Seeds' industry estimated by public company trading data and comparable transactions, as applicable, over a relevant timeframe.
- Prepared a net asset value ("NAV") analysis to determine the fair market value of Canterra Seeds' 30.0% pro-rata investment in LCRC.
- Prepared a DCF valuation analysis to determine the fair market value per Canterra Seeds' Class E Preferred Share.
- Considered other corporate, industry, and financial market information, investigations and analyses as Davidson considered necessary or appropriate in the circumstances, including but not limited to reports published by equity research analysts and industry sources, as available, which Davidson considered relevant to developing rates of return used in preparing our valuation conclusion.
- Based on the above, formed an opinion as to the fair market value of the en bloc Class A Common Shares and per share Class E Preferred Share as at the Valuation Date.
- Obtained representations contained in a separate certificate dated March 4, 2026, addressed to Davidson from the Management of Canterra Seeds as to the completeness, accuracy and fair presentation of the information provided to Davidson upon which this Formal Valuation is based.
- Participated in discussions with MLT Aikins LLP, external legal counsel to the Company, the Board and the Special Committee concerning the Share Exchange, the Issuer Bid and related matters.

In preparing this Formal Valuation, Davidson relied upon the information and documents described herein. Other materials may have been reviewed for general background purposes and were not relied upon in forming our opinion of value. Davidson has relied upon information, representations and assumptions provided by Management and other sources believed by Davidson to be reliable; however, Davidson has not audited or otherwise independently verified such information and, accordingly, expresses no opinion as to its accuracy or completeness.

Any Management prepared valuation analyses or value indications described elsewhere were prepared for limited purposes unrelated to this Formal Valuation. Davidson did not receive, review or rely upon any such materials and performed no procedures to verify or validate any such analyses or value indications. Davidson also expresses no opinion on, and did not rely upon, any valuation analyses or materials prepared by other parties, and performed no procedures to verify or validate any such materials.

Davidson has not, to the best of its knowledge, been denied access by Canterra Seeds to any information under the Company's control requested by Davidson.

Restrictions and Limitations

This Formal Valuation is prepared in accordance with CICBV Practice Standards No. 100, 110, 120 and 130 as a Valuation Report containing a Comprehensive Valuation Conclusion. The CBV Institute defines a Valuation Report as *"any written communication containing a conclusion of value for shares, assets, liabilities or any other business interest ("Valuation Conclusion"), prepared by a Valuator acting independently and objectively."*

The CBV Institute defines a Comprehensive Valuation Conclusion as a conclusion that *"is based on an extensive Scope of Work that addresses the significant inputs and assumptions in detail. As such, it includes a high level of independent corroboration by the Valuator of significant inputs and assumptions."*

Furthermore, the CBV Institute defines Scope of Work as consisting of *"review, inquiry, analysis, and independent corroboration of significant relevant information of the business, its industry, and any other factors relevant to the valuation and necessary to achieve a credible and properly supported Valuation Conclusion."*

Davidson has relied upon the completeness, accuracy and fair presentation of all the financial information, data, advice, opinions or representations obtained from public sources and Canterra Seeds (collectively, the "Information"), which is detailed under the Scope of Review section of this Formal Valuation.

This Formal Valuation is conditional upon the accuracy, completeness and fair presentation of such Information. Subject to the exercise of our professional judgement, we have not verified independently the completeness, accuracy or fair presentation of the Information. Davidson has not conducted any further audit or review of the Information, nor has Davidson sought external verification of the information provided to it, or that which was extracted from public sources.

This Formal Valuation opinion is rendered as at March 4, 2026, on the basis of securities markets, economic and general business and financial conditions prevailing on that date and the condition and prospects, financial and otherwise of Canterra Seeds, as they were reflected in the Information provided or otherwise available to Davidson.

Davidson has not undertaken to update our opinion to any other date. Any changes therein may affect this Formal Valuation and, although Davidson reserves the right to update, change, supplement or withdraw this Formal Valuation in such event, it disclaims any and all undertaking or obligation to advise any person of any such change that may come to its attention, or to change, supplement or withdraw this Formal Valuation after such date.

The prospective financial information relating to Canterra Seeds provided to Davidson and used in its financial analyses supporting the Formal Valuation is inherently subject to uncertainty. Davidson has assumed, however, that such budgets, forecasts, projections and estimates were prepared using the assumptions identified therein which Davidson has been advised are (or were at the time of preparation and continue to be), in the opinion of Canterra Seeds, reasonable in the circumstances. In rendering the Formal Valuation, Davidson expresses no independent view as to the reasonableness of such budgets, forecasts, projections or the assumptions used upon which they are based.

The concluded range of fair market value expressed herein is a reasonable estimate developed based on information and assumptions available at the time the estimates were developed. If significant deviations from these assumptions materialize in the future, the estimates may no longer be representative of value. This valuation range expressed also acknowledges that in any market it is necessary to assume multiple bidders each of which will bring different perceptions of the potential for the business or asset as an investment opportunity to bear on the acquisition bidding process.

This Formal Valuation should not be interpreted as advice as to what the value Canterra Seeds may be at any future date, nor does Davidson express an opinion as to whether the shareholders of Canterra Seeds should approve the Share Exchange. This Formal Valuation does not address the relative merits of the Share Exchange as compared to other transactions or business strategies that might be available to Canterra Seeds, nor does it address the underlying business decision to enter into the Share Exchange.

This Formal Valuation may not be used by any other person or relied upon for any other purpose without the express written consent of Davidson. Davidson does not accept responsibility for any losses arising from unauthorized or improper use of this Formal Valuation. Davidson accepts no responsibility or liability for any losses occasioned by any party as a result of Davidson's reliance on Information that was provided, or that information which was obtained from third parties.

The preparation of a Formal Valuation is a complex process and is not amenable to partial analysis or summary description. Davidson believes that its analyses must be considered as a whole and that selecting portions of the analyses without considering all factors and analyses could create an incomplete view of the process underlying this Formal Valuation.

In preparing this Formal Valuation, no consideration was given to the effect of the Share Exchange on the value of Canterra Seeds.

All dollar amounts are in Canadian dollars (“CAD”), unless otherwise noted.

Assumptions

Our Formal Valuation is subject to the assumptions set forth below:

- The statements of facts contained in this Report are true and correct.
- Information provided to Davidson about Canterra Seeds is complete and accurate and there have been no material changes of fact in the materials, data, advice, opinions and representations provided to us.
- Based on representations from Management, Davidson has assumed that there are no material changes in the financial or operating results for Canterra Seeds and LCRC from the financial statement date of the most recently available draft financial statements (i.e., December 31, 2025) to the Valuation Date.
- Canterra Seeds has no contingent or unrecorded liabilities, environmental liabilities, unusual contractual obligations or substantial commitments, other than in the ordinary course of business, or pending or threatened litigation, unless otherwise stated.
- There are no material legal proceedings regarding the business or affairs of Canterra Seeds, unless otherwise stated.
- There is compliance with all applicable federal, local and national laws and regulations, in all material respects, as well as the policies and applicable regulators, and that all required licenses, rights, consents, or legislative or administrative authority from any federal, local, or national government, regulatory agency, or organization have been or can be obtained or renewed for the operation of Canterra Seeds in its ordinary course of business.
- There are no restrictions on the transfer of ownership of the Class A Common Shares or Class E Preferred Shares that would limit or reduce the value otherwise determined.
- No other information was available or provided to Davidson that provides any specific independent and reliable evidence as to the fair market value of Canterra Seeds other than the data and information outlined and specified in this Formal Valuation.
- The forecast cash flows in the financial models provided by Management reflect the best information and expectations regarding the future performance of Canterra Seeds or LCRC at the Valuation Date.
- The effective Canadian federal and Manitoba provincial corporate income tax rates provided by Management are representative of the appropriate rates to apply to future earnings known at the Valuation Date.
- Conditions of the Issuer Bid can and will be satisfied in due course.

- All consents, permissions, exemptions or orders of relevant regulatory authorities or third parties will be obtained, without adverse conditions or qualifications; and
- The procedures being followed to implement the Issuer Bid are valid and effective and the Issuer Bid will be completed as outlined, within the time frame specified.

Should any of the above assumptions be inaccurate or any other information provided to us be nonfactual or incorrect, our conclusions as set out in this Formal Valuation may be significantly impacted.

In completing this Formal Valuation, Davidson has also made numerous assumptions with respect to economic, industry, and operating performance and expectations that are matters over which Davidson has no control. As a result, there is a degree of uncertainty in the concluded estimates of value.

Prior Valuations

The Company advised Davidson that Canterra Seeds did not commission any additional external, independent valuation in connection with certain secondary transfers of Class A Common shares between shareholders of the Company during fiscal 2024 and 2025.

Canterra Seeds advised Davidson, after have received advice from legal counsel as to the meaning of prior valuation (“Prior Valuation”) as defined in MI 61-101 that there have been no such Prior Valuations made in the 24 months prior to the Valuation Date, the existence of which is known, after reasonable inquiry, to the Company or any director or senior officer of the Company.

Davidson has not been engaged to, and does not, express any opinion on whether any internal Management analyses (or any third-party analyses) constitutes a Prior Valuation as defined in MI 61-101 nor any disclosure requirements in respect thereof.

Potential Issuer Bid Overview

If the Issuer Bid is approved by the Board of Directors of the Company following recommendation of the Special Committee and receipt of all required approvals, Class A Shareholders would then have a one-time right to exchange some or all of their Class A Common Shares for Class E Preferred Shares.

Under the terms of the Issuer Bid, the Class A Shareholders will have the right to elect to receive, in exchange for each Class A Common Share, Class E Preferred Shares based on an exchange ratio to be determined by the Board of Directors of the Company following recommendation of the Special Committee.

The elections of Class A Shareholders to receive Class E Preferred Shares will be subject to proration in the event Class A Shareholders, elect in the aggregate, to exchange more than the maximum number of Class A Common Shares permitted to be exchanged under the Issuer Bid, which is currently anticipated to be 755,115 Class A Common Shares representing approximately 10% of the outstanding Class A Common Shares.

Key Terms of the Share Classes of the Company

As at the Valuation Date, we understand the issued and outstanding share capital of the Company was as follows:

- 7,551,147 Class A Common Shares; and
- 2,220,000 Class B preferred shares (the “Class B Preferred Shares”).

We understand that the Class A Common Shares have the following attributes:

- Voting;
- Dividend bearing, non-cumulative, at the discretion of the Company’s directors; and
- Subject to any senior-ranking shares, Class A Shareholders are entitled to receive all remaining assets of the Company upon its liquidation, dissolution, or winding up.

We understand that the Class B Preferred Shares have the following attributes:

- Non-voting;
- Non-dividend bearing;
- Redemption price of up to \$1.25² per Class B Preferred Share;
- Redeemable at the option of the Company if any license agreement between the Canterra Seeds and the holder of the Class B Preferred Shares (the “Class B Preferred Shareholder”) granting the right to grow and / or sell the Company’s seed varieties is terminated for any reason; and
- Class B Preferred Shareholders will have preference over Class A Shareholders to receive all remaining assets of the Company upon its liquidation, dissolution, or winding up, but receives only up to the redemption price of up to \$1.25 per Class B Preferred Share.

We understand the Articles of the Company have been amended to include Class E Preferred Shares having the following attributes:

- Non-voting;
- Non-dividend bearing;
- Redemption price of \$1.00 per Class E Preferred Share;
- Redeemable at the option of the Company as to all or part of the outstanding Class E Preferred Share class;
- If fewer than all of the outstanding Class E Preferred Shares are redeemed, the shares to be redeemed will be selected pro-rata based on each holder’s Class E Preferred Shares (the “Class E Preferred Shareholder”), with fractional shares disregarded;

² Article 2.1 states “...on payment for each particular share to be redeemed of an amount per share to be determined by the directors of the Corporation, but which amount shall not exceed the greater of \$1.25 and the amount paid up on such share...”.

- The Class E Preferred Shares rank *pari passu*³ with the Class A Common Shares and will share ratably with them in the distribution of the Company’s remaining assets until the Class E Preferred Shareholders have received, in the aggregate, an amount equal to their redemption price of \$1.00 per Class E Preferred Share; and
- After the redemption price has been paid in full, the Class E Preferred Shares have no further right to participate, and all remaining assets are distributed solely to the Class A Common Shares.

Our discussions with the Chair of Special Committee of the Board along with Management of the Company have indicated that, as at the Valuation Date, the expected redemption pattern of the Class E Preferred Shares is to occur over approximately five years on a straight-line basis (i.e. 20% per year), subject to the Company’s cash position and prioritization of growth opportunities that may avail themselves to the business and other capital allocation considerations of Canterra Seeds.

Furthermore, we have been advised by the Company that expected annual redemption payment date is at or about January 31 of the calendar year, which approximates the date whereby the Company’s Board approves the audited financial statements of Canterra for the preceding fiscal year ended September 30.

Company Overview

Canterra Seeds Holdings Ltd.

Canterra Seeds markets and sells a portfolio of crop varieties to growers, primarily across Western Canada, with a growing presence in the US Midwest. The Company’s portfolio is concentrated in canola and supplemented by a growing mix of pedigreed seeds across cereals, pulses, and specialty crops.

Canterra Seeds operates a vertically coordinated business which relies on third parties for most canola-related operating activities, including bare-seed production, storage/binning, treating and bagging, warehousing, and freight to retail channels. This approach is expected to continue as the business grows, with selective capital purchases that will seek to reduce rental costs and also improve logistics.

Canterra Seeds depends on a network of breeders⁴ to develop the seed varieties it licenses and sells. Other key supply chain relationships also have been established by the Company for items pertaining to production⁵ and seed treatment.⁶

For canola, the Company remains closely involved in planning, scheduling, and controlling seed movement from variety licensing through production and delivery.

³ *Pari passu* (Latin for “on equal footing”) means two or more parties rank equally—so they have the same legal priority for payment or claims.

⁴ Includes Bayer CropScience Inc., Pioneer Hi-Bred Canada Company, and DL Seeds Inc (“DL Seeds”).

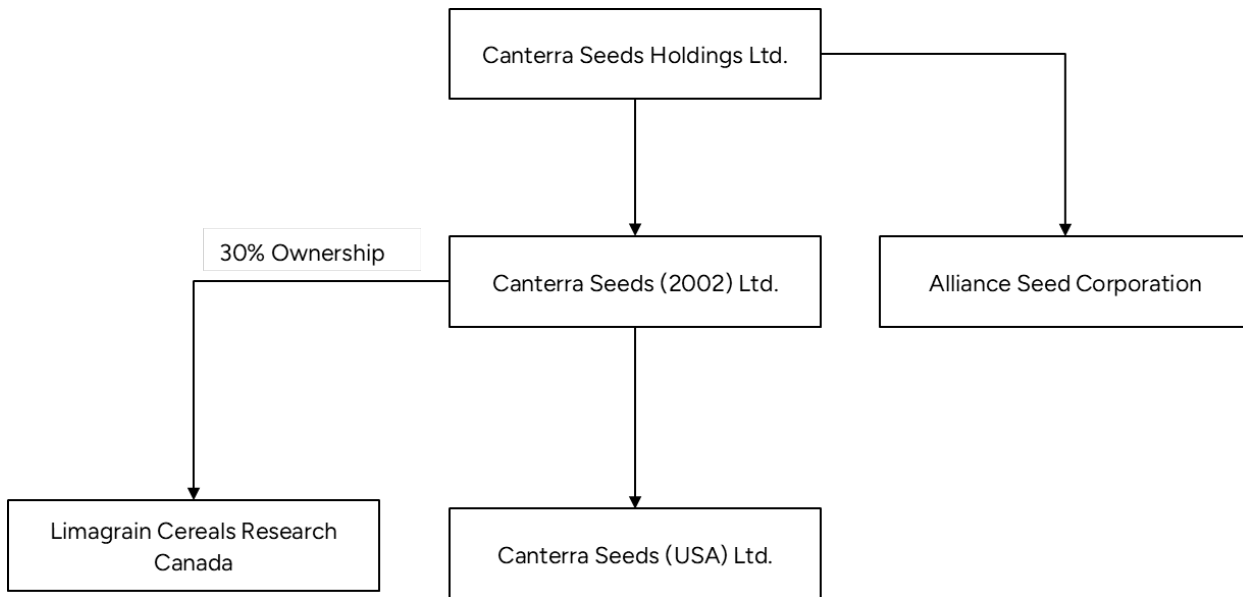
⁵ Includes HyTech Production Ltd., HyValley Seeds LLC, Curimapu Seed Growers and SG2000.

⁶ Includes Syngenta Canada Inc. and Bayer CropScience Inc.

For pedigreed seed, the Company's focus is on allocating breeder and select seed (early multiplication stages) and guiding seed through the multiplication system. Canterra Seeds' 2025 acquisition of Alliance Seed, expanded its pedigreed portfolio and sales network, which was constructive in supporting the Company's forecast growth in the cereals, pulses, and specialty seed sales.

Canterra Seeds was founded in 1996 and is headquartered in Winnipeg, Manitoba.

Below is a corporate organization chart for the Company as at the Valuation Date:



Canterra Seeds' largest Class A Shareholders at the Valuation Date are as follows:

- LFS USA Corp. ("LFS USA") holding 2,265,344 Class A Common shares approximating a 30.0% shareholding; and
- United Farmers of Alberta Co-Operative Limited⁷ ("UFA") holding 1,286,187 Class A Common Shares approximating a 17.0% shareholding.

LFS USA is a subsidiary of Groupe Limagrain Holding SA ("Limagrain"), an agricultural cooperative based in the heart of central France's Auvergne region. As a seed and agri-food group, Limagrain breeds, produces and sell high value-added field and vegetable seeds in France and internationally.

Of Canterra Seeds' nine seats on its Board of Directors, Limagrain is entitled to three Board seats and UFA is entitled to one Board seat.

As noted in the corporate organization chart, Canterra Seeds (2002), holds a 30% interest in LCRC, a cereals breeding development partnership. LFS USA holds the remaining 70.0% interest in LCRC. The 30.0% interest in LCRC is accounted for in Canterra Seeds' financial statements using the equity method.

Through LCRC, Canterra Seeds aims to capture market access by being an in-house cereal variety supplier for Western Canada. LCRC's primary focus is on developing new varieties of cereals with a specific focus on spring wheat, in addition to potentially licensing out these varieties to third parties.

LCRC was formed in 2015 and is headquartered in Saskatoon, Saskatchewan.

Economic and Industry Overview

Economic Overview

Canada

Canada experienced modest growth in 2025, with inflation continuing to cool compared to 2024 and interest rates no longer rising. The IMF projected real GDP growth of 1.6% in 2025 and 1.6% in 2026,⁸ while RBC Economics forecasts were for 1.7% in 2025 and 1.3% in 2026.⁹

The Bank of Canada's outlook had pointed growth to strengthen into 2026 (averaging ~1.4% over 2026–2027) with inflation remaining around 2% over the projection horizon.¹⁰ Specific to the agriculture sector, elevated input costs and softer crop prices were expected to persist in 2026, which could keep farming profit margins tight even if the broader Canadian economy stabilizes.

⁷ A member-owned co-operative business based in Calgary, AB that serves farmers, ranchers, and rural/industrial customers across Western Canada.

⁸ International Monetary Fund World Economic Outlook, January 2026

⁹ RBC Economics Economic Forecast Detail – Canada, January 2026

¹⁰ Bank of Canada Monetary Policy Report, October 2025

United States

The United States economy has been more resilient than Canada, supported by consumer spending and a stronger labour market, but forecasts still assume slower growth and ongoing sensitivity to trade policy. The IMF projects 2.1% real GDP growth in 2025 and 2.4% in 2026.¹¹ TD Economics' outlook for the US economy similarly anticipates firmer growth in 2026 helped by less restrictive monetary policy from the Federal Reserve and supportive fiscal and regulatory tailwinds.¹² Inflation is expected to keep easing, although the IMF notes US inflation is likely to return to target more gradually than in some other international regions.¹³

China

China remains a key driver of global commodity demand, but growth is expected to trend down as the economy works through weaker property activity and uneven domestic demand. The IMF projects 5.0% real GDP growth in 2025, moderating to 4.5% in 2026. The IMF also highlights an external backdrop shaped by protectionism and fragmentation, which can add uncertainty for trade-dependent sectors.¹⁴

Industry Overview

Canola

In Western Canada, canola seed demand is driven by seeded acres and growers' annual repurchase behavior. Statistics Canada reported 21.5 million acres of canola were seeded in 2025, which is supportive of Management's view of a ~22 million-acre market.¹⁵

The canola commodity market shapes farm profitability and, indirectly, seed purchasing decisions. Demand is supported by export channels and domestic crushing for oil and meal, with renewable fuels and protein meal demand increasingly influencing longer-term expectations.¹⁶ Public industry sources indicate Canadian canola processing capacity is expected to reach ~15 million tonnes in 2026, reflecting continued investment in domestic value-added processing.¹⁷ At the same time, commodity pricing can remain volatile and sensitive to global oilseed supplies, export flows, and broader macro and geopolitical conditions.

During 2025, Canada exported approximately 6.29 million tonnes of canola seed, with the largest destinations being China (approximately 2.03 million tonnes), Japan (approximately 1.55 million tonnes), the EU (approximately 1.13 million tonnes), and Mexico (approximately 0.84 million tonnes). For value-added products, Canada exported approximately 2.65 million tonnes of canola oil and approximately 4.75 million tonnes of canola meal in 2025, with the US as the largest market for both

¹¹ International Monetary Fund World Economic Outlook, January 2026

¹² TD Economics Quarterly Economic Forecast, December 2025

¹³ International Monetary Fund World Economic Outlook, January 2026

¹⁴ *Ibid*

¹⁵ Statistics Canada

¹⁶ Canadian Oilseed Processors Association

¹⁷ Canola Council of Canada

(approximately 2.02 million tonnes of oil and approximately 3.41 million tonnes of meal shipped to the U.S.).¹⁸

Domestically, Canadian processors crushed approximately 11.41 million tonnes of canola in the 2024/25 crop year, and approximately 8.37 million tonnes in 2025 year-to-date (January to September), reflecting the significant role of domestic processing in overall demand.¹⁹

Tariffs in both the US and China have added uncertainty by reducing market access and pressuring net prices received across the value chain. However, the US has indicated CUSMA compliant canola and canola products are not presently subject to tariffs. As well, of significance is China's announcement that it would suspend the 100% tariffs on Canadian canola meal (and peas) from March 1, 2026 through the end of 2026.²⁰

Pedigreed Seeds

Compared to canola, pedigreed seed demand is more variable because growers can often save seed for many cereals and pulses, which reduces the portion of acres that require newly purchased certified seed each year. For the Company's key crop focus (i.e., CWRS, oats, peas, barley), demand is typically driven by rotation economics and adoption of newer genetics, where performance gains justify purchasing certified seed. CWRS is the core spring wheat class in Western Canada and is generally the largest segment within the spring wheat market.²¹

More broadly, Western Canada is the core production base for Canadian grains and oilseeds, and overall farm profitability is a key driver of input purchasing and cropping decisions from year to year. Agriculture and Agri-Food Canada reported the agriculture and agri-food system contributed ~\$149.2 billion (~7%) of Canada's GDP in 2024 and continues to trend toward larger, more consolidated farm operations.

Conclusion

Based on the economic and industry overviews, the economic and industry outlooks are generally supportive of the valuation approach and methodology and the underlying forecasts utilized in the Formal Valuation.

¹⁸ Canola Council of Canada

¹⁹ *Ibid*

²⁰ Ministry of Finance of the People's Republic of China

²¹ Seeds Canada

Historical Financial Information

Canterra Seeds Holdings Ltd.

Financial Position

A summary of Canterra Seeds audited financial position as at September 30, 2022 to 2025, and unaudited financial position as at December 31, 2025²² is presented in the table below:

CAD \$000s, unless otherwise stated	At September 30				At Dec.31,
	2022	2023	2024	2025	2025
Cash	2,062	5,596	6,403	7,078	1,587
Accounts receivable	8,028	4,476	2,537	5,993	1,064
Inventory	6,987	8,821	16,524	18,241	25,294
Prepaid expenses and deposits	9,822	12,255	5,201	2,609	1,346
Income tax receivable	37	-	224	-	714
Current assets	26,936	31,148	30,889	33,921	30,007
Property and equipment	243	273	260	450	457
Intangible assets	770	2,863	2,621	3,907	3,802
Right-of-use assets	922	776	709	283	188
Investment in joint ventures, partnership	851	1,367	748	154	17
Long-term receivables	425	104	-	-	-
Advances to related parties	-	-	-	77	303
Deferred tax asset	172	56	-	-	-
Goodwill	-	-	-	342	342
Total assets	30,318	36,587	35,227	39,134	35,115
Accounts payable and accruals	14,230	19,467	17,288	20,262	10,088
Current portion of lease obligations	330	386	420	283	188
Income taxes payable	-	86	-	30	-
Advances from related companies	111	136	128	-	-
Deferred revenue	-	-	-	18	8,478
Current liabilities	14,671	20,075	17,837	20,593	18,754
Lease obligations	592	389	285	-	-
Deferred taxes	-	-	500	940	940
Total liabilities	15,263	20,464	18,622	21,533	19,694
Share capital	12,578	12,631	12,655	12,679	12,679
Retained earnings	2,458	3,473	3,931	4,904	2,723
Contributed surplus	19	19	19	19	19
Total shareholders' equity	15,055	16,123	16,604	17,602	15,421
Total liabilities and shareholders' equity	30,318	36,587	35,227	39,134	35,115

As presented in the

above table, we observe the following with respect to Canterra Seeds' financial position:

- At December 31, 2025, Canterra Seeds had total assets of \$35.1 million including \$1.6 million in cash, \$1.1 million in accounts receivable, \$25.3 million in inventory, \$ 1.3 million in prepaid expenses and deposits, \$ 457 thousand in property and equipment, \$3.8 million in intangible

²² The Company's unaudited financial statements for the quarter ended December 31, 2025 was formally approved by the Board of Directors of the Company on February 19, 2026.

assets, \$188 thousand in right-of-use assets, a \$17 thousand investment in LCRC, \$303 thousand advanced to LCRC and \$342 thousand in goodwill arising from its acquisition of Alliance Seed .

- At December 31, 2025, Canterra Seeds had total liabilities of \$19.7 million including accounts payable and accrued liabilities of \$10.1 million, lease obligations of \$188 thousand, deferred revenue of \$8.5 million and deferred taxes of \$940 thousand
- At December 31, 2025, Canterra Seeds’ shareholders’ equity was approximately \$15.4million.

Operating Results

The table below summarizes Canterra Seeds’ audited financial results for the fiscal years ended September 30, 2022 to 2025, and the unaudited last twelve months (“LTM”) ended December 31, 2025²³. LTM results are an indicator of sustainable earnings as they reflect a full year of actual performance, as opposed to relying on a partial-year period that may not be representative.

CAD \$000s, unless otherwise stated	Fiscal year ended September 30,				LTM Dec. 31
	2022	2023	2024	2025	2025
Sales	47,113	56,443	49,071	58,110	58,170
Cost of sales	37,870	46,791	39,223	45,678	45,722
Gross profit	9,243	9,651	9,849	12,432	12,447
<i>Gross profit margin %</i>	19.6%	17.1%	20.1%	21.4%	21.4%
Other revenue	935	1,181	1,246	1,398	1,638
Operating expenses	8,578	9,494	10,171	12,498	13,302
Net operating expenses	7,642	8,313	8,925	11,100	11,664
Income from operations	1,600	1,338	923	1,332	783
Income tax expense	486	323	466	359	211
Income from continuing operations	1,114	1,015	458	973	572
Loss from discontinued operations	150	-	-	-	-
Net income	964	1,015	458	973	572

As presented in the

above table, we observe the following with respect to Canterra Seeds’ operating results for the fiscal years ended September 30, 2022 to 2025:

- Total sales increased from \$47.1 million in 2022 to \$58.1 million in 2025, representing a CAGR of 7.2%.
- Gross profit increased from \$9.2 million in 2022 to \$12.4 million in 2025, representing a CAGR of 10.4%.
- Net operating expenses increased from \$7.6 million in 2022 to \$11.1 million in 2025, representing a CAGR of 13.2%.

²³The Company’s LTM financial results ended December 31, 2025 was based in part on the Company’s unaudited financial statements for the quarter ended December 31, 2025 which was formally approved by the Board of Directors of the Company on February 19, 2026..

Limagrain Cereals Research Canada

As previously noted, the Company holds a 30.0% interest in LCRC, a cereals breeding partnership.

Financial Position

Davidson was provided with the audited financial statements of LCRC for the years ended June 30, 2022 to 2025 and the draft unaudited financial statements of LCRC for the six months ended December 31, 2025.

We observed the following with respect to LCRC's financial position:

- At December 31, 2025, LCRC had total assets of \$2.2 million, including \$269.9 thousand in cash, \$433.7 thousand in equipment, and \$877.5 thousand in right-of-use assets.
- At December 31, 2025, LCRC had total liabilities of \$2.4 million including related party loans payable of \$1.0 million, lease obligations of \$878.1 thousand, and accounts payable and accrued liabilities of \$485.5 thousand.
- At December 31, 2025, LCRC had partners' deficit of approximately \$194.3 thousand.

Operating Results

We observed the following with respect to LCRC's operating results for the fiscal years ended June 30, 2022 to 2025:

- Total royalty revenue increased from \$315.4 thousand in 2022 to \$363.5 thousand in 2025.
- Gross profit increased from \$187.2 thousand in 2022 to \$382.5 thousand in 2025.
- Net operating expenses²⁴ increased from \$2.0 million in 2022 to \$2.5 million in 2025.
- Comprehensive loss increased from \$1.8 million for the year ended June 30, 2022 to \$2.1 million for the year ended June 30, 2025.

Valuation Criteria and Methodologies

Fair Market Value²⁵

This Formal Valuation has been prepared with reference to the notion of fair market value as defined in MI 61-101 as *"the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, each acting at arm's length with the other and under no compulsion to act"*.

²⁴ Operating expenses less other income

²⁵ The CBV Institute defines fair market value as *"the highest price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and hypothetical willing and able seller, each acting at arms-length in an open and unrestricted market, when neither is under compulsion to buy or to sell and when both have reasonable knowledge of relevant facts."*

Approaches to Value - Canterra Seeds Holdings Ltd.

Valuations are typically considered in the context of one of two premises: (i) a Liquidation Premise; or (ii) a Going Concern Premise.

A liquidation valuation approach is used where a business is not viable as a going concern or if the return on the assets of the business on a going concern basis is not considered adequate. This value is the net realizable value on an orderly disposition made in a manner that would maximize the value and/or minimize taxes thereon resulting in the highest cash flows to the owner.

The going concern approach assumes a continuing business enterprise with a potential for economic future earnings that provides a sufficient return on the invested capital. Where a business has commercial value as a going concern, there are three generally accepted categories to valuation are commonly utilized: (i) Income approach; (ii) Market approach; and (iii) Cost approach.

Within each category, a variety of methodologies exist to assist in the determination of fair market value. The nature and characteristics of the asset or business indicates which approach and methodology is most appropriate for valuation.

Valuation Approaches

Cost Approach

The cost approach is based on the premise that a prudent third-party purchaser would pay no more for an asset than its replacement cost. The fair market value of the asset is therefore derived as an estimate of the current cost to reproduce, purchase, or replace the asset. The cost to replace an asset would include all costs necessary to construct a similar asset with the same functional utility using prices applicable at the valuation date.

To the extent that the assets being valued provide less utility than a newly constructed asset, the reproduction or replacement cost would be adjusted to reflect appropriate physical deterioration, functional obsolescence, and economic obsolescence.

Market Approach

The market approach uses market data to determine the fair market value of an asset based on observed transaction values for comparable assets under similar circumstances. Comparable transactions may be identified through a review and comparison with comparable publicly traded companies or acquisitions of comparable companies. The market approach relies on the availability of recent and transparent information related to similar assets.

The market approach requires the determination of financial results considered to be representative of the future performance of the subject asset or company and capitalizing those amounts by appropriate risk-adjusted rates, or using similar non-financial metrics based specific to an asset.

This approach provides an indication of value that corresponds with the figure being capitalized (e.g., capitalizing net earnings available to common stockholders yields an indication of value for the common stock). Likewise, capitalizing EBITDA provides an indication of the enterprise value ("EV") of

the company because this earnings stream is utilized for payments or returns to both debt and equity holders.

The capitalization rate represents a market-based view of what investors believe to be a fair and reasonable rate of return for the particular security given the inherent risks of ownership. It incorporates expectations of growth and rests on the implicit assumption that some level of earnings will be generated by the enterprise into perpetuity.

The market approach can be transparent and simple when comparable information is available. This is most commonly observed when the acquired asset or business has been widely marketed to third parties or there is an active market for similar assets and businesses. The availability of this information and the existence of truly comparable assets and businesses are significant limitations of the market approach.

Income Approach

The income approach is based on the premise that the value of an asset is the present value of the future earnings available for distribution to investors. Commonly used income approaches to value securities or individual assets are the DCF and the capitalized cash flow analysis.

The DCF method is a frequently used form of the income approach. It estimates the present value of the projected future cash flows to be generated by a company and theoretically available (though not necessarily paid) to the capital providers of the subject company.

The discount rate is intended to reflect all risks of ownership and the associated risks of realizing the stream of projected future cash flows. It can also be interpreted as the rate of return that would be required by providers of capital to a company to compensate them for the time value of their money, as well as the risk inherent in the particular investment.

The DCF method requires an accurate forecast of the cash flow expected to be generated by the operations of the business or subject asset. It incorporates the positive (or negative) cash flow from operations, as well as cash expenditures related to working capital investment and fixed asset purchases. Non-cash expenses included in accounting profit are adjusted in the forecast. These cash flows are typically projected over a limited number of years, which depends on a company's planning horizon and other factors related to industry and the general economy.

A terminal value is then determined to reflect the continued operations of the business beyond the forecast horizon. This terminal value is an estimate of value at that future point in time and incorporates the assumptions of perpetual operations and implicit growth found in the market approach. Discounting each of the projected future cash flows and the terminal value back to the present and summing up the results yields an indication of value.

When only a single period of projected financial results is available, the capitalized cash flow method may be more appropriate than the DCF method. A capitalized cash flow analysis involves determining an appropriate discretionary cash flow estimate before interest charges based on normal operating conditions. Discretionary cash flows are determined through an analysis of the business's historic operating results and forecast by Management. A capitalization factor is applied to the cash flow

estimate to determine the enterprise value. The capitalization factor applied is based on the weighted average cost of capital for the business.

Under either the DCF or capitalized cash flow approach, interest bearing debt is deducted from the business's EV to determine the value of the business attributable to equity shareholders.

Selected Valuation Methodology – Canterra Seeds Holdings Ltd.

The selection of appropriate valuation methodologies and the valuation conclusions drawn therefrom are matters of professional judgement.

The fair market value of Canterra Seeds was analyzed on a going concern basis. As Canterra Seeds is generating positive cash flows and is forecast to continue doing so for the foreseeable future, an Income Approach using a DCF methodology was considered most appropriate. Specifically, Davidson estimated the fair market value of Canterra Seeds by calculating the estimated net present value of the forecasted unlevered after-tax cash flows and terminal value of Canterra Seeds.

Information contained from relevant comparable companies and precedent transactions was considered to corroborate our fair market value conclusion and was not applied as a direct valuation methodology.

Valuation of the Class A Common Shares

DCF Valuation Analysis

Davidson performed a DCF valuation analysis of the Company by calculating the estimated net present value of the unlevered, after-tax cash flows that Canterra Seeds is expected to generate over a discrete forecast period, plus a terminal period which reflects the continued operations of the Company's business beyond the forecast horizon. Davidson based its DCF valuation analysis primarily considering Management's Forecast.

Davidson then reviewed and corroborated key inputs and assumptions in Management's model, including: (i) revenue; (ii) gross profit margin; (iii) operating expenses; (iv) income taxes; (v) incremental net working capital ("NWC"); and (vi) annual capital expenditure, all of which are critical determinants of the fair market value of Canterra Seeds.

Revenue

Management forecasts canola to comprise a majority of forward-looking revenue, growing at a ~15.0% CAGR from 2026 to 2030. Canola is primarily sold to seed retailers, in units of 4.25 million seed units. A key component driving forecast revenue growth is portfolio optimization whereby the Company expects to increase market share capture by selling more units that are compatible with the LibertyLink²⁶ herbicide, which comprises over 70% of the canola seed market.

²⁶ LibertyLink® is a herbicide-tolerance trait system used in certain crop varieties (commonly canola, soybeans, corn, cotton) that makes the crop tolerant to glufosinate-ammonium—the active ingredient in Liberty® herbicide—so growers can spray glufosinate over the top for post-emergent weed control.

Pedigreed seed revenue, namely wheat, oats, peas, barley, differ from canola in that they are sold primarily by seed growers and crop supply retailers on a per tonne basis. The Company forecasts pedigreed revenue increasing 15.0%. Growth is expected to be driven by the Company capturing increased market share in seed varieties and territories that they have historically underperformed. Wheat and the Saskatchewan market will be the primary focus, as wheat represents approximately over 50% of the bulk seed market and Saskatchewan representing approximately 40% of the total acres as measured by seeded acres across Western Canada.

A key part of the sales strategy is the use of territory managers who work directly with seed growers and provide direct support (including communication and marketing guidance) to build practical, long-term relationships and drive incremental sales volume. In parallel, the Company's internal software platform supports ordering and sales execution by integrating sales analytics with inventory tracking to reduce ordering friction and improve the grower/retailer experience through a more digital workflow.

Gross Profit Margin

In canola, average gross profit margin over the forecast period is 17.7%, reflecting a more integrated role in the supply chain and a higher cost base per unit sold. Cost of sales includes bare-seed production purchases, treatment and bagging, storage/handling, freight, and trait and breeder-related royalties that are largely paid on a per unit basis (including technology-use/trait fees and breeder royalties). Given canola is sold as a 4.25 million seed unit, the resulting margin is measured on a tighter, single-unit basis and is therefore structurally thinner.

In pedigreed seed, average gross profit margin over the forecast period is 56.8%, as the cost structure is a royalty model and the business is less operationally involved in production and sales. Production is completed outside the business by its seed grower network, while revenues are driven mainly by tech-fee/royalty revenue tied to certified/registered seed volumes (often a smaller percentage captured on a per tonne basis) with cost of sales primarily consisting of the breeder royalty remitted to breeding partners.

This difference in scale and participation explains the higher pedigreed seed margins relative to canola, where costs extend well beyond breeder royalties into manufacturing and logistics.

	Historical	For the Years Ending September 30,				
	30-Sep-25	2026	2027	2028	2029	2030
Canola sales	53,689	62,216	75,314	91,715	101,966	108,710
Canola cost of sales	43,182	50,217	61,416	75,541	84,804	91,270
Gross profit	10,507	12,000	13,898	16,174	17,162	17,440
Gross profit margin %	19.6%	19.3%	18.5%	17.6%	16.8%	16.0%
Canola Sales	53,689	62,216	75,314	91,715	101,966	108,710
% of Rev		92.4%	91.4%	91.8%	92.3%	92.4%
% Increase		15.9%	21.1%	21.8%	11.2%	6.6%
Pedigreed seed sales	4,475	5,113	7,105	8,185	8,466	8,992
Pedigreed cost of sales	2,121	2,581	3,626	4,107	4,431	4,741
Gross profit	2,354	2,532	3,479	4,078	4,035	4,251
Gross profit margin %	52.6%	49.5%	49.0%	49.8%	47.7%	47.3%

Operating Expenses

Operating expenses forecast by Management was based on a mix of fixed, variable, and mixed cost profiles. Salaries represent nearly half of operating expenses and are expected to increase as headcount grows to enable business growth by 2030, including new sales and administrative roles intended to drive revenue growth. Advertising and promotion are expected to rise largely in line with sales growth.

Significant research spending of \$5.0 million, across 2026–2027, pertains to a canola research project, with R&D expenditures being eligible for SR&ED refunds. With the completion of this research spending in 2027, operating expenses in 2028 is forecast to decline on a year-over-year basis. Vehicle lease payments are forecast to increase at a 7.8% CAGR, driven by added sales staff who are assigned vehicles to execute their roles.

Income Taxes

Income taxes are assumed at 27.0%, reflecting the combined federal (15.0%) and Manitoba (12.0%) general corporate income tax rates.

Incremental Net Working Capital

An annual net working capital (“NWC”) level was forecast to be 12.5% of revenue, based on a review of NWC as a percentage of revenue.²⁷

Capital Expenditure

Annual capital expenditure is based on the Company’s fixed asset-light business model approach, with focuses on the leasing of equipment or contracting out operating activities which require the need of equipment. Only selective asset purchases, such as storage bins, are made as such capital expenditure reduce rental costs and improve logistical operations for the Company.

Annual capital expenditure is forecast at approximately \$250.0 thousand in 2026 and each year thereafter. The most significant capital expenditure relates to spending on: (i) the internal software platform infrastructure directed towards improving functionality and features, particularly for customers, with a view to improve the sales process and digital ordering experience; and (ii) capitalized licenses fees to secure the production and distribution rights for various types of varieties.

²⁷ Based on consideration of both the simple and weighted average on monthly NWC balances during fiscal 2025 (which adequately considers seasonality), with peak NWC requirements occurring during the main growing season period from April to August

	For the Years Ending September 30,					Terminal Period
	2026	2027	2028	2029	2030	
Revenue	67,329	82,419	99,900	110,432	117,702	117,702
Revenue increase %	15.9%	22.4%	21.2%	10.5%	6.6%	0.0%
Cost of sales	52,797	65,042	79,648	89,235	96,011	96,011
Gross profit	14,532	17,377	20,252	21,197	21,691	21,691
Gross profit margin %	21.6%	21.1%	20.3%	19.2%	18.4%	18.4%
Billings, SR&ED credit and other income	1,012	1,389	1,795	763	806	806
Total gross profit	15,543	18,766	22,047	21,960	22,497	22,497
Operating expenses	14,135	16,831	15,303	16,578	17,526	17,526
Operating income	1,408	1,935	6,744	5,382	4,972	4,972
Add back:						
Amortization	622	680	743	778	797	797
Interest expense	48	53	58	61	63	63
EBITDA	2,078	2,668	7,546	6,221	5,831	5,831
EBITDA margin %	3.1%	3.2%	7.6%	5.6%	5.0%	5.0%
Income taxes	561	720	2,037	1,680	1,574	1,574
After-tax operating cash flows	1,517	1,948	5,508	4,542	4,256	4,256
Incremental net working capital	1,437	(1,886)	(2,185)	(1,316)	(909)	-
Capital expenditure, after tax shield	(213)	(218)	(224)	(229)	(235)	(235)
After-tax discretionary cash flows	2,741	(157)	3,099	2,996	3,113	4,021

Discount Rates

The discount rate most often used in a DCF valuation analysis is based on a weighted average cost of capital (“WACC”) which is an overall rate based on weighted rates of return for invested capital. It is calculated by weighting the required returns on debt and common equity in proportion to their estimated portions in an expected capital structure.

The rate of return on debt is the rate a prudent investor would require on debt invested in the company or other businesses with comparable risk and debt provisions. The interest on debt capital is generally deductible for income tax purposes, and an after-tax interest rate was used in our calculation.

The rate of return on equity is derived using the Capital Asset Pricing Model (“CAPM”). The CAPM estimates the rate of return on common equity as the risk-free rate of return on Government of Canada long-term bond yields as at the Valuation Date, plus a market equity risk premium expected over the risk-free rate of return, multiplied by the “beta” for the stock. Beta reflects the sensitivity of a company’s stock price to the movements of the stock market. Adjustments are also often made for size and company specific considerations.

Other risk adjustments may be appropriate to consider, including specific company and market risk factors which may include the following:

- General economic conditions;
- Industry economic conditions; and
- The inherent risks attached to the business, including risks associated with achieving projected operating results, including notable risks attributed to: (i) maintaining the company’s current level of revenue and EBITDA versus growing the same; (ii) the Company’s ability to diversify and grow its revenues beyond its current customer base and geographical markets and seeds varietals; (iii) certain risks surrounding ongoing trade tensions considering the canola industry’s reliance on exports

As it relates to Canterra Seeds, we selected a WACC which reflects our judgment that prospective purchasers will require an after-tax rate of return in the range of 13.50% to 14.50% as fully detailed out below:

Assumptions	
Risk free rate (Rf)	3.74%
Market risk premium (ERP)	5.00%
Relevered beta (BRL)	0.75
Size premium (SP)	4.83%
Specific company risk premium (SCRp)	
Low	2.25%
High	3.25%
Cost of Equity - Low (Re)	14.5%
Cost of Equity - High (Re)	15.5%
Pre-tax return on debt	5.95%
Income tax rate (t)	27.00%
Cost of Debt (Rd)	4.34%

BETA Calculations	
Unlevered Beta = Beta / [(1+ D / E (1-t))]	
Relevered Beta = Beta unlevered * [1+ D/E (1-t)]	
Relevered BETA Calculations	
Unlevered Beta	0.69
Income tax rate	27.00%
Debt / Equity	11.11%
Relevered Beta	0.75

WACC	
Cost of Debt	4.34%
Debt weighting	10.00%
Cost of Equity (midpoint)	15.05%
Equity weighting	90.00%
WACC (midpoint)	14.00%
Low, say	13.50%
High, say	14.50%

Guideline Company	Headquarters	5 yr levered Beta (β)	Market Value of Equity	Net Debt	Minority Interest	Total Invested Capital	Current Debt to Capital	5 Year Avg Debt / Capital	Income Tax Rate	Unlevered Beta
Origin Agritech Limited	China	1.9	12.8	29.1	(38.2)	3.7	391.8%	217.2%	25.0%	(4.77)
S&W Seed Company	United States	2.0	0.1	23.1	0.0	23.2	79.6%	55.1%	26.5%	1.07
Amatheon Agri Holding N.V.	Germany	0.3	10.4	27.5	-	37.9	74.7%	44.2%	30.3%	0.18
KWS SAAT SE & Co. KGaA	Germany	0.5	2,122.0	520.2	-	2,642.2	21.7%	33.7%	30.3%	0.39
S.C. CEREALCOM S.A.	Romania	(0.3)	51.0	-	-	51.0	0.0%	0.0%	37.4%	(0.27)
S.C. Semrom Oltenia S.A.	Romania	(1.6)	17.5	-	-	17.5	0.0%	0.0%	37.4%	(1.63)
The House of Agriculture Spiroy S.A.	Greece	(0.4)	3.9	13.3	0.0	17.2	69.4%	75.3%	44.3%	(0.14)
Australian Oilseeds Holdings Limited	Australia	0.1	17.0	16.6	1.6	35.2	60.4%	47.4%	25.0%	0.05
Organto Foods Inc.	Canada	0.1	204.2	2.6	-	206.8	1.3%	50.5%	27.0%	0.03
Bunge Global SA	United States	0.7	22,255.5	15,855.0	1,518.0	39,628.5	42.1%	37.1%	25.4%	0.52
Nutrien Ltd.	Canada	1.2	48,325.8	12,019.0	42.0	60,386.8	18.8%	19.8%	24.7%	0.98
Corteva, Inc.	United States	0.7	52,456.9	2,995.0	242.0	55,693.9	5.9%	6.0%	28.7%	0.69
Archer-Daniels-Midland Company	United States	0.7	32,346.4	9,758.0	294.0	42,398.4	23.6%	24.4%	26.5%	0.55
BayWa Aktiengesellschaft	Germany	0.5	318.9	5,437.9	(29.8)	5,727.0	10.1%	84.5%	30.3%	0.10
GrainCorp Limited	Australia	0.1	1,320.5	833.9	-	2,154.4	50.8%	77.4%	44.9%	0.03
Green Plains Inc.	United States	1.5	1,060.2	464.7	5.7	1,530.6	34.5%	43.9%	26.5%	0.93
Seaboard Corporation	United States	0.3	4,805.3	1,917.0	23.0	6,745.3	34.8%	42.2%	26.5%	0.22
The Andersons, Inc.	United States	0.8	2,177.0	972.5	45.5	3,195.0	31.5%	37.6%	26.5%	0.52
Bayer Aktiengesellschaft	Germany	0.9	36,742.7	37,579.0	116.0	74,437.7	55.5%	59.4%	30.3%	0.46
BASF SE	Germany	0.9	40,550.0	23,209.0	1,143.0	64,902.0	38.2%	34.8%	30.3%	0.66
Nufarm Limited	Australia	0.1	799.0	1,298.9	246.9	2,344.9	69.5%	54.4%	44.9%	0.05
Excluding Origin Agritech Limited:										
Average			12,279.2	5,647.2		18,108.8	40.7%	41.4%	31.2%	0.27
Median			1,190.3	903.2		2,493.5	36.5%	43.1%	29.5%	0.30
Low			0.1	-		17.2	0.0%	0.0%	24.7%	(1.63)
High			52,456.9	37,579.0		74,437.7	10.1%	84.5%	44.9%	1.07
Q1			42.6	21.4		47.7	21.0%	31.4%	26.5%	0.04
Q3			24,778.2	6,517.9		40,321.0	62.7%	54.5%	32.1%	0.58
Selected							10.0%	27.0%		0.69

Terminal Value

The terminal value represents the residual value of the Company beyond the forecast period and is determined by capitalizing the Company's terminal period unlevered free cash flow at a multiple based on the Gordon Growth Model.²⁸

Tax Shield on Existing Capital Assets

A tax shield of approximately \$464.0 thousand was recognized to reflect the estimated future income tax savings from claiming tax depreciation on the capital assets owned as at the Valuation Date. This tax shield was estimated as the present value of expected tax savings over the assets' remaining depreciable lives.

Business Enterprise Value

We then considered the sum of the discounted cash flows and the tax shield associated with the Company's existing capital assets to arrive at a Business Enterprise Value ("BEV") range of approximately \$24.7 million to \$26.6 million. BEV is a measure of the total value of a business, as it looks at the entire market value rather than just the equity value. As such, all ownership interests and asset claims from both debt and equity are included.

Non-Operating Assets

Non-operating assets are assets owned by the Company that are not required to generate the business's core operating earnings and cash flows. To that end, we have valued these assets separately, which was comprised of (i) excess cash of approximately of \$1.6 million; (ii) the fair market value of Canterra Seeds' 30.0% investment in LCRC of \$ nil as at the Valuation Date. The valuation of Canterra Seeds' 30.0% investment in LCRC is presented later in our Formal Valuation.

One-Time Capital Expenditure

The Company requires a one-time capital expenditure for the acquisition of storage bins and a portable conveyor for the operations of the business. Management advises that a capital expenditure of approximately \$500.0 thousand is estimated to occur mid-March 2026, for which the Company has secured financing from its commercial bank, CIBC. After tax shield, the one-time capital expenditure charge is approximately \$427.2 thousand.

Financing Liabilities

Financing liabilities are interest-bearing (or debt-like) obligations used to fund the business, rather than liabilities arising from normal operations, which must be satisfied by capital providers. To arrive at equity value from enterprise value, these are deducted because enterprise value reflects the value of operations to all capital providers, and the financing liabilities represent the portion of that value attributable to lenders (and other debt-like claimants) rather than shareholders.

²⁸ An accepted valuation methodology used to calculate the terminal value multiple being $1 / (\text{Discount rate less long-term growth})$.

Financing liabilities, pertaining to amounts due to Paterson Global Foods Inc., the sellers of Alliance Seed, on account of Canterra Seeds' acquisition of the shares of Alliance Seed, was approximately \$750.0 thousand.²⁹

Redemption Value of En Bloc Class B Preferred Shares

To arrive at the fair market of the Company's Class A Common Shares, the redemption value of the Company's en bloc Class B Preferred Shares is required to be deducted from the fair market value of Canterra Seeds' en bloc equity.

Based on the assumption that the Board declares a redemption price of \$1.25 per Class B Preferred Share and the issued and outstanding Class B Preferred Shares total 2,220,000, the redemption value of the en bloc Class B Preferred Shares is approximately \$2.8 million.

Summary of DCF Valuation Analysis

The following is a summary of the fair market value per Class A Common Share range implied by Davidson's DCF valuation analysis:³⁰

Value Conclusion

	Fair Market Value Range	
	Low	High
Sum of discounted unlevered after-tax cash flows	24,580	26,555
Add: tax shield on existing capital assets	464	464
Business enterprise value ("BEV")	25,044	27,019
Add: Non-operating assets	1,587	1,587
Less: one-time capital expenditure, net of tax shield	(423)	(423)
Total enterprise value ("TEV")	26,209	28,184
Less: Financing liabilities	(750)	(750)
FMV of en bloc Equity	25,459	27,434
Less: Redemption value of en bloc Class B Preferred Shares	(2,775)	(2,775)
FMV of en bloc Class A Common Shares	22,684	24,659
Rounded, say (\$000s)	\$ 22,700	\$ 24,700
Class A Common Shares outstanding	7,551,147	7,551,147
FMV per Class A Common Share (\$)	\$ 3.01	\$ 3.27

²⁹ The Company has entered into a Standby Letter of Credit Facility with CIBC in the amount of \$750.0 thousand to be used to finance the Company's acquisition of the shares of Alliance Seed.

³⁰ Implied goodwill and intangible asset value is in the range of \$14.3 million to \$16.2 million, which corresponds to a payback period, when measured against NTM after-tax discretionary cash flow, of 5.2 to 5.9 years, respectively.

Sensitivity Analyses

As part of the DCF valuation analysis, Davidson performed sensitivity analyses on the fair market value of the Class A Shares to changes in certain key assumptions as outlined below.

Assumption	Sensitivity	Impact on Share Value			
		Low Range		High Range	
Discount rate	-1.0%/+1.0%	0.26	(0.23)	0.30	(0.26)
Incremental net working capital, % of revenue	-1.0%/+1.0%	0.13	(0.13)	0.13	(0.15)
Long-term growth rate	-1.0%/+1.0%	(0.08)	0.09	(0.11)	0.12
% Change in sales volume	-1.0%/+1.0%	(0.40)	0.41	(0.44)	0.45
% Change in cost of sales	-1.0%/+1.0%	0.64	(0.65)	0.69	(0.69)
% Change in operating expenses	-1.0%/+1.0%	0.12	(0.13)	0.13	(0.15)

As illustrated, the per share value is sensitive to changes to the discount rate, the annual net working capital requirement, long term growth rate and the forecast revenue volume.

Corroborative Analysis

Davidson also performed corroborative precedent transaction analysis and comparable company trading analysis to assess the reasonableness of the fair market value conclusions of Canterra Seeds.

Precedent transaction analysis involved reviewing the implied multiples from transactions in the agricultural industry to derive value relationships implicit in those transactions that can be used to assess the indicative fair market value range of Canterra Seeds.

Comparable company trading analysis involved reviewing the trading multiples of selected publicly traded agricultural companies comparable to Canterra Seeds, as at the Valuation Date, to calculate the implied market-based valuation multiples that can be used to assess the indicative fair market value range of the Company.

Precedent Transaction Analysis

Davidson identified comparable precedent transactions involving companies and assets in the agriculture sector which have been completed and for which there is sufficient public information to derive valuation multiples. The comparable precedent transaction analysis consists of deriving appropriate value benchmarks based on transactions of comparable nature and then comparing these value benchmarks to Canterra Seeds's implied metrics.

Davidson focused on selecting transactions involving companies considered most comparable to Canterra Seeds, considering criteria such as geography, business model, product offerings and industry alignment.

Davidson identified and reviewed the certain comparable precedent transactions presented in the table below:

Target/Seller	Acquirer/Purchaser	Date Completed	Geographies	Transaction Type	Price (\$MM)	Implied EV/ Revenue	Implied EV/ EBITDA
Ceres Global Ag Corp.	Bartlett and Company, Inc.	2025-07-07	North America	M&A - Whole	280.9	0.24 x	13.95 x
Alliance Seed Corporation	Canterra Seeds Holdings Ltd.	2024-05-02	North America	M&A - Whole	1.5	2.12 x	NM
Canterra Seeds Holdings Ltd.	United Farmers of Alberta Co-operative Limited	2024-07-02	North America	M&A - Minority	1.8	0.27 x	8.48 x
Foodhills AB	Apetit Oyj (HLSE:APETIT)	2025-11-27	Europe	M&A - Whole	3.2	0.18 x	NA
Volgo-Agro LLC	Donskaya Trastovaya Kompaniya LLC	2024-07-05	Europe	M&A - Whole	0.6	0.52 x	NA
Golden Star Trading, Inc.	Kusha, Inc.	2025-07-28	North America	M&A - Minority	15.0	0.37 x	NA
XF Australia Pty Ltd	GrainCorp Limited (ASX:GNC)	2024-04-02	Asia Pacific	M&A - Whole	22.8	NA	4.61 x
Advanta Enterprises Limited	Alpha Wave Global, LP; Chimera Capital Limited;	2025-03-26	Asia Pacific	M&A - Minority	246.4	5.69 x	NA
PT Sampoerna Agro Tbk	AGPA PTE. LTD	2025-11-19	Asia Pacific	M&A - Whole	686.8	2.30 x	6.40 x
				Minimum		0.18 x	4.61 x
				Lower Quartile		0.26 x	5.95 x
				Average		1.46 x	8.36 x
				Median		0.52 x	6.40 x
				High Quartile		2.17 x	9.84 x
				Maximum		5.69 x	13.95 x
NM: Not meaningful							
NA: Not available							
						Canterra Seeds, LTM Dec 25	0.45 x
						Canterra Seeds, NTM FY26	0.39 x

Source: S&P Capital IQ

As presented above, we note that:

- Our concluded range of values implies Canterra Seeds' BEV to LTM December 31, 2025 revenues to be 0.45 times revenue. With regards to the implied EBITDA multiples, our concluded range of values implies Canterra Seeds' BEV to LTM December 31, 2025 EBITDA to be 9.41 times EBITDA.
- Our concluded range of values implies Canterra Seeds' BEV to NTM September 30, 2026 revenues to be 0.39 times revenue. With regards to the implied EBITDA multiples, our concluded range of values implies Canterra Seeds' BEV to NTM September 30, 2026 EBITDA to be 12.52 times EBITDA.
- Canterra Seeds' implied BEV to revenue and EBITDA valuation multiples are viewed as supportable as they fall within the range of the observed guideline publicly listed company trading multiples and select precedent transaction multiples in the industries Canterra Seeds operates in.
- Canterra Seeds' implied BEV to revenue and EBITDA multiples are consistent with our expectations based on our understanding of the Company and the broader economic and industry conditions as of the Valuation Date, including a stable macro-outlook, continued investment in Canada's canola value chain, and the underlying drivers of seed demand in Western Canada.

Our precedent transaction analysis also included the transaction involving the Company's Class A Common Shares whereby UFA acquired 1,286,187 Class A Common Shares for approximately CAD \$2.5 million of Canterra Seeds from Ceres Global Ag Corp. on July 2, 2024 (the "UFA Transaction"). We considered the applicability of the UFA Transaction limited due to: (i) the date of the UFA Transaction relative to the Valuation Date for this Formal Valuation Date as value is based upon economic, market and other conditions as in effect on, and the information made available as of the date hereof; and (ii) the context of the UFA Transaction and the particular circumstances of the parties involved.

Furthermore, the UFA Transaction represented a minority share block approximating a 17.0% shareholding. In determining the fair market value of the Class A Common Shares, and consistent with MI 61-101, we did not consider the fact that some shares do not form part of a controlling interest. Consequently, the Formal Valuation provides a conclusion on a per Class A Common Share basis with

respect to Canterra Seeds' en bloc fair market value, being the price at which the Class A Common Shares could be sold to one or more buyers at the same time.

Comparable Company Trading Analysis

To further corroborate our valuation conclusion as to the fair market value of Canterra Seeds, Davidson also reviewed the following market trading multiples of selected publicly traded companies in the agriculture sector that we considered somewhat comparable to Canterra Seeds:

Guideline Publicly Listed Company	Closing Price	Market Cap.	Net Debt	TEV (USD \$M)	LTM Revenue	NTM Revenue	LTM EBITDA	NTM EBITDA	TEV / LTM Revenues	TEV / NTM Revenues	TEV / LTM EBITDA	TEV / NTM EBITDA
Origin Agritech Limited	1.1	13	29	3.7	91	-	(51)	-	0.04 x	NA	NM	NA
S&W Seed Company	0.0	0	23	29.0	55	-	(11)	-	0.53 x	NA	NM	NA
Amatheon Agri Holding N.V.	0.0	10	26	36.8	5	-	(5)	-	7.96 x	NA	NM	NA
KWS SAAT SE & Co. KGaA	64.4	2,122	319	2,440.5	1,671	1,709	357	363	1.46 x	1.43 x	6.83 x	6.73 x
S.C. CEREALCOM S.A.	0.1	51	-	51.0	4	-	3	-	13.39 x	NA	17.23 x	NA
S.C. Semrom Oltenia S.A.	1.6	17	(1)	16.5	1	-	2	-	13.74 x	NA	6.92 x	NA
The House of Agriculture Spiroy S.A.	-	4	12	16.2	15	-	1	-	1.06 x	NA	16.02 x	NA
Australian Oilseeds Holdings Limited	0.6	17	14	32.9	42	-	0	-	0.79 x	NA	93.57 x	NA
Organto Foods Inc.	1.1	204	(6)	198.1	52	95	(1)	1	3.78 x	2.09 x	NM	180.05 x
Bunge Global SA	115.0	22,255	14,720	38,493.5	70,329	90,740	2,095	3,612	0.55 x	0.42 x	18.37 x	10.66 x
Nutrien Ltd.	100.4	48,326	11,318	59,685.8	25,949	26,483	5,412	6,062	2.30 x	2.25 x	11.03 x	9.85 x
Corteva, Inc.	78.0	52,457	(1,526)	51,172.9	17,401	18,073	3,799	4,132	2.94 x	2.83 x	13.47 x	12.39 x
Archer-Daniels-Midland Company	67.2	32,346	8,743	41,383.4	80,289	83,063	2,521	4,012	0.52 x	0.50 x	16.42 x	10.32 x
BayWa Aktiengesellschaft	17.0	319	5,089	5,378.3	19,737	10,945	(505)	118	0.27 x	0.49 x	NM	45.77 x
GrainCorp Limited	6.1	1,320	323	1,643.1	7,306	6,516	280	222	0.22 x	0.25 x	5.87 x	7.41 x
Green Plains Inc.	15.2	1,060	282	1,348.3	2,092	1,870	36	201	0.64 x	0.72 x	37.57 x	6.72 x
Seaboard Corporation	5.017.1	4,805	1,739	6,567.3	9,746	-	557	-	0.67 x	NA	11.79 x	NA
The Andersons, Inc.	64.9	2,177	874	3,096.7	11,009	11,577	266	374	0.28 x	0.27 x	11.63 x	8.28 x
Bayer Aktiengesellschaft	37.4	36,743	30,908	67,766.7	45,575	45,671	1,708	9,605	1.49 x	1.48 x	39.68 x	7.06 x
BASF SE	46.2	40,550	20,539	62,232.0	59,657	60,110	6,053	6,751	1.04 x	1.04 x	10.28 x	9.22 x
Nufarm Limited	2.1	799	824	1,870.2	3,443	3,665	194	381	0.54 x	0.51 x	9.62 x	4.91 x
TEV: Total enterprise value								Average	2.58 x	1.10 x	20.39 x	24.57 x
LTM: Last twelve months								Median	0.79 x	0.72 x	12.63 x	9.22 x
NTM: Next twelve months								First Quartile	0.53 x	0.49 x	10.11 x	7.06 x
NM: Not meaningful								Third Quartile	2.30 x	1.48 x	17.52 x	10.66 x
NA: Not available								Low	0.04 x	0.25 x	5.87 x	4.91 x
								High	13.74 x	2.83 x	93.57 x	180.05 x
Canterra Seeds Holdings Ltd.									0.45 x	0.39 x	9.41 x	12.52 x

Davidson considered the reported EV to LTM and next twelve months ("NTM") revenue and EBITDA multiples, respectively, at the Valuation Date.

Based on the above analysis, Canterra Seeds' implied EV to revenue and EBITDA multiples on an LTM and NTM bases fall within range of observable market trading multiples as at the Valuation Date. This further supports our valuation conclusion as the implied multiples associated with Canterra Seeds would be expected to approximate the lower end to average of the range as the Company largely functions as a pure-play seeds wholesaler, whereas a large portion of the selected publicly traded companies are larger and more vertically integrated businesses with operations encompassing the entire seeds and agriculture supply chain.

Furthermore, the selected publicly traded companies' higher valuation multiples could be attributed to the fact these companies have a more extensive revenue and asset portfolio, and due to operating in multiple geographies, as opposed to being a pure-play seeds wholesale / retail entity. In other words, a larger and/or more diversified company may command a relatively higher implied valuation multiple.

Valuation of Canterra Seeds' 30.0% Investment in Limagrain Cereals Research Canada

As previously noted, included in the en bloc fair market value of Canterra Seeds' Class A Common Shares is the fair market value of Canterra Seeds' 30.0% investment in LCRC.

Based on our understanding of the operations of LCRC and the information relied upon, we considered LCRC to be a going concern and have utilized an asset based (adjusted net asset) approach to determine the fair market value of LCRC.

When there is no expectation that the value of a business will include commercial goodwill, the going concern value can be then determined by valuing the net assets employed by the business as the value of such entities, is directly related to the value of the underlying assets and would not be expected to include commercial goodwill. Therefore, an asset-based approach is most appropriate for LCRC.

An earnings approach was not considered as LCRC had historically negative EBITDA and Management had forecast a 5-year cumulative negative cash flows (on an undiscounted basis) for LCRC.

In determining the fair market value of LCRC at the Valuation Date we undertook a NAV analyses, whereby we:

- restated the reported net book values of LCRC's assets and liabilities to their fair market values; and
- are of the view Management's assertions as to the fair market value of the net assets approximating net book values were supportable given the nature of the net assets.³¹

Based on LCRC's unaudited financial statements as at December 31, 2025, which is near or about the Valuation Date, which indicated partners' capital to be approximately a deficit of \$194.3 thousand, the fair market value of LCRC is \$ nil and therefore the fair market value of Canterra Seeds' pro-rata 30.0% investment in LCRC is \$ nil.

Valuation Conclusion – Canterra Seeds' Class A Common Shares

Based on the scope of our review, major assumptions, and the restrictions and qualifications set out above, in our opinion the fair market value of Canterra Seeds' Class A Common Shares is in the range of \$3.01 to \$3.27 per Share.

³¹ Cash, net working capital, depreciable equipment and related party balances LCRC's has with the partners.

Valuation of the Class E Preferred Shares

Approaches to Value - Class E Preferred Shares

The Company intends to create a new class of preferred shares redeemable at the option of the Company at a redemption price of \$1.00 per Class E Preferred Share and to implement a one-time right for Class A Shareholders to exchange some or all of their Class A Common Shares for Class E Preferred Shares.

The expected key terms and attributes of the Class E Preferred Shares include:

- non-voting;
- non-dividend-bearing;
- redemption price of \$1.00 per Share;
- redeemable at the option of the Company;
- if fewer than all of the outstanding Class E Preferred Shares are redeemed at any time, the shares to be redeemed will be selected pro rata among holders of Class E Preferred Shares (with fractional shares disregarded);
- on liquidation, dissolution or winding up of the Company, the Class E Preferred Shares will rank *pari passu* with the Common Shares and will share rateably with the Common Shares in distributions of the Company's remaining assets until the holders of Class E Preferred Shares have received, in the aggregate, an amount equal to their redemption price of \$1.00 per share; and
- following receipt in full of such amount, the Class E Preferred Shares will have no further right to participate, and all remaining assets will be distributed solely to the Common Shares.

Selected Valuation Approach and Methodology

The selection of appropriate valuation methodologies and the valuation conclusion drawn therefrom are matters of professional judgment.

The Class E Preferred Shares are non-dividend-bearing and are intended to provide value to holders primarily through the receipt of fixed, scheduled redemption payments. Accordingly, we valued the Class E Preferred Shares using an income approach (i.e., DCF valuation analysis), by estimating the present value of the expected redemption payments as at the Valuation Date.

In selecting the discount rate applicable to the Class E Preferred Share redemption cash flows, we considered the Board's stated commitment to meet the scheduled redemption payments and the Company's intention to communicate that commitment to shareholders. In this context, the expected redemption payments were assessed as having a risk profile more closely aligned with low-risk, debt-like cash flows than with residual equity cash flows. We therefore applied a discount rate range intended to bracket the appropriate required return for such cash flows, using:

- the 5-year Government of Canada bond yield of 2.81% as a lower-bound proxy for a risk-free reference rate; and
- the Company's borrowing rate of 5.95% as an upper-bound proxy reflecting the Company's cost of funding.

While the Board's stated commitment is an important factor in assessing the expected risk profile of the scheduled redemptions, the Class E Preferred Shares remain equity securities and redemption is affected through corporate action; accordingly, the valuation is expressed as a range reflecting the selected discount rate bounds.

DCF Valuation Analysis

Under the assumptions described above, each Class E Preferred Share is expected to result in five annual redemption payments of \$0.20, payable on January 31 of each year from 2027 to 2031. The fair market value per Class E Preferred Share is estimated as the present value, as at March 4, 2026, of these scheduled payments discounted at the selected discount rates.

Based on this analysis, we estimate the fair market value of one Class E Preferred Share to be in the range of approximately:

- \$0.84 per Class E Preferred Share at a discount rate of 5.95%; and
- \$0.92 per Class E Preferred Share at a discount rate of 2.81%.

Valuation Conclusion – Class E Preferred Shares

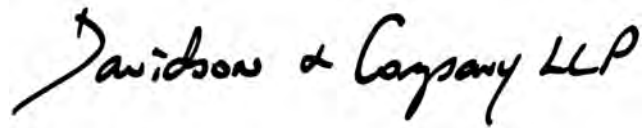
Based on the scope of our review, major assumptions, and the restrictions and qualifications set out above, in our opinion the fair market value of Canterra Seeds' Class E Preferred Shares is in the range of \$0.84 to \$0.92 per Share.

Formal Valuation Conclusion

Based on the scope of our review, major assumptions, and the restrictions and qualifications set out in this Formal Valuation, in our opinion, as at March 4, 2026 the fair market value of Canterra Seeds':

- Class A Common Shares is in the range of \$3.01 to \$3.27 per Share and;
- Class E Preferred Shares is in the range of \$0.84 to \$0.92 per Share.

Yours very truly,

A handwritten signature in black ink that reads "Davidson + Company LLP". The signature is written in a cursive, flowing style.

Davidson + Company LLP

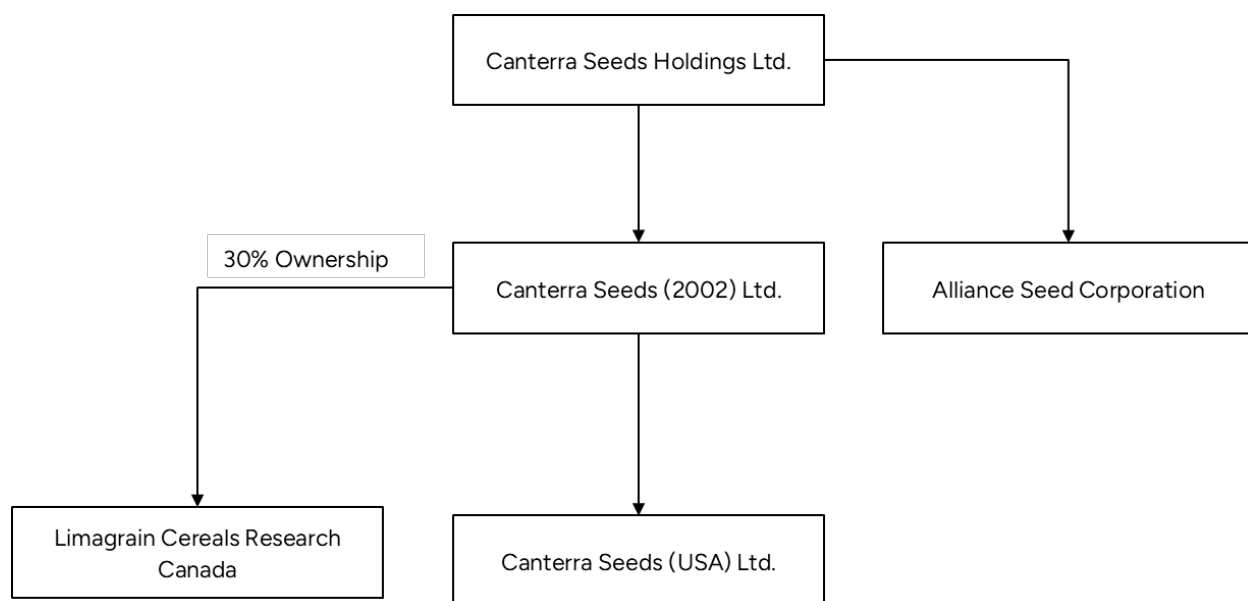
March 4, 2026

SCHEDULE “B”– ADDITIONAL DISCLOSURE REGARDING CANTERRA

1. CORPORATE STRUCTURE

Canterra was incorporated on March 14, 1996 under the laws of the Province of Saskatchewan. On February 5, 2004, Canterra became a reporting issuer in the Provinces of Manitoba and Saskatchewan. On January 1, 2011, Canterra was reorganized under the CBCA. No shares of Canterra are listed on a recognized stock exchange in any jurisdiction.

Canterra conducts its operations primarily through its wholly owned operating subsidiaries, Canterra Seeds (2002) Ltd. and Canterra Seeds (USA) Ltd. In 2025, Canterra completed the acquisition of Alliance Seed, a pedigreed seed business, which now operates as part of the Canterra group. Canterra also holds interests in certain strategic joint ventures and equity investments related to seed genetics and plant breeding, including Limagrain Cereals Research Canada (2015). The diagram below sets forth the organizational structure of Canterra and its material subsidiaries on the date hereof:



2. DESCRIPTION OF BUSINESS

Canterra operates in the Canadian agricultural seeds industry, focusing on the development, acquisition, production and sale of seed varieties, including cereals, canola and specialty crops, primarily in Western Canada. Through strategic partnerships with plant breeders and research organizations, Canterra develops advanced seed varieties designed to improve crop performance and support sustainable and productive farming practices.

Canterra sells agriculture seed in Western Canada through several different processes. For canola sales, the inventory is produced by Canterra directly. When the canola is delivered to the customer, it is considered sold and the entire amount of the sale is recorded in Canterra’s record books. For pedigreed seed sales, Canterra does not participate directly in the purchase and sale. Instead, a holder of Class B Series Shares (as defined herein) owns the product and sells it to third party customers. In such cases, Canterra holds the license to sell and the holder of Class B Series Shares will then pay Canterra a royalty for every sale made, which is then recorded in Canterra’s record books at the time the royalty is reported.

Through its subsidiaries, joint ventures and licensing arrangements, Canterra maintains access to proprietary seed varieties, research and development capabilities, and distribution networks that support its operations and agricultural product offerings.

For further information concerning the business of Canterra, please see Canterra's 2025 Annual Report, a copy of which is attached hereto as Appendix I. A copy of Canterra's 2026 Q2 Report may be obtained under the Corporation's profile on SEDAR+ at www.sedarplus.ca and does not form a part of and is not incorporated by reference into this Circular.

3. MANAGEMENT'S DISCUSSION AND ANALYSIS

The Corporation's management's discussion and analysis for the financial year ended September 30, 2025 is included in Canterra's 2025 Annual Report, a copy of which is attached hereto as Appendix I. The Corporation's management's discussion and analysis for the six months ended March 31, 2026 is contained in the Corporation's 2026 Q2 Report, which may be obtained under the Corporation's profile on SEDAR+ at www.sedarplus.ca and does not form a part of and is not incorporated by reference into this Circular.

4. DESCRIPTION OF SECURITIES

The following is a summary of the authorized and issued share capital of the Corporation:

Authorized Capital

The Corporation is authorized to issue:

- (a) an unlimited number of shares without nominal or par value designated as voting, non-cumulative, fully participating Class A common shares (previously defined as the "**Class A Shares**");
- (b) an unlimited number of shares without nominal or par value designated as Class B shares, issuable in series (the "**Class B Shares**");
- (c) an unlimited number of shares without nominal or par value designated as Class C shares, issuable in series (the "**Class C Shares**");
- (d) an unlimited number of shares without nominal or par value designated as Class D shares, issuable in series (the "**Class D Shares**"); and
- (e) an unlimited number of shares without nominal or par value designated as non-voting, non-cumulative, redeemable Class E shares (previously defined as the "**Class E Shares**").

There are authorized for issuance four series of Class B Shares as follows:

- (a) an unlimited number of Class B Series 1 shares, which shall be non-voting, non-participating, redeemable shares (the "**Class B Series 1 Shares**");
- (b) an unlimited number of Class B Series 2 shares, which shall be non-voting, non-participating, redeemable shares (the "**Class B Series 2 Shares**");
- (c) an unlimited number of Class B Series 3 shares, which shall be non-voting, non-participating, redeemable shares (hereinafter referred to as "**Class B Series 3 Shares**"); and

- (d) an unlimited number of Class B Series 4 shares, which shall be non-voting, non-participating, redeemable shares (hereinafter referred to as “**Class B Series 4 Shares**”);

such Class B Series 1 Shares, Class B Series 2 Shares, Class B Series 3 Shares and Class B Series 4 Shares hereinafter collectively referred to as “**Class B Series Shares**”.

Class A Shares

The rights, privileges, restrictions and conditions attributed to the Class A Shares are as follows:

- (a) **Discretionary Dividends.** Subject to the rights attaching to any shares of the Corporation ranking prior to the Class A Shares with respect to the payment of dividends, the Board of Directors may, at any time or from time to time, declare non-cumulative dividends to Class A Shareholders in such amounts as the Board of Directors determines, out of funds of the Corporation properly applicable to the payment of dividends.
- (b) **Liquidation, Dissolution or Winding-Up.** Subject to the rights attaching to any shares of the Corporation ranking prior to the Class A Shares with respect to priority in the distribution of assets upon liquidation, dissolution or winding of the Corporation, the Class A Shares shall rank *pari passu* with the Class E Shares and shall be entitled to participate ratably with the Class E Shares in the distribution of the remaining property and assets of the Corporation until the Class E Shareholders have received, in the aggregate, an amount equal to the Redemption Price of such Class E Shares. Following the receipt in full of such Redemption Price by the Class E Shareholders, the Class A Shareholders shall be entitled to receive the remaining property and assets of the Corporation.
- (c) **Voting Rights.** Class A Shareholders are entitled to receive notice of and to attend all meetings of shareholders of the Corporation, except class meetings of other classes of shareholders, and at all such meetings are entitled to one vote in respect of each share held by such Class A Shareholder.

Class B Shares

The rights, privileges, restrictions and conditions attributed to the Class B Shares, as a class, are as follows:

- (a) **Authority to Issue in One or More Series.** The Board of Directors may issue Class B Shares at any time, and from time to time, in one or more series. Before the first shares of a particular series are issued, the Board of Directors shall fix the number of shares in such series and determine the designation, rights, privileges, restrictions and conditions attaching to the shares of such series.
- (b) **Ranking.** The holders of Class B Shares (“**Class B Shareholders**”) are not entitled to receive dividends or share in the distribution of assets in the event of liquidation, dissolution or winding-up of the Corporation. Class B Shares or any series may be given such preference over the shares of any other class ranking junior to the Class B Shares.
- (c) **Voting Rights.** Class B Shareholders are not entitled to receive notice of, attend or vote at any meeting of the shareholders of the Corporation.

Class B Series Shares

The specific rights, privileges, restrictions and conditions attributed to the Class B Series Shares are as follows:

- (a) **Voting Rights.** The holders of Class B Series Shares (“**Class B Series Shareholders**”) are not entitled to receive notice of, attend or vote at any meeting of the shareholders of the Corporation.
- (b) **Right to Redeem.** If any license agreement between the Corporation and the Class B Series Shareholder relating to the right to grow and/or sell seed varieties that the Corporation has rights to is terminated for any reason, the Corporation may, upon giving notice to the applicable shareholder, redeem the whole but not less than the whole of the then outstanding Class B Series Shares held by the shareholder, on payment for each particular share to be redeemed in an amount, not exceeding \$1.25 per Class B Series Share, to be determined by the Board of Directors. Payment in respect of Class B Shares being redeemed shall be made by cheque in the amount equal to the aggregate Redemption Price payable to the holder thereof, such cheque satisfying and discharging all liability of the Corporation for the aggregate Redemption Price.
- (c) **Purchase by the Corporation for Cancellation.** The Corporation may, at any time, purchase for cancellation, pursuant to an agreement with a shareholder, all or any part of the Class B Series Shares outstanding from time to time and held by such shareholder at a price agreed to between the Corporation and the shareholder.

Class C Shares

The rights, privileges, restrictions and conditions attributed to the Class C Shares, as a class, are as follows:

- (a) **Authority to Issue in One or More Series.** The Board of Directors may issue Class C Shares at any time, and from time to time, in one or more series. Prior to the first shares of a particular series are issued, the Board of Directors shall fix the number of shares in such series and determine the designation, rights, privileges, restrictions and conditions attaching to the shares of such series.
- (b) **Ranking.** No rights, privileges, restrictions or conditions attaching to a series of Class C Shares shall confer upon a series a priority in respect of dividends or return of capital over any other series of Class C Shares then outstanding. The Class C Shares of each series shall, with respect to the payment of dividends and distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation, rank *pari passu* with the Class C Shares of every other series and shall be entitled to priority over the Class A Shares, the Class E Shares and shares of any other class ranking junior to the Class C Shares.
- (c) **Voting Rights.** The holders of Class C Shares (“**Class C Shareholders**”) are not entitled to receive notice of, attend or vote at any meeting of the shareholders of the Corporation.

Class D Shares

The rights, privileges, restrictions and conditions attributed to the Class D Shares, as a class, are as follows:

- (a) **Authority to Issue in One or More Series.** The Board of Directors may issue Class D Shares at any time, and from time to time, in one or more series. Prior to the first shares of a particular series are issued, the Board of Directors shall fix the number of shares in such series and determine the designation, rights, privileges, restrictions and conditions attaching to the shares of such series.
- (b) **Ranking.** No rights, privileges, restrictions or conditions attaching to a series of Class D Shares shall confer upon a series a priority in respect of dividends or return of capital over any other series of Class D Shares then outstanding. The Class D Shares of each series shall, with respect to the payment of dividends and distribution of assets in the event of the liquidation, dissolution or

winding-up of the Corporation, rank junior to the Class A Shares, the Class B Shares, the Class C Shares and the Class E Shares of every series, rank *pari passu* with the Class D Shares of every other series and shall be entitled to priority over the shares of any other class of the Corporation ranking junior to the Class D Shares.

- (c) **Voting Rights.** The holders of Class D Shares (“**Class D Shareholders**”) are not entitled to receive notice of, attend or vote at any meeting of the shareholders of the Corporation.

Class E Shares

The rights, privileges, restrictions and conditions attributed to the Class E Shares, as a class, are as follows:

- (a) **Dividends.** The Class E Shares shall not be entitled to receive dividends, whether cumulative or non-cumulative.
- (b) **Redemption.** The Corporation may in its sole discretion, in whole or in part, redeem any of the then outstanding Class E Shares upon payment of the Redemption Price for each such Class E Share. If the Corporation elects to redeem less than the then outstanding Class E Shares, the Corporation shall select such Class E Shares on a *pro rata* basis, disregarding fractions, according to the number of Class E Shares held by each of the Class E Shareholders. In any case of redemption of Class E Shares, the Corporation shall, not more than thirty (30) days and not less than five (5) days before the date specified for redemption, deliver to each Class E Shareholder notice in writing of the intention of the Corporation to redeem the Class E Shares held by such Class E Shareholder. Payment in respect of Class E Shares being redeemed shall be made by cheque in the amount equal to the aggregate Redemption Price payable to the holder thereof, such cheque satisfying and discharging all liability of the Corporation for the aggregate Redemption Price.
- (c) **Liquidation, Dissolution or Winding-Up.** Subject to the rights attaching to any shares of the Corporation that rank prior to the Class E Shares in terms of priority in the distribution of property and assets upon the liquidation, dissolution or winding-up of the Corporation, the Class E Shares shall rank *pari passu* with the Class A Shares and shall be entitled to participate ratably in such distribution with the Class A Shares until the Class E Shareholders have received, in the aggregate, an amount equal to the Redemption Price of such Class E Shares. Upon receipt in full of such Redemption Price, Class E Shareholders shall have no further rights to participate in any distribution of the remaining property or assets of the Corporation.
- (d) **Voting Rights.** Class E Shareholders are not entitled to receive notice of, attend or vote at any meeting of the shareholders of the Corporation.

Issued and Fully Paid Capital

As at the date hereof, the following shares have been issued:

- (a) 7,551,147 Class A Shares;
- (b) 2,220,000 Class B Shares;
- (c) nil Class C Shares;
- (d) nil Class D Shares; and

(e) nil Class E Shares.

5. OPTIONS

The Corporation does not have any outstanding options to purchase securities of the Corporation and has not granted any such options as at the date hereof.

6. PRINCIPAL SHAREHOLDERS

The principal shareholders of the Corporation are identified under Section 11 of the Circular, “Ownership of Securities of Canterra” as the holders of greater than 10% of the outstanding Class A Shares.

7. DIRECTORS AND EXECUTIVE OFFICERS

The directors and executive officers of the Corporation are identified under Section 11 of the Circular, “Ownership of Securities of Canterra”.

8. EXECUTIVE COMPENSATION

The Corporation had two Named Executive Officers (as defined in Form 51-102F6 – *Statement of Executive Compensation*) during the year ended September 30, 2025. A summary of the compensation paid to such Named Executive Officers during the last three fiscal periods is contained in Canterra’s 2026 Management Information Circular, a copy of which is attached hereto as Appendix IV.

Each director receives annual compensation of \$10,000 for services rendered in his or her capacity as director along with a further amount of \$750 per day for Board of Directors or committee activities and is entitled to be reimbursed for expenses incurred in attending Board of Directors or committee meetings. The Chair of the Board of Directors receives annual compensation of \$20,000 for services rendered.

9. AUDIT COMMITTEE AND CORPORATE GOVERNANCE

The Corporation’s approach to its corporate governance and a copy of its Audit Committee Charter are attached hereto as Appendix II and Appendix III, respectively.

10. RISK FACTORS

There are risk factors associated with accepting the Offer, including: (1) no assurance of value of Class A Shares and Class E Shares, and (2) while the Corporation currently expects the Class E Shares to be redeemed equally over a five-year period, there can be no guarantee that redemptions will occur at these times. For further information concerning certain material risk factors relating to the Corporation and its business, please see Canterra’s 2025 Annual Report, a copy of which is attached hereto as Appendix I.

11. LEGAL PROCEEDINGS AND REGULATORY ACTIONS

To the knowledge of Canterra, there are no legal proceedings or regulatory actions pending or threatened against Canterra or its subsidiaries, nor are there any such proceedings or actions known to be contemplated, that would (i) have a material adverse effect on Canterra or its subsidiaries, or (ii) involve a claim for damages in excess of 10% of the current assets of Canterra (on a consolidated basis).

As of the date hereof, Canterra is not aware of any license or regulatory permit that is material to Canterra’s business that might be adversely affected by Canterra’s acquisition of Class A Shares pursuant to the Offer or of any approval or other action by any government or governmental, administrative or regulatory

authority or agency in any jurisdiction, that would be required for the acquisition or ownership of Class A Shares by Canterra pursuant to the Offer (or subsequent redemption of Class E Shares) and that has not been obtained on or before the date hereof. Should any other approval or action be required, Canterra currently contemplates that such approval or other action will be sought or other action will be taken. Canterra cannot predict whether it may determine to delay the acceptance or payment for Tendered Class A Shares pending the outcome of any such matter. There can be no assurance that any such approval or other action, if needed, would be obtained or would be obtained without substantial conditions or that the failure to obtain any such approval or other action might not result in adverse consequences to Canterra's business. Canterra's obligations under the Offer to accept for payment and pay for Class A Shares are subject to certain conditions. See Section 6 of the Offer to Purchase, "Conditions of the Offer".

12. AUDITORS

The auditor of the Corporation is MNP LLP at its offices located at Suite 1200 – 242 Hargrave Street, Winnipeg, Manitoba, R3C 0T8. MNP LLP has advised that it is independent of the Corporation within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of Manitoba.

MNP LLP audited the financial statements of the Corporation for the years ended September 30, 2025 and 2024. MNP LLP issued an auditor's report dated January 23, 2026.

13. MATERIAL CONTRACTS

Except for material contracts entered into in the ordinary course of business, the Corporation has not entered into any material contracts within the last two years, other than contracts which remain in effect that are material to the business of Canterra.

14. EXPERTS

The independent auditor of the Corporation, MNP LLP, and the Valuator, Davidson + Company LLP, are each independent with respect to the Corporation.

15. FINANCIAL STATEMENTS

The Corporation's most recent audited consolidated financial statements for the year ended September 30, 2025 are included in Canterra's 2025 Annual Report, a copy of which is attached hereto as Appendix I. The Corporation's unaudited interim consolidated financial statements for the six-month period ended March 31, 2026 are contained in the Corporation's 2026 Q2 Report, which are available under the Corporation's profile on SEDAR+ at www.sedarplus.ca and does not form a part of and is not incorporated by reference into this Circular.

APPENDIX I – 2025 ANNUAL REPORT

(See attached.)



2025



ANNUAL REPORT

Message from the President & CEO

Dear CANTERRA SEEDS shareholders, stakeholders, partners, and staff,

As we reflect on the 2024/25 fiscal year, I am proud to share the progress and achievements that continue to move the business forward. Despite ongoing challenges in the global agriculture sector, our commitment to long-term investments in innovation and partnership remains unwavering.

Seeded acres in Western Canada in 2025 saw slight changes in spring wheat and canola with more significant changes with increased pulses and decreased barley. Overall, the 2025 crop year was a record harvest as favourable weather conditions and improved seed genetics contributed to increased production. There were many market uncertainties due to various tariff-related conflicts and other trade unrest that mostly resulted in lower commodity values. Farmers continue to benefit from advances in seed technology which results in increased environmental resiliency. As we look into the future, accelerated breeding and gene editing will reshape the market, supported by regulatory modernization and evolving royalty systems.

One of the most exciting milestones this year was our acquisition of Alliance Seed. This strategic move expands our portfolio and strengthens our distribution network, bringing proven varieties such as CDC Endure milling oats and AAC Leroy VB CWRS wheat to more farmer customers. Alliance Seed will continue to operate as a standalone brand under our umbrella, preserving its identity and customer relationships while benefitting from our resources and support. We have also significantly expanded our pedigreed seed production and distribution, which now includes about 220 pedigreed seed growers across Western Canada. This expanded footprint strengthens our ability to deliver high-quality varieties more locally.

Our canola seed business delivered record sales in 2024/25, resulting in an increase in market share across Western Canada. This achievement reflects the strength of our portfolio and the outstanding performance of our LibertyLink® and TruFlex® canola hybrids. Looking ahead, we are excited to announce the addition of two new hybrids for the 2025/26 season: CS4200 LL and CS3400 TF. These hybrids offer superior pod shatter tolerance, enhanced disease resistance, and multi-genic clubroot protection, reinforcing our commitment to innovation and farmer success.

We transitioned our canola seed business from a standardized 22.67 kg (50 lb) unit to a 4.25 million seed unit. This transition ensures our customers receive a consistent number of seeds per bag that better align with the modern seeding equipment on farms today. The operations team and our partners have done a

wonderful job of managing this transition smoothly and puts our canola seed units on par with the industry standard.

July 2025 was the 10-year anniversary of the announcement and creation of a new cereal breeding company called Limagrain Cereals Research Canada. We value our partnership with Limagrain and are incredibly proud of what has been achieved during this time. Spring 2026 will be a critical time as we officially launch a number of new spring wheat varieties from this breeding program. We continue to advocate and communicate with key stakeholders about the need for a comprehensive farm-saved seed royalty collection system through the Variety Use Agreement model.

Our investments in software systems and the Hub sales campaign platform continues. Our ability to track and measure transactional sales data in our canola business has provided us with increased opportunity to Grow Connection with our retail partners and farmer customers. Data driven marketing is having a positive impact, and we remain committed to continued investment in this important sales and marketing tool.

CANTERRA SEEDS will be celebrating its 30th anniversary on March 14, 2026. Our founding fathers had a clear vision for this business: to provide increased value to seed growers, value chain partners and farmer customers. I believe that vision holds true today, and we look forward to celebrating many more anniversaries long into the future.

These achievements are a testament to the dedication of our team, the trust of our partners, and the resilience of Canadian agriculture. As we look to the future, we remain focused on driving innovation, supporting sustainability, and creating value for farmers.

Thank you to our Board of Directors, management team, and all CANTERRA SEEDS colleagues for your commitment and hard work. Together, we are building a stronger, more resilient business for growth and success for many years to come. On the one hand, we'll be celebrating 30 years on business and on the other hand, we're just getting started.

Best regards,



Brent Derkatch



Chair's Message to Shareholders

It is my privilege to report to the shareholders on behalf of the Board of Directors.

The 2024/25 fiscal year recorded strong financial results for the company. The introduction of new canola varieties which are quickly proving to be market leaders improved our market share in a crowded marketplace. Established pedigreed seed products continue to be producer choices and will soon be complemented by new varieties that have been developed by our breeding partners. We are confident that the strong relationships that we enjoy with our breeding and industry partners will allow CANTERRA SEEDS to continue to increase market share and bring added value to the farmer customer and end user.

A step that CANTERRA SEEDS took this year to increase our supply of genetics to the market was the acquisition of Alliance Seeds. The acquisition consisted of the rights to a significant number of cereal and pulse crops, some mature in the marketplace and others just in the stage of introduction. In addition, Alliance Seeds had a network of growers and retailers, some of whom were also part of the CANTERRA SEEDS network. The addition of the Alliance Seeds network will enhance our ability to service an expanded market area. The acquisition gives economies of scale by combining the two organizations and contributed positively to our year-end results.

Of key importance to our success and a strong focus of CANTERRA SEEDS has been to better understand and meet the needs of our customers. The goal is to deliver exceptional service to those that we transact with. The expanded use of technology such as the continued development of "the Hub" is one example of tools that are used to enable CANTERRA SEEDS to improve operational efficiency and to better serve its customers.

Throughout our industry, there is a lot of discussion about the need for additional resources for innovation, research and development. The agriculture industry is not alone in this situation. The lack of necessary regulatory changes to anticipate future technological advances, and the failure to enable an environment where private breeders can earn a return on their investment, stifles the industry. Canadian industry is falling behind our competitors when we do not have access to the same tools in a timely manner. Overregulation and unnecessary regulation discourage investment that is needed to drive productivity gains and industry profitability.

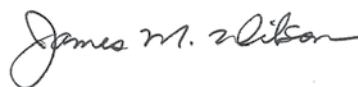
The recent consultations around Seed Regulatory Modernization are a case in point to this problem. The results to-date of a multi-year process have been underwhelming. With only a few exceptions, the results merely tinkered around the edges of current regulations and industry structures that only serve to preserve existing shortcomings. While it can be said that the current system works, the questions we all should have been asking are what is needed to advance the industry and anticipate the technological advances and trading environment that are being made.

The industry continues to lack leadership from government and industry organizations to make the changes necessary to create an environment that will provide for increased resources for plant breeding. With declining levels of government funding, changes are necessary that will provide the opportunity for success of both public and private, large and small plant breeders.

One cannot talk about 2024/25 without mentioning the actions of our closest and largest trading partner, the United States of America. The trading measures that have been put in place and the uncertainty that has been created by potential future changes hangs over the whole Canadian economy. While the seed sector has been minimally impacted to date, we are not immune to the impacts that other industries have been subjected to. The potential renegotiation of existing trade deals has the potential to significantly disrupt our industry. While we are threatened, we must not allow this to detract from our day-to-day business and planning for the future. There will be much more on this that will play out in the weeks and months ahead. In the meantime, in the face of uncertainty, we must focus on what we can control.

I want to thank our shareholders and partners for their continued commitment to CANTERRA SEEDS and to the entire staff, "the Team", who work tirelessly to meet and exceed the customer needs and contribute to CANTERRA SEEDS' success. I also want to thank the Board of Directors for their support and advice over this last year in governing this Canadian Seed Company.

Best regards,



Jim Wilson

Our Team



SENIOR MANAGEMENT



Brent Derkatch

President & CEO

Brent Derkatch joined CANTERRA SEEDS in 2001, and has worked in the ag sector for over 25 years. Prior to his appointment as President and CEO, he was Director, Pedigreed Seed Business Unit, responsible for all activities related to CANTERRA SEEDS' broad seed portfolio of cereals, pulses and special crops. His primary focus was on demand creation through various variety-specific market development efforts with grain handlers and end-users across Canada and abroad.

Brent grew up on a family farm near Russell, MB and started his professional career in the forage and turf seed business. Brent has been an active volunteer in the seed industry for many years. He is a past president of both the Canadian Seed Trade Association and Canadian Plant Technology Agency. He currently sits on the Board of Directors for Agriculture in the Classroom – Manitoba and CropLife Canada.

Brent graduated from the Olds College Seed and Grain Technology Program and holds a Certificate in Management from the University of Manitoba.

Brent also sits on the Board of Directors for LCRC.



Gerry Cantin, CPA, CA

Chief Financial Officer

Gerry Cantin is CANTERRA SEEDS' Chief Financial Officer and is responsible for all the financial and administrative affairs of the Company. He has more than 35 years of senior financial management experience in the agriculture industry. Prior to joining CANTERRA SEEDS in 2006, Gerry worked in the Finance and Accounting Departments of both The Landmark Feeds Group, as well as United Grain Growers Limited.

Gerry holds a Bachelor of Arts and a Bachelor of Commerce from the University of Manitoba. He received his Certified Professional Accountant, Chartered Accountant designation from the CPA firm, Ernst & Young. Gerry is also the Chief Administrative Officer of Limagrain Cereals Research Canada (LCRC), a joint venture cereal breeding company owned by LIMAGRAIN and CANTERRA SEEDS located in Saskatoon, Saskatchewan.

Gerry also sits on the Board of Directors for LCRC.



Curt Baldwin

Director, Operations & Product Strategy

Curt joined CANTERRA SEEDS in April of 2016 and currently holds the role of Director, Operations & Product Strategy. He is responsible for all activities related to canola and pedigreed seed. Primary responsibilities include product development, seed production and manufacturing as well as managing distribution and key stakeholder relationships.

Curt's work history includes extensive experience in seed and crop protection roles, with jobs at Cargill, Viterra, Syngenta and Agricore United. Most recently, Curt held the position of National Crop Inputs Manager for Cargill, where he supported the growth of the seed, crop protection, and fertilizer product lines.

Curt graduated from the University of Manitoba with an Agriculture Diploma and has also obtained his MBA from the University of Manitoba in 2012.

Curt also sits on the Board of Directors for Seeds Canada.

Renée McMillan

Director of Marketing

Renée has been with CANTERRA SEEDS since 2012, starting as the Sales & Marketing Coordinator, working her way through the ranks to Marketing Manager and currently leads the team as the Director of Marketing. She plays a critical role in increasing CANTERRA SEEDS' brand awareness, demand creation and focus on customer excellence.

With over 16 years of experience in the industry, Renée draws on her farm background and rural roots having grown up in the small farming community of Birtle, Manitoba. Combined with work experience as the business manager for AgChieve Grain Marketing Agency, and a bachelor's degree from the University of Manitoba, Renée has a real roll-up-your-sleeves attitude, passionate about agriculture and the success of the CANTERRA SEEDS business.

SENIOR MANAGEMENT



Lorri Keyowski

Director of Sales

Lorri joined CANTERRA SEEDS as Director of Sales in January 2020. She is responsible for leading CANTERRA SEEDS' team of Territory Managers and facilitating communication between the corporate and sales divisions. Lorri is a driven manager with 16 years of experience in sales and management with the proven ability to lead a high-performing sales team.

Before joining CANTERRA SEEDS, Lorri held numerous roles in the seed industry. She worked as the Western Sales Manager with FMC Agricultural Solutions Canada from 2017-2019, Western Sales Manager with E.I. Dupont Canada from 2014-2017, and previously worked in various sales and management roles with Cargill AgHorizons Ltd. from 2004-2014.

She graduated with a B.Sc. Agriculture from the University of Saskatchewan, College of Agriculture in Saskatoon in 2004.

BOARD OF DIRECTORS



Jim Wilson

Chairman

Jim joined the CANTERRA SEEDS Board of Directors in 2010, served as Vice-Chair from October 2010 to February 2024 and was appointed Chairman of the Board in February 2024. Jim and his wife Norleen have operated a grain farm near Darlingford, MB since 1974 and make their home in Morden, MB. They owned and operated a grain processing and retail seed business known as Wilson Seeds from 1993 to 2019.

Jim received his Chartered Accountant designation in 1974 and worked in public practice until 1993. In 2007, Jim received the designation of Chartered Director from the Director's College.

Jim served as Chairman of the Manitoba Agriculture Services Corporation from 2016 to 2024 and on the Board of Directors of Seeds Canada from 2020 to 2024 and also served on the Board of the Canadian International Grains Institute from 2012 to 2017.

Jim is also involved in the community, serving on the local Canadian Foodgrains Bank project committee.

Kris Mayerle

Vice-Chairman

Kris joined the CANTERRA SEEDS Board of Directors in February 2011 and became Vice-Chair in February 2024. He is a third-generation pedigreed seed grower.

Along with his family, Kris owns and operates Greenleaf Seeds Ltd., a pedigreed seed farm and processing plant, at Tisdale, SK. Greenleaf Seeds Ltd. a 25,000 acre farm growing wheat, canola, oats, barley, peas, fababeans, hemp, and flax, with roughly a third in seed production.

Kris and his wife also operated a custom farming business that operated throughout the United States and Western Canada [Saskatchewan]. They have been in operation for 25+ years. Currently, custom farming operations are primarily located in North East Saskatchewan.

Kris is currently on the Board of Directors of the Northeast Ag Research Foundation and previously served on the board of the Association of Canadian Custom Harvesters, and of the Saskatchewan Canola Growers.

BOARD OF DIRECTORS



Lloyd Affleck

Board Member

Lloyd is a retired pedigreed seed farmer from Beechy, SK, and was one of the first to become a CANTERRA SEEDS shareholder in 1998. He joined the Board of CANTERRA SEEDS in 2005, where he served as Vice-Chairman from 2009 to 2010, and Chairman from 2010-2024.

Lloyd also served as Vice Chairman and as Chairman for Pulse Canada. In addition, he worked as a Director with the Saskatchewan Pulse Crop Development Board and as advisor to both the development of the Special Crop Act Initiative and the SCRIP program. Lloyd also served as the Industry Chair for the Special Crops Value Chain Round Table and was appointed to the Agri Innovator's committee as advisor to Minister of Agriculture and Agri-Food.

David Pearson

Board Member

David joined the board of CANTERRA SEEDS in February 2023. He has 36 years of experience at Limagrain, in seeds and added value ingredients.

Educated at Durham College of Agriculture with a diploma in agronomy and business management, David began his career working in sales in Northern England and Southern Scotland, before taking up marketing management at Limagrain's UK headquarters. He moved to France in 2004 to be Director of Marketing for the Ingredients division of Limagrain, where he was also Director for Bioplastics and for Strategy, involving partnerships in North and South America, India and China.

David was a member of the Executive management team at Limagrain Ingredients for 12 years, before joining the Global Strategic Marketing team for Limagrain Field Seeds, where he is Head of Branding and has strategic leadership for Cereals and Pulses.

David is also a board member for Limagrain Cereals Research Canada.



Joe Dales

Board Member

Joe joined the CANTERRA SEEDS Board of Directors in 2003 and chairs the Audit Committee. He has over 40+ years of agriculture industry sales, marketing and senior management experience working with companies such as Pfizer, Cyanamid Crop Protection, First Line Seeds, and NK Syngenta Seeds. In 1998, Joe co-founded Farms.com Ltd. and AgCareers.com, where he provided governance and guided the long-term strategic plans for 20 years.

In March 2019, Joe exited from Farms.com and founded RHA Ventures Inc., an agri food venture capital firm that has invested in 40 early stage innovative companies. He is an active entrepreneur and thought-leader on innovation in the agriculture and food industry with a vast global network. Joe has gained extensive corporate governance experience with several companies and is the past Chair of the Board of Governors for the Western Fair Association in London, ON where he lives.

Joe has an Honours Bachelor of Science in Chemistry from Western University and a Masters in Business Administration from Wilfrid Laurier University.

Tatiana Henry

Board Member

Tatiana is currently the Chief Operating Officer of the Limagrain Cereal Seeds business unit and joined the CANTERRA SEEDS Board of Directors in 2017. She graduated with a Master's degree in Life Science from AgroParisTech (France) and has a Business degree from INSEAD and SKEMA.

Tatiana has been working with Limagrain since 2003. After five years as the Eastern Europe Area Manager for HM.CLAUSE (vegetable seeds), she joined Limagrain Field Seeds to establish, develop and manage subsidiaries in the fast-growing Ukraine and Russia markets.

Tatiana is also the Chief Executive Officer of Limagrain Cereals Research Canada (LCRC).

BOARD OF DIRECTORS



Cécile Richard

Board Member

Cécile has more than 30 years of experience in various sectors of the seed industry from Amateur Garden Products to Field Seeds, including vegetables.

She is currently the CEO of Limagrain Field Seeds, North and South America. She has been with Limagrain since 1989 taking positions in France, Germany, the U.K., Thailand, and Brazil.

Cécile originally joined the CANTERRA SEEDS board in 2015 when Limagrain acquired its minority stake in the company, and rejoined the board in 2021.

She studied at the Institut D'Etudes Politiques de Lyon and has her Master's in Finance and Business Management from the Ecole supérieure de Commerce de Reims.

Cécile is also the Chairman of the Board of Limagrain Cereals Research Canada (LCRC).

Dan Richards

Board Member

Dan Richards is the owner/operator of Scenic Heights Farms Ltd. in Sexsmith, AB, and is a dedicated farmer with over 35 years of experience in the seed business. Alongside his wife, Kim, and their three daughters, they continue the family farm legacy as fourth-generation farmers.

Dan holds a degree in Agriculture from Olds College and attended Ivey Business School at Western University. He has been involved in his community over the years, including with the LaGlace & District Agricultural Society, contributing to various community initiatives.

Passionate about farming, Dan looks forward to promoting and representing CANTERRA SEEDS even further by being on the Board of Directors and being actively involved in the introduction of advanced technologies and improvement of pedigreed seed varieties.



Scott Bolton, CPA, CA, BCom

Board Member

Scott Bolton, CPA, CA, ICD is the former President and Chief Executive Officer of UFA, one of Canada's largest agricultural cooperatives. Prior to UFA, Scott was a Partner and the National Energy Leader at PwC. A University of Alberta alumnus, Scott's industry knowledge covers the agriculture, energy, and mining sectors. He has experience working in Canada, Europe, and the United States.

Scott is the current Chair of the Board of Directors of the Business Council of Alberta. He is also on the board of Calgary Quest School, a private school focused on children and young adults with developmental disabilities and FSHD Canada Foundation which is dedicated to finding a cure for a form of muscular dystrophy. Scott previously chaired the Agriculture & Forestry Table for the Premier of Alberta's Economic Recovery Council and was the agriculture representative on the Business Council of Alberta's Define the Decade Committee.

Marketing & Communications Update

2025 | GROWING CONNECTION, GUIDED BY DATA

At CANTERRA SEEDS, we exist to grow connection — one field at a time. We don't strive to simply sell seed; we strive to build genuine relationships with farmers and be a trusted partner in their success, season after season. That belief was reinforced when we collectively stepped back and asked ourselves why we do what we do — ultimately defining what connection truly means to us.

Our WHY — a shared commitment to how we show up for farmers, every season.

In 2024/25, we sharpened our focus on how we create those connections by putting data at the centre of our decision-making. Not data for data's sake — but data that helps us justify our tactics, measure what matters, and reach the right person, at the right time, with the right message.

This approach allowed us to stay true to our WHY while becoming more intentional, more efficient, and more relevant in how we show up for farmers, seed growers, retailers, and our own team.

To grow connection, one field at a time.

We exist to make a difference in agriculture by providing Western Canadian farmers with the best seed solutions and unparalleled customer service.

Our commitment is to offer high-quality seed tailored to each farm, delivered by a team that genuinely cares about our customers' success. We empower farmers, challenge the status quo, and enhance the lives of the communities we serve. We are proud to support farmers and seed retailers not just as business partners, but as fellow community members who understand the value of hard work, dedication, and building meaningful relationships.



MANAGEMENT'S **DISCUSSION** and **ANALYSIS REPORT**



Management's Discussion and Analysis Report

REPORT FOR THE YEAR ENDED SEPTEMBER 30, 2025

The following Management's Discussion and Analysis (MD&A) is intended to supplement the financial statements by explaining the Company's operating results and financial position for the year ended September 30, 2025, as compared to the year ended September 30, 2024. In addition, the MD&A is meant to provide the reader with an outlook on future trends and risks or other factors that affect or may affect the business operations, to assist the reader in understanding the past results, as well as understanding the impact on the future. The following MD&A was prepared based upon information available up until January 23, 2026, and should be read in conjunction with the accompanying audited consolidated financial statements that have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial information has been reviewed by the Company's audit committee and approved by the Board of Directors. All amounts reported are in Canadian currency.

THE BUSINESS

CANTERRA SEEDS is a recognized leader in the agriculture seed industry. Headquartered in Winnipeg, Manitoba, CANTERRA SEEDS is committed to developing, acquiring, producing, marketing, and selling market-leading seed varieties to its customers throughout Western Canada.

RESULTS OF OPERATIONS

Highlights of the 2025 fiscal operating results:

- Sales totalled \$58.11 million for the year ending September 30, 2025, which is an increase of \$9.04 million from the \$49.07 million recorded for the year ending September 30, 2024.
- Gross profit is at \$12.43 million for the 2024/25 fiscal year, compared to \$9.85 million in 2023/24, an increase of \$2.58 million.
- The gross profit percentage has increased from 20.1% in 2023/24 to 21.4% for 2024/25.
- Total corporate operating expenses, net of other revenue, increased from \$8.31 million in 2023/24 to \$10.51 million in 2024/25, an increase of \$2.2 million or 26.5%.
- In total, the loss from joint ventures reduced by \$0.03 million from \$0.62 million in 2023/24 to \$0.59 million in 2024/25.
- Income from operations before income taxes has improved by \$0.41 million from \$0.92 million in 2023/24 to \$1.33 million in 2024/25.
- In 2023/24 due to some significant differences in how some expenditures are treated for accounting and tax CANTERRA SEEDS had a tax effect where it recorded a tax recovery even though there was income from operations recorded in the accounting records. In addition, however, due to these same reasons there has been a substantial increase in the Company's Deferred Tax Liability. Overall, this total to a provision for tax of \$0.47 million, which was more than 50% of the income before taxes. For the 2024/25 fiscal year the total tax expense is set at 27.0% or \$0.36 million. This, therefore, is a reduction of \$0.11 million from the prior year.
- Net income and comprehensive has increased by \$0.51 million from \$0.46 million in 2023/24 to \$0.97 million in 2024/25.
- Along with the profitability described above, equity for CANTERRA SEEDS also increased by \$0.02 million due to some additional shares sold from the treasury during the year.
- The net income per share for the year ended September 30, 2025, is \$0.13 per share, which is an increase of \$0.07 per share from the \$0.06 net income per share recorded for the prior year.
- Cash increased by \$0.68 million from September 30, 2024, to September 30, 2025. The increase is from \$6.4 million on September 30, 2024, to \$7.08 million on September 30, 2025.
- Accounts receivables are higher by \$3.45 million, from \$2.54 million on September 30, 2024, to a balance of \$5.99 million as of September 30, 2025.
- Inventory has increased by \$1.72 million from \$16.52 million on September 30, 2024, to \$18.24 million on September 30, 2025.
- Prepaid expenses are lower by \$2.59 million from \$5.2 million on September 30, 2024, to a total of \$2.61 million on September 30, 2025.
- Property and equipment have increased by \$0.19 million from \$0.26 million on September 30, 2024, to \$0.45 million on September 30, 2025.
- Intangible assets are higher by \$1.29 million from \$2.62 million on September 30, 2024, to a total of \$3.91 million as of September 30, 2025.
- The Company added Goodwill for the 2025 fiscal year. This was the offset created from the deferred tax liability that occurred due to the purchase of Alliance Seed and its varieties during the year. This is a balance of \$0.34 million with no such balance for 2024.
- Right-of-use assets have decreased by \$0.43 million from a balance of \$0.71 million on September 30, 2024, to \$0.28 million on September 30, 2025. There is a liability that matches these leased assets, and this is all current for the 2025 fiscal year. This was split between current and long-term (more than one year) debt in 2024.
- During the year there was a loss recorded on the investment in Limagrain Cereals Research Canada (LCRC) of \$0.59

million. The investment in joint ventures balance therefore reduced by this same amount. Overall, the investment in joint ventures changed from \$0.75 million on September 30, 2024, to \$0.16 million on September 30, 2025.

- Advances to/from related companies are currently at a receivable of \$0.08 million as of September 30, 2025. This is a change of \$0.21 million from the \$0.13 million payable balance on September 30, 2024.
- Accounts payable are higher by \$2.97 million from \$17.29 million on September 30, 2024, to \$20.26 million as of September 30, 2025.
- There is a small amount of deferred revenue with the September 30, 2025, results, \$0.02 million. There was no such balance as of September 30, 2024.
- Taxes receivable/payable has switched from a receivable/asset balance of \$0.22 million on September 30, 2024, to a payable/liability balance of \$0.03 million on September 30, 2025. Overall, a change of \$0.25 million. The Company had some significant differences between accounting and tax financials, due to the timing of amortization of assets, that has caused this change year to year.
- The deferred tax liability increased by \$0.44 million from \$0.5 million in 2023/24 to \$0.94 million in 2024/25. This increase mainly occurred due to the purchase of varieties licensed to Alliance Seed which created a tax difference in the consolidated financial statements. There are also some other small changes that occurred during the year.
- The total assets of the Company have increased year to year and are currently at a total of \$39.13 million on September 30, 2025. This is an increase of \$3.90 million from the \$35.23 million balance on September 30, 2024.

OUTSTANDING SHARE DATA

Issued securities as of January 23, 2025:

ISSUED	BOOK VALUE
7,551,147 Class A common shares	\$12,109,827
2,220,000 Class B series 1 shares	569,281

TRADING HISTORY

CANTERRA SEEDS HOLDINGS LTD. is a reporting issuer. Shares of the Company can be traded privately between two parties, with or without using the assistance of a broker, or can be sold "over the counter" at a licensed security trader. During the 2024/25 fiscal year CANTERRA SEEDS sold an additional 24,000 Class B shares out of treasury. This compares to another 24,000 Class B shares being sold out of treasury during the 2023/24 fiscal year. The Company did not sell any Class A common shares out of treasury in either the 2023/24 or 2024/25 fiscal periods.

Besides the share transactions from treasury, there are share transactions that are trades between outgoing and new shareholders. In the 2024/25 fiscal year there were 77,445 Class A shares and 24,000 Class B shares transferred outside of treasury. During the 2023/24 fiscal year there were 1,422,355 Class A shares and 12,000 Class B shares transferred outside of treasury. The sale of 1,286,187 Class A shares sold by Riverland Agriculture, Ltd. to United Farmers of Alberta Co-operative Limited was included in last year's amounts. From the September 30, 2025, year end until January 8, 2026, there were additional share transactions. 2,272,344 Class A shares and 24,000 Class B shares were transferred during this time. This includes the transfer of 2,265,344 Class A shares from Vilmorin USA Corp to LFS USA Corp. This transaction was not due to a sale but instead occurred due to a restructuring of entities within the Limagrain corporate network.

SELECTED FINANCIAL INFORMATION

QUARTERLY FINANCIALS

SELECTED QUARTERLY FINANCIAL INFORMATION CONSOLIDATED (\$000S EXCEPT PER SHARE AMOUNTS)

	2024/25 Q4	2024/25 Q3	2024/25 Q2	2024/25 Q1	2023/24 Q4	2023/24 Q3	2023/24 Q2	2023/24 Q1
Total Revenue	\$ 4,016	30,820	23,253	21	3,273	3,045	40,408	2,345
Income and comprehensive income	(899)	1,647	2,005	(1,780)	(744)	(1,529)	4,082	(1,351)
Earnings per share (basic and diluted)	\$ (0.12)	\$ 0.22	\$ 0.27	\$ (0.24)	\$ (0.10)	\$ (0.20)	\$ 0.54	\$ (0.18)

CANTERRA SEEDS sells agriculture seed of several different crop types. Sales orders for occur from October until June. Delivery of these sales generally take place from December until June, as most retailers prefer to defer delivery until a date closer to their time of seeding. Most of the deliveries and sales take place in the months of March to May (Q2 & Q3) as this is when the majority of the spring seeding occurs. The October to December quarter consists mainly of the recording of royalties for fall seeded cereal varieties, along with some early delivered canola sales. The financial quarter Q2, from January to March, is made up almost solely of canola deliveries and sales. Q3 sales consist of additional canola sales, sales of pedigreed stock seed and sales

of registered and certified CANTERRA SEEDS licensed pedigree seed. For canola, the Company records the sales when the product is shipped to the retailer. The way the market works is that product can be shipped out to the retail, but it is either never sold to a farmer or a farmer is not able to seed it. These products are returned to CANTERRA SEEDS, and the Company records them as returns (negative sales) at that time. Most of these returns are accounted for during Q3. The quarter consisting of the months July to September (Q4) includes royalties collected on sales of CANTERRA SEEDS licensed seed, along with any adjustments on sales recorded during the previous three quarters.

YEARLY COMPARATIVES

(\$000s except per share amounts)	2024/25					2024/23	2022/23
	Q1	Q2	Q3	Q4	Year	Year	Year
Sales	\$21	\$23,253	\$30,820	\$4,016	\$58,110	\$49,071	\$56,443
Gross profit	2	5,164	5,410	1,856	12,432	9,848	9,651
Gross profit percentage	9.9%	22.2%	17.6%	46.2%	21.4%	20.1%	17.1%
Other revenue	61	167	491	680	1,399	1,246	1,181
Operating, general and administrative	1,035	940	2,000	1,072	5,047	3,611	3,419
Loss from joint ventures	93	127	208	166	594	618	487
Depreciation and amortization	228	234	232	497	1,191	878	613
Salaries, wages, and benefits	1,069	1,346	1,270	1,917	5,602	5,029	4,933
Interest	14	8	6	37	65	35	42
Income (loss) from continuing operations before taxes	(2,376)	2,676	2,185	(1,153)	1,332	923	1,338
Income tax recovery (expense)	596	(671)	(538)	254	(359)	(465)	(323)
Income and comprehensive income	(1,780)	2,005	1,647	(899)	973	458	1,015
Total assets	33,025	57,923	51,848	39,134	39,134	35,227	36,587
Long-term liabilities	688	593	503	940	940	785	389
Earnings per share-basic and diluted	\$ (0.24)	\$ 0.27	\$ 0.22	\$ (0.12)	\$ 0.13	\$ 0.06	\$ 0.13

SALES AND GROSS PROFIT

CANTERRA SEEDS sells agriculture seed in Western Canada using several different processes.

For canola sales, the inventory is produced, treated, and bagged by the Company in a CANTERRA SEEDS bag. When this product is sold, the entire amount of the sale is recorded on the books of the Company.

For pedigreed seed sales, CANTERRA SEEDS rarely takes direct participation in the purchase and sale of the seed product. Instead, a Class B shareholder of the Company owns this product and sells it to their customers. CANTERRA SEEDS holds the license to sell these products, and the shareholder will pay the Company a tech fee royalty for every sale they make. This royalty is recorded in the accounting records at the time that the tech fee royalty is reported to CANTERRA SEEDS.

Overall, sales have increased by \$9.04 million or 18.4%, from \$49.07 million in 2023/24 to \$58.11 million in 2024/25. The optimal way to describe the detail of this variance is to break down the sales into the various sales categories described above.

Canola sales are higher by 14.6% for the year. There are several reasons for this increase but the most significant is the fact that the Company entered the Liberty Link portion of the canola industry. Liberty Link canola makes up a significant percentage of the overall canola sold in Western Canada and CANTERRA SEEDS only entered this market in the spring of 2021. This continues to increase and in 2025, the Company sold two Liberty Link varieties, CS4000 LL and CS4100 LL and these have both become very popular varieties.

For pedigreed seed, overall sales were higher by 36.8% from 2024 to 2025. The main reason for this significant increase is because CANTERRA SEEDS purchased Alliance Seed on April 30, 2025. Therefore, virtually all of Alliance Seed's royalties were added to the CANTERRA SEEDS consolidated sales. The overall effect of the timing of this purchase is that the consolidated sales

figures include almost all of Alliance Seed's annual sales, but only includes 5 months of its annual operating expenses.

The increase in sales has also created an increase in gross profit. Gross profit has increased from \$9.85 million for the 2023/24 fiscal year to \$12.43 million in 2024/25, an increase of \$2.58. The gross profit as a percentage of sales increased by 1.3%, from 20.1% for the year ended September 30, 2024, to 21.4% for the year ended September 30, 2025. This increase is due to two main reasons, firstly CANTERRA SEEDS was able to make some efficiency gains which increased the margins on its canola sales. Secondly, due to the makeup of pedigreed seed sales (royalties) they have a higher margin than canola sales. The higher increase in pedigreed seed sales would then increase the overall gross profit margin.

OTHER REVENUE

Other revenues have increased by \$0.15 million from \$1.25 million in 2023/24 to \$1.4 million in 2024/25. The main reason for this increase is due to a substantial increase in research investment by CANTERRA SEEDS during the 2024/25 fiscal year. This increase in research investment is partially offset by an increased claim for Scientific Research and Development tax credits. Overall, the Company is making this investment to solidify the quantity and quality of varieties that will be accessed and sold in the future by the Company.

OPERATING, GENERAL AND ADMINISTRATIVE EXPENSES

These expenses have increased by \$1.44 million or 39.8%, from \$3.61 million in 2023/24 to \$5.05 million in 2024/25. The biggest portion of this increase is an investment in canola research totaling to \$1 million for the fiscal year that is referred to above in the Other Revenue section. In addition, to this there have been some increases in travel costs, advertising expenses, professional fees, and IT expenses. All these increases relate to three things,

the growth of the Company, both now and into the future, additional staff, and a focus on investing in IT to again further future growth. In addition, consolidation of the operating expenses from Alliance Seed also increased these expenses.

LOSS FROM JOINT VENTURES

This amount relates to CANTERRA SEEDS' 30% joint venture in Limagrain Cereals Research Canada (LCRC). Overall, the loss from the joint venture reduced by \$0.03 million, from \$0.62 million for the year ending September 30, 2024, to \$0.59 million for the year ending September 30, 2025. This is a small improvement that has occurred as more varieties are now generating certified seed royalties, thereby generating an increase in revenues and a reduction in its net loss for the year.

DEPRECIATION AND AMORTIZATION

These expenses have increased by \$0.31 million during the year. These expenses were \$0.88 million in 2023/24 and have increased to \$1.19 million in 2024/25. This increase is due mainly to the fact that with the purchase of Alliance Seed, CANTERRA SEEDS is effectively purchasing the active variety licenses of that Company. For the consolidated financial statements, the excess of the purchase price over Alliance Seed's equity as of April 30, 2025, is in Intangible Assets, Variety License Fees, and this excess is being amortized straight line over five years which is expected to be the effective average future life of the active varieties licensed to Alliance Seed. In addition, as with the Operating, General, and Administrative Expenses the addition of Alliance Seed has also increased these expenses.

SALARIES, WAGES AND BENEFITS

Has increased by \$0.57 million from \$5.03 million for the year ended September 30, 2024, to \$5.6 million for the year ended September 30, 2025, an increase of 11.3%. This increase is due to several reasons with the main ones being as follows:

- Additional staff from 2024 to 2025 including the salary expenses from the Alliance Seed personnel that are included in the consolidated financial statements.
- The general salary increases for all staff year to year.

INTEREST

These expenses have increased by \$0.03 million from \$0.03 million for the year ended September 30, 2024, to \$0.06 million for the year ended September 30, 2025. One of the effects of growth is the need to build canola inventory for future sales. While the Company manages cash between suppliers and customers to utilize the line of credit only when absolutely necessary, the line was used twice in 2025, once in November/December and again in July/August prior to canola program payments from customers. This increased the interest expense for the year.

INCOME TAX EXPENSE

Income for accounting and income for tax can often be very different amounts. The main reason for these differences is transactions/expenses such as amounts that are not deductible for tax purposes as well as some transactions that are amortized significantly differently in the accounting and tax records. In 2024, this difference was very large with the biggest difference being the fact that the purchase of the Agro.Club software was amortized in full on the tax records and amortized over 10 years with the accounting records. This, in turn, caused a tax loss which created

a significant income tax recovery and an even more significant increase in CANTERRA SEEDS deferred income tax liability. This therefore created an effect where the total provision for income taxes was recorded at a level that was more than 50% of the income before income taxes.

In 2025, a more normal tax has been provided for and is set up at closer to 27% of the income before income taxes.

In total, the provision for income taxes has reduced by \$0.11 million, from \$0.47 million for the year ended September 30, 2024, to \$0.36 million for the year ended September 30, 2025.

QUARTERLY RESULTS

The quarterly results vary based on the normal sales and expenditure patterns for CANTERRA SEEDS. Most seed deliveries, and therefore sales, occur during the period from January until May of each year. More specifically, the most significant quarters for sales are generally the three months from January 1 to March 31, and the three months from April 1 to June 30. While "tech fee" or royalty fee revenue is generated from planting and sales that occur in the period from April 1 to June 30, CANTERRA SEEDS only records these sales when the information is reported to the Company. This generally means most of these sales are recorded during the quarter from July 1 to September 30. This also includes the royalty revenue from Alliance Seed. The type of sales that take place during each quarter cause a significant difference in the gross profit percentage recorded during that time.

Other revenue is recorded as it is incurred. In 2024/25, the Q4 results were higher than the other quarters. This is when billings for work done by the Company with its partners was ultimately realized and recorded. Q3 was also higher due to the timing of recording the SRED offset for the canola research project, along with the highest amount of investment/interest income.

Operating, general and administrative expenses have stayed relatively flat through the year. The exception is Q3, as this is when the canola research expenses of \$1 million were recorded. Q3 and Q4 were also higher due to the inclusion of Alliance Seed results for these months.

The loss (income) from the joint venture by quarter shows higher investment losses in Q3 and Q4. This occurs because this is when the field work is completed at LCRC (from April to September) and with this comes substantial expenses to run the program. In addition, Q3 is also higher because this is when LCRC's year end takes place and some intercompany research work charges are finalized for the year during that quarter.

Generally, depreciation and amortization have little change and are consistent during all four quarters. However, the amortization of the Alliance Seed varieties purchased with the acquisition of the Company was recorded in Q4.

Salaries, wages, and benefits are relatively constant throughout the year, however Q2 and Q4 expenses are elevated as this is the timing for some corporate bonuses earned and paid during the year. Q3 and Q4 were also higher due to the fact that the Alliance Seed expenses were included in these quarters.

Interest expense is higher in Q1 and Q4 as this is when CANTERRA SEEDS utilized its line of credit.

The tax entries alter with the earnings (loss) before tax.

QUARTERLY RESULTS (continued)

The assets are highest at the end of Q2 as this is when canola inventory, accounts receivable and cash are quite high. Q3 would generally be the second highest total for total assets as inventory, accounts receivable and cash are still quite high. Q3 and Q4 are also higher as they include the assets of Alliance Seed.

The long-term debt relates to the operating leases for the corporate office and many of its vehicles. The office lease continues to move closer to its completion date, so this has moved to current debt. Also, the Company has made the decision to purchase the corporate vehicles off of lease so there are no new leases that have increased these balances. The difference is also due to the change in deferred taxes.

Overall, the Company recorded a per-share income of \$0.13 for 2024/25. This is an increase of \$0.07 per share from the \$0.06 income per share earned in 2023/24. For the 2024/25 year, the canola sales were split relative evenly between Q2 and Q3, which in total has earned 49 cents per share. There were essentially no sales in Q1 which created a loss for that quarter of 24 cents. Finally, while Q4 had some significant gross profit, mainly from pedigreed seed sales, there are also additional operating expenses during the quarter and a loss of \$0.12 per share was recorded.

LIQUIDITY AND CAPITAL RESOURCES

CANTERRA SEEDS cash position has increased by \$0.67 million from September 30, 2024 to September 30, 2025.

More specifically, overall, the Company earned cash from operating activities of the Company in the amount of \$3.35 million. CANTERRA SEEDS had a net income for the year of \$0.97 million. There were, however, several significant non-cash expenses so after these were added back there was a cash income totaling to \$2.88 million.

There were also some changes in working capital accounts that increased cash for the fiscal year. First, accounts payable and accrued liabilities increased by \$3.22 million due to the increase in sales and cost of sales during the year. Second, there is a net reduction in inventory and prepaid expenses/deposits for inventory of \$0.87 million. Lastly, the deferred revenue balance increased cash by \$0.02 million.

These cash additions were partially offset by an increase in accounts receivable of \$3.39 million. Also, the tax accounts have used approximately \$0.25 million for the year.

For financing activities, the Company paid down \$0.45 million of lease obligations during the year. This was partially offset by additional share capital of \$0.02 million.

The cash used for investing activities was \$2.25 million. The biggest portion of this was the purchase of Alliance Seed on May 1, 2025. CANTERRA SEEDS purchased this business for \$1.47 million. In addition, there were some additional purchases of capital and intangible fixed assets totaling to \$0.63 million. Also, there has been a change in the loans to and from a related company that has used \$0.2 million of cash during the year. This was partially offset by proceeds received on the disposition of fixed assets. This was for \$0.05 million.

RISKS AND UNCERTAINTIES

INVENTORY OBSOLESCENCE RISK

To sell seed in the marketplace, seed inventory must meet stringent quality assurance standards that are determined and

set by the Canada Seeds Act. In addition, regardless of this quality point, a product must be one that is demanded by the western Canadian market. CANTERRA SEEDS works diligently to efficiently manage the lifecycle of its products and consistently introduce new improved varieties into the market to limit its inventory provisions to manageable levels.

PRODUCTION RISK

The availability of high-quality pedigreed seed for sale is dependent upon crop yields as well as the impact of weather and other factors on the quality of seed harvested. Reduced yields and quality can negatively impact the availability of seed. Prior to sale, each bag of canola seed passes stringent tests for hybridity, germination, and herbicide tolerance. CANTERRA SEEDS partially mitigates the risk of this exposure through the diversification of crop varieties, careful strategic planning in choosing the producer of the seed, and through geographic variation of production.

COMPETITION

The pedigreed seed business is a very competitive marketplace. Certain competitors may have greater financial resources than CANTERRA SEEDS. In addition, certain competitors may have access to a wider range of pedigreed seed varieties through in-house breeding programs or relationships with external plant breeders. It is also very important for CANTERRA SEEDS to continue to market excellent new and improved varieties to ensure that the Company stays competitive.

The canola seed business is also an extremely competitive marketplace. Many competitors may have greater financial resources than CANTERRA SEEDS and may have the ability to combine seed sales with other crop input purchases for the farm customers. As with pedigreed seed sales it is critical that CANTERRA SEEDS continues to market top quality new canola varieties to stay competitive in the canola seed market.

INDUSTRY CYCLICALITY

The demand for pedigreed seed is dependent upon many factors. These include the global seed supply, the relative price of the commodity as compared to its alternatives, the climatic conditions, as well as many economic factors. Reductions in farm incomes and the relative commodity price, as well as high global inventory supplies, can all negatively impact the demand for pedigreed seed.

FOREIGN EXCHANGE RISK

CANTERRA SEEDS contracts a small portion of its hybrid canola seed production to producers in U.S. dollars. To the extent that the Canadian dollar weakens significantly as compared to the U.S. dollar, these purchases will negatively impact returns. To mitigate the effects of foreign exchange risk, when required management has implemented a hedging strategy of purchasing forward contracts against U.S. dollar future contract commitments, to the extent practicable. As the timing of harvest, harvested yield and quality data all impact the amount and timing of U.S. dollar payments, all foreign exchange risk cannot be hedged. To the extent that the Company is not able to hedge its foreign exchange risk, changes in the exchange rate between the Canadian dollar and the U.S. dollar may have a material adverse effect on CANTERRA SEEDS' results of operation, business, prospects, and financial condition.

OUTLOOK

The most effective way to analyze the seed sales at CANTERRA SEEDS is to break the business down into their two methods: (1) canola sales where CANTERRA SEEDS acts as the manufacturer

OUTLOOK (continued)

and processor and sells the seed in a CANTERRA SEEDS branded bag, and (2) pedigreed seed sales where the products are owned and distributed by CANTERRA SEEDS seed grower shareholders and the Company collects a tech fee (royalty plus margin) for the grower's right to produce and sell these varieties which are under exclusive license from the breeder to CANTERRA SEEDS.

With canola, the Company will continue to focus on the critical success factors:

- The Company will continue to introduce "leading-edge" spring canola hybrids into the western Canadian and U.S. markets. The Company partners with several of the top canola seed and trait developers in Western Canada. This ensures that only those hybrids that meet or exceed the market standard are introduced. CANTERRA SEEDS is selling hybrids that deliver the agronomic traits farmers expect and require such as clubroot and blackleg tolerance, shatter tolerance, Truflex® canola, Clearfield® (Non-GMO) production system for canola and LibertyLink® canola, with various ranges of maturity, that compete with the best in the market. For the 2025 crop year CANTERRA SEEDS introduced two new canola varieties. First, CS3300 TF, a Truflex® canola hybrid. This product is an early maturity variety with multigenic blackleg resistance, 1st generation clubroot resistance, and excellent straight cut abilities due to its PodProtect™ shatter tolerance rating of 7+. In addition, the Company has launched its second LibertyLink® canola variety. CS4100 LL is a mid-season hybrid suitable for all growing zones, has multigenic blackleg resistance, both 1st and 2nd generation clubroot resistance, and excellent straight cut abilities due to its PodProtect™ shatter tolerance rating of 7+. For the 2026 crop year CANTERRA SEEDS is introducing two new canola varieties. First, CS3400 TF, a Truflex® canola hybrid. This product is a mid-maturity variety with R - A, E2 blackleg resistance, 1st and 2nd generation clubroot resistance, and excellent straight cut abilities due to its PodProtect™ shatter tolerance rating of 7+. In addition, the Company has launched its third LibertyLink® canola variety. CS4200 LL is a hybrid suitable for growing zones with mid to late maturity, has multigenic blackleg resistance, both 1st and 2nd generation clubroot resistance, and excellent straight cut abilities due to its PodProtect™ shatter tolerance rating of 8.0. The Company has excellent relationships with several of the top canola breeding companies and anticipates continuing to introduce leading-edge canola varieties into the future. Often, different varieties are better suited to different "growing zones" in Western Canada and CANTERRA SEEDS is delivering canola products that are among the leaders in each of these zones.
- As was mentioned earlier in this report, CANTERRA SEEDS has entered a research project with one of its breeding partners. This investment is expected to bring more market leading varieties to the Company over the next few years.
- The Company will continue to distribute products that are of impeccable quality. To this end, CANTERRA SEEDS has implemented a quality control policy that is of the highest standard in the industry. It ensures that the canola seed quality not only meets the standards set by the Canada Seeds Act but exceeds these standards and the competition in the market.

- There is always the risk of inventory obsolescence with all seed products. This could be due to germination levels no longer meeting the required specifications or because the variety is no longer competitive in the market. The Company proactively manages the lifecycles of the specific hybrids and varieties as well as following its strict seed quality protocol that keeps these risks to a minimum.
- It is critical that the Company ensures its canola products are accessible to as many farmers as possible. CANTERRA SEEDS has worked diligently to continually improve the corporate brand and canola distribution footprint, ensuring CANTERRA SEEDS canola hybrids are easily accessible at a local retailer. The Company is now distributing its canola product directly with its retail partners, including all UFA and P&H retail locations, across Western Canada. In addition, CANTERRA SEEDS has added a few retail sites of Paterson Grain for the 2026 crop year. Every farmer in the Prairies has access to a local retailer who distributes CANTERRA SEEDS canola. In addition, the Company continues to expand its distribution into the US. Beginning in 2025, it now markets its seed to 3 separate distributors in the upper mid-west of the country.

CANTERRA SEEDS is working to increase its market share in the western Canadian canola market. This improvement started in 2020 and has continued to grow through 2025. The Company sold the most amount of bags in its history for the 2025 crop year and the orders that are registered as of January 23, 2026 show that sales will have a substantial increase again for the 2026 crop year.

For the pedigreed seed business, the Company will focus on the critical success factors of the business as follows:

- CANTERRA SEEDS will continue to access leading edge varieties by focusing on the following.
 - Firstly, CANTERRA SEEDS has been very successful at acquiring high-performing varieties from public breeding entities like Agriculture and Agri-Food Canada, the Crop Development Centre, and the University of Alberta.
 - Secondly, the Company is a 30% partner with Limagrain, one of the world's largest and most innovative field seed companies, in the cereals breeding venture named LCRC. CANTERRA SEEDS has licensed several varieties from this partnership, including CS Daybreak, CS Accelerate, CS Recoil, CS Garde, CS Breadwinner, CS Baker, and CS Palisade. In addition, Limagrain has entered a joint venture with the pulse crop development board, Saskatchewan Pulse Growers. The objective of this joint venture is to bring the very best germplasm of peas and lentils in the western Canadian market into the future. CANTERRA SEEDS has a priority position to access products from this venture and has licensed the following small red lentil varieties from Limagrain, CDC 6928, CDC 6956, CDC 6930, CDC 7208, and CDC 7026-13. Also, CANTERRA SEEDS has licensed one yellow pea from this joint venture, CDC 5791. LCRC is now entering its tenth year of operation and is at the point where it's ramping up production of leading-edge varieties both in cereals and pulses. CANTERRA SEEDS has first right to any cereal varieties that are registered from this entity, which is now registering varieties

OUTLOOK (continued)

bred in-house using top western Canadian parent lines, into the market. It also has a priority position on any peas and lentils that are registered by the Limagrain/SPG joint venture and has brought some pea and lentil varieties into the CANTERRA SEEDS portfolio. Overall, it is expected that this will continue to bring the very best new wheat and pulse varieties to Western Canada and will continue to ramp up the Company's market share in these crop types into the future.

- Lastly, CANTERRA SEEDS has arrangements with breeders throughout the world to test and register products in Western Canada. This has been very successful for the Company, and it's anticipated that this will continue to bring new top varieties into the western Canadian market.
- On the distribution side for pedigreed seed, CANTERRA SEEDS ensures that it partners with the premier seed growers in Western Canada. Currently, the Company has 189 seed licensees throughout the Prairies that are growing and selling CANTERRA SEEDS licensed varieties. This will ensure that the Company's varieties are readily available in the areas best suited to plant those products. The Company will continue to add growers where needed and as required, to ensure that farmers throughout the region will have access to the highest quality CANTERRA SEEDS product available. To that end, as has been mentioned earlier in the report, CANTERRA SEEDS purchased Alliance Seed effective May 1, 2025. This purchase has added the rights to more than 3 dozen varieties and more than 40 new growers to the consolidated CANTERRA SEEDS family. The plan is to keep this brand separate but give all the now 230 growers the ability to access all varieties that are licensed to CANTERRA SEEDS and Alliance Seed.

With the affiliated companies results as mentioned earlier, LCRC will continue to improve its earnings as it continues to register new varieties for the western Canadian market and the Great Plains region of the US. LCRC is also part of the Variety Use Agreement (VUA) project which will enable it to receive royalties on all acreage seeded with its varieties. These improvements in revenue will occur while operating expenses are kept quite stable. Over the next four to five years, it is anticipated that this loss on investment will continue to reduce and will become income as LCRC varieties continue to increase their market share of spring wheat in North America.

For net operating expenses, CANTERRA SEEDS is being proactive by limiting expenses in areas where possible. As always, the focus will be to ensure that all expenses will guarantee a successful return on investment. It has already been mentioned that the Company has entered into a research project with a canola breeding company that is set to last at least 3 years. While this will continue to increase the operating expenses over the next couple of years the offset will be a lower cost to purchase product from that breeder in the future, along with expected access to improved varieties over the next few years.

In the last few months, there has been a tremendous amount of uncertainty and market change when it comes to the real and potential tariff wars between both Canada and the United States

and Canada and China. For both the US and Canada, canola and canola products are part of the United States-Mexico-Canada Agreement and do not incur any tariffs so there has been only minor effects to CANTERRA SEEDS currently. However, the future is very uncertain when it comes to whether there will be tariffs on seed (canola or otherwise) in the future and with the US being Canada's largest market for grain this may have a very significant effect on the Canadian farm economy. For China, in March of 2025 China put a 100% tariff on any purchases of canola meal and oil from Canada, and then on August 14, 2025, China implemented a 75.8% duty on all canola shipments from Canada. China is Canada's second largest export customer for canola. An announcement has been made that these tariffs have been significantly reduced to more "normal" levels but the future of these still seem quite uncertain. The management team will continue to both evaluate and manage these issues to ensure that the negative affects to the Company are limited.

REPORTING ISSUER

To facilitate new and existing shareholders entering and exiting the Company, CANTERRA SEEDS became a reporting issuer in 2004. Under provincial securities law, the Company is considered a public company and as such is required to make continuous disclosure to the public of its annual and quarterly financial statements and any material changes in the business or operations. Although the company is not listed on any prescribed stock exchange, the shares of the Company are tradable with few restrictions within and outside the shareholder group.

FORWARD LOOKING INFORMATION

Certain statements in this MD&A may constitute forward-looking statements. These forward-looking statements can generally be identified using statements that include the phrases such as "believe", "expect", "anticipate", "intend", "plan", "likely", "will" or similar words or phrases. Similarly, statements that describe the Company's objectives, plans or goals may be forward-looking statements. These forward-looking statements are based on the Company's current expectations and its projections about future events. However, whether actual results and developments will conform to the Company's expectations and projections is subject to a few risks and uncertainties. This includes, among other things, the risks and uncertainties associated with seed production, product performance, competition, poor weather, commodity prices, credit, and foreign exchange risk. These are not necessarily all the important factors that could cause actual results to differ materially from those expressed in any of the Company's forward-looking statements. Other known and unpredictable factors could also harm its results. Consequently, there can be no assurance that the actual results or developments anticipated by the Company will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company.

ADDITIONAL INFORMATION

Any additional information relating to CANTERRA SEEDS is available on the SEDAR website at www.sedar.com.

ADVANCES FROM RELATED AFFILIATES

Advances to/from affiliates are unsecured, non-interest bearing and have no fixed terms of repayment. The advances are made/owed to Limagrain Cereals Research Canada. These balances are made up of expenses paid by CANTERRA SEEDS on behalf of LCRC, as well as breeder royalties owed by CANTERRA SEEDS to LCRC. The amounts

owing at both September 30, 2024, and September 30, 2025, were repaid in the first three months of the following fiscal year.

CORPORATE GOVERNANCE

CANTERRA SEEDS has developed a corporate infrastructure to support the expanding business to reach its strategic goals. The staffing of the Company, as well as the composition of the Board of Directors, has been designed in a way that will enable full support for anticipated future growth.

The consolidated financial statements and MD&A of CANTERRA SEEDS HOLDINGS LTD., and all other information in this annual report are the responsibility of management and have been reviewed and approved by its Board of Directors.

Management has prepared the consolidated financial statements in accordance with IFRS accounting standards. The MD&A has been prepared in accordance with the requirements of securities regulators. The financial statements and MD&A include items that are based on best estimates and judgments of the expected effects of current events and transactions. Management has determined such items on a reasonable basis to ensure that the financial statements and MD&A are presented fairly in all material respects.

The Board of Directors is responsible to all shareholders for overall strategic direction, the fiduciary responsibilities and corporate policy decisions. The Board of Directors has nine members, all of which are non-management. One of the Directors is not a seed grower shareholder but has significant business experience and influence in the agriculture and seed industry. Three Directors represent the interest of Vilmorin USA Corp. (Limagrain) and another Director represents the interest of United Farmers of Alberta Co-operative Limited. The final four Directors, including the Chairman of the Board, are seed growers or past seed growers with significant experience in the seed industry. Including the Chairman of the Board, each seed grower or past seed grower represents different geographical regions of the Prairies.

Commencing in 2004, in conjunction with the change to reporting issuer status, the Board of Directors appointed an Audit Committee. The entire Audit Committee, including the committee Chairman, is currently comprised of five non-management Directors. This committee is responsible for overseeing the overall accounting and financial reporting systems of the Company. The Audit Committee recommends the appointment of the proposed external auditors to the shareholders at the Annual General Meeting (AGM). The Audit Committee meets with the external auditor and/or Chief Financial Officer (CFO) on a regular basis as part of its review of the annual audits as well as the quarterly unaudited financial statements, prior to submission to the Board for approval. The external auditors report to the Audit Committee.

In March of 2010, the Board appointed a Governance Committee that is responsible for making recommendations to the Board of Directors regarding the appropriate corporate governance policy and procedures for the CANTERRA SEEDS Board of Directors. This committee is active and consists of three directors, including the Past Chairman as Committee Chair. Outside legal counsel is used as a reference as required. This committee has also been tasked with the task of evaluating the effectiveness of the Board of Directors and its committees while also determining the appropriate makeup of the Board of Directors. Therefore, the Governance Committee is also responsible for overseeing the entire process of nominations to be voted for approval at the Company's AGM.

CONSOLIDATED FINANCIAL STATEMENTS



Management's Responsibility for Financial Statements

To the shareholders of CANTERRA SEEDS HOLDINGS LTD.:

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including the responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and Audit Committee are composed of Directors who are neither management nor employees of the Company. The Audit Committee is responsible for overseeing management in the performance of its financial reporting

responsibilities, and for approving the financial information included in the annual report. The Committee fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and the external auditors. The Committee is also responsible for recommending the appointment of the Company's external auditors.

MNP LLP, an independent firm of chartered accountants, is appointed by the shareholders to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Committee and management to discuss their audit findings.

January 23, 2026



Brent Derkatch
President & Chief Executive Officer



Gerry Cantin
Chief Financial Officer

Independent Auditor's Report

To the Shareholders of Canterra Seeds Holdings Ltd.:

Opinion

We have audited the consolidated financial statements of Canterra Seeds Holdings Ltd. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at September 30, 2025 and September 30, 2024, and the consolidated statements of net income and other comprehensive income, changes in shareholders equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at September 30, 2025 and September 30, 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis. The other information also comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis and the Annual Report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

Winnipeg, Manitoba

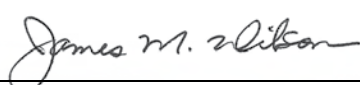
January 23, 2026

MNP LLP
Chartered Professional Accountants

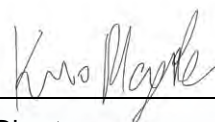
Consolidated Statements of Financial Position

AS AT SEPTEMBER 30

	2025	2024
Assets		
Current assets		
Cash and short term investments	7,077,559	6,402,897
Accounts receivable	5,992,939	2,537,458
Inventory (note 5)	18,240,542	16,523,523
Income taxes receivable	-	223,940
Prepaid expenses and deposits	2,609,495	5,200,704
	33,920,535	30,888,522
Property and equipment (note 6)	450,328	259,763
Intangible assets (note 7)	3,907,188	2,621,336
Goodwill (note 21)	342,367	-
Right-of-use assets (note 8)	283,125	708,807
Investment in associate (note 14)	153,806	748,224
Advances to related company (note 10)	77,098	-
	39,134,447	35,226,652
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	20,262,393	17,288,121
Deferred revenue	17,878	-
Current portion of lease obligations (note 9)	283,126	420,465
Advances from related company (note 10)	-	128,122
Income taxes payable	29,672	-
	20,593,069	17,836,708
Deferred tax liability (note 21)	939,874	499,999
Lease obligations (note 9)	-	285,453
	21,532,943	18,622,160
Shareholders' equity		
Share capital (note 13)	12,679,108	12,655,108
Retained earnings	4,903,673	3,930,661
Contributed surplus	18,723	18,723
	17,601,504	16,604,492
	39,134,447	35,226,652



Director



Director

See accompanying notes to the consolidated financial statements.

Consolidated Statements of Net Income and Comprehensive Income

YEARS ENDED SEPTEMBER 30

	2025	2024
	\$	\$
Sales	58,110,450	49,071,300
Cost of sales (note 4)	45,678,318	39,222,704
Gross profit	12,432,132	9,848,596
Other revenue (note 15)	1,398,410	1,246,005
Profit before other expense items	13,830,542	11,094,601
Operating, general and administrative	5,046,603	3,611,005
Loss from investment in associate (note 14)	594,418	618,445
Depreciation and amortization	1,190,879	877,578
Salaries, wages, and benefits	5,601,571	5,029,362
Interest	64,712	34,886
	12,498,183	10,171,276
Income from continuing operations before income taxes	1,332,359	923,325
Provision for income taxes expense (recovery) (note 21):		
Current	261,839	(90,008)
Deferred	97,508	555,709
	359,347	465,701
Net income and comprehensive income	973,012	457,624
Earnings per share		
Basic and fully diluted (note 16)	0.13	0.06

See accompanying notes to the consolidated financial statements.

Consolidated Statements of Changes in Shareholders' Equity

AS AT SEPTEMBER 30

	Share capital	Contributed surplus	Retained earnings	Total
Balance, September 30, 2023	\$12,631,108	\$18,723	\$3,473,037	\$16,122,868
Net income and comprehensive income	-	-	457,624	457,624
Issuance of Class B Shares	24,000	-	-	\$24,000
Balance, September 30, 2024	12,655,108	18,723	3,930,661	16,604,492
Net income and comprehensive income	-	-	973,012	973,012
Issuance of Class B shares	24,000	-	-	24,000
Balance, September 30, 2025	\$12,679,108	\$18,723	\$4,903,673	\$17,601,504

See accompanying notes to the consolidated financial statements.

Consolidated Statements of Cash Flows

YEARS ENDED SEPTEMBER 30

	2025	2024
	\$	\$
Cash provided by (used for) the following activities:		
Operating activities:		
Net income and comprehensive income	973,012	457,624
Depreciation of property and equipment	112,092	86,104
Amortization of intangible assets	661,365	382,821
Depreciation of right of use assets	417,422	408,653
Interest expense	64,712	34,886
Loss from investment in associate	594,418	618,445
Provision for income taxes	97,508	555,709
Gain on disposals of property and equipment	(42,597)	-
	2,877,932	2,544,242
Changes in working capital accounts		
Accounts receivable	(3,387,869)	2,042,309
Inventory	(1,717,019)	(7,702,151)
Income tax	(253,612)	(310,115)
Prepaid expenses and deposits	2,591,209	7,054,489
Accounts payable and accrued liabilities	3,217,029	(2,178,769)
Deferred revenue	17,878	-
	3,345,584	1,450,005
Financing Activities		
Lease obligation repayments	(445,627)	(445,447)
Issuance of share capital	24,000	24,000
	(421,627)	(421,447)
Investing activities		
Advances (to) from related company	(205,220)	(7,935)
Cash paid on acquisition	(1,466,520)	-
Purchases of property and equipment	(343,069)	(72,542)
Purchases of intangible assets	(282,810)	(141,180)
Proceeds on disposal of property and equipment	48,360	-
	(2,249,259)	(221,657)
Increase in cash	674,662	806,901
Cash, beginning of year	6,402,897	5,595,996
Cash, end of year	7,077,559	6,402,897

See accompanying notes to the consolidated financial statement

1. Incorporation and operations

ENTITY INFORMATION

CANTERRA SEEDS Holdings Ltd. (the “Company”) was incorporated under the laws of the Province of Saskatchewan on March 14, 1996. The head and registered office for the Company is located at 201 – 1475 Chevrier Blvd., Winnipeg, Manitoba, Canada R3T 1Y7. The Company purchases, produces, and distributes seed varieties and related technologies. Due to the seasonal nature of the agricultural industry most seed sales occur during the months of October to June.

The consolidated financial statements of the Company reflect the operations and financial position of the Company and its wholly owned subsidiaries: CANTERRA SEEDS (2002) Ltd. (a Canadian corporation), Alliance Seed (a Canadian corporation) and CANTERRA SEEDS (USA) Ltd. (a US company), and its long-term investment; Limagrain Cereals Research Canada (a Canadian partnership), in which it has a 30% ownership interest. The Company has significant influence over this partnership but does not control it. Limagrain Cereals Research Canada’s principal place of business is Canada and the investment is accounted for using the equity method. Alliance Seed was purchased effective May 1, 2025. This is included in the consolidated statement of financial position as of September 30, 2025, and the income and expenses include transactions recorded from the purchase date until September 30, 2025. This entity is not included in the 2024 comparative balances (Note 17).

2. Basis of presentation

STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The financial statements of the Company were recommended for approval by the Audit Committee and were approved and authorized by the Board of Directors on January 19, 2026.

BASIS OF MEASUREMENT

The consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at fair value, as explained in the accounting policies.

These consolidated financial statements are presented in Canadian dollars, which is the functional currency of the parent company, Canterra Seeds Holdings Ltd. The functional currencies of the subsidiaries and investments are as follows: Canterra Seeds (2002) Ltd., Alliance Seed, and Limagrain Cereals Research Canada in Canadian dollars, Canterra Seeds (USA) Ltd., which records its transactions in US dollars.

3. Material accounting policies

BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Company, its subsidiaries and associates. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries and associates are prepared for the same reporting period as the Company, using consistent accounting policies.

All intra-group balances, income and expenses and unrealized gains and losses resulting from intra-group transactions are eliminated in full.

Where a group of assets is acquired through the acquisition of corporate interests, management considers the substance of the assets and activities of the acquired entity in determining whether the acquisition represents the acquisition of a business.

Where such acquisitions are not judged to be an acquisition of a business, they are not treated as business combinations. Rather, the cost to acquire the corporate entity is allocated between the identifiable assets and liabilities of the entity based on their relative fair values at the acquisition date. Accordingly, no goodwill or additional deferred taxation arises. Otherwise, corporate acquisitions are accounted for as business combinations.

JOINT VENTURES

A joint venture is a contractual arrangement whereby the Company and other parties undertake an economic activity through a jointly controlled entity. Joint control exists when strategic, financial, and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control. Joint ventures are accounted for using the equity method and are recognized initially at cost. The Company recognizes its share of the post-acquisition income and expenses and equity movement in the venture. If the cumulative losses exceed the carrying amount of the equity investment, they are first applied to any additional advances that are receivable from the joint venture to the extent of the total amount receivable. Additional losses are recognized only to the extent that there exists a legal or constructive obligation.

BUSINESS COMBINATIONS

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree’s identifiable net assets. Acquisition costs incurred are expensed and included in direct operations and administration expenses in the consolidated statement of net income and comprehensive income. When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer’s previously held equity interest in the acquiree is re-measured to fair value at the acquisition date through profit or loss. Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is determined to be an asset or liability will be recognized in accordance with IFRS 9 - Financial Instruments, either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it should not be re-measured until it is finally settled within equity.

3. Material accounting policies (continued)

CASH AND SHORT-TERM INVESTMENTS

Cash in the consolidated statement of financial position consists of cash on deposit in financial institutions and on hand. Included in this are short-term investments comprised of a deposit in a money market savings account which has a maturity within one year bearing an interest rate of 3.50% (2024 – 5.00%) per annum as of September 30, 2025.

INVENTORY

Inventory is comprised of finished goods consisting of treated and bagged seed, as well as raw materials consisting of bare untreated seed, and is valued at the lower of cost and net realizable value, with cost being determined on a weighted average cost basis. The Company has no work-in-progress.

PREPAID EXPENSES AND DEPOSITS

Prepaid expenses and deposits are comprised of amounts paid in advance for seed production, insurance, memberships, licenses, business taxes, and other various amounts. All amounts are recorded as paid, at the transaction price. Deposits for seed production are recorded to inventory once the seed is received, while all other amounts are amortized over the applicable terms of these transactions.

PROPERTY AND EQUIPMENT

Property and equipment are initially recorded at cost net of any related investment tax credits. Depreciation is provided using the below methods at rates intended to depreciate the cost of assets over their estimated useful lives.

ASSET	METHOD	RATE
Computer hardware	declining balance	30%
Furniture and fixtures	declining balance	20-30%
R&D plot equipment	declining balance	20-30%
Leasehold improvements	straight line	term of lease

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset, which is calculated as the difference between the net disposal proceeds and the carrying amount of the asset, is included in the results in the period in which the asset is derecognized.

Repair and maintenance costs are recognized in the period in which they were incurred.

LONG-LIVED ASSETS

Long-lived assets consist of property and equipment, right-of-use, and intangible assets with finite useful lives. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies. Long-lived assets are tested for impairment annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The Company conducts an internal review each reporting period of long-lived asset values, which is used as a source of information to assess for any indicators of impairment. External factors, such as changes in expected future processes, technology, and economic conditions, are also monitored to assess for indicators of impairment. If any

indication of impairment exists, an estimate of the asset's recoverable amount is calculated. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Non-financial assets, other than goodwill, that suffer impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

INTANGIBLE ASSETS

Intangible assets are initially recognized at cost and subsequently measured at cost less accumulated amortization and any accumulated impairment losses. Most intangible assets are amortized on a straight-line basis over the shorter of their estimated periods of benefit or contractual lives. The estimated useful lives and amortization methods are reviewed annually, with any changes in estimate accounted for prospectively. Computer software and website costs are amortized using a declining balance rate of 20% and license fees are amortized over the life of the agreement. Software license is amortized over the expected useful life of 10 years.

GOODWILL

Goodwill arising from a business combination is recognized as an asset at the date of control (acquisition date). Goodwill is measured as the excess of the cost of the acquisition over CANTERRA SEEDS interests in the net fair value of the identifiable net assets, liabilities and contingent liabilities of the acquiree recognized at the date of acquisition. Goodwill is recorded at cost less accumulated impairment losses. Goodwill is not amortized but is subject to an annual impairment test.

REVENUE RECOGNITION

The Company's sales revenue transactions consist of a single performance obligation to transfer promised goods. The Company recognizes revenue when it has fulfilled a performance obligation, which is when the seed is shipped from the facility to the customer. In accordance with IFRS 15, the Company follows a policy of recognizing sales revenue when all the following have occurred: a sales agreement is in place, title and risk of loss have passed, pricing is fixed or determinable, and collection is reasonably assured.

Volume related royalty revenue is recognized in the period in which the sale is reported by the grower. Contract services and program payments are recognized when earned.

INCOME TAXES

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the consolidated statement of net income and comprehensive income except to the extent it relates to items recognized in other comprehensive income or directly in equity.

3. Material accounting policies (continued)

INCOME TAXES (CONTINUED)

Current tax

Current tax expense is based on the results for the period as adjusted for items that are not taxable or not deductible. Current tax is calculated using tax rates and laws that were enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate based on amounts expected to be paid to the tax authorities.

Deferred tax

The Company follows the liability method of accounting for deferred taxes. Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when the related asset is realized or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax liabilities arise on taxable temporary differences and are recognized except where they relate to the initial recognition of goodwill or to assets and liabilities in transactions that are not business combinations and affect neither accounting nor taxable profit. They are measured using enacted or substantively enacted tax rates and are not discounted. A deferred tax liability is also recognized for taxable temporary differences on investments in subsidiaries, associates and joint arrangements unless the Company can control the timing of reversal and it is probable the difference will not reverse in the foreseeable future. Deferred tax liabilities are reviewed each reporting date and presented as non-current.

GOVERNMENT ASSISTANCE

The income tax credits related to Scientific Research and Experimental Development (SR&ED) activities are accounted

for in other income or as a reduction of capital expenditures depending on the nature of the expenses that qualify for the credit incurred during the year and reduce taxes payable. The income tax credits are recognized when the related expenditures are incurred and there is reasonable assurance of their realization.

In the normal course of SR&ED expense claims the Company is subject to reviews by federal and provincial government authorities.

FOREIGN CURRENCY TRANSLATION

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange as at the date of the statement of financial position. Non-monetary assets and liabilities are translated at historical exchange rates.

Financial statements of joint ventures for which the functional currency is not the Canadian dollar are translated into Canadian dollars as follows: all asset and liability accounts are translated at the period-end exchange rate and all earnings and expense accounts, and cash flow statement items are translated at average exchange rates for the period. The resulting translation gains and losses are recorded as foreign currency translation adjustments in other comprehensive income.

INVESTMENT IN ASSOCIATE

Investment in associate comprise of the long-term equity investment in a joint venture which is accounted for using the equity method.

PER SHARE INFORMATION

Basic per share amounts are calculated by dividing the profit or loss attributable to shareholders of the Company by the weighted average number of shares outstanding during the year. Diluted per share amounts are determined by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares.

KEY ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements requires management to make judgments, 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 amounts of revenues and expenses during the reporting period.

The allowance for doubtful accounts is estimated using the expected credit loss model as detailed in the financial instruments section of Note 3.

Provisions are made for slow moving and obsolete inventory. Management assesses inventory provisions based on seed germination results, volumes of product on hand, competing products, and market trends in conjunction with sales forecasts.

Management has evaluated the investment in associate using professional judgement and determined that joint control exists and that the arrangement represents a joint venture. Accordingly, the investment is accounted for using the equity method.

KEY ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)

Depreciation is based on the estimated useful lives of property and equipment.

Scientific Research and Experimental Development tax credit claims are based on methodologies and assumptions applied by management in previous successful claims. Actual results may differ from these estimates.

Intangible assets consist of licenses, which are amortized over the life of the agreement, computer software and a website, which are amortized at a declining balance rate of 20%, and a software license, which is amortized over the expected useful life. Recovery of intangibles is analyzed on an annual basis.

Management has estimated that, while the terms of advances from related companies are not defined, the fair value approximates the carrying value due to the anticipated repayment dates of the advances.

Management has estimated the Company's incremental borrowing rate for leases where the implicit rate cannot be determined.

These judgements, estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

FINANCIAL INSTRUMENTS

Financial instruments are accounted for, presented, and disclosed in accordance with IFRS 9 - *Financial Instruments*. Upon initial recognition, all financial assets and liabilities are measured at fair value, except for trade receivables that do not contain a significant financing component, which are measured at the transaction price. As a practical expedient, IFRS 15 - Revenue from Contracts with Customers permits entities to presume that a trade receivable does not have a significant financing component if the expected term is less than one year.

The measurement amount at initial recognition of a financial asset or financial liability that is not classified as fair value through profit or loss ("FVTPL") is adjusted by transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs directly attributable to the acquisition of a financial asset or financial liability that is measured at FVTPL is recognized immediately in profit or loss. Trade receivables that do not have a significant financing component are measured at their transaction price.

FINANCIAL ASSETS

Financial assets are classified and measured based on the Company's business model for managing financial assets and the contractual cash flow characteristics of the financial asset. The classification of the financial asset is determined at the time of initial recognition and is based on the nature and purpose of the financial asset. After initial recognition, financial assets are measured based on (i) amortized cost, (ii) fair value through other comprehensive income ("FVTOCI"), or (iii) fair value through profit or loss ("FVTPL").

A summary of the three classifications is as follows:

CLASSIFICATION	DEFINITION	MEASUREMENT
Amortized cost	A financial asset is classified and measured at amortized cost if it is held by the Company with the objective to collect the contractual cash flows from the asset and if the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.	After initial recognition, the financial asset is measured at amortized cost using the effective interest rate method, except for a trade receivable without a significant financing component, which is measured at its transaction price. Interest income is recognized using the effective interest rate method.
Fair value through other comprehensive income ("FVTOCI")	A financial asset is classified and measured at FVTOCI when its objective is achieved by both collecting contractual cash flows and by selling the financial asset, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.	After initial recognition, changes in the fair value of the financial assets are recognized in other comprehensive income. Interest income is calculated using the effective interest rate method and impairment gains and losses are recognized immediately in profit and loss.
Fair value through profit or loss ("FVTPL")	A financial asset is classified as measured at FVTPL when it does not qualify for classification and measurement at amortized cost or FVTOCI.	After initial recognition, the financial asset is measured at fair value, with changes in value recognized through profit and loss.

FINANCIAL INSTRUMENTS (CONTINUED)**FINANCIAL ASSETS (CONTINUED)**

The Company's financial assets are as follows:

FINANCIAL ASSETS	CLASSIFICATION AND MEASUREMENT
Cash	Fair value through profit and loss
Accounts receivable	Amortized cost
Investments	Fair value through profit and loss
Advances to related companies	Amortized cost

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. Any gain or loss on derecognition is recognized through profit and loss and any fair value changes previously recognized through other comprehensive income are recycled to profit and loss.

Impairment of Financial Assets

The Company assesses at each reporting date whether a financial asset is impaired. Financial assets are impaired when there is objective evidence of impairment because of one or more events that have occurred after initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

The Company applies the specific identification approach to measuring expected credit losses ("ECL"). As at September 30, 2025 and 2024, ECL were not material.

FINANCIAL LIABILITIES

Debt and equity instruments are accounted for as financial liabilities or as equity based on the substance of the contractual obligation and the definitions of a financial liability and an equity instrument. Financial liabilities are classified and measured as either amortized cost or FVTPL. A summary of the two classifications is, as follows:

CLASSIFICATION	DEFINITION	MEASUREMENT
Fair value through profit or loss ("FVTPL")	<p>A financial liability is classified and measured as FVTPL when it is designated as FVTPL as discussed below, or when it is held for trading.</p> <p>A financial liability may be designated as FVTPL when (I) such designation eliminates or significantly reduces an accounting mismatch in the treatment of related or associated financial assets and financial liabilities. (H) a contract contains one or more embedded derivatives, or (HI) a group of financial liabilities, or a combination of financial assets and liabilities, is managed with its performance evaluated on a fair value basis.</p> <p>A financial liability is considered to be held for trading if the financial liability has been acquired primarily for the purpose of repurchasing it in the near term; or, if on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit taking; or, if it is a derivative that is not designated and effective as a hedging instrument.</p>	After initial recognition, the financial liability is measured at fair value, with changes in value recognized through profit and loss.
Amortized cost	All other liabilities.	<p>After initial recognition, the financial liability is measured at amortized cost using the effective interest method.</p> <p>Interest expense is calculated using the effective interest rate method.</p>

FINANCIAL INSTRUMENTS (CONTINUED)

FINANCIAL LIABILITIES (CONTINUED)

The Company's financial liabilities are as follows:

FINANCIAL LIABILITY	CLASSIFICATION AND MEASUREMENT
Accounts payable and accrued liabilities	Amortized cost
Advances from related companies	Amortized cost

The Company derecognizes a financial liability when, and only when, the Company obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

LEASES

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives.
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.
- the amount expected to be payable by the lessee under residual value guarantees.
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented in note 9: Lease obligations.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The Company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under IAS 37. The costs are included in the related right-of-use asset unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfer's ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented in note 8: Right of-use assets.

The Company applies IAS 36 Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in impairment of non-financial assets.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included within operating expenses in the statement of net income and comprehensive income.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient.

PROVISIONS

Provisions are recognized when the Company has a legal or constructive obligation that is the result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risk specific to the obligations.

4. Cost of sales by Nature

The following table summarizes the major components of cost of sales for the year. These amounts reflect the nature of expenses included within the cost of sales function on the Consolidated Statement of Net Income and Comprehensive Income.

	2025	2024
	\$	\$
Canola	18,613,877	16,246,113
Royalties	24,061,504	21,001,023
Freight	737,328	634,359
Inventory write-down	1,429,630	898,407
Stock Seed	835,979	442,802
Total cost of sales	45,678,318	39,222,704

5. Inventory

	2025	2024
	\$	\$
Finished goods	6,223,685	6,820,245
Raw materials	12,016,857	9,703,278
	18,240,542	16,523,523

The cost of inventories recognized as an expense and included in cost of sales amounted to \$17,903,431 (2024 - \$15,846,731). Included in cost of sales in the year is an inventory write-down of \$1,429,630 (2024 - \$898,407) reflecting the net realizable value of certain varieties.

6. Property and equipment

	Computer hardware	Marketing capital, furniture, and fixtures, vehicles	R&D plot equipment	Leasehold improvements	Total
COST	\$	\$	\$	\$	\$
Balance, September 30, 2023	226,855	197,879	411,250	229,966	1,065,950
Additions	29,536	7,867	11,600	23,539	72,542
Balance, September 30, 2024	256,391	205,746	422,850	253,505	1,138,492
Addition of Alliance Seed (note 17)	-	90,348	4,600	-	94,948
Additions	18,144	211,628	44,000	-	273,772
Disposals	-	-	(66,517)	-	(66,517)
Balance, September 30, 2025	274,535	507,722	404,933	253,505	1,440,695
DEPRECIATION					
Balance, September 30, 2023	170,814	100,035	349,068	172,708	792,625
Depreciation	19,855	21,143	15,725	29,381	86,104
Balance, September 30, 2024	190,669	121,178	364,793	202,089	878,729
Addition of Alliance Seed (note 17)	-	58,536	1,764	-	60,300
Disposals	-	-	(60,754)	-	(60,754)
Depreciation	22,107	45,087	15,518	29,380	112,092
Balance, September 30, 2025	212,776	224,801	321,321	231,469	990,367
Net book value					
At September 30, 2024	65,722	84,568	58,057	51,416	259,763
At September 30, 2025	61,759	282,921	83,612	22,036	450,328

7. Intangible assets

The purchase of Alliance Seeds Ltd. was done mainly for the purchase of variety rights. Since these varieties are in various sectors of their lifecycle, they are being amortized over 5 years.

	License fees	Computer software and website	Software License	Total
COST	\$	\$	\$	\$
Balance, September 30, 2023	1,346,204	715,325	2,290,118	4,351,647
Additions	110,000	31,180	-	141,180
Disposals and write-off of fully amortized intangible assets	(215,635)	-	-	(215,635)
Balance, September 30, 2024	1,240,569	746,505	2,290,118	4,277,192
Addition of Alliance Seed (note 17)	1,723,730	-	-	1,723,730
Additions	61,961	220,849	-	282,810
Balance, September 30, 2025	3,026,260	967,354	2,290,118	6,283,732
DEPRECIATION				
Balance, September 30, 2023	1,005,535	483,135	-	1,488,670
Depreciation	99,746	54,063	229,012	382,821
Disposals and write-off of fully amortized intangible assets	(215,635)	-	-	(215,635)
Balance, September 30, 2024	889,646	537,198	229,012	1,655,856
Addition of Alliance Seed (note 17)	59,323	-	-	59,323
Depreciation	360,509	71,844	229,012	661,365
Balance, September 30, 2025	1,309,478	609,042	458,024	2,376,544
Net book value				
At September 30, 2024	350,924	209,306	2,061,106	2,621,336
At September 30, 2025	1,716,782	358,312	1,832,094	3,907,188

See note 16 for the details of Alliance Seed.

8. Right-of-use assets

	Building	Office equipment	Vehicle	Total
COST	\$	\$	\$	\$
Balance, September 30, 2023	804,192	25,204	459,029	1,288,425
Additions	-	-	370,201	370,201
Disposals	-	-	(291,722)	(291,722)
Balance, September 30, 2024	804,192	25,204	537,508	1,366,904
Additions	-	-	-	-
Disposals	-	-	(166,168)	(166,168)
Balance, September 30, 2025	804,192	25,204	371,340	1,200,736
DEPRECIATION				
Balance, September 30, 2023	321,085	11,356	180,210	512,651
Depreciation	163,395	4,665	240,593	408,653
Disposals	-	-	(263,207)	(263,207)
Balance, September 30, 2024	484,480	16,021	157,596	658,097
Depreciation	177,487	4,906	235,028	417,421
Disposals	-	-	(157,907)	(157,907)
Balance, September 30, 2025	661,967	20,927	234,717	917,611
Net book value				
At September 30, 2024	319,712	9,183	379,912	708,807
At September 30, 2025	142,225	4,277	136,623	283,125

9. Lease obligations

LEASE LIABILITIES

The following table sets out a maturity analysis of lease liabilities:

	2025	2024
MATURITY ANALYSIS – CONTRACTUAL UNDISCOUNTED CASH FLOWS		
Less than one year	-	445,627
One to five years	-	288,977
TOTAL UNDISCOUNTED LEASE LIABILITIES AT SEPTEMBER 30		734,604
LEASE LIABILITIES INCLUDED IN THE STATEMENT OF FINANCIAL POSITION AT SEPTEMBER 30	283,126	705,918
Current	283,126	420,465
Non-current	-	285,453

No expenditures related to short term, low value and variable lease payments were made during the year.

The following table details the reconciliation of the lease liability balance from October 1, 2024, to September 30, 2025:

	Balance at October 1, 2024	Cash flows	Change in leases	Imputed interest	Balance at September 30, 2025
Lease liabilities	705,918	(445,627)	(2,308)	25,143	283,126
	Balance at October 1, 2023	Cash flows	Change in leases	Imputed interest	Balance at September 30, 2024
Lease liabilities	774,793	(445,447)	341,686	34,886	705,918

10. Advances (to) from related company

	2025	2024
LIMAGRAIN CEREALS RESEARCH CANADA	(77,098)	128,122

Advances (to) from related company are unsecured, non-interest bearing and have no fixed terms of repayment. The Company has a 30% investment in Limagrain Cereals Research Canada.

11. Government assistance

During the year, the Company filed Canadian federal and provincial income tax returns for the 2024 taxation year, to apply for Scientific Research and Experimental Development (SR&ED) Investment Tax Credits (ITCs). The Company also estimated and accrued the SR&ED ITCs for the 2025 taxation year. ITCs reduce taxes payable and are accounted for as other revenue or a reduction of capital expenditures, depending on the nature of the expenses that qualify for the credit. The benefit recorded resulted in other revenues of \$482,859 (2024 - \$114,506). In the normal course of SR&ED expense claims the Company is subject to reviews by federal and provincial government authorities.

12. Demand facility

The Company has available to it a revolving demand facility available to finance inventory and accounts receivable to a maximum of \$4,000,000 (2024 - \$4,000,000) from July 1 to January 15 of each calendar year, reducing to \$250,000 outside of those dates. Interest is payable on the outstanding balance at the rate of prime plus 1.5% on all amounts outstanding. The revolving demand facility is secured by a general security agreement together with a first charge on all present and after-acquired personal property. The terms of the revolving demand facility require that certain measurable covenants be met. As of September 30, 2025, the Company was in compliance with the covenants specified in the agreement. For the year ended September 30, 2025, the Company did drawn against this revolving demand facility and paid interest of \$39,569 (2024 – \$nil).

13. Share capital

2025

2024

AUTHORIZED

Unlimited number of class A voting common shares.

Unlimited number of class B shares, non-voting non-participating, redeemable at the option of the Company if the shareholder fails to fully pay for Shares, fails to exercise share purchase options or if the shareholder causes the Company to have its rights under any license terminated.

Unlimited number of class C shares without nominal or par value, non-voting, and non-redeemable.

Unlimited number of class D shares without nominal or par value, non-voting, and non-redeemable.

ISSUED AND FULLY PAID:

7,551,147 class A voting common shares (2024 – 7,551,147)	12,109,827	12,109,827
2,220,000 class B shares (2024 – 2,196,000)	569,281	545,281
	12,679,108	12,655,108

During the year the company issued 24,000 Class B shares at \$1 per share (in 2024 the company also issued 24,000 Class B shares at \$1 per share).

14. Investment

The Company has an investment in a cereal breeding and development partnership, Limagrain Cereals Research Canada, located in Saskatoon, SK. The partnership is intended to bring significant added value to western Canadian agriculture by developing new varieties of cereals, with a specific focus on wheat, using the most advanced technologies currently available. Investments in this company are accounted for using the equity method.

The following amounts represent the results and financial position of Limagrain Cereals Research Canada:

	2025	2024
	\$	\$
Current assets	1,116,975	1,771,161
Long-term assets	1,550,942	2,228,517
Current liabilities	953,004	839,408
Non-current liabilities	1,456,672	917,579
Revenues	394,937	333,070
Expenses	2,376,331	2,394,555
Net loss	(1,981,394)	(2,061,485)
Cash used in operating activities	(1,360,528)	(1,098,196)
Cash provided by investing and financing activities	447,745	(570,066)

Limagrain Cereals Research Canada is a 30% investment subject to significant influence.

	<i>Investment Balance</i>
	\$
INVESTMENT IN PARTNERSHIP, SEPTEMBER 30, 2024	748,224
SHARE OF LOSS FOR THE YEAR ENDED SEPTEMBER 30, 2025	(594,418)
INVESTMENT IN PARTNERSHIP, SEPTEMBER 30, 2025	153,806

15. Other revenue

	2025	2024
	\$	\$
Interest	212,700	373,016
Contract services and program payments and other	630,493	734,693
Scientific research and development tax credits (note 12)	482,859	114,506
Gain on foreign exchange	29,761	23,790
Gain on fixed asset disposals and write-offs	42,597	-
	1,398,410	1,246,005

16. Earnings per share

The basic and diluted earnings per share has been calculated based upon the weighted average number of shares outstanding during the year ended September 30, 2025 of 7,551,147 (2024 – 7,551,147). Diluted earnings per share equals basic earnings per share as there are no dilutive instruments.

17. Business Combination

CANTERRA SEEDS HOLDINGS LTD. accounts for business combinations under the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to CANTERRA SEEDS. In determining whether a particular set of activities and assets is a business, CANTERRA SEEDS assesses whether the set of assets and activities acquired includes, at a minimum, an input, and a substantive process with the ability to produce outputs.

ACQUISITION OF ALLIANCE SEED CORPORATION

On May 1, 2025, CANTERRA SEEDS HOLDINGS LTD. acquired 100% of the shares and voting interest of Alliance Seed Corporation (“Alliance Seed”), a company incorporated in Manitoba, Canada. The purchase price for this acquisition was \$1,500,000, settled as follows:

- \$750,000 paid in cash on acquisition date.
- \$750,000 payable one year after acquisition (secured by letter of credit and share pledge).

17. Business Combination (continued)

The acquisition was accounted for as a business combination under IFRS 3 and had the following effect on CANTERRA SEEDS HOLDINGS LTD. assets and liabilities on the acquisition date:

FAIR VALUE AT ACQUISITION DATE

ACQUIRED ASSETS AND LIABILITIES	FAIR VALUE AT ACQUISITION DATE (CAD)
Cash	\$43,233
Accounts Receivable	8,028
Prepaid Expenses	2,194
Capital Assets (Trailer & Vehicles)	34,649
Intangible Assets – License Fees	288,177
Intangible Asset – Variety Licenses (write-up)	1,366,476
Goodwill (note 21)	342,367
Accounts Payable	(242,757)
Deferred Tax Liabilities (note 21)	(342,367)
Total Consideration Transferred	\$1,500,000

The measurement of the intangible asset for variety licenses was determined based on a discounted cash flow analysis of forecasted net royalties over a five-year period, using a discount rate of 20%. Management considers this rate to reflect the risk profile of the acquired assets. The useful life of the intangible asset is estimated at five years, after which the varieties are expected to either be phased out or have significantly reduced income.

The premium paid over net assets is attributable to the value of Alliance Seed's proprietary seed varieties and related licenses, which are expected to generate significant net royalty income over their remaining useful lives.

For the period from May 1, 2025, to September 30, 2025, Alliance Seed contributed revenues of \$1,330,331 and net income (loss) of \$421,498 to CANTERRA SEEDS. If the acquisition had occurred on October 1, 2024, management estimates that Alliance Seed would have contributed revenues of \$1,354,691 and net income (loss) of (\$52,594) for the twelve months ended September 30, 2025. These amounts are based on management's estimates and assume that fair value adjustments arising on acquisition would have been the same if the acquisition had occurred at the earlier date.

18. Financial instruments and Risk management

RISK MANAGEMENT

In the normal course of business, the Company is exposed to financial risk that arises from its indebtedness, including fluctuations in interest rates. Management's involvement in operations helps identify risks and variations from expectations.

As a part of the overall operation of the Company, management takes steps to avoid undue concentrations of risk. The Company manages the risks, as follows:

LIQUIDITY RISK

Liquidity risk arises from the possibility of the Company having insufficient financial resources to fund its growth and meet its obligations as they come due.

The economic uncertainty which currently exists throughout the global marketplace has resulted in a more conservative and restrictive lending market. Management believes that future cash flows from operations and availability under existing banking arrangements will be adequate to support these financial obligations.

INTEREST RATE RISK

The Company may be exposed to interest rate risk as bank indebtedness charges interest at variable rates; however, the Company did utilize the credit facility during the September 30, 2025 fiscal year, but the amount, duration and overall interest rate risk is minimal.

The Company does invest excess cash in investments and therefore decreases in interest rates impact the amount of interest income earned from those investments. Investments are comprised of investments in pooled funds which are also subject to market price risk (i.e. fair value fluctuates based changes in market prices).

On September 30, 2025, the Company has \$4,004,158 (2024 - \$5,384,085) in a money market savings account. A 1% increase in the market price of underlying securities would have resulted in an increase in the value of this asset of approximately 40,042 (2024 - \$53,841).

MARKET RISK

Market risk is the risk that changes in market prices will influence future cash flows associated with financial instruments. Market risk comprises three types of risk: credit risk, foreign currency risk and other price risk.

CREDIT RISK

Financial instruments that potentially subject the Company to concentrations of credit risk are accounts receivable. The Company believes that there is minimal risk associated with the collection of these amounts. The maximum credit risk exposure is the carrying value of the financial assets. The Company manages its credit risk by performing regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable. The Company does not generally require collateral or other security from customers on accounts receivable.

Accounts receivable are past due when a customer fails to make a payment when contractually due. The following is an aging of accounts receivable past due but not impaired:

	2025	2024
	\$	\$
31-60 days	2,173,170	433,125
61-90 days	7,859	27,452
More than 90 days	130,814	27,432
	2,311,843	488,009

Loss allowance for expected credit losses on accounts receivable on September 30, 2025, is \$5,869 (2024 - \$nil).

18. Financial instruments and Risk management (continued)

FOREIGN CURRENCY RISK

The Company enters into transactions denominated in United States currency for which the related revenues, expenses, accounts receivable and accounts payable balances are subject to exchange rate fluctuations. The following items are denominated in United States currency:

	2025	2024
	CAD\$	CAD\$
Cash	149,868	259,970
Accounts receivable	618	105,181
Accounts payable	348,990	8,665

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

A 1% increase in United States dollar foreign exchange rates would result in a corresponding reduction in net income of approximately \$1,985 (2024 - \$3,656).

OTHER PRICE RISK

Other price risk is the risk that changes in market prices, including commodity or equity prices, will have an effect on future cash flows associated with financial instruments. The Company manages these risks by limiting inventory levels and actively monitoring the market and adjusting its pricing strategies accordingly. The Company also manages its exposure to changes in market prices by diversifying their holdings within investments.

FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments include cash, investments, accounts receivable, long-term receivables, advances to related companies, accounts payable and accrued liabilities and advances from related companies. The carrying values of these financial instruments are approximately fair value due to the short-term nature of the financial instruments or they are carried at fair value.

Fair value hierarchy

The financial assets and liabilities recorded at fair value on the statement of financial position are measured and classified in a hierarchy consisting of three levels for disclosure purposes; the three levels are based on the priority of inputs to the respective valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). An asset or liability's classification within the fair value hierarchy is based on the lowest level of significant input to its valuation. The input levels are defined as follows:

- Level 1: *Unadjusted quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date.* Investments are presented at fair value based on a level 1 classification.
- Level 2: *Quoted prices in markets that are not active or model inputs that are observable either directly as prices or indirectly for substantially the full term of the asset or liability. In determining the inputs for*

calculating fair values, the company looks to readily observable market inputs. The Company has no financial instruments classified as level 2.

- Level 3: Values are based on prices or valuation techniques that contain *unobservable inputs that are supported by little or no market activity and are significant to the estimated fair value of the assets or liabilities.* The Company has no financial instruments classified as Level 3.

The following table summarizes the Company's financial liabilities with corresponding maturity:

	TOTAL	LESS THAN 1 YEAR	1 TO 2 YEARS	AFTER 2 YEARS
	\$	\$	\$	\$
Accounts payable and accrued liabilities	20,262,393	20,262,393	-	-
Total	20,262,393	20,262,393	-	-

Current assets exceed current liabilities outstanding, and management expects the Company to meet its obligations as they come due. In addition, management has available to it a revolving line of credit as described in Note 13 to assist with any temporary working capital shortfalls.

19. Capital management

The Company manages its capital to ensure that financial flexibility is present to increase shareholder value through organic growth and to allow the Company to respond to changes in economic and/or marketplace conditions. The Company also strives to maintain an optimal capital structure to reduce the overall cost of capital. In the management of capital, the Company includes bank indebtedness and shareholders' equity. The Board of Directors has established quantitative return on capital criteria for management as well as long term growth targets. In order to maintain or adjust the capital structure the Company may issue shares, debentures, return capital to shareholders, purchase shares, or reduce debt.

Market requirements for attracting capital may vary in ways that the Company may not be able to accurately predict.

The Company monitors capital based on the debt-to-adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Net debt is calculated as total debt less cash and investments. Adjusted capital comprises all components of equity.

There were no changes in the Company's approach to capital management during the year.

The Company has entered into a credit facility agreement with the Canadian Imperial Bank of Commerce that provides additional liquidity of up to \$4,000,000 (2024 - \$4,000,000) from July 1 to January 15. This is reduced to \$250,000 outside of those dates. The Company has asked for and has been provided an increase to this credit facility of up to \$7,000,000 to enable cash management with its suppliers and customers. This increase, when it occurs, is enabled for a week-to-week period. A wholly owned subsidiary of the Company has externally imposed capital requirements as governed through its credit facilities.

19. Capital management (continued)

As of September 30, 2025, the subsidiary Company must have an effective Tangible Net Worth not less than \$9,000,000. As of September 30, 2025, this requirement was met. As of September 30, 2025, there was a \$nil balance outstanding on the line of credit. The Company did use this line of credit twice during the fiscal year, first in November/December of 2024 and again in July/August of 2025 which ensured cash was paid to suppliers to meet their terms prior to program payments from the Company's customers.

20. Related party transactions

The following summarizes the Company's related party revenues and expenses with shareholders for the year:

	2025	2024
	\$	\$
Revenue	31,487,269	27,561,733
Cost of sales	22,198,529	21,147,849

Certain shareholders have entered into transactions with the Company for the purchase and sale of seed and seed products. These transactions were in the normal course of business and were recorded at their exchange amount.

The amount due from related companies has no specified interest or repayment terms.

On September 30, 2025, accounts receivable includes \$496,086 (2024 – \$284,293) owed from shareholders.

Accounts payable and accrued liabilities include \$1,233,265 (2024– \$2,928,265) payable to shareholders.

During the year, employee future benefits recorded as an expense amounted to \$146,662 (2024 - \$151,790).

Directors and key management personnel

Key Management Personnel ("KMP") are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any Director.

Aggregate compensation of KMP during the year consisted of:

	2025	2024
	\$	\$
Salary and short-term benefits	1,426,206	1,408,891
Post-employment benefits	54,161	75,355
	1,480,367	1,484,246

During the year payments for Board and Shareholder meetings totaled \$43,851 (2024 - \$33,261).

21. Income taxes

Income tax expense (recovery) differs from the amount computed by applying the combined expected Canadian Federal and Provincial tax rate of 27% (27% in 2024) to income before income taxes. The reasons for the difference are as follows:

	2025	2024
	\$	\$
Computed income tax expense	359,737	249,297
Difference in statutory rate and actual rate	(88,347)	-
Permanent differences and other	112,445	96,528
Non-capital loss carry back	-	119,876
Unrecognized temporary differences	(24,488)	-
Actual tax expense	359,347	465,701

The Company's deferred tax assets and liabilities based on temporary differences are as follows:

	2024	Recognized in business combination	Recognized in income tax expense	2025
Deferred tax assets			\$	\$
Investment tax credits	199,896	-	(107,557)	92,339
Non-capital losses	-	71,965	(71,965)	-
Other items	-	-	178	178
	199,896	71,965	(179,344)	92,517
Deferred tax liabilities				
Property and equipment	(33,102)	(9,356)	(13,298)	(55,756)
Intangible assets	(658,338)	(404,976)	86,679	(976,635)
Other items	(8,455)	-	8,455	-
	(699,895)	(414,332)	81,836	(1,032,391)
	(499,999)	(342,367)	(97,508)	(939,874)

21. Income taxes (continued)

	2023	Recognized in income tax expense	2024
Deferred tax assets		\$	\$
Investment tax credits	66,889	133,007	199,896
Other items	118,417	(118,417)	-
	185,306	14,590	199,896
Deferred tax liabilities			
Property and equipment	(54,295)	21,193	(33,102)
Intangible assets	(75,301)	(583,037)	(658,338)
Other items	-	(8,455)	(8,455)
	(129,596)	(570,299)	(699,895)
	55,710	(555,709)	(499,999)

The Company's unrecognized deductible temporary differences are as follows:

	2025	2024
	\$	\$
Investment in associate	355,036	333,738
Provincial investment tax credits	183,862	215,332
	538,898	549,070

22. Contingencies

The Company is involved in various legal matters arising in the ordinary course of business. The resolution of these matters is not expected to have a material effect on the Company's financial position, results of operations or cash flows.

Director and officer indemnification

The Company indemnifies its directors and officers against all claims or losses reasonably incurred in the performance of their service to the Company to the extent permitted by law.

23. Impact of recent US tariffs

To this date, the effect of the escalation of US tariffs have been minimal. Any purchases or sales from and to the US qualify for the USMCA terms where they travel free of tariffs. Any escalation of these tariffs, either by the US or Canada, could increase the Company's cost of sales and/or reduce any margins made selling seed into the US.

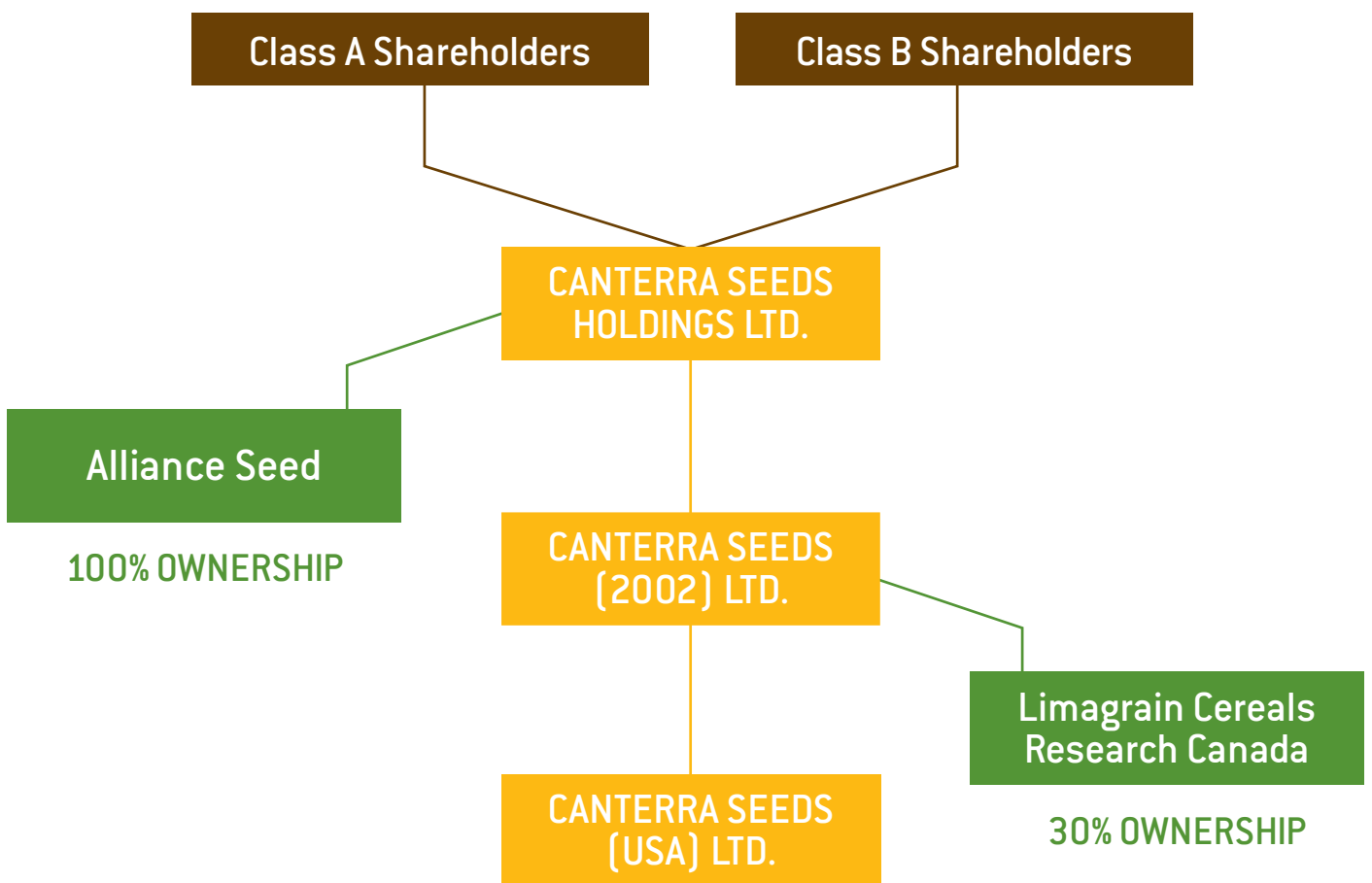
24. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

- The Company has combined the cash and short-term investments as one asset and this change has also been made with the 2024 results. These are all cash balances, part of which is a savings account that earns some investment interest income for the corporation.

Companies Held By CANTERRA SEEDS HOLDINGS Ltd.

CANTERRA SEEDS HOLDINGS LTD. was established in 2002. CANTERRA SEEDS (2002) LTD. is the operating seed company.





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APPENDIX II – CORPORATE GOVERNANCE DISCLOSURE

(See attached.)

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* requires all reporting issuers to provide certain annual disclosure of their corporate governance practices. The Corporation's approach to corporate governance is set out below.

BOARD OF DIRECTORS

The current board of directors (the "Board") of the Corporation is composed of nine (9) directors.

All the directors of the Corporation are considered by the Board to be "independent" within the meaning of Multilateral Instrument 52-110 – *Audit Committees* ("MI 52-110"). Those directors are Mr. Jim Wilson, Mr. Kris Mayerle, Mr. Joe Dales, Mr. Scott Bolton, Mr. Lloyd Affleck, Mr. Dan Richards, Ms. Tatiana Henry, Mr. David Pearson, and Ms. Cecile Richard. In each case, they have no direct or indirect "material relationship", as such term is defined in MI 52-110, with the Corporation. As per the terms of the share agreement with Limagrain, LFS USA Corp. has the right to three (3) positions on the Board of Directors. Ms. Tatiana Henry became a director on July 1, 2017, Ms. Cecile Richard became a director on July 22, 2021, and Mr. David Pearson became a director on the Board effective February 1, 2023. In addition, as per the terms of the share agreement with United Farmers of Alberta Co-Operative Limited has the right to one (1) position on the Board of Directors. This position is held by Mr. Scott Bolton who became a director on July 1, 2024. The Directors have proposed for the 2025/26 fiscal period that the Board be set up with nine (9) directors.

The following slate of candidates has been presented for nomination by the Corporate Governance Committee.

Alberta Shareholder		Dan Richards	
Saskatchewan Shareholder		Kris Mayerle	
Manitoba Shareholder		Jim Wilson	
Shareholder at Large		Lloyd Affleck	
Limagrain		Cecile Richard	
Limagrain		David Pearson	
Limagrain		Tatiana Henry	United Farmers
of Alberta Co-Op	Scott Bolton		External Director
Joe Dales			

Mr. Jim Wilson is currently the Chairman of the Board and Mr. Kris Mayerle is the Vice-Chairman of the Board, and each has been elected to this role by the Board of Directors.

DIRECTORSHIP

Jim Wilson served as the Chairman for the Manitoba Agriculture Services Corporation (MASC) from 2016 to 2024 and was a Director on the Board of Seeds Canada from 2020 to 2024. Jim also served on the Board of the Canadian International Grains Institute from 2012 to 2017.

Kris Mayerle currently sits on the Board of Directors of Northeast Ag Research Foundation and previously served on the Board of the Association of Canadian Custom Harvesters, and of Saskatchewan Canola Growers.

Lloyd Affleck served as both the Chairman and Vice Chairman for Pulse Canada and as a Director with the Saskatchewan Pulse Crop Development Board.

Dan Richards sits on the Board of Directors of the Sexsmith seed cleaning plant.

Joe Dales is the past Chairman of the Board of Governors for the Western Fair Association in London, Ontario, and was recently on the Boards of Vive Crop Protection Inc., Farms.com, and A+L Canada Laboratories Inc.

Scott Bolton is the current Chairman of the Board of Directors of the Business Council of Alberta; he is also on the Boards of Calgary Quest School and FSHD Canada Foundation. He was the Chairman of the Agriculture & Forestry Table for the Premier of Alberta's Economic Recovery Council and was the agriculture representative on the Business Council of Alberta's Define the Decade Committee.

Tatiana Henry, David Pearson, and Cecile Richard sit on the Board of Directors of Limagrain Cereals Research Canada (LCRC) a cereal breeding company in Western Canada. LCRC is a joint venture that is owned 30% by Canterra Seeds and 70% by Limagrain through its subsidiary Vilmorin USA Corp.

ORIENTATION AND CONTINUING EDUCATION

New directors meet personally with the Chairman, the CEO, and the CFO to be educated on the Corporation's operations. The new director is briefed on the up-to-date business plan and strategic plans, financial projections and statements, previous Board minutes, business risks and mitigation strategies, corporate governance guidelines and company policies.

Currently, the skill and knowledge of the Board is such that no formal continuing education process is required. Board members are encouraged to communicate with management and auditors to keep themselves current with industry trends and developments and changes to legislation. Board members have full access to company records.

ETHICAL BUSINESS CONDUCT

The Board and the Corporation have established a set of corporate values that are communicated to all new Board members, business associates and staff. The aim of these values is to encourage a culture of ethical business conduct and corporate success.

1. Innovation – We create and share new ideas, developing product, systems, and processes that deliver the very best quality – always.
2. Passion – We bring enthusiasm, thoughtfulness, and dedication to everything we do.
3. Integrity – We do the right thing – even in the face of adversity.
4. Stewardship – We're committed to the health of the earth and the well-being of our communities. Through sustainable practices and responsible partnerships, we strive to create a better future.
5. Respect – We treat people how we wish to be treated.
6. Teamwork – We work together with a spirit of collaboration, supporting each other and the prairie communities where we were founded.
7. Commitment – We are dedicated to excellence – going above and beyond in everything we do. More than just delivering services, we create meaningful connection.

NOMINATION OF DIRECTORS

A formal process for nominating directors has been established.

The Governance Committee's role is to confirm the number of directors that will serve on the Board and to put forward a proposal for the makeup of the Board for the next fiscal year. The Board receives the nominations from the Corporate Governance Committee and passes a motion to accept the Committee's suggestion.

The Corporate Governance Committee has developed certain criteria for nominations to be acceptable. Nominees must have capability, experience, appropriate expertise, and must be available and willing to commit the time required for this responsibility. The Corporate Governance Committee's role is to work with the Board to determine the various skills and capabilities required for an effective Board and then fill the roles based on a needs assessment that comes out of this analysis. The new slate of nominees is then presented to the Board.

COMPENSATION AND ASSESSMENT

The quantity and quality of the Board compensation is reviewed as required by the Corporate Governance Committee. If needed, the Corporate Governance Committee requisitions a survey to be performed by a third-party consultant examining director's fees and compensation for similar sized companies. Based on this survey, a flat fee is recommended by the Corporate Governance Committee, approved by the Board, and paid semi-annually. In addition to the flat fee, certain Directors are asked to work on the Governance Committee, or the Audit Committee. A flat per day fee is recommended by the Corporate Governance Committee, approved by the Board, and paid semi-annually based on the number of days spent on Committee activities.

The quantity and quality of the CEO's compensation is reviewed by the Chairman and the Corporate Governance Committee. As required, the Corporate Governance Committee requests a survey to be performed by a third-party consultant examining the President & CEO's compensation for similar sized companies. Based on this survey, fees and compensation are recommended by the Corporate Governance Committee.

The Board does not have a formal external process in place for assessing the effectiveness of the entire Board, its committees, or individual directors. The Board evaluates its own effectiveness by using a self-evaluation analysis tool that points out areas of strength and concerns. In addition, the Board does a further self-evaluation to determine what strengths and characteristics should be on the Board. The Board plans to continue to evaluate itself in this manner in the future. The Chairman monitors but does not formally assess the performance of individual Board members or committee members or their contributions. Using the results of the various efforts to gauge the effectiveness of the Board, the Governance Committee will draft a plan to improve the effectiveness of the Board in the future.

FORCED LABOUR AND CHILD LABOUR REPORT

Canterra Seeds is legislated to complete an annual report that shows the plan and progress to eliminate the use of forced and child labour within the Corporation and its suppliers. The Board is responsible for reviewing and approving this report.

COMMITTEE RESPONSIBILITIES AND ACTIVITIES

Committees of the Board are an integral part of the Board's governance structure. The Board has two standing committees: the Audit Committee and the Corporate Governance Committee.

The Audit Committee is currently made up of five (5) Board directors: Joe Dales (Chairman), Kris Mayerle, David Pearson, Cecile Richard, and Scott Bolton, all of which are considered independent directors.

The Corporate Governance/Human Resources Committee currently consists of three (3) Board directors: Lloyd Affleck (Chairman), Dan Richards, and Tatiana Henry. The Corporate Governance Committee has the responsibility to review and set the appropriate Corporate Governance structure for the Board. It also has the responsibility for determining the appropriate levels of compensation for the President & CEO and for determining related compensatory matters such as the granting of incentive stock options and the overall corporate compensation structure at Canterra Seeds.

There are no other current standing committees of the Board.

APPENDIX III – AUDIT COMMITTEE CHARTER

(See attached.)

THE AUDIT COMMITTEE

MI 52-110 requires all reporting issuers to provide certain annual disclosure regarding the composition and responsibilities of the Corporation's Audit Committee. Information regarding the Corporation's Audit Committee is set out below.

THE AUDIT COMMITTEE CHARTER

Roles and Objective

The Audit Committee (the "Committee") is a committee of the Board to which the Board has delegated its responsibility for oversight of the nature and scope of the annual audit, managements reporting on internal accounting standards and practices, financial information and accounting systems and procedures, financial reporting and statements and recommending, for Board approval, the audited financial statements and other mandatory disclosure releases containing financial information.

The objectives of the Committee are as follows:

1. To assist directors in meeting their responsibilities (especially for accountability) in respect of the preparation and disclosure of the financial statements of the Corporation and related matters.
2. To enhance communication between directors and external auditors.
3. To enhance and ensure the external auditors' independence; and
4. To increase the credibility and objectivity of financial reports.

Membership of Committee

1. The Committee shall be comprised of at least three (3) directors, each of which shall be deemed as "independent" as that term is used in MI 52-110.
2. The Board shall have the power to appoint the Audit Committee Chairman.

Meetings

1. At all meetings of the Committee every question shall be decided by a majority of the votes cast. In case of an equality of votes, the Chairman of the meeting shall not be entitled to a second or casting vote.
2. A quorum for meetings of the Committee shall be a majority of its members (three or more), and the rules for calling, holding, conducting, and adjourning meetings of the Committee shall be the same as those governing the Board.
3. Meetings of the Committee should be scheduled to take place at least four times per year. Minutes of all meetings of the Committee shall be taken. The Audit Committee can choose to hold its meetings with the entire Board of Directors present.

4. The Committee shall forthwith report the results of meetings and reviews undertaken and any associated recommendations to the Board.
5. The Committee shall meet with the external auditors at least once per year in connection with the preparation of the year end financial statements and at such other times as the external auditors and the Committee consider appropriate.

Mandate and Responsibilities of Committee

1. It is the responsibility of the Committee to oversee the work of the external auditors, including resolution of disagreements between management and the external auditors regarding financial reporting.
2. It is the responsibility of the Committee to satisfy itself on behalf of the Board with respect to the Corporation's internal control system:
 - identifying, monitoring, and mitigating business risks; and
 - be assured that there is compliance with legal, ethical, and regulatory requirements.
3. It is a responsibility of the Committee to review the annual financial statements of the Corporation prior to their submission to the Board for approval. The process should include but is not limited to:
 - reviewing changes in accounting principles, or in their application, which may have a material impact on the current or future years' financial statements.
 - reviewing significant accruals or other estimates.
 - reviewing accounting treatment of unusual or non-recurring transactions.
 - ascertaining compliance with covenants under loan agreements.
 - reviewing disclosure requirements for commitments and contingencies.
 - reviewing adjustments raised by the external auditors, whether included in the financial statements or not.
 - reviewing unresolved differences between management and the external auditors; and
 - obtaining explanations of significant variances within comparative reporting periods.
4. The Committee is to review the financial statements (and make a recommendation to the Board with respect to their approval), prospectuses, management discussion and analysis and all public disclosure containing audited or unaudited financial information before release and prior to Board approval. The Committee must be satisfied that adequate procedures are in place for the review of the Corporation's disclosure of all other financial information and shall periodically assess the accuracy of those procedures.
5. With respect to the appointment of external auditors by the Board, the Committee shall:
 - recommend to the Board the appointment of the external auditors.

- recommend to the Board the terms of engagement of the external auditors, including the compensation of the external auditors and a confirmation that the external auditors shall report directly to the Committee; and
 - when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change.
6. The Committee shall review with external auditors their assessment of the internal controls of the Corporation, their written reports containing recommendations for improvement, and management's response and follow-up to any identified weaknesses. The Committee shall also review annually with the external auditors their plan for their audit and upon completion of the audit, their reports upon the financial statements of the Corporation and its subsidiaries.
 7. The Committee must pre-approve all non-audit services to be provided to the Corporation or its subsidiaries by the external auditors. The Committee may delegate to one or more members the authority to pre-approve non-audit services, provided that the member(s) report to the Committee at the next scheduled meeting such pre-approval and the member(s) comply with such other procedures as may be established by the Committee from time to time.
 8. The Committee shall review risk management policies and procedures of the Corporation (i.e. hedging, litigation and insurance).
 9. The Committee shall establish a procedure for:
 - The receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
 - The confidential, anonymous submission by employees and agents of the Corporation of concerns regarding questionable accounting or auditing matters.
 10. The Committee shall review and approve the Corporation's hiring policies regarding employees and former employees of the present and former external auditors of the Corporation.
 11. The Committee shall have the authority to investigate any financial activity of the Corporation. All employees and agents of the Corporation are to cooperate as requested by the Committee.
 12. The Committee may retain any person having special expertise and/or obtain independent professional advice to assist in satisfying their responsibilities at the expense of the Corporation without any further approval of the Board.

COMPOSITION OF THE AUDIT COMMITTEE

The Audit Committee is currently made up of five (5) Directors of the Board as follows: Joe Dales (Chairman), Kris Mayerle, Cecile Richard, David Pearson, and Scott Bolton all of whom are "financially literate" and deemed as "independent" as per MI 52-110.

RELEVANT EDUCATION AND EXPERIENCE

Joe Dales is an experienced business executive and is currently an entrepreneur and thought leader on innovation in both the agriculture and food industry. He has years of experience in all areas of business, including finance.

Kris Mayerle owns and operates Greenleaf Seeds Ltd, a pedigreed seed farm and processing plant in Tisdale, Saskatchewan. He has years of experience in all areas of business within the agriculture sector, including finance.

Cecile Richard is currently the CEO, Americas for the Limagrain Field Seeds Division and has extensive management experience in all areas of business including finance.

David Pearson is currently the Head of Branding for the Limagrain Field Seeds Division. He holds a degree in agronomy and business management at the Durham College of Agriculture and has extensive management experience in all areas of business including finance.

Scott Bolton is the retired President & Chief Executive Officer of United Farmers of Alberta Co-Operative Limited. He has a Bachelor of Commerce degree and is a CPA, CA and has extensive management and finance experience and expertise.

AUDIT COMMITTEE OVERSIGHT

Since the commencement of the Corporation's most recently completed financial year, there has not been a recommendation by the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

RELIANCE ON CERTAIN EXEMPTIONS

Since the commencement of the Corporation's most recently completed financial year, the Corporation has not relied on the exemption in section 2.4 (De Minimis Non-Audit Services) of MI 52-110 or an exemption from MI 52-110, in whole or in part, granted under Part 8 (Exemptions) of MI 52-110.

PRE-APPROVAL POLICIES AND PROCEDURES

As provided for in MI 52-110 the Audit Committee must pre-approve all non-audit services to be provided to the Corporation or its subsidiaries, unless otherwise permitted by MI 52-110.

EXTERNAL AUDITOR SERVICE FEES (BY CATEGORY)

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees & SR&ED Prep Fees	All Other Fees
2024/25	\$78,400	\$10,976	\$16,530	\$Nil
2023/24	\$65,400	\$Nil	\$19,250	\$Nil

The audit related fees are for the PST and administration fees billed as part of the audit fee.

Pursuant to section 6.1 of MI 52-110, the Corporation is exempt from the requirements of Part 3 *Composition of the Audit Committee* and Part 5 *Reporting Obligations* of MI 52-110 because it is a venture issuer.

APPENDIX IV – MANAGEMENT INFORMATION CIRCULAR

(See attached.)

CANTERRA SEEDS HOLDINGS LTD.
INFORMATION CIRCULAR
FOR THE ANNUAL MEETING OF
SHAREHOLDERS TO BE HELD ON FEBRUARY 19, 2026

This Information Circular (the "Circular") is furnished to Class "A" shareholders (the "Shareholders") of Canterra Seeds Holdings Ltd. (the "Corporation") in connection with the solicitation of proxies by the management of the Corporation for use at the annual meeting (the "Meeting") of the Shareholders of the Corporation to be held on Tuesday, the 19th day of February, A.D. 2026 that will be held with a Zoom meeting at 9:00 a.m. (Manitoba time) or any adjournment thereof, for the purposes set out in the notice of the annual meeting (the "Notice") accompanying this Circular.

The information contained in this Circular is given as known to the Corporation as of the 28^h day of January, A.D. 2026.

SOLICITATION OF PROXIES

This Circular is furnished in connection with the solicitation of proxies by the management of the Corporation to be used at the Meeting for the purposes set forth in the Notice. Proxies will be solicited primarily by mail and may also be solicited personally by the management of the Corporation at nominal cost. The cost of solicitation by management will be borne by the Corporation.

APPOINTMENT OF PROXYHOLDERS, REVOCATION OF PROXIES AND VOTING INSTRUCTIONS

The form of proxy accompanying this Circular (the "Proxy") affords each Shareholder an opportunity to direct that such Shareholder's nominee designated therein shall vote for or against the approval of or shall withhold from voting on each item identified in the Notice.

The persons named in the enclosed Proxy are directors and/or officers of the Corporation. Each Shareholder has the right to appoint any person or company, other than the persons designated in the Proxy, to attend and act for such Shareholder and on such Shareholder's behalf at the Meeting. A Shareholder may exercise such right by inserting the name of the person or company in the blank space provided in the Proxy or by submitting another appropriate proxy. A person or company appointed as a proxy need not be a director, officer, or Shareholder of the Corporation. However, if you appoint an alternate proxy, they will have to attend the meeting and vote your shares in the Zoom meeting.

To be effective, the Proxy must be:

- (a) executed by a Shareholder or by such Shareholder's attorney authorized in writing (if a Shareholder is a corporation, the Proxy must be executed under its corporate seal by an officer of such corporation or signed by such corporation's duly authorized attorney); and
- (b) deposited with the Corporation at 201-1475 Chevrier Blvd., Winnipeg, Manitoba, R3T 1Y7, at least 48 hours prior to the Meeting.

Where an attorney has executed a Proxy, the Proxy must be accompanied by written evidence of the attorney's authority.

A Proxy is revocable under subsection 148(4) of the *Canada Business Corporations Act* (the "Act"). Subject to compliance with the requirements of the following paragraph, the giving of a Proxy will not affect the right of a Shareholder to attend and vote in person at the Meeting.

A Shareholder who executes and returns a Proxy may revoke it by instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal by an officer or by a duly authorized attorney thereof and depositing it with (i) the Corporation at its registered office, Suite 1201, 409–3rd Avenue South, Saskatoon, Saskatchewan, S7K 5R5, Attention: Todd Rosenberg, at any time, up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the Proxy is to be used, or (ii) the Chairman of the Meeting at any time prior to the commencement of the Meeting or any adjournment thereof.

The Proxy confers discretionary authority upon the nominees named in the Proxy with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting. At the date hereof, the Corporation knows of no such amendment, variation, or other matter. If any amendment, variation, or other matter properly comes before the Meeting, the Class "A" shares (the "Class A Shares") represented by Proxies in favour of the Proxy nominees of the Corporation will be voted on such matters in accordance with the best judgement of the person voting the Proxy.

In the pursuit of simplicity and efficiency the AGM has evolved exclusively to an online platform, Zoom. An arrangement has been made to enable Shareholders to vote on any motions that come up at the meeting through a secure and confidential online platform. An invite to this Zoom meeting will be emailed to all Shareholders. When the Shareholder registers for the meeting they will be designated with an identifier which will be tied to your Class A shareholdings. Your online vote will then be accumulated to determine the final vote. We would suggest, whether you are able to attend the meeting live or not, that the simplest way to make your vote is to fill out and send in your proxy. You can make your elections on your own or you can designate a proxy to vote on your behalf. The options as a proxy on the proxy form are Kris Mayerle, Dan Richards, Lloyd Affleck, or Joe Dales. You can also designate another person for proxy, as was described in an earlier paragraph.

ADVICE TO BENEFICIAL SHAREHOLDERS

These securityholder materials are being sent to both registered and non-registered owners of the Class A Shares. If you are a non-registered owner and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of Class A Shares, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

VOTING SHARES AND HOLDERS THEREOF

Shareholders holding Class A Shares registered on the books of the Corporation (or their proxy) at the close of business on the day preceding the date on which the Notice was given (the "Record Date") are entitled to vote at the Meeting, except to the extent that a Shareholder transfers any of such Shareholder's Class A Shares after such Record Date and the transferee of such Class A Shares produces properly endorsed share certificates or otherwise establishes that such transferee owns such Class A Shares and demands, not later than 10 days before the Meeting, that such transferee's name be included in the list of Shareholders entitled to vote at the Meeting.

As of January 28, 2026, the Corporation had 7,551,147 Class A Shares outstanding, each carrying the right to one vote per Class A Share. To the knowledge of the directors and senior officers of the Corporation, no person or company, other than LFS USA Corp. (Limagrain) and United Farmers of Alberta Co-operative Limited (UFA) beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying more than 10% of the voting rights attached to any class of voting securities. As of January 28, 2026, Limagrain owns 2,265,344 Class A Shares or 30.0% of the overall

voting rights of the Class A Shares and UFA owns 1,286,187 Class A Shares or 17.0% of the overall voting rights of the Class A Shares.

ELECTION OF DIRECTORS

The Shareholders are being asked at the Meeting to elect directors of the Corporation, such directors to hold office for the next year.

The Articles of the Corporation provide that the number of directors on the Board of Directors of the Corporation shall be a minimum of eight (8) and a maximum of twelve (12), with the actual number within this range to be determined by resolution of the directors from time to time. The directors have fixed the number of directors at nine (9). The following table sets out the names and addresses of all the persons nominated for election as director, their present principal occupation or employment and any other principal occupations and employment within the five preceding years, the number of Class A Shares of the Corporation beneficially owned, directly or indirectly, by each of them or over which control or direction is exercised, and the period during which any person currently a director of the Corporation has served as director:

Name and Place of Residence	Principal Occupation, Business or Employment for Past 5 years	Class and Number of Voting Shares Held	Period When Director Held
Jim Wilson ³ Morden, MB Canada	Farmer and Retired Seed Retailer	24,000 Class "A" (Held by Wilson Seeds Ltd.)	Since 03/08/10
Kris Mayerle ¹ Tisdale, SK Canada	Farmer and Seed Retailer	24,000 Class "A" (Held by Greenleaf Seed Ltd.)	Since 02/03/10
Lloyd Affleck ² Morden, MB Canada	Retired Farmer and Seed Retailer	24,000 Class "A"	Since 03/07/05
Joe Dales ¹ London, ON Canada	Entrepreneur and Thought Leader in the agriculture and food industry, Founder and Mentor RH Accelerator	0 shares held	Since 02/27/04
Dan Richards ² Sexsmith, AB Canada	Farmer and Seed Retailer	2,400 Class "A" (Held by Scenic Heights Farms Ltd.)	Since 07/20/23
Scott Bolton ¹ Calgary, AB Canada	Retired President and CEO, United Farmers of Alberta Co-operative Limited	0 held personally but represents 1,286,187 Class "A" held by United Farmers of Alberta Co-operative Limited	Since 07/01/24
Cecile Richard ¹ Curitiba, Brazil	CEO Americas, Limagrain Field Seeds CEO – Limagrain Field Seeds, Asia	0 held personally but represents 2,265,344 Class "A" held by Vilmorin USA Corp. (Limagrain)	Since 07/22/21
David Pearson ¹ Clermont Ferrand, France	Head of Branding, Limagrain Field Seeds	0 held personally but represents 2,265,344 Class "A" held by Vilmorin USA Corp. (Limagrain)	Since 02/01/23
Tatiana Henry ² Fort Collins, CO United States	COO, Limagrain Cereal Seeds CEO, Limagrain Cereals Research Canada	0 held personally but represents 2,265,344 Class "A" held by Vilmorin USA Corp. (Limagrain)	Since 07/01/17

Notes:

- (1) Member of the Audit Committee
- (2) Member of the Corporate Governance Committee
- (3) Ex-Officio Member of the Audit Committee and the Corporate Governance Committee

STATEMENT OF EXECUTIVE COMPENSATION

The Corporation had two named Executive Officers within the meaning of Form 51-102F6 – *Statement of Executive Compensation* during the year ended September 30, 2025. The following table sets forth the compensation paid to the Corporations' named Executive Officers during the last three fiscal periods:

		ANNUAL COMPENSATION			LONG-TERM COMPENSATION			
		Salary (\$)	Bonus (\$)	Other Annual Compensation (\$)	Awards		Payouts	
Name and Principal Position	Year						Securities Under Options/ SARS Granted (#)	Shares or Units Subject to Resale Restrictions (\$)
Brent Derkatch ¹ President and CEO	2024/25	\$269,969	\$60,039	Nil	Shares totalling to \$2,198 were given during the year.	Nil	Nil	Nil
	2023/24	\$270,517	\$Nil ³	Nil	Shares totalling to \$2,660 were given during the year.	Nil	Nil	Nil
	2022/23	\$176,753	\$47,365	Nil	Shares totalling to \$1,488 were given during the year.	Nil	Nil	Nil
Gerry Cantin ²	2023/24	\$253,223	\$56,404	Nil	None	Nil	Nil	Nil
CFO	2023/24	\$245,603	\$64,783	Nil	None	Nil	Nil	Nil
	2022/23	\$232,854	\$67,872	Nil	None	Nil	Nil	Nil

Notes:

1. Brent Derkatch was hired as President & CEO effective October 2, 2023.
2. Gerry Cantin was hired as Corporate Controller effective March 2, 2006, and acted as the acting CFO until his promotion to the role of CFO effective March 1, 2007. In addition to his role as CFO, Mr. Cantin was the Acting CEO of the Corporation from July 1, 2009, until October 12, 2009.
3. No bonus was recorded during the 2023/24 fiscal year as the prior year bonus was expensed in 2023 and the bonus earned for the 2024 results was recorded during the 2025 fiscal year. This is the regular process for the Executive team.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

During the fiscal year ended September 30, 2025, the Corporation carried liability insurance limited to an aggregate of \$2,000,000.00. During the year ended September 30, 2025, the total annual premium expensed in respect of such insurance was \$12,013.87.

COMPENSATION OF DIRECTORS

Each director including the Chairman receives annual compensation of \$10,000.00 for services rendered in his or her capacity as director along with a further amount of \$750 per day for Board Committee Activity and is entitled to be reimbursed for expenses incurred in attending Board and Committee meetings. Also, for the year ended September 30, 2025, Jim Wilson was paid an additional fee of \$20,000.00 as compensation for his tenure as Chairman of the Board of the Corporation. During the year ended September 30, 2025, the Corporation expensed directors' and Chairmen fees (including CPP expenses) totalling \$111,885.

AUDITORS

Management of the Corporation recommends the appointment of MNP LLP as Auditors of the Corporation to hold office until the next Annual Meeting of Shareholders and to authorize the directors to fix the Auditors' remuneration. MNP LLP was first appointed as Auditors on November 5, 2004.

AMENDMENT TO THE ARTICLES OF INCORPORATION

At the Meeting, the Shareholders will be asked to consider passing a resolution approving an amendment to the Articles of the Corporation (the "Articles of Amendment"), in the form accompanying this Circular, which will create a new class of authorized shares, being Class E Preference Shares.

The attributes of the Class E Preference Shares are set forth in the Articles of Amendment and include the right of the Corporation to redeem such shares at any time for a redemption price of \$1.00.

The Class E Preference Shares will not entitle the holder to vote at a meeting of Shareholders, nor to a dividend. In the event of a liquidation of the Corporation, the Class E Preference Shares will rank *pari passu* with the Class A Shares.

The rationale for the proposed amendments to the Articles is to allow the Board of Directors to consider liquidity options for long time holders of Class A Shares. From time to time, the holders of Class A Shares have expressed an interest in liquidating their investment in the Corporation. Shareholders often have difficulty identifying a buyer. Because Class A Shares are not redeemable at the option of either the Corporation or the holder, long time holders of Class A Shares often have no ability to liquidate their investment in the Corporation. Having a class of shares with the attributes of the Class E Preference Shares will enable the Board of Directors to consider creating liquidity options for Shareholders.

Assuming that the Articles of Amendment are approved by the Shareholders, the Board of Directors intends to consider a liquidity alternative for holders of Class A Shares that would involve such holders being offered an opportunity to exchange (on a voluntary basis) Class A Shares for a fixed number of Class E Preference Shares based on an exchange ratio to be determined by the Board of Directors and disclosed to Shareholders, which would then enable the Corporation to redeem the Class E Preference Shares over time (subject to compliance with corporate law and the Board of Directors determining that using its available funds for the redemption of Class E Preference Shares is the best use of the Corporation's capital resources at the time).

No definitive decision has been made by the Board of Directors with respect to a proposed liquidity transaction for long term holders of Class A Shares.

The Board of Directors is recommending that Shareholders vote in favour of the resolution approving the Articles of Amendment. Proxies delivered in favour of the management nominee will be voted in favour of the resolution.

To be effective, the resolution approving the Articles of Amendment must be approved by the affirmative vote of not less than two-thirds of the votes cast at the Meeting in respect of such resolution.

FINANCIAL STATEMENTS

It is necessary at annual meetings that the Shareholders receive and consider the financial statements for the most recently completed fiscal period of the Corporation together with the Auditors' Report on such financial statements. Reference is made to the financial statements and Auditors' Report with respect to the fiscal period ended September 30, 2025, which has been delivered by email to all Shareholders.

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* requires all reporting issuers to provide certain annual disclosure of their corporate governance practices. The Corporation's approach to corporate governance is set out in Appendix A.

AUDIT COMMITTEE

Multilateral Instrument 52-110 – *Audit Committees* requires all reporting issuers to provide certain annual disclosure regarding the composition and responsibilities of the Corporation's Audit Committee. Information regarding the Corporation's Audit Committee is set out in Appendix B.

ADDITIONAL INFORMATION

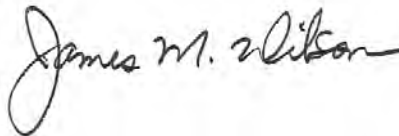
Additional information relating to the Corporation is on SEDAR+ at www.sedarplus.com. Shareholders may contact the Corporation by mail at 201-1475 Chevrier Blvd., by e-mail at g.cantin@canterra.com, by facsimile at 204-487-7682 or by telephone at 204-988-9750 to request copies of any documents filed on SEDAR+ including copies of the Corporation's financial statements and MD&A. Financial information is also provided for the Corporation's comparative financial statements and MD&A for its most recently completed financial period. The quarterly and annual financial results are also available on the corporate website, www.canterra.com.

CERTIFICATION

The contents and the forwarding of this Circular to the Shareholders have been approved by the directors of the Corporation.

DATED as of the 28th day of January 2026.

BY ORDER OF THE BOARD OF DIRECTORS

A handwritten signature in black ink that reads "James M. Wilson". The signature is written in a cursive style with a large, looped initial "J".

James Wilson, Chairman of the Board

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* requires all reporting issuers to provide certain annual disclosure of their corporate governance practices. The Corporation's approach to corporate governance is set out below.

BOARD OF DIRECTORS

The current board of directors (the "Board") of the Corporation is composed of nine (9) directors.

All the directors of the Corporation are considered by the Board to be "independent" within the meaning of Multilateral Instrument 52-110 – *Audit Committees* ("MI 52-110"). Those directors are Mr. Jim Wilson, Mr. Kris Mayerle, Mr. Joe Dales, Mr. Scott Bolton, Mr. Lloyd Affleck, Mr. Dan Richards, Ms. Tatiana Henry, Mr. David Pearson, and Ms. Cecile Richard. In each case, they have no direct or indirect "material relationship", as such term is defined in MI 52-110, with the Corporation. As per the terms of the share agreement with Limagrain, LFS USA Corp. has the right to three (3) positions on the Board of Directors. Ms. Tatiana Henry became a director on July 1, 2017, Ms. Cecile Richard became a director on July 22, 2021, and Mr. David Pearson became a director on the Board effective February 1, 2023. In addition, as per the terms of the share agreement with United Farmers of Alberta Co-Operative Limited has the right to one (1) position on the Board of Directors. This position is held by Mr. Scott Bolton who became a director on July 1, 2024. The Directors have proposed for the 2025/26 fiscal period that the Board be set up with nine (9) directors.

The following slate of candidates has been presented for nomination by the Corporate Governance Committee.

Alberta Shareholder		Dan Richards	
Saskatchewan Shareholder		Kris Mayerle	
Manitoba Shareholder		Jim Wilson	
Shareholder at Large		Lloyd Affleck	
Limagrain		Cecile Richard	
Limagrain		David Pearson	
Limagrain		Tatiana Henry	United Farmers
of Alberta Co-Op	Scott Bolton		External Director
Joe Dales			

Mr. Jim Wilson is currently the Chairman of the Board and Mr. Kris Mayerle is the Vice-Chairman of the Board, and each has been elected to this role by the Board of Directors.

DIRECTORSHIP

Jim Wilson served as the Chairman for the Manitoba Agriculture Services Corporation (MASC) from 2016 to 2024 and was a Director on the Board of Seeds Canada from 2020 to 2024. Jim also served on the Board of the Canadian International Grains Institute from 2012 to 2017.

Kris Mayerle currently sits on the Board of Directors of Northeast Ag Research Foundation and previously served on the Board of the Association of Canadian Custom Harvesters, and of Saskatchewan Canola Growers.

Lloyd Affleck served as both the Chairman and Vice Chairman for Pulse Canada and as a Director with the Saskatchewan Pulse Crop Development Board.

Dan Richards sits on the Board of Directors of the Sexsmith seed cleaning plant.

Joe Dales is the past Chairman of the Board of Governors for the Western Fair Association in London, Ontario, and was recently on the Boards of Vive Crop Protection Inc., Farms.com, and A+L Canada Laboratories Inc.

Scott Bolton is the current Chairman of the Board of Directors of the Business Council of Alberta; he is also on the Boards of Calgary Quest School and FSHD Canada Foundation. He was the Chairman of the Agriculture & Forestry Table for the Premier of Alberta's Economic Recovery Council and was the agriculture representative on the Business Council of Alberta's Define the Decade Committee.

Tatiana Henry, David Pearson, and Cecile Richard sit on the Board of Directors of Limagrain Cereals Research Canada (LCRC) a cereal breeding company in Western Canada. LCRC is a joint venture that is owned 30% by Canterra Seeds and 70% by Limagrain through its subsidiary Vilmorin USA Corp.

ORIENTATION AND CONTINUING EDUCATION

New directors meet personally with the Chairman, the CEO, and the CFO to be educated on the Corporation's operations. The new director is briefed on the up-to-date business plan and strategic plans, financial projections and statements, previous Board minutes, business risks and mitigation strategies, corporate governance guidelines and company policies.

Currently, the skill and knowledge of the Board is such that no formal continuing education process is required. Board members are encouraged to communicate with management and auditors to keep themselves current with industry trends and developments and changes to legislation. Board members have full access to company records.

ETHICAL BUSINESS CONDUCT

The Board and the Corporation have established a set of corporate values that are communicated to all new Board members, business associates and staff. The aim of these values is to encourage a culture of ethical business conduct and corporate success.

1. Innovation – We create and share new ideas, developing product, systems, and processes that deliver the very best quality – always.
2. Passion – We bring enthusiasm, thoughtfulness, and dedication to everything we do.
3. Integrity – We do the right thing – even in the face of adversity.
4. Stewardship – We're committed to the health of the earth and the well-being of our communities. Through sustainable practices and responsible partnerships, we strive to create a better future.
5. Respect – We treat people how we wish to be treated.
6. Teamwork – We work together with a spirit of collaboration, supporting each other and the prairie communities where we were founded.
7. Commitment – We are dedicated to excellence – going above and beyond in everything we do. More than just delivering services, we create meaningful connection.

NOMINATION OF DIRECTORS

A formal process for nominating directors has been established.

The Governance Committee's role is to confirm the number of directors that will serve on the Board and to put forward a proposal for the makeup of the Board for the next fiscal year. The Board receives the nominations from the Corporate Governance Committee and passes a motion to accept the Committee's suggestion.

The Corporate Governance Committee has developed certain criteria for nominations to be acceptable. Nominees must have capability, experience, appropriate expertise, and must be available and willing to commit the time required for this responsibility. The Corporate Governance Committee's role is to work with the Board to determine the various skills and capabilities required for an effective Board and then fill the roles based on a needs assessment that comes out of this analysis. The new slate of nominees is then presented to the Board.

COMPENSATION AND ASSESSMENT

The quantity and quality of the Board compensation is reviewed as required by the Corporate Governance Committee. If needed, the Corporate Governance Committee requisitions a survey to be performed by a third-party consultant examining director's fees and compensation for similar sized companies. Based on this survey, a flat fee is recommended by the Corporate Governance Committee, approved by the Board, and paid semi-annually. In addition to the flat fee, certain Directors are asked to work on the Governance Committee, or the Audit Committee. A flat per day fee is recommended by the Corporate Governance Committee, approved by the Board, and paid semi-annually based on the number of days spent on Committee activities.

The quantity and quality of the CEO's compensation is reviewed by the Chairman and the Corporate Governance Committee. As required, the Corporate Governance Committee requests a survey to be performed by a third-party consultant examining the President & CEO's compensation for similar sized companies. Based on this survey, fees and compensation are recommended by the Corporate Governance Committee.

The Board does not have a formal external process in place for assessing the effectiveness of the entire Board, its committees, or individual directors. The Board evaluates its own effectiveness by using a self-evaluation analysis tool that points out areas of strength and concerns. In addition, the Board does a further self-evaluation to determine what strengths and characteristics should be on the Board. The Board plans to continue to evaluate itself in this manner in the future. The Chairman monitors but does not formally assess the performance of individual Board members or committee members or their contributions. Using the results of the various efforts to gauge the effectiveness of the Board, the Governance Committee will draft a plan to improve the effectiveness of the Board in the future.

FORCED LABOUR AND CHILD LABOUR REPORT

Canterra Seeds is legislated to complete an annual report that shows the plan and progress to eliminate the use of forced and child labour within the Corporation and its suppliers. The Board is responsible for reviewing and approving this report.

COMMITTEE RESPONSIBILITIES AND ACTIVITIES

Committees of the Board are an integral part of the Board's governance structure. The Board has two standing committees: the Audit Committee and the Corporate Governance Committee.

The Audit Committee is currently made up of five (5) Board directors: Joe Dales (Chairman), Kris Mayerle, David Pearson, Cecile Richard, and Scott Bolton, all of which are considered independent directors.

The Corporate Governance/Human Resources Committee currently consists of three (3) Board directors: Lloyd Affleck (Chairman), Dan Richards, and Tatiana Henry. The Corporate Governance Committee has the responsibility to review and set the appropriate Corporate Governance structure for the Board. It also has the responsibility for determining the appropriate levels of compensation for the President & CEO and for determining related compensatory matters such as the granting of incentive stock options and the overall corporate compensation structure at Canterra Seeds.

There are no other current standing committees of the Board.

THE AUDIT COMMITTEE

MI 52-110 requires all reporting issuers to provide certain annual disclosure regarding the composition and responsibilities of the Corporation's Audit Committee. Information regarding the Corporation's Audit Committee is set out below.

THE AUDIT COMMITTEE CHARTER

Roles and Objective

The Audit Committee (the "Committee") is a committee of the Board to which the Board has delegated its responsibility for oversight of the nature and scope of the annual audit, managements reporting on internal accounting standards and practices, financial information and accounting systems and procedures, financial reporting and statements and recommending, for Board approval, the audited financial statements and other mandatory disclosure releases containing financial information.

The objectives of the Committee are as follows:

1. To assist directors in meeting their responsibilities (especially for accountability) in respect of the preparation and disclosure of the financial statements of the Corporation and related matters.
2. To enhance communication between directors and external auditors.
3. To enhance and ensure the external auditors' independence; and
4. To increase the credibility and objectivity of financial reports.

Membership of Committee

1. The Committee shall be comprised of at least three (3) directors, each of which shall be deemed as "independent" as that term is used in MI 52-110.
2. The Board shall have the power to appoint the Audit Committee Chairman.

Meetings

1. At all meetings of the Committee every question shall be decided by a majority of the votes cast. In case of an equality of votes, the Chairman of the meeting shall not be entitled to a second or casting vote.
2. A quorum for meetings of the Committee shall be a majority of its members (three or more), and the rules for calling, holding, conducting, and adjourning meetings of the Committee shall be the same as those governing the Board.
3. Meetings of the Committee should be scheduled to take place at least four times per year. Minutes of all meetings of the Committee shall be taken. The Audit Committee can choose to hold its meetings with the entire Board of Directors present.

4. The Committee shall forthwith report the results of meetings and reviews undertaken and any associated recommendations to the Board.
5. The Committee shall meet with the external auditors at least once per year in connection with the preparation of the year end financial statements and at such other times as the external auditors and the Committee consider appropriate.

Mandate and Responsibilities of Committee

1. It is the responsibility of the Committee to oversee the work of the external auditors, including resolution of disagreements between management and the external auditors regarding financial reporting.
2. It is the responsibility of the Committee to satisfy itself on behalf of the Board with respect to the Corporation's internal control system:
 - identifying, monitoring, and mitigating business risks; and
 - be assured that there is compliance with legal, ethical, and regulatory requirements.
3. It is a responsibility of the Committee to review the annual financial statements of the Corporation prior to their submission to the Board for approval. The process should include but is not limited to:
 - reviewing changes in accounting principles, or in their application, which may have a material impact on the current or future years' financial statements.
 - reviewing significant accruals or other estimates.
 - reviewing accounting treatment of unusual or non-recurring transactions.
 - ascertaining compliance with covenants under loan agreements.
 - reviewing disclosure requirements for commitments and contingencies.
 - reviewing adjustments raised by the external auditors, whether included in the financial statements or not.
 - reviewing unresolved differences between management and the external auditors; and
 - obtaining explanations of significant variances within comparative reporting periods.
4. The Committee is to review the financial statements (and make a recommendation to the Board with respect to their approval), prospectuses, management discussion and analysis and all public disclosure containing audited or unaudited financial information before release and prior to Board approval. The Committee must be satisfied that adequate procedures are in place for the review of the Corporation's disclosure of all other financial information and shall periodically assess the accuracy of those procedures.
5. With respect to the appointment of external auditors by the Board, the Committee shall:
 - recommend to the Board the appointment of the external auditors.

- recommend to the Board the terms of engagement of the external auditors, including the compensation of the external auditors and a confirmation that the external auditors shall report directly to the Committee; and
 - when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change.
6. The Committee shall review with external auditors their assessment of the internal controls of the Corporation, their written reports containing recommendations for improvement, and management's response and follow-up to any identified weaknesses. The Committee shall also review annually with the external auditors their plan for their audit and upon completion of the audit, their reports upon the financial statements of the Corporation and its subsidiaries.
 7. The Committee must pre-approve all non-audit services to be provided to the Corporation or its subsidiaries by the external auditors. The Committee may delegate to one or more members the authority to pre-approve non-audit services, provided that the member(s) report to the Committee at the next scheduled meeting such pre-approval and the member(s) comply with such other procedures as may be established by the Committee from time to time.
 8. The Committee shall review risk management policies and procedures of the Corporation (i.e. hedging, litigation and insurance).
 9. The Committee shall establish a procedure for:
 - The receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
 - The confidential, anonymous submission by employees and agents of the Corporation of concerns regarding questionable accounting or auditing matters.
 10. The Committee shall review and approve the Corporation's hiring policies regarding employees and former employees of the present and former external auditors of the Corporation.
 11. The Committee shall have the authority to investigate any financial activity of the Corporation. All employees and agents of the Corporation are to cooperate as requested by the Committee.
 12. The Committee may retain any person having special expertise and/or obtain independent professional advice to assist in satisfying their responsibilities at the expense of the Corporation without any further approval of the Board.

COMPOSITION OF THE AUDIT COMMITTEE

The Audit Committee is currently made up of five (5) Directors of the Board as follows: Joe Dales (Chairman), Kris Mayerle, Cecile Richard, David Pearson, and Scott Bolton all of whom are "financially literate" and deemed as "independent" as per MI 52-110.

RELEVANT EDUCATION AND EXPERIENCE

Joe Dales is an experienced business executive and is currently an entrepreneur and thought leader on innovation in both the agriculture and food industry. He has years of experience in all areas of business, including finance.

Kris Mayerle owns and operates Greenleaf Seeds Ltd, a pedigreed seed farm and processing plant in Tisdale, Saskatchewan. He has years of experience in all areas of business within the agriculture sector, including finance.

Cecile Richard is currently the CEO, Americas for the Limagrain Field Seeds Division and has extensive management experience in all areas of business including finance.

David Pearson is currently the Head of Branding for the Limagrain Field Seeds Division. He holds a degree in agronomy and business management at the Durham College of Agriculture and has extensive management experience in all areas of business including finance.

Scott Bolton is the retired President & Chief Executive Officer of United Farmers of Alberta Co-Operative Limited. He has a Bachelor of Commerce degree and is a CPA, CA and has extensive management and finance experience and expertise.

AUDIT COMMITTEE OVERSIGHT

Since the commencement of the Corporation's most recently completed financial year, there has not been a recommendation by the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

RELIANCE ON CERTAIN EXEMPTIONS

Since the commencement of the Corporation's most recently completed financial year, the Corporation has not relied on the exemption in section 2.4 (De Minimis Non-Audit Services) of MI 52-110 or an exemption from MI 52-110, in whole or in part, granted under Part 8 (Exemptions) of MI 52-110.

PRE-APPROVAL POLICIES AND PROCEDURES

As provided for in MI 52-110 the Audit Committee must pre-approve all non-audit services to be provided to the Corporation or its subsidiaries, unless otherwise permitted by MI 52-110.

EXTERNAL AUDITOR SERVICE FEES (BY CATEGORY)

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees & SR&ED Prep Fees	All Other Fees
2024/25	\$78,400	\$10,976	\$16,530	\$Nil
2023/24	\$65,400	\$Nil	\$19,250	\$Nil

The audit related fees are for the PST and administration fees billed as part of the audit fee.

Pursuant to section 6.1 of MI 52-110, the Corporation is exempt from the requirements of Part 3 *Composition of the Audit Committee* and Part 5 *Reporting Obligations* of MI 52-110 because it is a venture issuer.

The Depositary for this Offer is:

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