

DEADWOOD INNOVATIONS LTD.

Forestry 2.0™

QFFTT 2025

Developing & Commercializing New Tech in BC Forestry

- Established in 2019
- BC based company with First Nations equity partner – Nak'azdli Whut'en Dev. Co.
- Developed two technologies:
 - Patented log stranding (scrimer type technology)
 - **Lumber upgrading** (rapid densification & stabilization)
 - High value products from underutilized species and low value lumber
- Successful pilot operation upgrading aspen lumber
 - De-risked techno-economics
 - Developed minimum viable product
 - Determined product-market-fit
- First commercial demonstration scale \$24M plant construction this year
- ~\$10M in development costs from ideation to current
- First industrial forestry tech company in Canada to partner with VC



Innovation:

New process, using novel equipment/machines, to produce new products at scale.

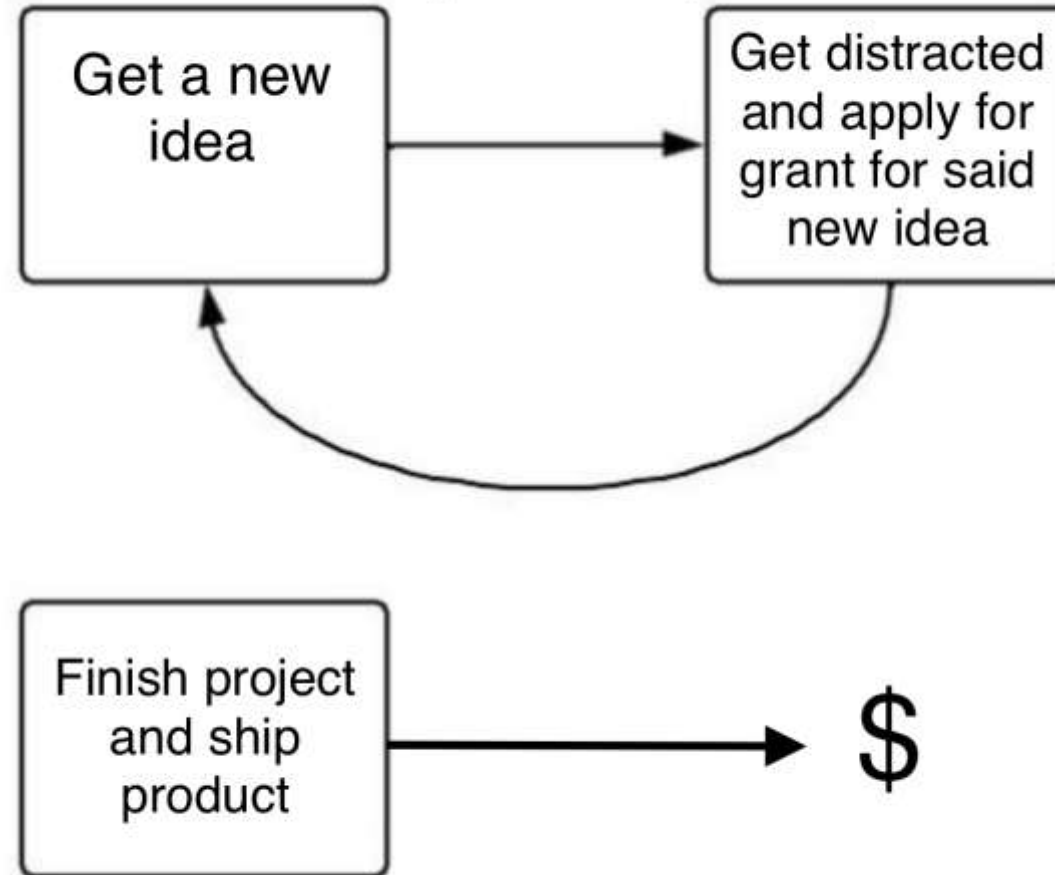
- Not innovation as process optimization.

Start-Up:

Founders developing and commercializing new innovation

- Not start-up as entrepreneurs commercialization existing technologies/services.

Start-Up Death Spiral





Minimum Viable Product (MVP) Development



OOD
INNOVATIONS

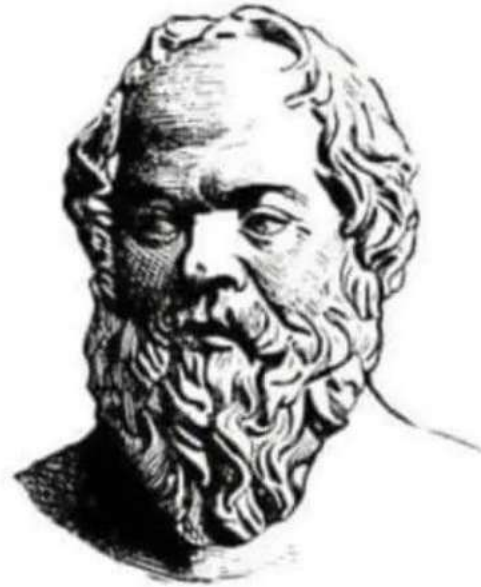
Objective:

High performing sustainable alternative to tropical or high price hardwoods.

- Densified and thermally modified aspen
- Two main products, one for indoor use, one for outdoor use
- Product specifications meet or exceed premium and treated lumber



"ehh, good enough"



- Mediocrates

Objectives:

- Fetch high price in growing segments
- Insulate from commodity cycles

Leveraged relationships to build trust with B2B that has existing channels and expertise – Interrex Forest Products

- Engaged through R&D to support development of MVP and determination of PMF.

PMF:

Outdoor & Furniture Segments in Asia-Pacific

If it's not very obvious your product is working, it isn't:



Process

- Species agnostic
- Rapid densification and thermal modification
- **Scalable**

Plant 1

- ~7000m³/yr product
- 92% uptime, 24hr ops, 15 P/FT staff
- Major equipment co-designed and fabricated by vendors around the world



Plant 1 – Mass Timber Home Kits

Process – Industrialized Pre-Fabrication

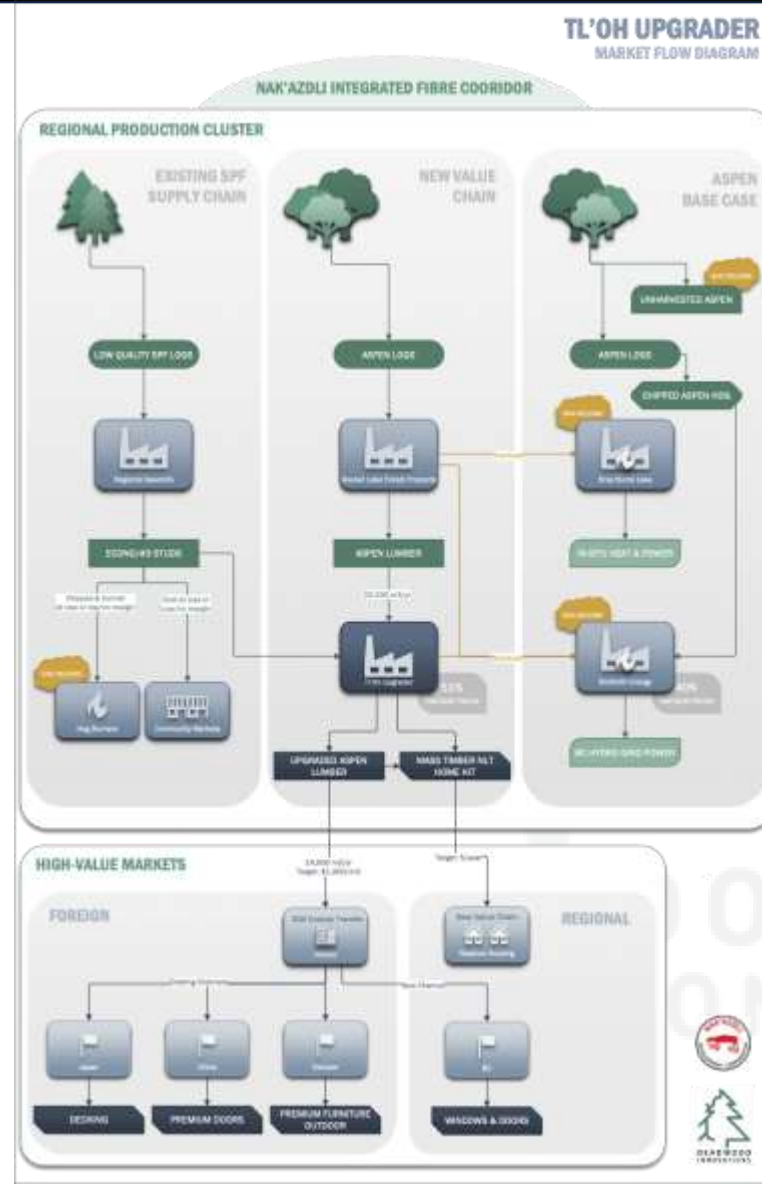
- Local lumber
- Local labour
- **Scalable**







New Value Pathway in Forestry

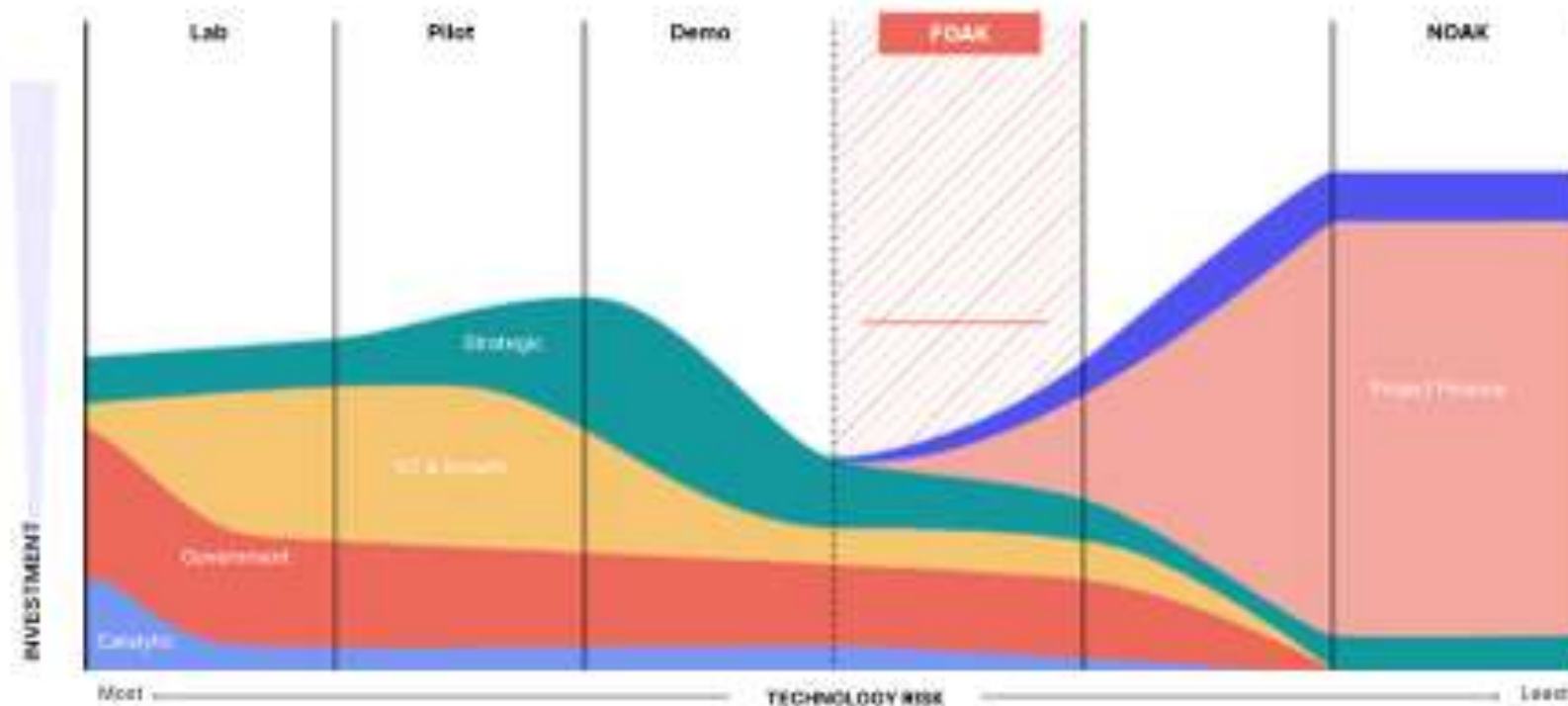


First of a Kind (FOAK) Financing

Benchmark industrial tech FOAK capital stack to compete with USA

- Target at least 50% non-dilutive/unsecured gov mechanisms, balance of strategic and infrastructure investors

The blended capital stack: from FOAK to NOAK



Capital availability against project stage (Source: [Sightline Climate](#))



Next of a Kind - Quesnel

Partnering with Deadwood Innovations in Forestry 2.0 mission can create a new solid wood bioeconomy:

Upgrading underutilized aspen to sell at high prices

- Shifting away from monocrop forestry improves biodiversity, sustainability, and wildfire resiliency on landscape
- Creates new value chain in forest sector

Creating community-up industrialized mass timber housing production cluster

- Debottlenecks supply chain through use of studs and underutilized lumber
- Use locally produced lumber and labour

Upgrading SPF for structural market


- Add margin to commodity products
- Improve building design efficiency
- Recover market share where synthetics and alloys have replaced wood

Rights & Title Holders:

- First Nation Equity Partner in new Operating Company (Op Co)
 - Dividends from own operations can flow back to community members
 - Owner's equity provides ability to invest in other opportunities
 - Lead strategy development and decision making for Op Co
- Harvesting Operations

Stakeholders:

- Primary Producer
 - Op Co equity or supply chain operational partnerships, or both
- Academic partners
- Local government
- Provincial government
- Federal Government
- Export Development Canada
- Canadian FI's
- Industrial Innovation development entities (BC CICE, NGen)



QUESTIONS?
THANK YOU

Forestry 2.0™