Aduro Clean Technologies Inc. (ADUR)

INITIATING COVERAGE

March 6, 2025

Initiating on ADUR: Buy Rating & $50 PT — From Refuse to Revenue: Aduro's Transformative Tech Taking Off

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Aduro Clean Technologies Inc. (ADUR) is a Canadian cleantech innovator positioned at the forefront of the global circular economy. Its Hydrochemolytic Technology (HCT) platform is a patented, water-based chemical process that can economically transform low-value carbon feedstock into high-value outputs. Initially, we see a $290B TAM through advanced plastic waste recycling ($120B), partial crude oil refinement from bitumen ($50B), & renewable fuel production ($120B).

Potential First Mover Advantage in Underserved Recycling Niches. In 2021, ADUR strategically shifted to prioritize Hydrochemolytic Plastics Upgrading (HPU), to address the 90% of global plastic waste unserved today; indeed, only 9% of total plastics are recycled today worldwide. Laboratory validation recently confirmed HPU's ability to process contaminated polyolefins (PE, PP), polystyrene (PS), & multilayer composites composing half of the underserved recycling feedstock, with lesser input costs & lower operational expenses than most competing technologies. While a rapidly developing industry, ADUR's HPU process stands out as the only one in purview with the ability to treat a mixed plastics feedstock with relatively competitive economic dynamics, & could be commercialized as early as FY27.

Regulatory Tailwinds to Accelerate Commercialization. Global regulations are increasingly mandating plastic recycling rates while oil majors face pressure to decarbonize extraction & refining. ADUR's HCT platform addresses both trends, converting waste into circular feedstocks. One example is in the EU the Packaging & Packaging Waste Directive (PPWD) framework is calling for a tripling of plastic waste recycling volumes by 2030, & we believe ADUR's HCT platform could be a source of incremental chemical recycling capacity the EU could invest in to enable the supranational state to meet its goal.

Disruptive Technology With Multiple Industry Applications, Major Branded Partnerships. ADUR's HCT platform is an example of a cross-industry enabler. Today, we're aware HCT can chemically deconstruct hydrocarbons in waste plastics for future recycling, aid in processing bitumen, & aid in processing renewable fuels, but the company sees additional applications in the future. Regardless, the technology's versatility has attracted validation from notable industry giants including Shell & TotalEnergies, who are actively testing HCT through ADUR's Customer Engagement Program.

Valuation. We initiate our coverage on ADUR with a Buy rating & $50/share price target based on averaging the output of a 10-year DCF & dEPS model. These models include potential incremental dilution, & details of the forecast inputs used in these models can be found within our report.

The risks to our thesis include technology, commodity, competitive, & financial risk. See the end page of our report for more detail.

MARKET DATA

Rating	Buy
Price Target	$50.00
Price	$5.09
Average Daily Volume (000)	68
52-Week Range ($)	$1.34–$7.00
Dividend	$0.00
Market Cap (M)	$145
Enterprise Value (M)	$139
Dividend Yield	0.0%

ESTIMATES

		2024A	2025E	2026E
Revenue (M)	Q1	C$0.1	C$0.1	C$0.0
	Q2	C$0.1	C$0.0	C$0.0
	Q3	C$0.1	C$0.0	C$0.0
	Q4	C$0.1	C$0.0	C$0.0
	FY	C$0.3	C$0.1	C$0.1
EV/Sales		411.8x	1,342.7x	1,993.5x
EBITDA		(7.0)	(11.2)	(13.5)
EV/EBITDA		(19.8)	(12.4)	(10.3)
EPS Adjusted	Q1	(0.08)	(0.10)	(0.11)
	Q2	(0.10)	(0.11)	(0.12)
	Q3	(0.03)	(0.11)	(0.12)
	Q4	(0.08)	(0.11)	(0.13)
	FY	(0.36)	(0.44)	(0.49)
P/E		(14.0)x	(11.7)x	(10.5)x

One Year Performance Chart

Source: FactSet, 05 March 2025

Please see analyst certification and important disclosures on page 20 of this report.

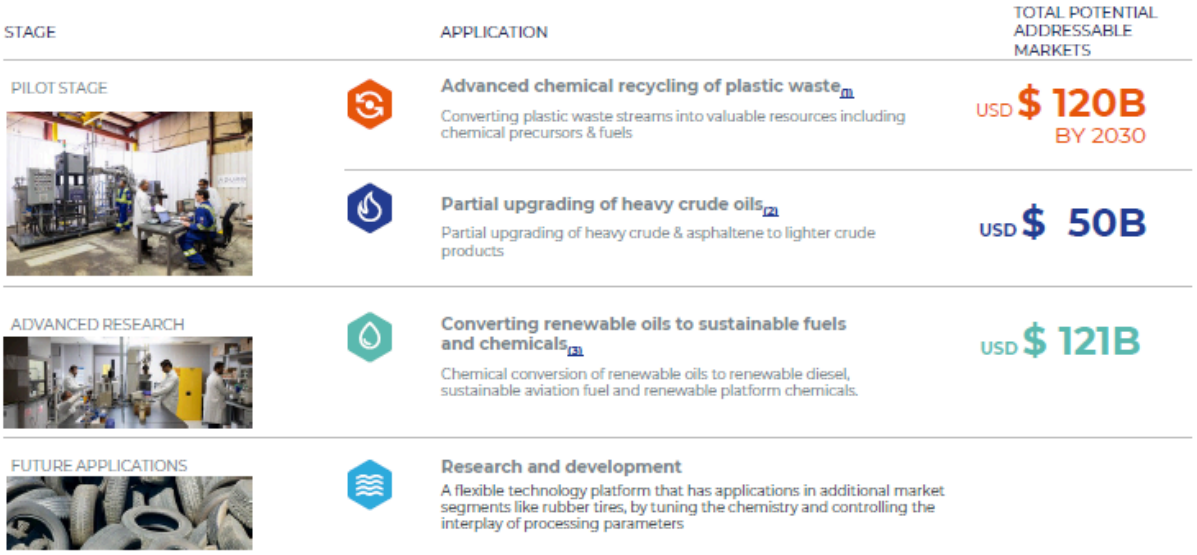
Company Overview. Founded in 2011 following extensive research into chemolysis-based bitumen upgrading, Canadian-based Aduro Clean Technologies (NASDAQ: ADUR) has emerged as a pioneer in advanced chemical recycling with its Hydrochemolytic Technology (HCT) platform. Derived from foundational chemolysis research, HCT enables three distinct applications as of today: Hydrochemolytic Plastics Upcycling (HPU) for advanced plastic waste recycling, Hydrochemolytic Bitumen Upgrading (HBU) for partial crude oil refinement, & Hydrochemolytic Renewables Upgrading (HRU) for sustainable fuel production. This versatile platform, part of a broader chemolysis patent portfolio, harnesses water as both a reactant & solvent under moderate conditions (300–400°C), circumventing the inefficiencies of conventional plastic recycling processes such as pyrolysis & mechanical recycling, to produce high-value carbon-based materials.

Founding Vision & Technological Breakthroughs. ADUR's origins trace to a 2008 breakthrough in chemolysis research, where co-founders Ofer Vicus & Marcus Trygstad demonstrated that water-mediated reactions could selectively cleave carbon-carbon bonds in heavy hydrocarbons at lower temperatures than traditional thermal methods. This discovery laid the groundwork for HCT's development as a multi-faceted platform, initially targeting Hydrochemolytic Bitumen Upgrading (HBU) to reduce the environmental footprint of Alberta's oil sands. Over a decade of R&D expanded HCT's scope, leveraging its core chemolytic mechanisms to address plastic waste (HPU) & renewable oils (HRU), for the company to target, in aggregate, an estimated $290B in addressable market value. The company's intellectual property portfolio—now spanning seven granted patents & two pending applications—reflects innovations in reactor design, catalyst systems, & process configurations tailored to each application, cementing HCT's role as a scalable, feedstock-agnostic solution for breaking down carbon-based materials.

Strategic Pivot to Plastic Waste. While HBU remains integral to ADUR's technological suite, the company's 2021 strategic shift prioritized Hydrochemolytic Plastics Upgrading (HPU) to address the 90% of global plastic waste incompatible with mechanical recycling. Laboratory validation confirmed HPU's ability to process contaminated polyolefins (PE, PP), polystyrene (PS), & multilayer composites—achieving 95% yield without pre-sorting—while operating at lower energy inputs than pyrolysis. This pivot aligns with circular economy demands, positioning HPU as Aduro's primary commercialization pathway. However, the HCT platform retains its tripartite focus, with HBU offering heavy oil producers a diluent-free upgrading route & HRU enabling bio-based fuel production. By unifying these applications under a single chemolysis-derived platform, ADUR balances near-term market opportunities with long-term versatility across the energy-waste nexus.

Time to Market Prioritizes HPU. With HPU positioned as the nearest-to-market solution, ADUR's pilot-scale reactors & strategic partnerships aim to capitalize on the $120 billion global chemical recycling market by 2030, while HBU & HRU underscore the platform's adaptability across resource sectors. We model ADUR completing continuous development on its pilot plant this year, which it is currently running, & completing a demo plant that will generate revenue by the end of FY26. Beyond that, we expect the company to begin generating minimal licensing revenue & investing in its first commercial plant in FY27. This being said, we would not be surprised to learn of incremental developments when it comes to bitumen processing, as the pilot-scale reactors are also capable of processing feedstock in this vertical.

Exhibit 1. ADUR's Multiple Potential End Markets: As discussed further in our writing, plastics, bitumen, & renewable energies are all potential end markets for the company making up a total $290B estimated addressable market, with recycling plastics the furthest-developed commercial opportunity at hand today.

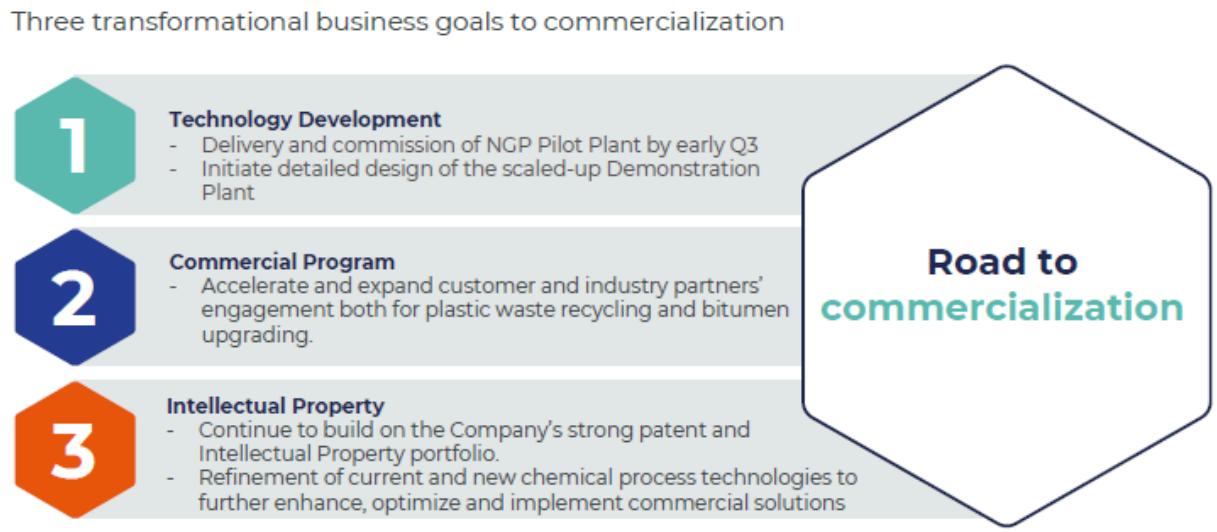


Source: Company Presentation

Exhibit 2. A Next-Generation Technology Platform. ADUR's Chemolysis research & Hydrochemolytic Technology platform has a proven basis for plastics, bitumen, & renewables end-markets, but additional applications for its innovative technology are still being researched.

Source: Company Presentation

Exhibit 3. 2025 Strategic Goals. ADUR's key targets for its fiscal 2025 (ending June) revolve around three key objectives: 1) development of the company's Pilot Plant & further clarity on its plans for commercial demos, 2) the Commercial Engagement Program (CEP), & 3) furthering the company's patent portfolio.



Source: Company Presentation

Explaining ADUR's Hydrochemolytic™ Technology (HCT). In technical terms, HCT operates through a water-mediated "scission mechanism" (i.e., a tool to cut molecules) where supercritical water (≥374°C, ≥221 bar) penetrates polymer matrices & donates its hydrogen radicals to stabilize fragmented hydrocarbons. In layman's terms, imagine you want to break down plastic into useful materials, like turning old bottles into fuel or chemicals. Whereas with current technologies this requires extreme heat, expensive tools, or complicated steps, ADUR's HCT simplifies the process by using very hot, pressurized water to do the heavy lifting & break down the plastic.

Key reaction steps include:

1) Polymer Solvation (*or Softening the Plastic*): Supercritical water disrupts van der Waals forces in polyolefins, increasing chain mobility. In this step, think of plastic like a tangled ball of yarn. HCT uses water heated to extreme temperatures (i.e., "supercritical water," almost like a super-powered steam cleaner) to loosen the plastic's structure, making it easier to untangle.

2) **Radical Initiation** *(or Breaking the Plastic Down*): Thermal energy cleaves C–C bonds, generating polymer-derived radicals. In other words, the heat & pressure from the water act like tiny scissors, snipping the plastic into smaller pieces & avoiding the need for sky-high temperatures used in alternative breakdown methods, subsequently saving energy & money in the process.

3) **Hydrogen Transfer** *(or Stabilizing the Plastic Pieces)*: Water-derived H- radicals terminate radical sites, yielding saturated alkanes while avoiding external hydrogen gas by utilizing water's inherent reactivity. Simplified, when plastic breaks apart, the pieces can become unstable (like a broken necklace scattering beads). HCT uses hydrogen from the water itself to "glue" these fragments into stable, useful materials like oils or waxes.

In short, we believe this simplified explanation shows how HCT is like a high-tech pressure cooker that turns plastic waste into valuable resources without the usual costs or mess. By operating as a water-based approach the process can utilize the hydrogen already in water, removing the need to run the process with expensive hydrogen gas. Additionally, the process should be able to handle plastics that are mixed or of a higher contamination level than those currently in use. Lastly, lower temperatures for processing mean less energy & fewer emissions.

Addressable Markets: The Plastics Opportunity (HPU). Global plastics production reached 413 million metric tons (Mt) in 2023, yet only 9% of post-consumer plastic waste is recycled globally. This inefficiency stems from reliance on "mechanical recycling," which struggles with contaminated or mixed plastics—a limitation explicitly cited in recent analyses by *Nature.* Of the remaining it's estimated that landfills absorb about half of plastic waste, while ~20% leaks into ecosystems, exacerbating microplastic contamination in marine & terrestrial environments. Incineration & gasification account for the remaining 20%, prioritizing energy recovery over material circularity. These figures mirror findings from the OECD, which estimates that 50% of plastic waste in high-income countries still enters landfills despite advanced waste management systems in operation.

Plastic Compositions Unaddressed Today. The Ellen MacArthur Foundation highlights that circular plastics constitute just 9% of total production, & a stagnation persists despite global commitments to circularity as mechanical methods fail to process the various types of produced plastic in today's world. Plastics are composed of differentiating polymers including Polyethylene (PE) making up ~30% of total plastic produced through high- & low-density PE (for HDPE think milk jugs, for LDPE think plastic bags), polypropylene (PP) at 20% of total plastics (reusable food containers), & polyethylene terephthalate (PET) at ~6% of total production. Polystyrene (PS) is one of the last remaining resin groups at 5% of total plastic produced.

What is recycled today? We find it useful to understand that within the ~9% of plastic recycled today 25-30% of manufactured PET is recycled globally, though the EU exceeds global averages at roughly 60% of total PET produced recycled. High-Density Polyethylene (HDPE, a derivative of PE), or the heavier plastic used in milk jugs & detergent bottles, sees similar global recycling rates at ~30%, while Low-Density PE (LDPE, an alternative PE derivative), which makes up things such as plastic bags, sees ~10% of total volumes recycled. Various structural challenges exist within the recycling industry, most notably logistical challenges that prevent mechanical recycling from adequately serving the industry. Primarily, economic technologies to break down mixed feed streams & logistical capabilities surrounding the gathering of plastics make it required to recycling in mass quantities that may be unrealistic to economically gather specific feedstock streams given transportation expenses. Using these inputs we calculate what is served, by resin type, based on publicly available information & our best estimations; to derive that more than half of the industry that is currently underserved by any technology can be served by ADUR's HCT platform, as shown in Exhibit 4. Further, we compare this to ADUR's estimate of addressable market calculated to be €120B (CAD$ 182.5B at March 3's 1.52 CAD/EUR conversion rate) based on its shared assumptions, in Exhibit 5. Both methodologies point to 50% of unserved recyclable feedstock up for grabs by ADUR.

Regulatory Framework from European Union Could Enable Accelerated Innovation. The EU's Packaging & Packaging Waste Directive (PPWD) framework is calling for 30% of plastic packaging consumed to be derived from recycled content by 2030, or ~16 Mt of the ~40 Mt of plastic packaging annually produced by the supranational entity. While 18 Mt was plastics packaging waste was collected in 2021, only ~8 Mt of the total was recycled, & only 5.5 Mt was recycled into new products. We estimate this reason to be due to issues with contamination preventing processing with current mechanical recycling methods & limited chemical recycling

capacity. We believe ADUR's HCT platform could be a source of incremental chemical recycling capacity the EU could invest in to expand its chemical recycling capacity, enabling the country to meet its goal of nearly tripling its recycled plastic packaging percentage.

Exhibit 4. Plastics Industry, by Resin & Recycling Rate. ADUR's HPU platform specifically targets PP, PE, & PS, & can function with mixed-polymer plastics as well – something competing technologies cannot do. Using the 2023 Europe Plastics Report, combined with our estimating, we calculate 50% of unaddressed & unrecycled plastics can be addressed with ADUR's HCT platform.

Plastic Resin Type	% Composition	Mt	Recycled %	Total Recycled	% Tot. Recycled
PP	19.0%	85.5	9.0%	7.1	1.7%
PE-LD	14.0%	63.6	10.0%	5.8	1.4%
PE-HD	12.2%	65.5	30.0%	15.1	3.7%
PVC	12.8%	52.9			
PET	6.2%	32.4	26.5%	6.8	1.6%
PUR	5.3%	21.9			
PS	5.2%	23.6	9.0%	2.1	0.5%
Other/Mixed	16.4%	67.6			
Total Plastics, 2023 (Mt)	**100.0%**	**413.0**		**36.9**	**8.9%**
Unrecycled:					
PP	19.0%	78.5			
PE (PE-HD + PE-LD)	26.2%	108.2			
PS	5.2%	21.5			
ADUR Addressable Market (Mt)	**50.4%**	**208.1**			

Source: Company Presentation, 2023 Plastics Europe, D. Boral Capital Research Estimates

Exhibit 5. Plastics Addressable Market Calculation. ADUR estimates ~1/4th of the total plastics produced on an annual basis to be its addressable market. When converted to output pricing of €1,200/Mt this equates to a €120B TAM.

ADUR Plastics Addressable Market	Seq. %	Cumulative %	Mt
Annual Plastics Production (2023, Mt)	100%	100%	413.0
Polyolefin Share (PE, PP, PS, Mt)	50%	50%	206.5
Packaging & Other Short-Cycle (Mt)	90%	45%	185.9
Collectible Packaging & Other (Mt)	80%	36%	148.7
Mechanically Recycled (Mt)	-25%	-9%	(37.2)
Unrecycled Polyolefin Packaging	105%	27%	111.5
Conversion Yield	**90%**	**24%**	**100.4**
Addressable Market (€, M)		€ 1,200	€ 120,431
CAD/EUR		1.52	3/5/2025
Addressable Market ($CAD, M)		$ 1,824	$ 183,055

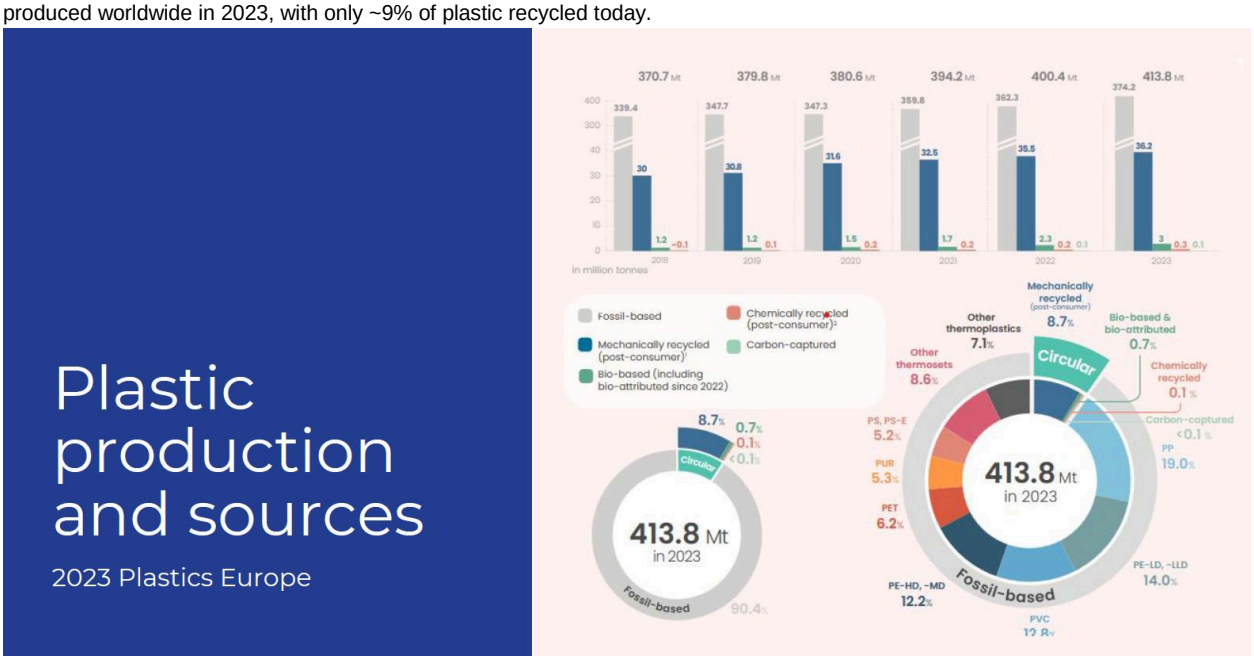
Source: Company Presentation, D. Boral Capital Research Estimates

ADUR Modularity & Feedstock Agnosticism. ADUR's HCT is positioned as a scalable alternative to current pyrolysis & gasification solutions. The technology can operate at relatively lower temperatures & still maximize product yield & quality while minimizing energy inputs, leading to a lower operational cost. This means that the HCT platform can address the large portion of the plastics industry that technology cannot address today, with the company's addressable market target collectible packaging of the PE, PP, & PS resin types, that are currently not even addressed at scale. Further, we note the HCT platform is relatively feedstock-agnostic, able to handle various plastics in one stream without as much of a need for extensive & labor-intensive manual sorting. Specifically, we've been guided to understand that HCT excels particularly with PE, PP, & PS-polymer materials, & can process them all together in a mixed setting. This compares to technologies such as the currently commercially dominant Agilyx with its Styrenex solution is primarily designed to specifically process PS-rich (>70% PS purity) feedstock streams, meaning that it cannot process most plastics feedstock like HCT can. Further, HCT is modular in nature, able to integrate modular components into existing workflows with pre-built industrial complexes, or to be operated independently in its own plant, enabling recycling in either centralized or decentralized locales where needed. The technology can operate at scales that are lower than competing technology, allowing HCT to adapt to its user's needs with limited capital outlays compared to competing technologies that must operate at larger scales. This also means gathering the required quantities to economically run the HCT platform is easier, as the volumes required are not as great as alternative technologies.

Economic Viability of HCT. HCT's feedstock agnosticism means that it should be able to process current mixed plastic feedstock that is untouchable by current technologies, which should make acquiring recyclable feedstock more affordable due to the lack of competitive demand for it. Said another way, we believe input costs could be much lower for HCT lines versus current solutions. On top of this, while able to process mixed resin feedstock, when the feedstock is of high-quality with little contaminates sample testing has shown that up to 95% of the carbon can be converted into potential recycled feedstock, ahead of current mechanical recycling conventions at 85% (at best), leading to more viable product yield versus existing recycling methods. Lastly, the HCT oil produced is of high-quality, with ADUR pushing its contention that it is of a high-enough quality to potentially replace naphtha in some instances - the liquid used in initially producing plastic. Ultimately, this means input materials should be relatively low-cost, operations should be more affordable to fund, & the end-product of a higher quality than what is currently available from current recycling solutions, enabling a higher end-product price.

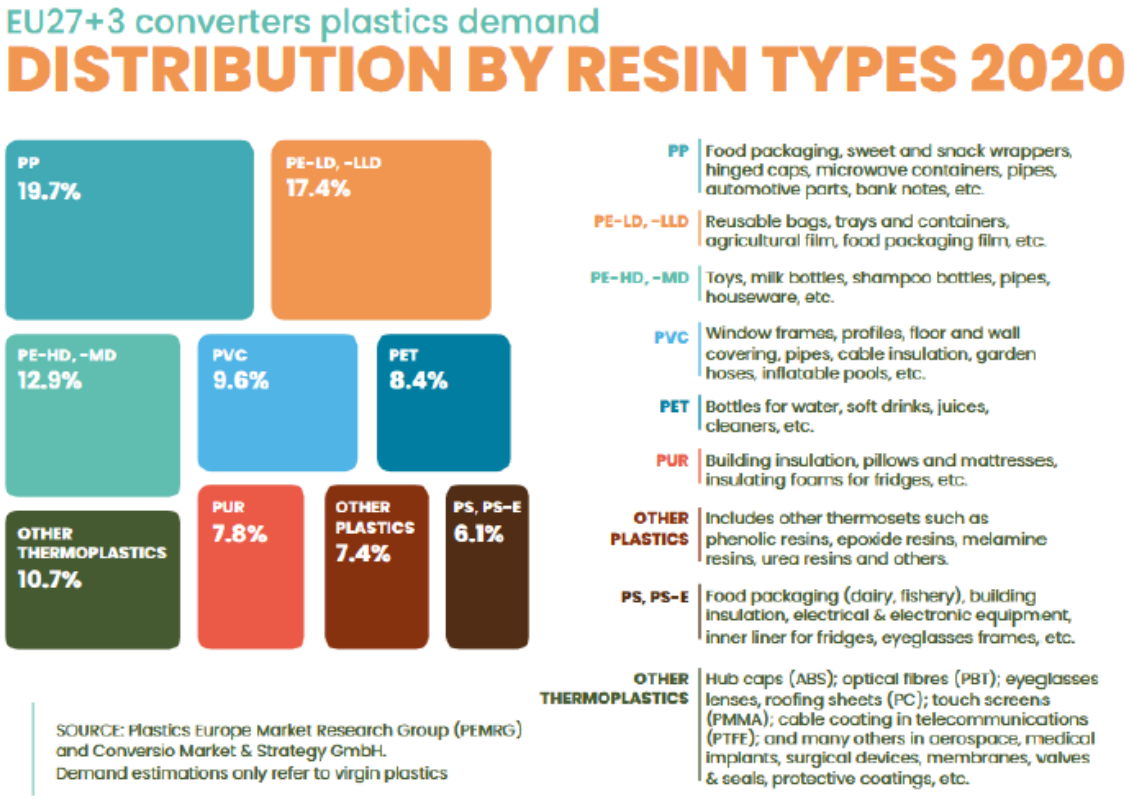
No direct competitors, despite alternative recycling technologies emerging. In our review of publicly traded competitors we've found it difficult to identify companies with technologies that directly compete with ADUR & the broad resin applications its HCT solution can process. Two of the largest publicly-traded companies in the space, PureCycle Technologies (PCT) & Agilyx (AGLX) have limited focuses on niche areas of the recycling market, focusing on PP & PS, respectively, while ADUR is able to process post PP & PS in a single operating line, alongside PE. Of note, PCT's process is known as Pyrolysis, which is relatively energy-intensive & requires external Hydrogen in order to stable post-processed molecules, leading us to believe ADUR & its HCT solution is more competitive & more broadly applicable to the plastics recycling industry.

Exhibit 6. 2023 Plastics Europe Report. The report, included in ADUR investment deck appendices, notes ~413 Mt of plastics produced worldwide in 2023, with only ~9% of plastic recycled today.



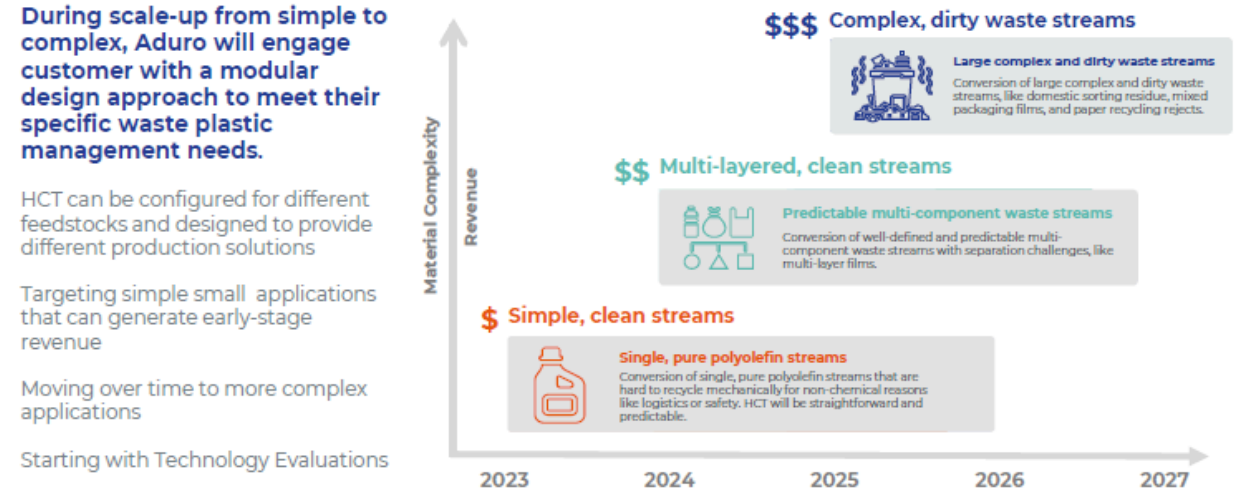
Source: Company Presentation

Exhibit 7. 2021 Plastics Europe Report. The below breaks down each plastic produced by resin type. Relevant to ADUR & HCT, the technology is specifically applicable to mixed-feed recycling streams including PP, PE, PET & PS resin types.



Source: Company Presentation

Exhibit 8. Abundant Revenue Opportunities as ADUR Scales its Business. While scaling, ADUR sees itself able to configure its technologies appropriate to the size of its potential customers at any stage in the company's lifecycle, eventually working with large, complex industrial businesses that need to process relatively dirty waste streams.



Source: Company Presentation

Exhibit 9. Competitive Analysis. ADUR's HCT is truly unique versus others in the plastics recycling space, as it is the only one under our purview that is able to operate with generally resin-agnostic feedstock.

Company	Ticker	Market Cap	Cash & Equiv	Debt	TEV	Rev 2025E	P/S	TEV/Rev	Profit? (Y/N)	Focus	Comparison with ADUR
Audro Clean Technologies	NASDAQCM:ADUR	$142.5	$9.3	$0.1	$133.3		**N/A**	**N/A**	N	Unique HCT platform for PP, PE, PS	
PureCycle Technologies, Inc.	PCT	$2,417.3	$22.1	$608.4	$3,003.7	$75.3	**32.1x**	**39.9x**	N	Focused on developing a solvent-driven purification process for PP into Ultra Pure Resin (UPR), exclusive to P&G	More revenue, but customer exclusivity limits PCT revenue generation potential, focused on PP while ADUR is feedstock agnostic.
Agilyx ASA	OB:AGLX	$426.3	$2.3	$0.2	$424.3	$6.4	**66.7x**	**66.4x**	N	Focus on difficult to recycle post-use plastic streams, utilizing pyrolysis for PS	AGLX's Pyrolysis focuses on PS stream, must be >70% PS vs ADUR's feedstock-agnostic approach
Origin Materials, Inc.	ORGN	$171.5	$162.4	$13.2	$22.2	$80.5	**2.1x**	**0.3x**	N	Focus on PET caps	More revenue generation, but resin target does not overlap with ORGN PET/rPET solution
Carbios SAS	ENXTPA:ALCRB	$151.2	$180.4	$69.0	$39.8	$20.8	**7.3x**	**1.9x**	N	LOOP's depolymerization technology is specifically applicable to PET resin	More Revenue, but its PET focus supplies DMT, MEG, PBT & specialty polymers, versus ADUR processing PP, PE, & PS, & supplying primarily Naptha
Loop Industries, Inc.	LOOP	$81.6	$0.2	$7.8	$89.1	$0.3	**251.6x**	**274.8x**	N	Developing enzyme-based processes to break down PET & PLA plastics	While generating more revenue, ALCRB's focus on PET & PLA places it in a crowded competitive environment

Note: All data converted to CAD for comparability to ADUR. Pricing data as of 3/4/25

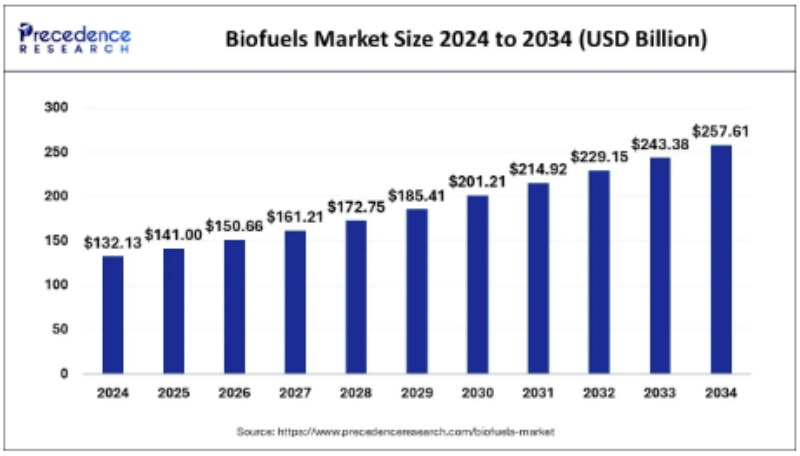
Source: D. Boral Capital Research

Alternative Addressable Markets: Bitumen & Renewable Energy. ADUR's HCT platform was initially derived from studying bitumen. Bitumen is a dense, highly viscous hydrocarbon sometimes referred to as "nature's polymer" that contains a high amount of carbon alongside heavy metals & elements such as nickel, vanadium & sulfur. The overall structure is generally sticky & heavy due to this combination of elements, making it relatively more difficult to refine when compared to crude oil. It's also more difficult to transport, as it's generally too viscous to be pumped through pipeline as extracted. Consequently, bitumen must either first be processed with dilutants before transporting or upgraded into synthetic crude oil (SCO) on site.

Canada, ADUR's home country, is home to the world's third-largest oil reserves at anywhere from 164-175 billion proven barrels. This is made up mostly of oil sands deposits. As of March 2024, Canada's total crude production averaged 4.7m barrels per day (bpd), & Alberta produced 2.1M bpd of raw bitumen constituting 45% of Canada's total crude output in the month. These numbers show that bitumen is a substantial contributor to Canada's oil production numbers. ADUR estimates bitumen at a $50B globally addressable market, where HCT can be used to for Hydrochemolytic Bitumen Upgrading (HBU) to partially upgrade bitumen into the building blocks for SCO. Given recent politically volatility between the U.S. & Canada, the country may be interested in reducing its reliance on third-party refiners across country borders & potentially incentivize domestic investment that could accelerate the adoption of alternative technologies for bitumen refinement in the country.

Lastly, we highlight ADUR's contention that the company could participate in the renewable energy industry, which it estimates as a $120B addressable market. We confirm through third-party studies that the number is in line with other analyst estimates, with Precedence Research estimating a $132B industry in 2024 growing to almost $260B over the next ten years. We believe the HCT platform could economically contribute to refining inputs into biofuels such as biodiesel, bioethanol, renewable diesel, & bio-jet fuel.

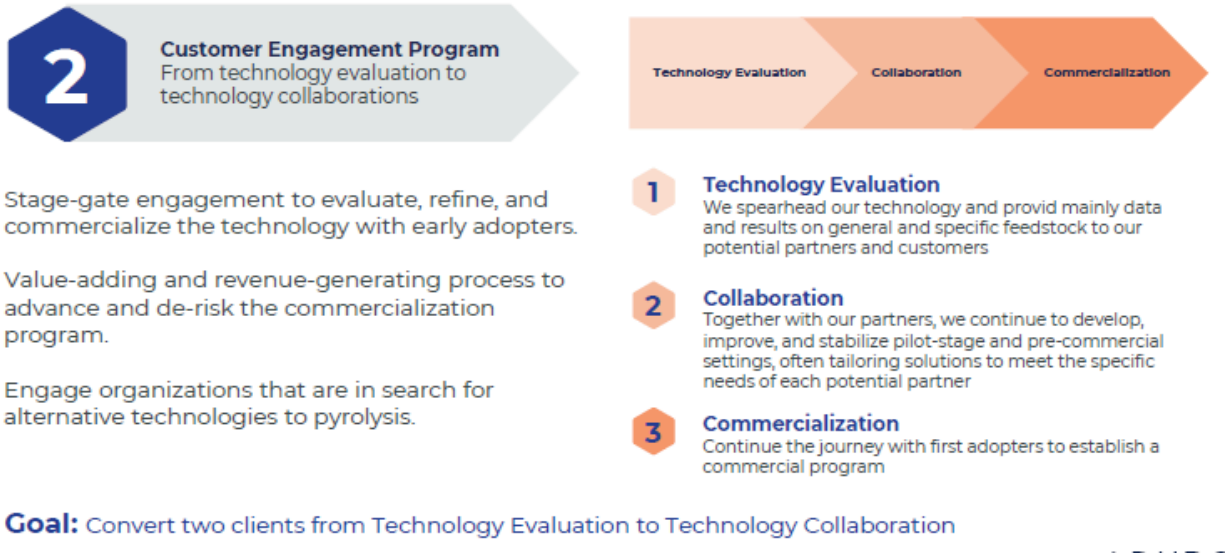
Exhibit 10. Third Parties Estimate the Biofuels Market at ~$132B in 2024. This is in line with ADUR's $120B 2023 estimate.



Source: Precedence Research, Inc.

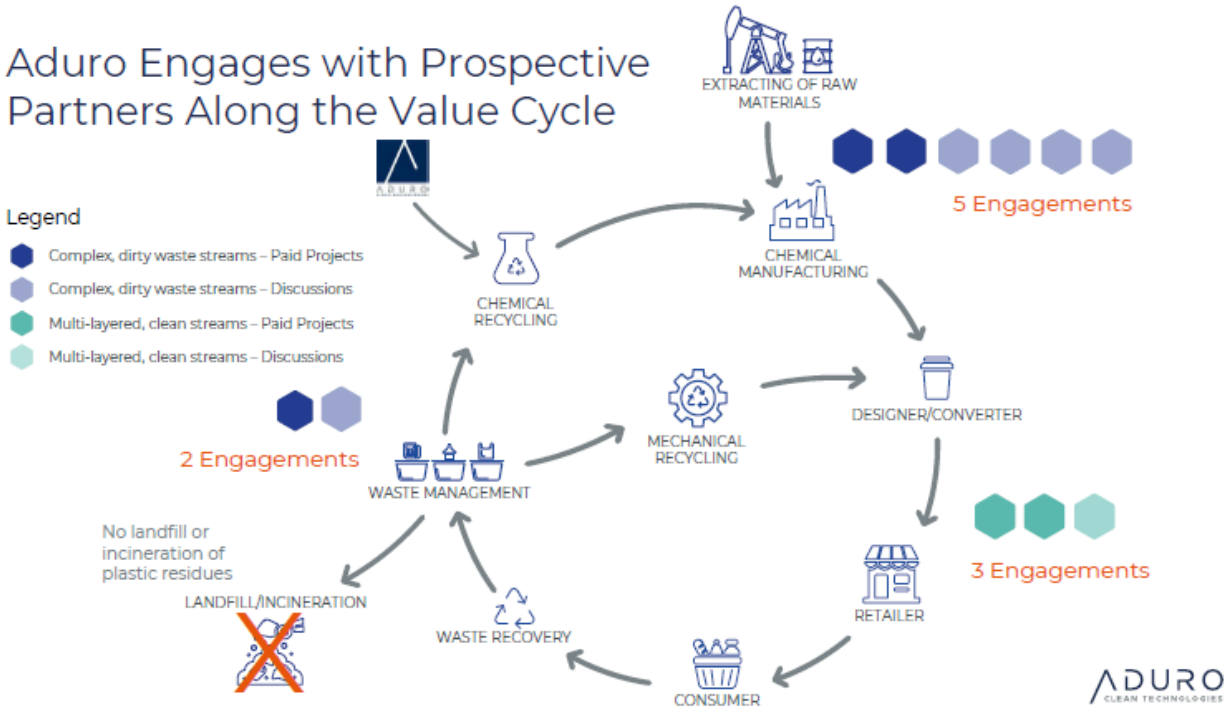
Details on ADUR's Go-To Market Strategy & The Commercial Engagement Program (CEP) that has attracted major branded partners. Central to ADUR's commercialization strategy is the Customer Engagement Program (CEP); a structured initiative designed to bridge the gap between technological development & industrial adoption. This program enables collaborative exploration with global industry leaders, fostering partnerships that validate HCT's capabilities while generating critical revenue & data for scaling. By engaging clients through phased evaluations, tailored collaborations, & commercialization pathways, the CEP serves as both a revenue driver & a risk-mitigation framework, ensuring ADUR's solutions align with market needs. Phase 1 focuses on technical evaluations where prospective partners submit specific waste streams for analysis using ADUR's HCT. Successful evaluations can result in moving to Phase 2 & signing collaborative agreements, where ADUR & partners can co-design solutions for specific operational challenges – we believe this is where potential partners can utilize ADUR's pilot plant for testing. With promising results in Phase 2, we believe partners could move to the commercialization phase of ADUR's CEP, though plant demoing as soon as FY26 is the likely the next step before moving forward with commercial-scale projects. Branded & well-know partners that currently work with ADUR to develop its platform include Shell & TotalEnergies SE.

Exhibit 11. ADUR's Customer Engagement Program (CEP). ADUR has been working with clients for years to properly design its technology & licensing programs, in collaboration with potential customers, to reach commercialization sooner.



Source: Company Presentation

Exhibit 12. ADUR Is Engaging Potential Clients at Multiple Stages of the Cyclical Economy. Below shows how ADUR is engaging with potential customers in the waste management, chemical manufacturing, designer/converter & retailer pieces of the cyclical economy.



Source: Company Presentation

Exhibit 13. Big Brands on Board With ADUR's CEP. Notable large companies working with ADUR include Shell & TotalEnergies, with 7 paying customers today.

Source: Company Presentation

Recent Updates:
Most recently, on January 30, 2025, ADUR announced the filing of a new patent for a novel process design for effective implementation of its HCT, to be integrated into the company's developing Next Generation Process (NGP) pilot plant. This brings the company's patent portfolio to seven granted & three pending.

Prior to this announcement, on January 23, 2025, ADUR announced the successful completion of the Basic Engineering Design phase for its HCT NGP Pilot Plant. In the announcement the company confirmed the design, developed in partnership with Zeton, is being utilized to complete construction of its initial pilot plant by 3Q25 (March 2025), in line with its originally disclosed target from its 2Q25 earnings press release on January 15.

2Q25 Financial Report. ADUR reported its FY2Q25 financial results on January 15, for the period ending November 30, 2024. In the report, the company noted a $3.1M loss from operations, up from $2.1M in 2Q24 primarily due to hiring new employees & expanded SBCE while the company generates immaterial & non-recurring revenue as it focuses on its NGP buildout. The company began trading on the Nasdaq CM under the ticker "ADUR" & closed the quarter with $9.2M in cash after raising ~$4.5M through the sale of 1.06M shares at $4.25/share.

Capital Structure. ADUR has $9.2M in cash outstanding, after raising $4.5M in an offering during November 2024. It also has 28.6M common shares outstanding, listed on the Nasdaq CM through the ticker "ADUR", on the CSE as "ACT", & on the FSE as 9D50. It has 4.5M dilutive securities outstanding, or a 16% dilutive component, with the trading price generally above convertible levels for all dilutive securities outstanding. Lastly, the company has no debt.

Exhibit 14. Summary of Outstanding Share Data. ADUR has roughly 4.5M dilutive securities outstanding, equating to ~16% potential dilution upon full conversion.

Instrument	X Price	X Date	Number
Warrants	$1.620	2/4/2025	160,546
Warrants	$1.620	4/23/2025	311,097
Warrants	$4.225	4/3/2025	451,765
Warrants	$4.225	4/3/2025	20,448
Warrants	$5.200	6/17/2026	332,491
Warrants	$5.200	6/17/2026	22,520
Warrants	$4.675	6/17/2026	53,181
Options	Avg $3.6582	Up to 6/20/32	3,164,074
Total			**4,516,122**
Common Shares O/S			**28,556,605**
Dil. Impact			**15.8%**

Source: Company Filings

Financial Model Assumptions

We treat ADUR as an early stage emerging technology company in the process of bringing its chemolysis technology to market, firstly with the recycling industry.

1. Our revenue forecast is divided into three stages of growth:
    a. In the **early stage**, we estimate pilot plan revenue is non-material, building to scale by the end of FY25 (June 2025) This is followed by +MSD-LDD $M revenue from its demo plant, which we anticipate coming online by the end of FY26, & operating at initially material levels throughout FY27, before finally operating at scale by the end of FY27 (June 2027).
    b. We see ADUR's **scaling stage** from FY27 through FY30, with material revenue generation coming from two plastics-related business lines:
        i. **Direct ownership of processing plants**: We forecast the company's first, relatively smaller commercial plant (~20k tons) coming online in FY28 & fully operational at scale in FY29. We forecast one plant coming online each year thereafter, with increasing scale, contributing ~$25-40M+ in revenue per plant in FY30, with owned processing lines generating ~$100M in revenue that year.
        ii. We anticipate **licensing opportunities** to generate sales on a tonnage basis, with somewhat initially material contributions (>$1M/year) beginning in FY27 following initial demo plant scaling in FY26. Licensing is based on estimated average tonnage in line with smaller plants, growing from +LSD $M in FY26 to ~$113M by FY30
        iii. Our calculations equate to 900k in annual processed tonnage through both business lines combined by 2030, a drop in the bucket compared to our 475Mt total plastics production forecasted for FY30, ~0.2% of total global plastic produced that year
    c. We estimate ADUR begins operating at a **mature stage** from FY30 onward
        i. **Owned processing plants** multiply & grow in scale, with the largest plant potentially processing in excess of 100k tons/year, to ~$475M in revenue in FY30
        ii. **Licensing opportunities** multiply & grow, with scaling per partner growing to an average in line with small-to-medium sized plants, to ~$385M in revenue in FY30
        iii. In aggregate, we arrive at $875M in revenue in FY35, split 55/45 between owned lines & licensing revenue. This equates to 2.5Mt of processed tonnage compared to our 567Mt estimate for FY35, only ~0.5% of total plastic annually produced that year.
2. **Margins** are based on our estimates from bottoms-up calculations of profitability.
    a. We estimate **commercial production** at 55% profit margin per plant, slightly below PCT guiding 57% unit economics, to account for conservatism, though bottoms up forecasting can yield unit economic margins anywhere from 50-70%, we choose to be conservative in our profitability forecast to account for competitive commentary, fluctuations in feedstock pricing, as well as output pricing in the form of potential Naptha volatility.
    b. **Licensing revenue** flows through at a 90% gross margin to account for amortization of intellectual property, but is mostly high-margin revenue.
    c. **Mix** directly impacts gross margins due to the material difference in each business line. We see licensing revenue peak at a % of total at 61% in FY29 as the business takes time to scale its owned operations, having gross margins peak at 76%. Gross margins bottom in FY32/33 at 67%, & then by FY35 the 55/45 owned/licensed split yields a 70% aggregate gross margin.
    d. Overhead costs are projected to grow at a 21% CAGR, from ~$14M in FY26 to $80M in FY35, as the company is required to scale its S&M as well as G&A to meet customer demand, while continuing to invest in R&D to generation additional technological applications. This being said, we believe the company can continue to maintain a leaner-than-normal R&D staff, as most patents are already applied for & proven.
        i. ADUR breaks into Non-GAAP EBITDA profitability in FY28, & GAAP operating profitability in FY29
        ii. ADUR's FY35 operating margin is a 61%, with 70% GM & 9% allocated to operating expenses
3. At $875M in FY35 revenue with a 61% operating margin, ADUR generates ~$536M in operating income
    a. At a 25% tax rate nets to just over $400M in net income, or ~$10/share in net earnings

Exhibit 15. Segmented Revenue Model. We utilize a bottoms-up approach to derive our revenue & gross margin estimates by segment, splitting operations between owned facilities and licensing revenue.

Revenue	2025E	1Q26E	2Q26E	3Q26E	4Q26E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
Pilot Plant Tonnage	13	21	21	21	21	82	82	82	82	82	82	82	82	82	82
Pilot Plant Rev/Ton	810	$850	$850	$850	$850	850	893	938	984	1,034	1,085	1,140	1,197	1,256	1,319
Pilot Plant Rev ($M)	**$0.010**	**$0.017**	**$0.017**	**$0.017**	**$0.017**	**$0.070**	**$0.073**	**$0.077**	**$0.081**	**$0.085**	**$0.089**	**$0.093**	**$0.098**	**$0.103**	**$0.108**
Demo Plant Tonnage							5,580	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Demo Plant Rev/Ton							1,000	1,125	1,181	1,240	1,302	1,367	1,436	1,508	1,583
Demo Plant Rev ($M)							**$5.580**	**$10.125**	**$10.631**	**$11.163**	**$11.721**	**$12.307**	**$12.922**	**$13.568**	**$14.247**
Pre-Commercial Rev y/y							*8007.5%*	*80.5%*	*5.0%*	*5.0%*	*5.0%*	*5.0%*	*5.0%*	*5.0%*	*5.0%*
Total Commercial Tonnage								**12,000**	**35,000**	**75,000**	**140,000**	**230,000**	**270,000**	**270,000**	**270,000**
Rev/Ton								$1,250	$1,313	$1,378	$1,447	$1,519	$1,595	$1,675	$1,759
Total Commercial Plant Revenue ($M)								**$15.0**	**$45.9**	**$103.4**	**$202.6**	**$349.5**	**$430.7**	**$452.3**	**$474.9**
Total Commercial Plant Revenue ($M) y/y									*206.3%*	*125.0%*	*96.0%*	*72.5%*	*23.3%*	*5.0%*	*5.0%*
Partners							4	13	100	100	100	100	100	100	100
Avg. Tonnage/Partner							5,387	4,977	6,788	8,251	10,030	12,191	14,818	18,012	21,893
Partner Tonnage							20,200	64,700	678,845	825,140	1,002,963	1,219,108	1,481,833	1,801,177	2,189,342
Fee/Ton							$125.0	$125.0	$131.3	$137.8	$144.7	$151.9	$159.5	$167.5	$175.9
Total Licensing Revenue ($M)							**$2.5**	**$8.1**	**$89.1**	**$113.7**	**$145.1**	**$185.2**	**$236.4**	**$301.7**	**$385.1**
Total Licensing Revenue ($M) y/y								*220.3%*	*1001.7%*	*27.6%*	*27.6%*	*27.6%*	*27.6%*	*27.6%*	*27.6%*
Total Revenue ($M)						**$0.0**	**$8.2**	**$33.3**	**$145.7**	**$228.3**	**$359.5**	**$547.1**	**$680.2**	**$767.7**	**$874.3**
Total Revenue y/y	*-69.3%*	*-68.3%*	*-54.3%*	*320.0%*	*180.0%*	*-32.6%*	*11628.8%*	*307.0%*	*337.8%*	*56.7%*	*57.5%*	*52.2%*	*24.3%*	*12.9%*	*13.9%*
Total Processed Tonnage		21	21	21	21	82	25,862	85,782	722,927	909,222	1,152,045	1,458,190	1,760,915	2,080,259	2,468,424
Worldwide Plastics Produced (M)	413.8	102	102	102	102	406	422	439	457	475	494	514	529	545	561
Worldwide Plastics Growth Y/Y%						*-1.9%*	*4.0%*	*4.0%*	*4.0%*	*4.0%*	*4.0%*	*4.0%*	*3.0%*	*3.0%*	*3.0%*
Processed Tons Market Share		***0.00%***	***0.00%***	***0.00%***	***0.00%***	***0.00%***	***0.01%***	***0.02%***	***0.16%***	***0.19%***	***0.23%***	***0.28%***	***0.33%***	***0.38%***	***0.44%***
Processed Revenue % Total							69.1%	75.7%	38.9%	50.2%	59.6%	66.1%	65.2%	60.7%	56.0%
Licensing Revenue % Total							30.9%	24.3%	61.1%	49.8%	40.4%	33.9%	34.8%	39.3%	44.0%
Pilot/Demo Production GP		$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Pilot/Demo Production GP%		0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Demo Production GP							$2.79	$5.06	$5.32	$5.58	$5.86	$6.15	$6.46	$6.78	$7.12
Demo Production GP%							50%	50%	50%	50%	50%	50%	50%	50%	50%
Commercial Production GP	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$8.25	$25.27	$56.85	$111.42	$192.20	$236.91	$248.76	$261.19
Commercial Production GP%	N/A	55%	55%	55%	55%	N/A	N/A	55%	55%	55%	55%	55%	55%	55%	55%
Licensing GP		$0.00	$0.00	$0.00	$0.00		$2.27	$7.28	$80.19	$102.34	$130.62	$166.71	$212.76	$271.55	$346.57
Licensing GP%		90%	90%	90%	90%		90%	90%	90%	90%	90%	90%	90%	90%	90%
Cost of Goods Sold	-	17,432	17,432	17,432	17,432	69,728	3,115,714	12,698,125	34,978,055	63,549,340	#########	182,025,974	224,035,001	240,586,148	259,442,793
Total GP ($M)	**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$5.1**	**$20.6**	**$110.8**	**$164.8**	**$247.9**	**$365.1**	**$456.1**	**$527.1**	**$614.9**
Total GM%							*61.9%*	*61.9%*	*76.0%*	*72.2%*	*69.0%*	*66.7%*	*67.1%*	*68.7%*	*70.3%*

Source: Company Presentation, D. Boral Research Estimates

Valuation. Our valuation is based on our models & the assumptions for our projected revenues to 2035. We utilize a 15% discount rate in our free cash to the firm (FCFF) & discount EPS (dEPS) models to account for conservatism in our long-term approach to our FCF valuation. We equal weight, average these metrics, & then round to the nearest whole number to derive our price target. With a $63 FCFF valuation & a $37 dEPS valuation, we average these to arrive at a $50 per share valuation target. This methodology accounts for incremental shares issued in future equity raises & subsequently does not account for valuing the current net debt balance of the business in any form.

Exhibit 16. 10-Year FCFF Valuation.

units	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
Total Revenue	103,519	69,728	8,178,214	33,289,375	145,747,834	228,321,543	359,526,169	547,087,592	680,169,980	767,672,456	874,329,456
Oper. Inc. (Loss)	(11,713,792)	(14,078,089)	(11,047,299)	(1,028,129)	83,639,223	131,439,207	207,424,621	316,314,178	399,261,722	460,462,069	536,561,246
Tax Rate	*0%*	*0%*	*0%*	*-42%*	*25%*	*25%*	*25%*	*25%*	*25%*	*25%*	*25%*
EBIT(1-t)	(11,713,792)	(14,078,089)	(11,047,299)	(1,457,633)	62,729,417	98,579,405	155,568,466	237,235,634	299,446,292	345,346,552	402,420,935
CapEx			(30,000,000)	(35,000,000)	(40,000,000)	(40,000,000)	(40,000,000)	(45,000,000)	(50,000,000)	(14,000,000)	(14,700,000)
Depreciation											
Change in NWC (ex cash)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
FCF	(11,713,792)	(14,078,089)	(41,047,299)	(36,457,633)	22,729,417	58,579,405	115,568,466	192,235,634	249,446,292	331,346,552	387,720,935
PV of FCF	(11,713,792)	(12,241,817)	(31,037,655)	(23,971,485)	12,995,618	29,124,317	49,963,437	72,268,495	81,544,435	94,189,370	95,838,685
Discount Rate	15%										
Long Term Growth Rate	3%										
Terminal Cash Flow	3,327,938,023										
Terminal Value YE2034	2,188,173,271										
NPV	2,545,132,880										
NPV-Debt	-										
Weighted avg # of common shares outstanding ('000s)	40,301,462	2035E									
NPV Per Share	$ 63.15										

Source: D. Boral Capital Research Estimates

Exhibit 17. dEPS Valuation Model.

EPS Multiple Valuation	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
GAAP EPS	($0.44)	($0.49)	($0.32)	($0.04)	$1.59	$2.50	$3.92	$5.96	$7.49	$8.60	$9.99
Diluted GAAP EPS	($0.44)	($0.49)	($0.32)	($0.04)	$1.59	$2.50	$3.92	$5.96	$7.49	$8.60	$9.99

Current Year		2025
Year of EPS		2035
Earnings Multiple		15
Discount Factor		15%
Selected Year EPS	$	9.99
NPV	$	37.02

Source: D. Boral Capital Research Estimates

Discount Rate and Earnings Multiple Varies, Year is Constant 2035 EPS							
Earnings Multiple	37.02	5%	10%	15%	20%	25%	30%
1	$6.13	$3.85	$2.47	$1.61	$1.07	$0.72	
5	$30.65	$19.25	$12.34	$8.06	$5.36	$3.62	
10	$61.30	$38.50	$24.68	$16.13	$10.72	$7.24	
15	$91.95	$57.75	$37.02	$24.19	$16.08	$10.86	
20	$122.60	$77.00	$49.36	$32.25	$21.44	$14.49	
25	$153.25	$96.24	$61.71	$40.32	$26.80	$18.11	
30	$183.90	$115.49	$74.05	$48.38	$32.16	$21.73	
35	$214.55	$134.74	$86.39	$56.44	$37.53	$25.35	

Patents: As of November 30, 2024, ADUR has 10 patents owned, with 7 issued & 3 pending. Most recently the company filed a patent related to the design & effective implementation of its HCT platform. From what we understand, the patent focuses on using existing industrial components in novel ways to manage the cost of implementation, potentially limiting the cost of ADUR's coming demo plant due to be operational by year-end FY26 (June 2026).

Exhibit 18. ADUR's Patent Portfolio.

Patent Num.	Patent Title	Filed	Issued
U.S. 7,947,165	Method for Extracting & Upgrading of Heavy & Semi-Heavy Oils & Bitumen	9/14/2005	5/24/2011
U.S. 8,372,347 B2	Method for Extracting & Upgrading Heavy & Semi-Heavy Oils & Bitumen	4/11/2011	2/12/2013
U.S. 9,644,455 B2	System & Method for Controlling & Optimizing the Hydrothermal Upgrading of Heavy Crude Oil & Bitumen	3/18/2014	5/9/2017
U.S. 9,783,742 B2	System & Method for Controlling & Optimizing the Hydrothermal Upgrading of Heavy Crude Oil & Bitumen	10/28/2013	10/10/2017
U.S. 10323492	System & Method of Controlling & Optimizing the Hydrothermal Upgrading of Heavy Crude Oil & Bitumen	5/5/2017	6/18/2019
U.S. 10900327	System & Method for Hydrothermal Upgrading of Fatty Acid Feedstocks	11/20/2017	1/26/2021
U.S. 11414606	System & Method for Producing Hydrothermal Renewable Diesel & Saturated Fatty Acids	11/7/2019	8/16/2022
U.S. Application 17494360	Chemolytic Upgrading of Low-Value Macromolecule Feedstocks to Higher-Value Fuels & Chemicals	10/5/2021	Pending
?	Relating to "*a novel process design for effective implementation of it's Hydrochemolytic™ Technology ("HCT")*" per 1/30/25 Press Release	Announced 1/30/2025	Pending
?	????		Pending

Source: PPUBS.uspto.gov

The risks to our thesis include technology, commodity, competitive, & financial risk.

Technology Risk. ADUR is an early-stage technology company. As with similar companies, ADUR risks potential product or technological failure, developmental delays, & potentially weak market acceptance, which could impact the company's ability to reach profitability & generate future cash flows.

Commodity Risk. The outputs that ADUR can manufacture from its technological platform are highly related to various renewable fuels & other commodity prices, the pricing of which could materially impact the pricing for product that ADUR can charge. Any external economic factors that could influence the pricing of various commodities related to plastics, naptha, oil & gas, or other, could also impact ADUR's potential future profitability.

Competitive Risk. ADUR's HCT platform may have its economic advantages, but the recycling industry is highly competitive with a large number of technologically peripheral competitors, & competition could impact potential revenue, margins, & future market share. Additionally, there may be companies we are unaware of that offer similarly competitive solutions.

Financial Risk. ADUR is a small capital company that can translate into high volatility & risk for investors. The company has limited revenues & profitability due to its scale today, & it is dependent on expanding its revenue footprint to become profitable. It will likely be reliant on external financing to reach profitability.

Exhibit 19. ADUR Income Statement

Aduro Income Statement ($CAD)																	
Revenue	**2023A**	**2024A**	**1Q25A**	**2Q25A**	**3Q25E**	**4Q25E**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2032E**	**2033E**	**2034E**	**2035E**
Pre-Commercial Rev					4,150	6,226	10,376	69,728	5,653,214	10,201,875	10,711,969	11,247,567	11,809,946	12,400,443	13,020,465	13,671,488	14,355,063
Commercial Revenue					-	-	-	-	-	15,000,000	45,937,500	103,359,375	202,584,375	349,458,047	430,745,027	452,282,279	474,896,393
Licensing Revenue					-	-	-	-	2,525,000	8,087,500	89,098,365	113,714,601	145,131,848	185,229,102	236,404,488	301,718,689	385,078,000
Total Revenue	**109,629**	**337,516**	**55,000**	**38,143**	**4,150**	**6,226**	**103,519**	**69,728**	**8,178,214**	**33,289,375**	**145,747,834**	**228,321,543**	**359,526,169**	**547,087,592**	**680,169,980**	**767,672,456**	**874,329,456**
Total Revenue y/y%		*207.9%*	*-6.1%*	*-47.8%*	*-96.0%*	*-93.9%*	*-69.3%*	*-32.6%*	*11628.8%*	*307.0%*	*337.8%*	*56.7%*	*57.5%*	*52.2%*	*24.3%*	*12.9%*	*13.9%*
Total Revenue y/y$		*227,887*	*(3,545)*	*(34,950)*	*(99,478)*	*(96,024)*	*(233,997)*	*(33,791)*	*8,108,486*	*25,111,161*	*112,458,459*	*82,573,709*	*131,204,626*	*187,561,423*	*133,082,388*	*87,502,476*	*106,656,999*
Cost of Goods Sold	-	-	-	-	-	-	-	69,728	3,115,714	12,698,125	34,978,055	63,549,340	111,625,623	182,025,974	224,035,001	240,586,148	259,442,793
Adj. GP$	109,629	**337,516**	**55,000**	**38,143**	**4,150**	**6,226**	**103,519**	**-**	**5,062,500**	**20,591,250**	**110,769,779**	**164,772,203**	**247,900,546**	**365,061,618**	**456,134,980**	**527,086,308**	**614,886,662**
Adj. GM%	100%	100%	*100%*	*100%*	*100%*	*100%*	*100%*	*0%*	*62%*	*62%*	*76%*	*72%*	*69%*	*67%*	*67%*	*69%*	*70%*
Expenses																	
R&D	1,780,446	3,258,268	1,237,175	1,344,696	1,344,696	1,344,696	5,271,263	6,085,598	7,085,598	9,085,598	11,085,598	13,302,718	15,963,261	19,155,914	22,987,097	27,584,516	33,101,419
General Admin	2,114,207	4,058,954	1,147,080	1,633,601	1,633,601	1,633,601	6,047,883	7,393,076	8,393,076	10,393,076	12,393,076	14,871,691	17,846,029	21,415,235	25,698,282	30,837,938	37,005,526
Depreciation and amortization	151,313	431,153	126,733	130,127	130,127	130,127	517,114	588,907	618,352	2,118,352	3,618,352	5,118,352	6,618,352	8,118,352	8,118,352	8,118,352	8,118,352
Finance costs	17,628	13,299	2,694	2,322	2,322	2,322	9,660	10,509	12,773	22,353	33,530	40,235	48,283	57,939	69,527	83,432	100,119
Foreign exchanges	6,195	10,191	3,850	(32,459)	-	-	(28,609)	-	-	-	-	-	-	-	-	-	-
Operating expenses	**5,972,946**	**7,771,865**	**2,517,532**	**3,078,287**	**3,110,746**	**3,110,746**	**11,817,311**	**14,078,089**	**16,109,799**	**21,619,379**	**27,130,556**	**33,332,996**	**40,475,925**	**48,747,440**	**56,873,257**	**66,624,238**	**78,325,416**
Oper. Inc. (Loss)	**(5,863,317)**	**(7,434,349)**	**(2,462,532)**	**(3,040,144)**	**(3,106,596)**	**(3,104,520)**	**(11,713,792)**	**(14,078,089)**	**(11,047,299)**	**(1,028,129)**	**83,639,223**	**131,439,207**	**207,424,621**	**316,314,178**	**399,261,722**	**460,462,069**	**536,561,246**
Oper Margin	N/A	N/A	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*57%*	*58%*	*58%*	*58%*	*59%*	*60%*	*61%*
Other Expenses																	
Loss on sale of vehicle	-	(2,512)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in fair value of derivative financial liability	-	-	-	(74,568)	-	-	(74,568)	-	-	-	-	-	-	-	-	-	-
Pretax Income/Loss	**(5,863,317)**	**(7,436,861)**	**(2,462,532)**	**(3,114,712)**	**(3,106,596)**	**(3,104,520)**	**(11,788,360)**	**(14,078,089)**	**(11,047,299)**	**(1,028,129)**	**83,639,223**	**131,439,207**	**207,424,621**	**316,314,178**	**399,261,722**	**460,462,069**	**536,561,246**
Provision for Income Taxes	-	-	-	-	-	-	-	-	-	429,504	20,909,806	32,859,802	51,856,155	79,078,545	99,815,431	115,115,517	134,140,312
Tax Rate	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*-41.8%*	*25.0%*	*25.0%*	*25.0%*	*25.0%*	*25.0%*	*25.0%*	*25.0%*
Net Income	**(5,863,317)**	**(7,436,861)**	**(2,462,532)**	**(3,114,712)**	**(3,106,596)**	**(3,104,520)**	**(11,788,360)**	**(14,078,089)**	**(11,047,299)**	**(1,457,633)**	**62,729,417**	**98,579,405**	**155,568,466**	**237,235,634**	**299,446,292**	**345,346,552**	**402,420,935**
OCI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income	**(5,863,317)**	**(7,436,861)**	**(2,462,532)**	**(3,114,712)**	**(3,106,596)**	**(3,104,520)**	**(11,788,360)**	**(14,078,089)**	**(11,047,299)**	**(1,457,633)**	**62,729,417**	**98,579,405**	**155,568,466**	**237,235,634**	**299,446,292**	**345,346,552**	**402,420,935**
EPS - Basic	**$ (0.10)**	**$ (0.36)**	**$ (0.10)**	**$ (0.11)**	**$ (0.11)**	**$ (0.11)**	**$ (0.44)**	**$ (0.49)**	**$ (0.32)**	**$ (0.04)**	**$ 1.59**	**$ 2.50**	**$ 3.92**	**$ 5.96**	**$ 7.49**	**$ 8.60**	**$ 9.99**
Weighted avg # of common shares outstanding ('000s)	55,947,182	20,434,819	23,480,344	27,500,341	28,187,850	28,892,546	27,015,270	28,972,357	34,076,878	39,189,221	39,346,214	39,503,835	39,662,087	39,820,974	39,980,497	40,140,659	40,301,462

Source: D. Boral Capital Research Estimates

Exhibit 20. ADUR Balance Sheet

Aduro Balance Sheet ($CAD)													
Assets	2023A	2024A	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
Cash and Cash Equivilents	$4,046,634	$2,814,576	$13,847,659	$786,885	$2,590,063	$11,217,502	$35,424,065	$95,562,185	$212,775,438	$406,746,685	$658,024,431	$991,303,571	$1,381,063,813
Deposits and Prepaid expenses	$392,114	$341,244	$315,448	$315,448	$315,448	$315,448	$315,448	$315,448	$315,448	$315,448	$315,448	$315,448	$315,448
Other Receivables	$464,906	$328,277	$342,721	$342,721	$342,721	$342,721	$342,721	$342,721	$342,721	$342,721	$342,721	$342,721	$342,721
Deferrred transaction costs	$0	$218,480	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Current Assets	$4,903,654	$3,702,577	$14,505,828	$1,445,054	$3,248,232	$11,875,671	$36,082,234	$96,220,354	$213,433,607	$407,404,854	$658,682,600	$991,961,740	$1,381,721,982
Property and equipment	$2,553,702	$3,128,632	$3,360,910	$3,360,910	$33,360,910	$68,360,910	$108,360,910	$148,360,910	$188,360,910	$233,360,910	$283,360,910	$297,360,910	$312,060,910
Right of use assets	$122,104	$125,542	$104,907	$104,907	$104,907	$104,907	$104,907	$104,907	$104,907	$104,907	$104,907	$104,907	$104,907
Intangible assets	$1,366	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Assets	$7,580,826	$6,956,751	$17,971,645	$4,910,871	$36,714,049	$80,341,488	$144,548,051	$244,686,171	$401,899,424	$640,870,671	$942,148,417	$1,289,427,557	$1,693,887,799
Liabilities:	$0												
Current Liabilities	$0												
Trade payables and other current liabilities	$455,048	$461,947	$518,596	$518,596	$518,596	$518,596	$518,596	$518,596	$518,596	$518,596	$518,596	$518,596	$518,596
Lease liability-current portion	$34,765	$40,356	$42,518	$42,518	$42,518	$42,518	$42,518	$42,518	$42,518	$42,518	$42,518	$42,518	$42,518
Debt-current portion	$27,478	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Current Liabilities	$517,291	$502,303	$561,114	$561,114	$561,114	$561,114	$561,114	$561,114	$561,114	$561,114	$561,114	$561,114	$561,114
Total liabilities	$613,025	$600,533	$864,299	$864,299	$864,299	$864,299	$864,299	$864,299	$864,299	$864,299	$864,299	$864,299	$864,299
Shareholders' equity (deficiency):	$0												
Share Capital	$15,396,907	$22,477,986	$32,837,332	$32,837,332	$32,837,332	$32,837,332	$32,837,332	$32,837,332	$32,837,332	$32,837,332	$32,837,332	$32,837,332	$32,837,332
Warrant Reserve	$2,557,918	$1,328,901	$1,105,705	$1,105,705	$1,105,705	$1,105,705	$1,105,705	$1,105,705	$1,105,705	$1,105,705	$1,105,705	$1,105,705	$1,105,705
Contibuted surplus	$4,472,191	$5,445,407	$17,848,744	$18,866,060	$61,716,538	$106,801,609	$108,278,755	$109,837,470	$111,482,257	$113,217,870	$115,049,325	$116,981,913	$119,021,219
Accumulated Deficit	($15,459,215)	($22,896,076)	($34,684,436)	($48,762,525)	($59,809,824)	($61,267,457)	$1,461,960	$100,041,365	$255,609,831	$492,845,465	$792,291,756	$1,137,638,308	$1,540,059,243
Total Equity	$6,967,801	$6,356,218	$17,107,346	$4,046,572	$35,849,750	$79,477,189	$143,683,752	$243,821,872	$401,035,125	$640,006,372	$941,284,118	$1,288,563,258	$1,693,023,500
Total Liab & Equity	$7,580,826	$6,956,751	$17,971,645	$4,910,871	$36,714,049	$80,341,488	$144,548,051	$244,686,171	$401,899,424	$640,870,671	$942,148,417	$1,289,427,557	$1,693,887,799
Weighted avg # of common shares outstandir	57,048,897	$20,434,819	$27,015,270	$28,972,357	$34,076,878	$39,189,221	$39,346,214	$39,503,835	$39,662,087	$39,820,974	$39,980,497	$40,140,659	$40,301,462

Source: D. Boral Capital Research Estimates

Exhibit 21. ADUR Cash Flow Statement

Aduro Cash Flow Statement ($CAD)	2023A	2024A	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
Cash Flows From Operating Activities:													
Net Income/Loss	**(5,863,317)**	**(7,436,861)**	**(11,788,360)**	**(14,078,089)**	**(11,047,299)**	**(1,457,633)**	**62,729,417**	**98,579,405**	**155,568,466**	**237,235,634**	**299,446,292**	**345,346,552**	**402,420,935**
Depreciation and amortization	151,313	431,153	256,860	0	0	0	0	0	0	0	0	0	0
Share-based compensation expense (Note 17)	1,903,157	1,479,430	1,611,318	0	0	0	0	0	0	0	0	0	0
Interest expense accrued	13,575	10,639	4,692	0	0	0	0	0	0	0	0	0	0
Loss on sale of vehicle	0	2,512	0	0	0	0	0	0	0	0	0	0	0
Change in fair value of derivative financial liability (Note 10)	0	0	74,568	0	0	0	0	0	0	0	0	0	0
Changes in assets and liabilities:													
Change in NWC	*(701,001)*	304,106	37,536	0	0	0	0	0	0	0	0	0	0
Net Cash Used in Operating Activities	**(4,496,273)**	(5,209,021)	**(9,803,386)**	**(14,078,089)**	**(11,047,299)**	**(1,457,633)**	**62,729,417**	**98,579,405**	**155,568,466**	**237,235,634**	**299,446,292**	**345,346,552**	**402,420,935**
Cash Flows From Investing Activities:													
CapEx	(2,005,914)	(1,147,805)	(438,037)	0	(30,000,000)	(35,000,000)	(40,000,000)	(40,000,000)	(40,000,000)	(45,000,000)	(50,000,000)	(14,000,000)	(14,700,000)
Other Transactions	-	11,000	0	0	0	0	0	0	0	0	0	0	0
Net cash provided by investing activities	**(2,005,914)**	**(1,136,805)**	**(438,037)**	**0**	**(30,000,000)**	**(35,000,000)**	**(40,000,000)**	**(40,000,000)**	**(40,000,000)**	**(45,000,000)**	**(50,000,000)**	**(14,000,000)**	**(14,700,000)**
Cash flows from financing activities:													
Finance Lease Repayments	(64,550)	(52,345)	(24,117)	0	0	0	0	0	0	0	0	0	0
Term and Working Capital Loan Repayments	(30,748)	(27,333)	0	0	0	0	0	0	0	0	0	0	0
Deferred Transaction Costs	0	(152,402)	0	0	0	0	0	0	0	0	0	0	0
Issue of Common Shares, net of issuing costs	8,533,334	5,345,848	21,298,622	1,017,316	42,850,477	45,085,072	1,477,146	1,558,715	1,644,787	1,735,613	1,831,454	1,932,588	2,039,306
Net cash provided by financing activities	8,438,036	5,113,768	21,274,505	1,017,316	42,850,477	45,085,072	1,477,146	1,558,715	1,644,787	1,735,613	1,831,454	1,932,588	2,039,306
FX Impact on Cash	-	-											
Increase (decrease) in Cash and Cash Equivilents	1,935,849	(1,232,058)	11,033,083	(13,060,773)	1,803,178	8,627,439	24,206,563	60,138,120	117,213,253	193,971,247	251,277,746	333,279,140	389,760,241
Cash and Cash Equivilents - Beginning Of Period	2,110,785	4,046,634	2,814,576	13,847,659	786,885	2,590,063	11,217,502	35,424,065	95,562,185	212,775,438	406,746,685	658,024,431	991,303,571
Cash and Cash Equivilents - End of Period	4,046,634	2,814,576	13,847,659	786,885	2,590,063	11,217,502	35,424,065	95,562,185	212,775,438	406,746,685	658,024,431	991,303,571	1,381,063,813

Source: D. Boral Capital Research Estimates

Important Disclosures

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I, Jesse Sobelson, CFA, certify that all of the views expressed in this research report accurately reflect my personal views about the subject security(ies) and subject company(ies). I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this research report.

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	D. Boral		IB Serv./Past 12 Mos.	
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SELL	**0**	**0.00**	**0**	**0.00**