



ENWAVE

ENWAVE CORPORATION

CORPORATE PRESENTATION

2018

GLOBAL LEADER IN VACUUM MICROWAVE
DEHYDRATION TECHNOLOGY.

ENWAVE.NET



This presentation contains forward-looking information based on management's expectations, estimates and projections about the future, including statements about EnWave's strategy for growth, product development, market position, expected expenditures and operational & financial results. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated and are not a guarantee of future performance and involve a number of risks, uncertainties and assumptions. All third party references to market information in this presentation are not guaranteed to be accurate as EnWave did not conduct the original primary research. Please see "Risk Factors" in EnWave's Annual management discussion and analysis for the year ended September 30, 2017 available on SEDAR under EnWave's profile at www.sedar.com. Although EnWave has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking statements. EnWave's forward-looking information is based on the beliefs, expectations and opinions of management of EnWave on the date the statements are made. EnWave does not assume any obligation to update forward-looking information, whether as a result of new information, future events or otherwise, other than as required by applicable law. Amounts shown herein are in Canadian dollars unless otherwise stated.

* NON-IFRS MEASURES – Management uses certain non-International Financial Reporting Standards ("IFRS") measures that it believes are useful to investors in evaluating the performance and results of EnWave. The term "Adjusted EBITDA" refers to earnings before deducting stock-based compensation, foreign exchange gain or loss, depreciation, amortization, interest, and taxes. Management believes that Adjusted EBITDA is a useful measure as it provides an indication of the operational results of our business. Adjusted EBITDA does not have a standardized meaning prescribed by IFRS and is not necessarily comparable to similar measures provided by other companies. Investors are cautioned that Adjusted EBITDA should not be construed as an alternative to operating income determined in accordance with IFRS as an indicator of EnWave's financial performance or as a measure of its liquidity and cash flows.



As of Nov 29, 2018

TSXV:ENW
FSE:E4U
Symbols

\$1.29
Share Price

\$1.75
52 Week High
Oct 18, 2018

\$0.96
52 Week Low
Dec 14, 2017

101.6 MM (Basic)
117.3 MM (Fully Diluted)
Shares Outstanding

\$131.0 MM
Market Capitalization

Toronto Venture Stock Exchange (TSXV)
Frankfurt Stock Exchange (FSE)
Exchanging Listings

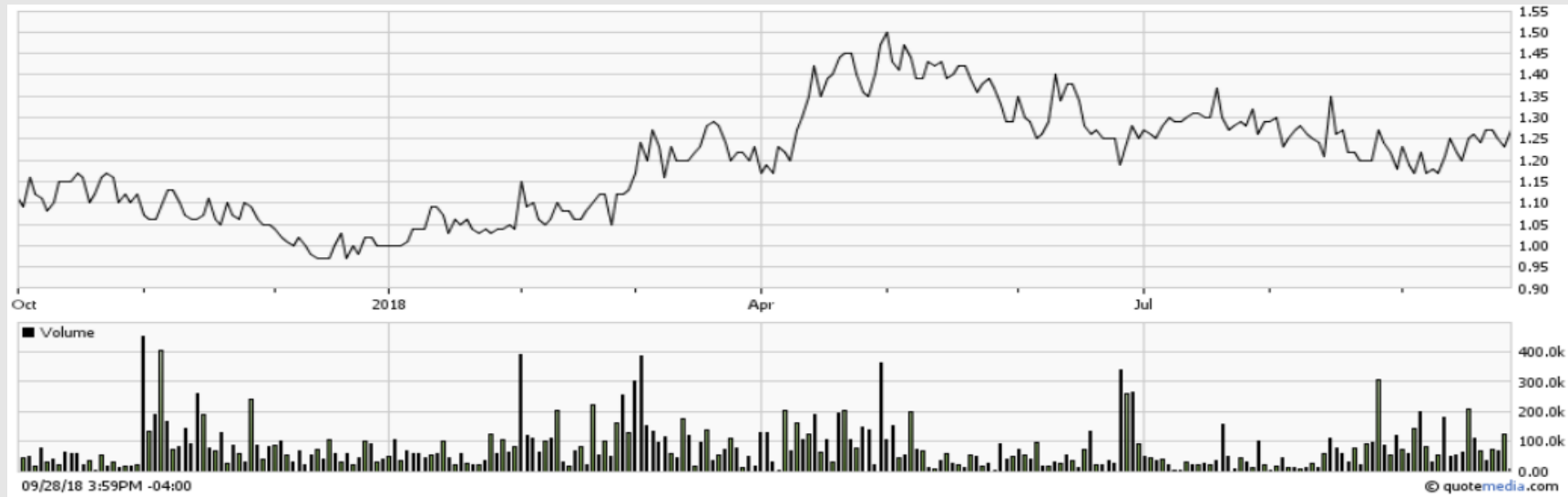
Distributed / Retail
59.9%

Six Major Shareholders
38%

2.1%

Management & Board

Share Price History (LTM)





Our mission is to partner with food and pharmaceutical processing companies to help them find solutions to their processing challenges.

We aim to help them discover new and innovative applications and uncover opportunities using **Radiant Energy Vacuum (REV™) technology.**

REV™ technology allows EnWave's partners to meet the evolving consumer demands for **convenient, premium, and nutritious food applications.**





Highly Scalable Machinery



Premium Drying Technology



Lower Product Costs



Innovation-Driven Product Development



Exclusive Geographic Processing Rights





1 Disruptive Technology With A Significant, Long-term, Competitive Advantage

- REV™ technology is superior to competition (air drying; freeze drying).
- EnWave owns a portfolio of patents to protect the competitive advantage.

3 Significant Market Opportunity In A Large, Addressable Market

- Product applications for food, pharmaceutical industries.
- Robust business development pipeline with over 80 companies in talks with EnWave.

2 Proven Technology And Business Strategy

- Commercial License Agreements signed with 24 companies and growing.
- Royalty partner pipeline strong with 12 Technology Evaluation and License Option Agreements.

4 Rapidly Growing Revenue And Cash Flow Profile

- Revenue has grown from \$0.5 MM in 2013 to \$15.9 MM in 2017.
- Significant runway remains as partnerships ramp up production and new agreements are executed



John P.A. Budreski / MBA
EXECUTIVE CHAIRMAN

- Proven history of advancing and accelerating businesses in addition to an engineering background
- 30+ years of extensive capital markets and executive management experience



Dan Henriques / CPA, CA, CFO

- Extensive experience in finance effectiveness and financial reporting
- Supported numerous mid-market companies with financial reporting and compliance



Brent Charleton / CFA
PRESIDENT & CEO

- Expertise in leading and executing: marketing, investor relations and business development initiatives for both private and public companies
- Leads global sales and business development strategy



Mike Pytlinski / MBA
CEO, NUTRADRIED FOOD CO.

- A proven track record of driving growth via sound strategic planning and integrated marketing programs
- Close to 30 years of experience in the U.S. CPG industry



Marie C. Ritchie / FCA
DIRECTOR & CHAIR OF AUDIT
COMMITTEE

- President and CEO of Ritchford Holdings Ltd., an accounting and investment advisory services company
- Fellow of the Canadian Institute of Chartered Accountants



Dr. Stewart Ritchie / P.H.D
DIRECTOR

- President of Canadian Poultry Consultants Ltd. since 1989
- President, American Association of Avian Pathologists from 2010 to 2011



Hugh McKinnon
DIRECTOR

- Director and shareholder of Norscot Investments Ltd.
- Director of Premium Brands



Brent Charleton / CFA
PRESIDENT & CEO



John P.A. Budreski / M.B.A
EXECUTIVE CHAIRMAN



THE VACUUM ADVANTAGE

- Lower boiling point: enables fast, low-temperature processing
- Rapid water removal without cooking or oxidizing
- Closed system captures volatilized components
- Ability to “puff” products



THE MICROWAVE ADVANTAGE

- Efficient energy transfer: 85-90% efficiency and reduced energy requirements
- Volumetric heating: fast and uniform
- Precise temperature regulation: process control and cycle customization



5 Challenges that are Addressed with Enwave's REV™ Technology

- The design of the mechanism to transport organic material
- The amount of Vacuum and microwave energy required
- The time that the material is exposed to the process
- The process for delivering microwave energy
- The shape and size of the vacuum chamber

REV™ technology provides **control** and **consistency**

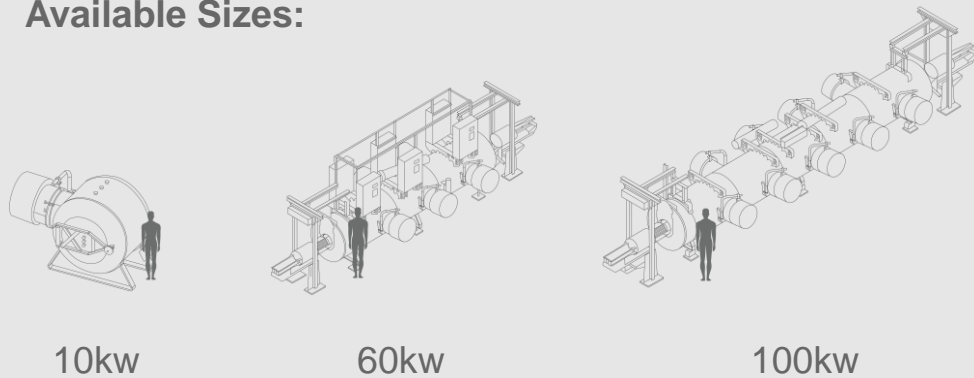




NUTRAREV®

- Drum-Based System
- Suitable for hearty products that can be tumbled

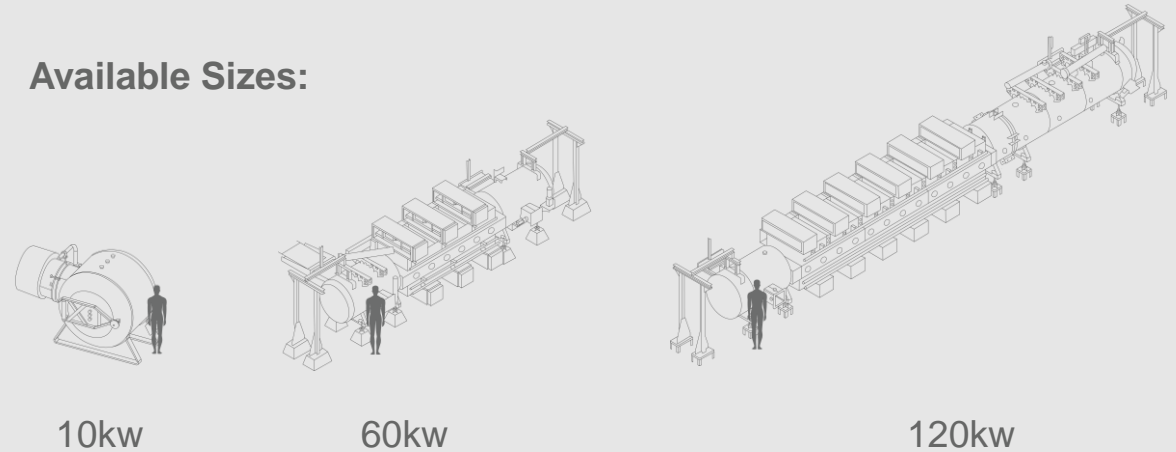
Available Sizes:



QUANTAREV®

- Tray-Based System
- Suitable for products with higher liquid content and for products that are more fragile

Available Sizes:







REV™ TECHNOLOGY CANNABIS ADVANTAGES

- REV™ provides the fastest, most controllable process to dry and decontaminate cannabis for both the smoking and extraction markets.
- Drying time shortened from 4-6 days (air drying) to approximately 1 hour (REV™).
- A combined drying and pasteurization process will prevent microbial contamination and need for sterilization with expensive ionizing radiation.
- Eliminates inventory losses due to microbial growth during drying and curing.
- Major reduction in capital cost with smaller drying facility space requirements.
- Precise process control and patented technology provide higher drying uniformity throughout the cannabis buds and between batches.
- Highly scalable options to fit any size of grow operation.

RAW



REV™





- Tilray, a major cannabis licensed producer, capitalized on this value proposition by securing an exclusive right to use and sub-license REV™ to dry and decontaminate cannabis in Canada and Portugal.
- Recently signed a TELOA with a second major Canadian cannabis company, granting an option to license REV™ technology for a European country.
- Potential global markets that include Canada, Australia, Mexico, Chile, select United States jurisdictions, Germany, Portugal, the Netherlands, South Africa and Spain.
- EnWave's royalty-licensing model will remain consistent in this market vertical.
- Cannabis Market has projected value of \$6 bn in Canada, \$70 bn in the USA and \$100 bn in the EU by 2025. (Source: BMO Capital Markets Report)





Founded in 2014, NutraDried was started as a demo for REV™ Technology

- NutraDried facilities have been a very successful sales tool for EnWave and REV™ technology
- On track to double revenues in 2018; business unit profitable with attractive product margins
- Second 100 kW machine installation doubles capacity
- Widespread North American distribution – led by Starbucks Coffee corporate distribution in 8,900+ stores; secured Trial Launch of club format packages in three Costco divisions; distribution in up to 25,000+ retailers.
- NutraDried pays 5% royalty to EnWave.
- Brand awareness increasing with increased web hits, blogging and earned media opportunities
- Hired new CEO – Mike Pytlinski



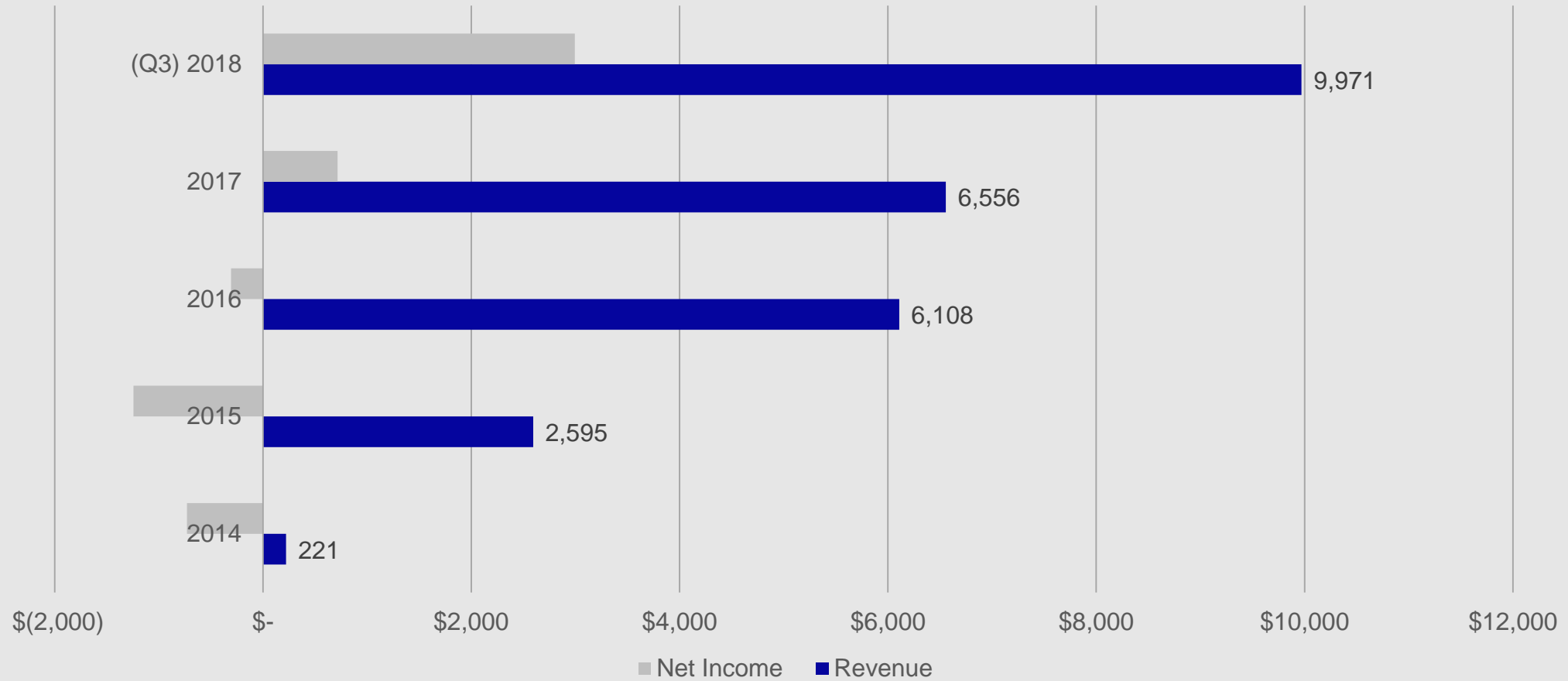
GROWING DISTRIBUTION:





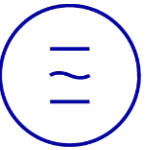


REVENUE ('000s CAD)





| | | | | | | | | | | | | | | |
|------|----|----|-----|-----|-----|----|-----|----|-----|-----|----|-----|--------|--------|
| 2018 | 10 | 10 | 60 | 10 | 10 | 10 | 60 | 10 | 10 | 100 | 10 | 10 | 10 | 320 kw |
| | | | | | | | | | | | | | | |
| 2017 | 10 | 10 | 100 | 60 | 10 | | | 10 | | 10 | | 100 | 310 kw | |
| | | | | | | | | | | | | | | |
| 2016 | 10 | | | | 100 | 10 | 10 | 10 | 120 | 10 | | | 270 kw | |
| | | | | | | | | | | | | | | |
| 2015 | | 10 | 100 | | | 10 | | | | 10 | 10 | | 140 kw | |
| | | | | | | | | | | | | | | |
| 2014 | | | | 120 | | | 100 | 20 | | 10 | | | 250 kw | |
| | | | | | | | | | | | | | | |
| 2013 | | | | | 120 | | | | 10 | | | | 140 kw | |
| | | | | | | | | | | | | | | |



ROYALTY REVENUE

- EnWave grows revenues by securing royalty streams through licensing its technology with royalty partners
- Royalties from CLA agreements are based on a percentage of sales or units produced by the partner
- TELOAs are used to co-develop product applications and convert partners into commercial licensees

MACHINE SALES

- EnWave derives revenue from machine installations
- Revenue per installation will depend on the size of the machine

NUTRADRIED

- The Company wholly owns NutraDried Food Company, LLC
- Manufactures and sells Moon Cheese® using two 100kW nutraREV® machines
- Moon Cheese® is currently sold in more than 25,000+ retail locations across Canada and the United States



ESTABLISH CONFIDENTIALITY

ACCELERATED R&D & MACHINE TESTING

GOING TO MARKET

- Both parties sign an mutual non-disclosure agreement (MNDA)
- Initial samples produced for evaluation; business case evaluated

- Technology Evaluation License Option Agreements (TELOA) allow for limited term exclusivity
- Machine rentals allow for on site product development
- Lower upfront capital investment

- Commercial License Agreement (CLA)
- Grant of geographic and/or product exclusivity
- Continued product development and engineering support

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Licenses Active
& Operational

11

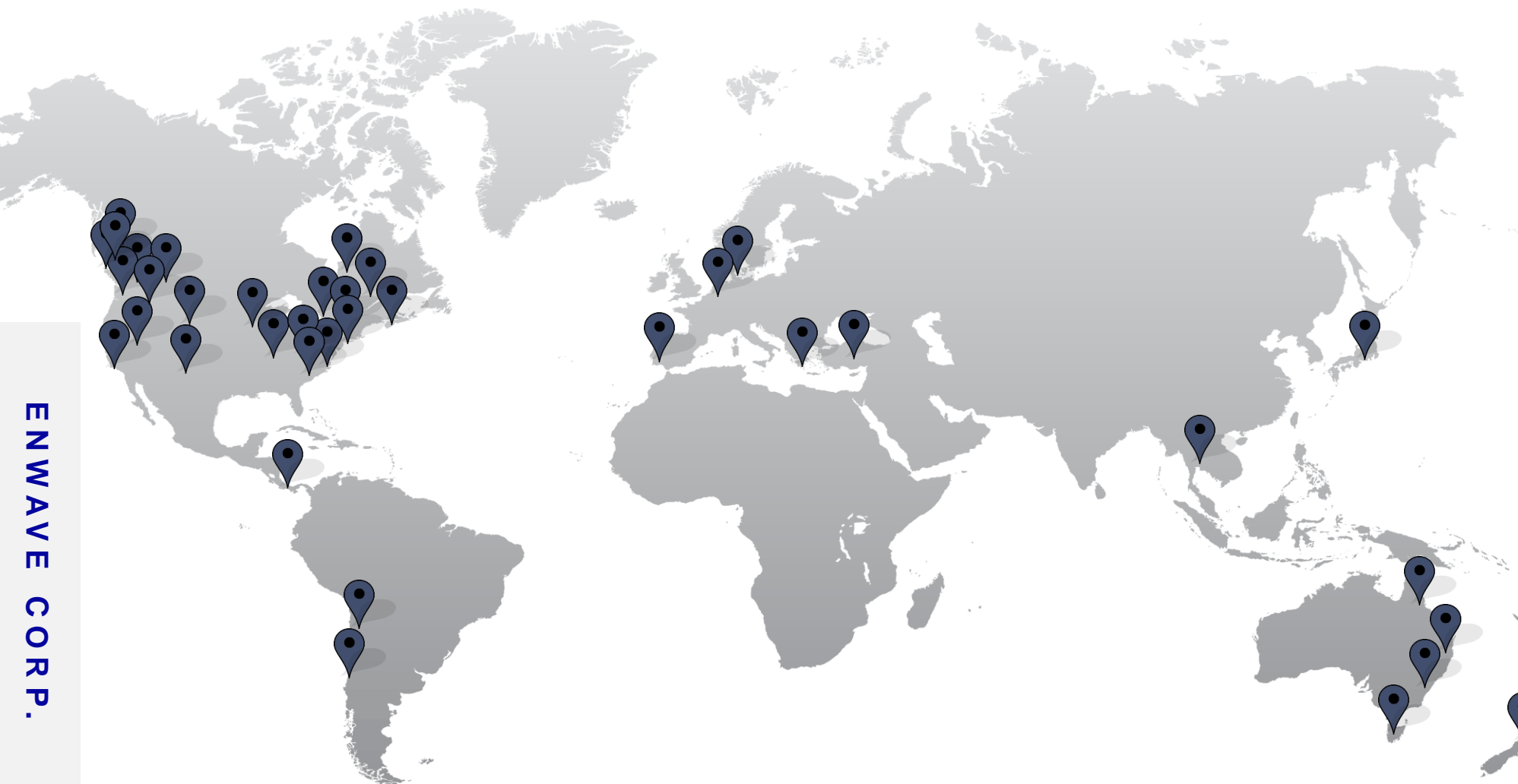
Active Technology
Evaluation & License
Option Agreements

3

Ongoing
R&D Projects

20

Patents Granted or
Pending Across
15 Countries



ENWAVE CORP.



ROYALTY PARTNERS

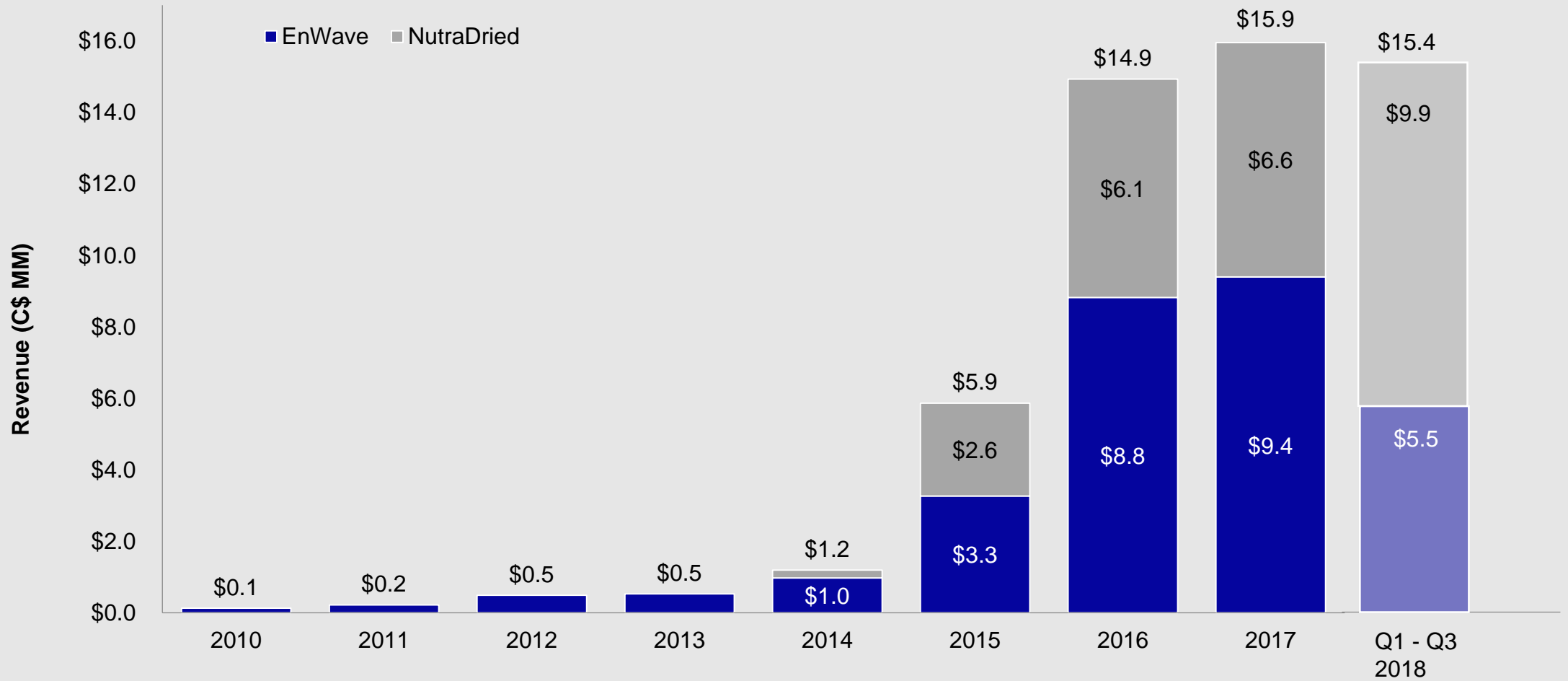


NOTABLE TECHNOLOGY EVALUATIONS





CONSOLIDATED REVENUE (C\$ MM)





| C\$ THOUSANDS | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FY 2018 Q3 YTD |
|--------------------------------|----------------|----------------|--------------|--------------|-------------------------|
| Revenue | 1,224 | 5,870 | 14,933 | 15,954 | 15,470 |
| Net Loss | (5,034) | (4,993) | (1,837) | (2,986) | (1,020) |
| Interest Expense (Income) | (85) | (26) | 16 | 35 | (42) |
| Income Tax | - | - | - | - | - |
| Depreciation and Amortization | 1,751 | 2,232 | 2,316 | 1,964 | 1,414 |
| Stock-Based Compensation | 608 | 261 | 399 | 891 | 402 |
| Foreign Exchange Loss (Gain) | 70 | (129) | 134 | 102 | 13 |
| ADJUSTED EBITDA* | (2,690) | (2,655) | 1,028 | 6 | 767 |
| ADJUSTED EBITDA* MARGIN | (220%) | (45%) | 7% | 0.03% | 5% |

ANNUAL FINANCIAL HIGHLIGHTS

- Growing revenue profile from all business segments. Royalty revenue is expected to grow over the long-term as more REV™ machines are ordered and installed.
- NutraDried reported net income of \$0.7 million for 2017 compared to \$0.3 million in 2016, demonstrating strong and increasing profitability.
- Adjusted EBITDA* of \$6 thousand showing approximately break-even consolidated profitability for 2017. Adjusted EBITDA* compression compared to 2016 is attributed to two unique long-term pharmaceutical equipment projects.
- Strong balance sheet after completing \$10 million equity financing in November 2017.

*Refer to Non-IFRS Measures set out on slide 1

REASONS TO OWN ENW

- Disruptive technology with a substantial, long-term, competitive advantage
- Significant market opportunity in large addressable market
- Proven technology and business strategy
- Rapidly growing revenue and cash flow profile



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