



Dear Fellow Shareholders,

The management team and board of Grafta Nanotech Inc. ("Grafta" or the "Company") are pleased to announce that the Company has closed its previously announced \$1.0 million private placement of common shares. We extend our gratitude to those who participated and are excited to welcome a number of new shareholders. The use of proceeds for these funds is to build out the sales and marketing capabilities of the Company, invest in certain plant enhancements to ensure uninterrupted production and general working capital.

During Q3, the Company developed referral relationships with over 20 engineering and consulting firms specializing in water remediation. Grafta products are being represented as a solution to unique water issues. Management anticipates delivering Grafta products to end consumers during Q4, which will necessitate ramping up production capacity at its Calgary plant.

In addition, the Company converted all shareholder loans and various other debts to equity, as well as extinguished its previous promissory note with Comnipex Corporation. Grafta has entered into a separate fee agreement, based on revenues, for the provision of technology that Grafta utilizes in its novel graphene products. This should ensure Grafta has a clean balance sheet in anticipation of a go-public event (as further described below).

The Company is undergoing preparation for a go-public transaction and has identified a capital pool company to potentially complete a reverse takeover. This decision has been made with the recognition that Canadian listed companies with a focus on the manufacturing and application of graphene products to novel use cases are enjoying very strong valuations. Notable pre-revenue comparable companies include:

- 1) Black Swan Graphene Inc. (TSXC SWAN) up 94.4% YTD / ~\$70 million market capitalization
- 2) Graphene Manufacturing Group Ltd. (TSXV GMG) up 44.4% YTD / ~\$100 million market capitalization
- 3) HydroGraph Clean Power Inc. (TSXV HG) up 1,295.2% YTD / ~\$780 million market capitalization.

Grafta's proprietary technology, large addressable market and impending sales compare well to the publicly listed peers and a listing will be beneficial to all shareholders. We anticipate being in a position to disclose more information on the public listing in the near future.

Lastly, with projected revenues materializing in 2025, management will endeavour to obtain traditional bank financing for working capital and capital improvements.

Thank you all for your patience and continued support. I may be reached directly at 403-827-2700 mbentsen@grafta.tech, and Doug Keast may be reached at 604-831-2780 dkeast@grafta.tech.

Mark Bentsen

President & CEO