

Division Mountain

August 2026

A Made in Yukon Energy Solution



Forward-Looking Statements

This presentation contains certain forward-looking statements and information relating to the Company's plans, objectives, expectations, estimates, forecasts and future activities. These statements are based on assumptions considered reasonable as of the date of this presentation but involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to differ materially from those expressed or implied.

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Building A More Self-Sufficient Yukon

The goal is to move Yukon toward greater energy and food self-sufficiency through locally driven infrastructure and strong, meaningful partnerships.

YES is a private corporation working with Yukoners to develop infrastructure.

Affordable Infrastructure

Focused on practical solutions that support affordability for Yukon residents, communities and industry.



Reliable Energy

Designed to provide Yukon with medium-term baseload capacity to augment existing supply.

Environmentally Acceptable

Developed with careful consideration for Yukon's land, people and environmental priorities in light of medium-term energy limitations.



Increasing Pressure On Yukon's Electrical Grid

Yukon's stand-alone electrical grid is experiencing increasing capacity pressure during periods of peak winter demand. During the most recent winter cold snap, major industrial users were curtailed while the system continued to operate near its available capacity.

Restricted Growth Capacity

Additional residential, commercial and industrial demand will require new sources of reliable electricity.

Limited Reserve Capacity

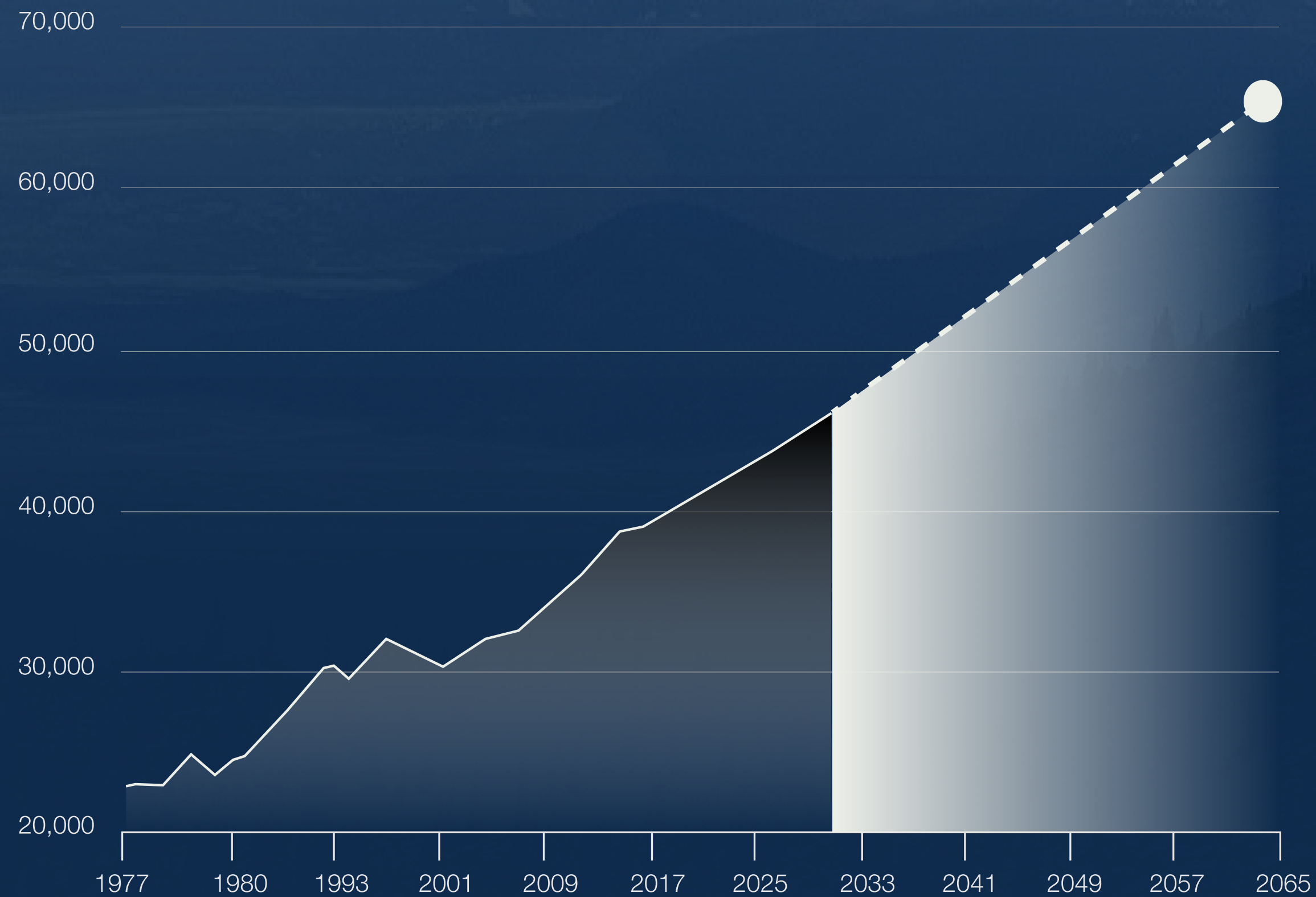
Existing generation capacity provides limited flexibility to accommodate periods of extreme demand or unexpected system interruptions.

Supplemental Generation

Rental diesel generators are being used to supplement permanent thermal generation during the high-demand winter season.



Yukon's Growing Energy Dilemma



HISTORICAL AND PROJECTED YUKON POPULATION

01

Independent Power Grid

Yukon relies on a stand-alone electrical grid to supply all on-grid electricity, limiting access to outside power sources.

02

Rising Grid Demand

Rapid population growth is increasing on-grid electricity demand, with non-industrial peak demand expected to rise by 50% between 2020 and 2035.

03

Future Industrial Load

Future demand will also come from on-grid and off-grid mining, other large-scale industrial users, and potential new sectors such as forestry.

04

Growing Reliance on Imported Fuels

Diesel and LNG generators are providing an increasing share of Yukon's electricity, driving up costs for ratepayers and sending capital outside the territory.

Capacity Limitations

Current alternatives **do not provide** a practical near-term solution for firm, year-round grid capacity.



Hydroelectric Generation

High capital requirements, long development timelines and major environmental impacts make new hydro projects difficult to advance.

✘ NOT VIABLE NEAR TERM



Solar + Battery Storage

Limited winter daylight and short-duration storage make current systems inadequate for baseload generation or sustained capacity needs.

✘ NOT VIABLE FOR BASELOAD



Wind Generation

Wind's variable output makes it unreliable for baseload and surge-capacity demand.

✘ NOT VIABLE NEAR TERM



Small Modular Reactors

Small modular reactors remain years from practical implementation and require enormous upfront capital.

✘ NOT VIABLE NEAR TERM



KEY

- Proposed Grid Connection
- Power Line
- Division Mountain Licenses
- Power Plant
- Major Road / Highway

BC Grid Connection

✖ NOT VIABLE NEAR TERM



No Clear Power Surplus

BC is planning new power supply for its own growing demand, not sitting on excess electricity for export.

✖ NOT VIABLE NEAR TERM



Massive Capital Cost

The proposed connection is estimated at \$4B in the latest benefits analysis from Yukon Development Corporation.

✖ NOT VIABLE NEAR TERM



Permitting Complexity

A project of this scale would require major route planning, Indigenous partnership, & cross-jurisdiction coordination.

THE MEDIUM-TERM CONCLUSION

Thermal generation remains the only practical medium-term option capable of meeting Yukon's growing energy demand.

YES believes coal from Division Mountain offers a more attractive made-in-Yukon alternative to imported diesel and LNG, supporting reliability, affordability, local value retention and economic stimulus.



Coal Vs. Imported Fuels

LOCAL COAL



Local Supply Control

A shorter, more manageable supply chain



Local Economic Value

Jobs, contracts, taxes, and royalties stay local



Reliable Energy Supply

Firm power for homes, communities, and industry



Useful By-Products

Hot water and fly ash can satisfy local demand, be utilized within Yukon or potentially be sold



IMPORTED FUELS: DIESEL AND LNG



Higher Fuel Costs

Expensive imported fuels increase ratepayer costs



Price Volatility

Fuel-price fluctuations create unpredictable energy costs



Transportation Risks

Deliveries are vulnerable to closures, wildfires and storms



Capital Leaves Yukon

Fuel spending flows outside the territory



A Defined, Long-Term Yukon Resource

Division Mountain contains a large, well-defined coal resource with the potential to supply a proposed Yukon power facility for more than a century.



52.5 Mt

MEASURED COAL RESOURCE

A substantial in-place resource of High Volatile “B” Bituminous coal.



100% Measured

DEFINED RESOURCE CLASSIFICATION



~500,000 Tonnes

INDICATIVE ANNUAL CONSUMPTION

Estimated annual coal consumption for a 100 MW power facility, based on an average consumption rate of 61 tonnes per hour and plant operation approximately 92% of the year.



~105 Years

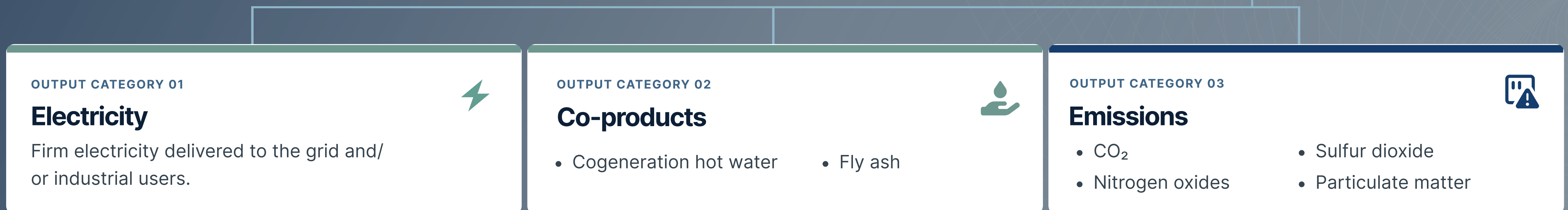
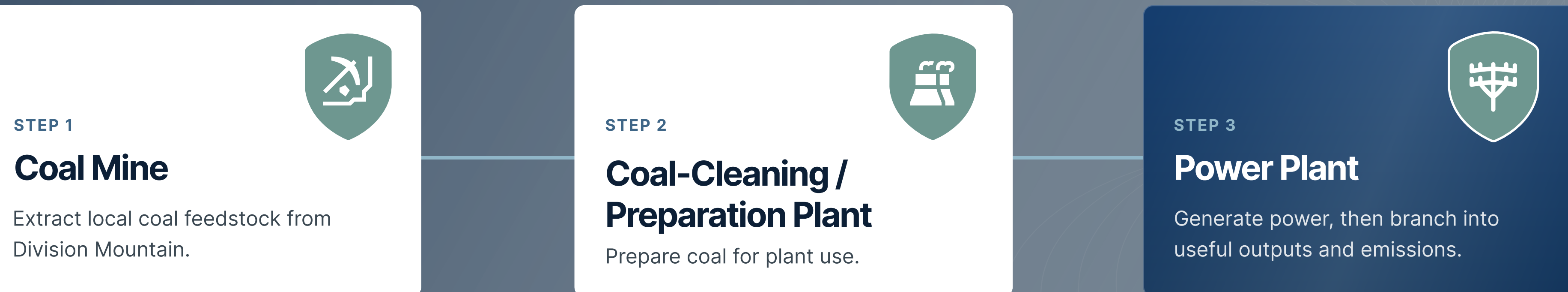
INDICATIVE SUPPLY LIFE

The measured resource could theoretically support a 100 MW power facility for approximately 105 years under the stated assumptions.



From Mine to Useful Outputs

Division Mountain contains a large, well-defined coal resource with the potential to supply a proposed Yukon power facility for more than a century.



Estimated Levelized Cost of Electricity

Estimated levelized electricity costs vary by generation technology and plant configuration.

Residential electrical bills are quickly becoming a major issue with many reports of bills costing on the order of **\$1,000 per month.**

Source: Power Plant Report, Table 22: LCOE Summary.
LCOE expressed in \$/kWh



20–22¢/kWh

Division Mountain Coal

(1 × 100 MWe: 20¢/kWh · 2 × 50 MWe: 22¢/kWh)



23–27¢/kWh

LNG Generation

(Combined Cycle: 23¢/kWh · Reciprocating: 27¢/kWh)



33¢/kWh

Diesel — Reciprocating



COGENERATION

WASTE HEAT CAPTURED AND DISTRIBUTED AS HOT WATER

Useful Heat as Hot Water

Waste heat from electricity generation could be captured and distributed as hot water rather than being lost.

Potential Local Uses

Greenhouses, district heating systems, agricultural buildings and industrial facilities.

Local Value

Captured heat could help satisfy local heating demand while improving overall facility efficiency.



FLY-ASH

A CO-PRODUCT, NOT SIMPLY WASTE

Potential Uses

Where technically suitable, it may be used or sold as a cement additive, aggregate or other construction input.

Market Opportunity

Local utilization or external sale could reduce waste and create an additional source of value.

Managed Responsibility

Proper capture and handling can minimize environmental impact while maximizing benefits.

Useful Co-Products

The proposed Division Mountain facility could produce useful, potentially marketable co-products alongside reliable electricity.

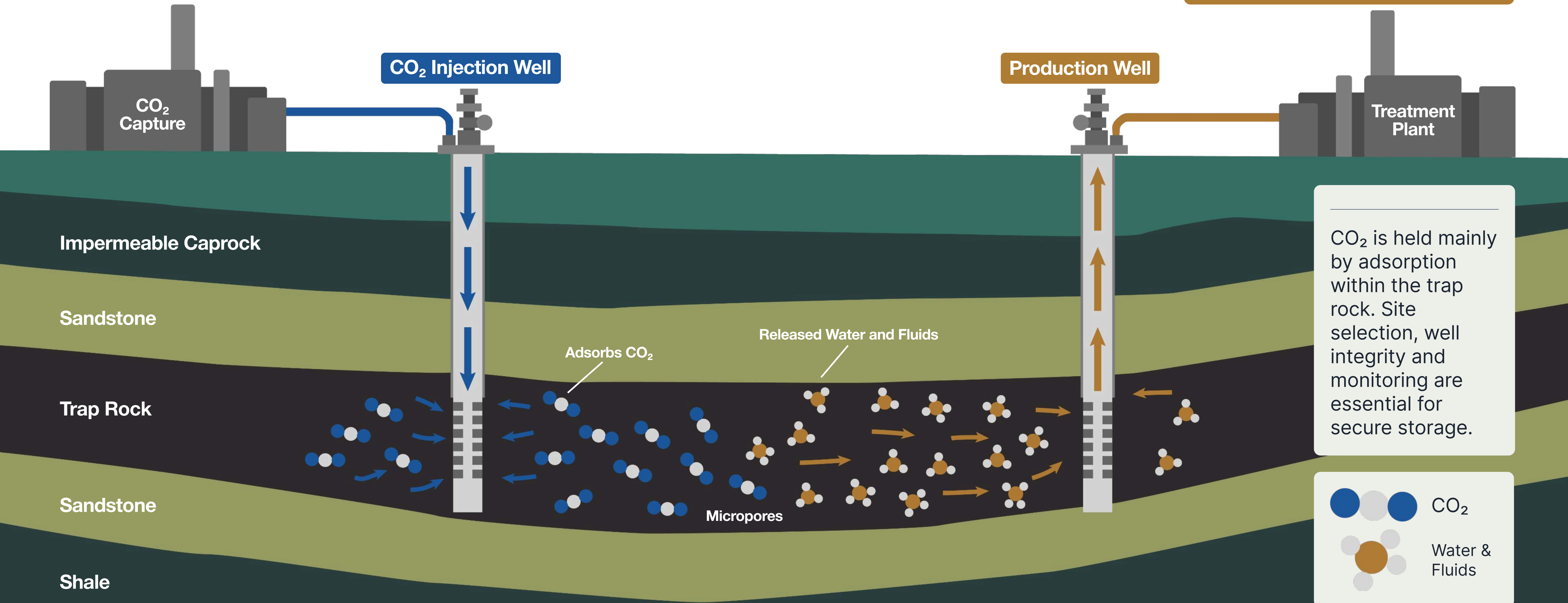
Carbon Sequestration

1 Capture CO₂

2 Inject into a deep unmineable seam

3 CO₂ adsorbs onto surfaces

4 Water and Fluids are displaced and can be recovered



Baseline Emissions

Direct facility emissions before cogeneration credits or carbon capture.

GHG Intensity

Coal has higher baseline GHG intensity before cogeneration credits or carbon capture.

PM

Coal particulate emissions are comparable to LNG and substantially lower than diesel.

SO₂

Division Mountain coal shows lower SO₂ emissions than both LNG and diesel.

NO_x

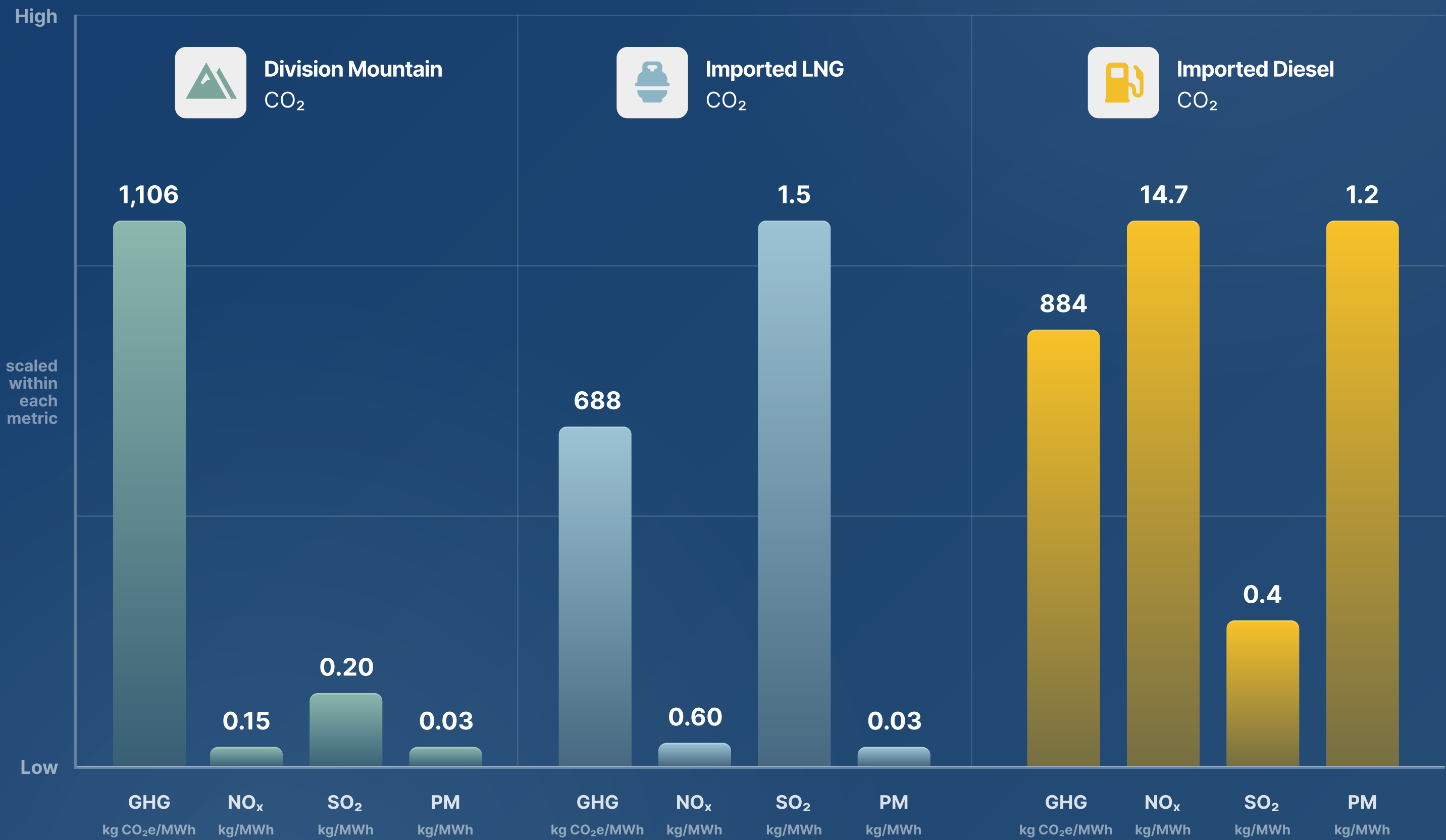
Division Mountain coal shows substantially lower NO_x emissions than both LNG and diesel.

STARTING POINT

Coal begins with higher baseline GHG intensity than imported LNG or diesel. However, Table 24 shows substantially lower NO_x, lower SO₂, and particulate matter comparable to LNG and well below diesel.

Direct Baseline Emissions

Units: GHG Intensity = kg CO₂e/MWh. NO_x, SO₂ and PM = kg/MWh.



Coal Plus Cogeneration

Useful heat can displace emissions from separate heating fuels and substantially improve the full-system

INDICATIVE CALCULATION

$$1,106 - 884.8 = 221.2$$

Useful heat displaces emissions that would otherwise come from separate heating systems.

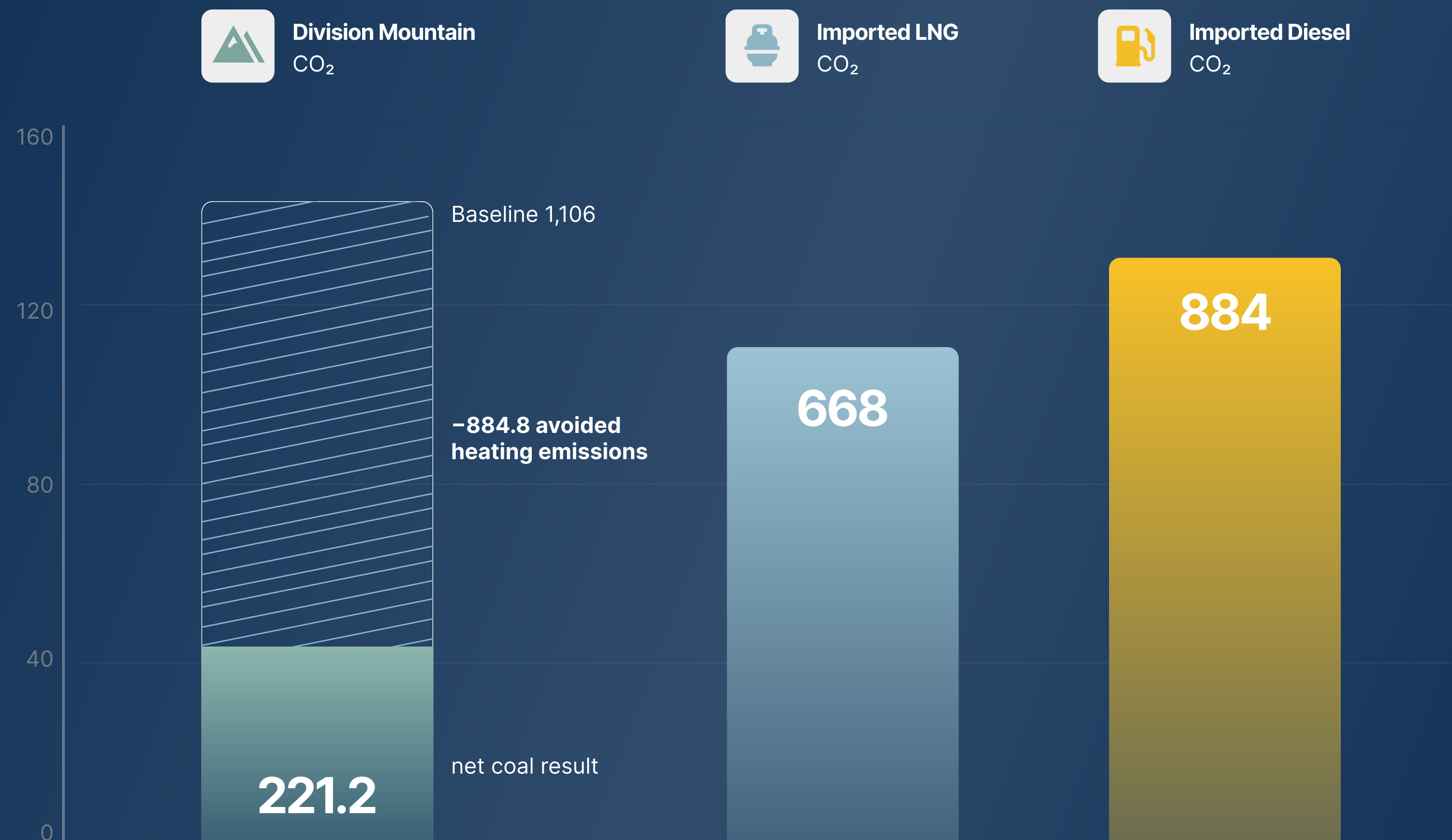
DIRECT FACILITY EMISSIONS

The stack still emits CO₂; cogeneration does not remove it.

SYSTEM-WIDE CREDIT

Useful heat can avoid emissions that would otherwise come from separate heating fuels.

Net result after cogeneration



Coal Plus Carbon Capture

Carbon capture alone could reduce direct CO₂ emissions to a small fraction of the baseline.

At an indicative 95% capture rate, only about 5% of baseline CO₂ remains.

CARBON CAPTURE EFFECT

$$1,106 \times 5\% = 55.3$$

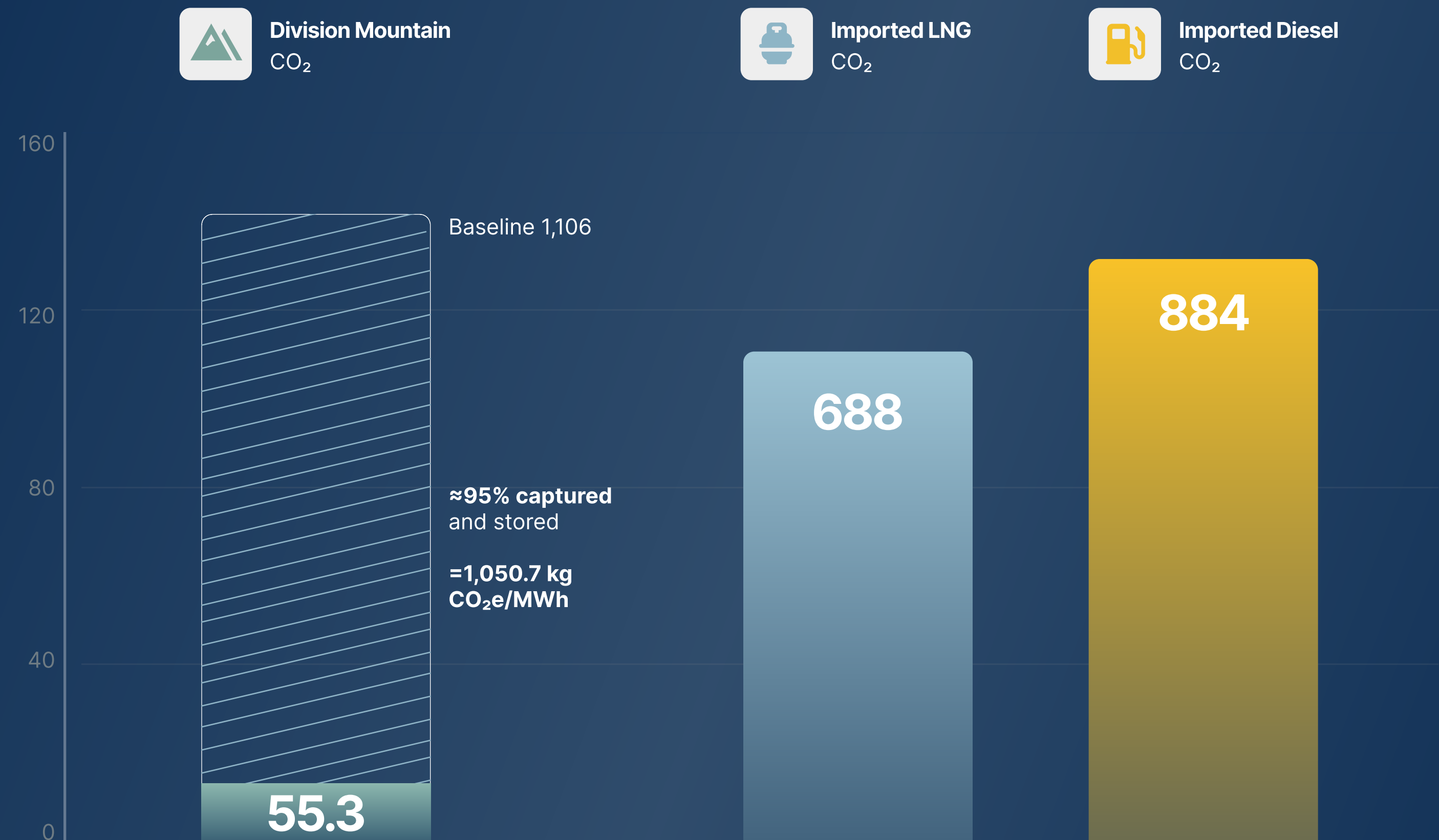
CAPTURED EMISSIONS

CO₂ is separated from the flue gas and prepared for secure storage.

DIRECT REMAINDER

Only the uncaptured fraction remains as direct facility emissions.

Coal result after carbon capture



Coal Plus Cogeneration and Carbon Capture

Capture addresses direct emissions; cogeneration creates separate avoided-emission credits.

ENVIRONMENTAL PUNCHLINE

$$55.3 - 884.8 = -829.5$$

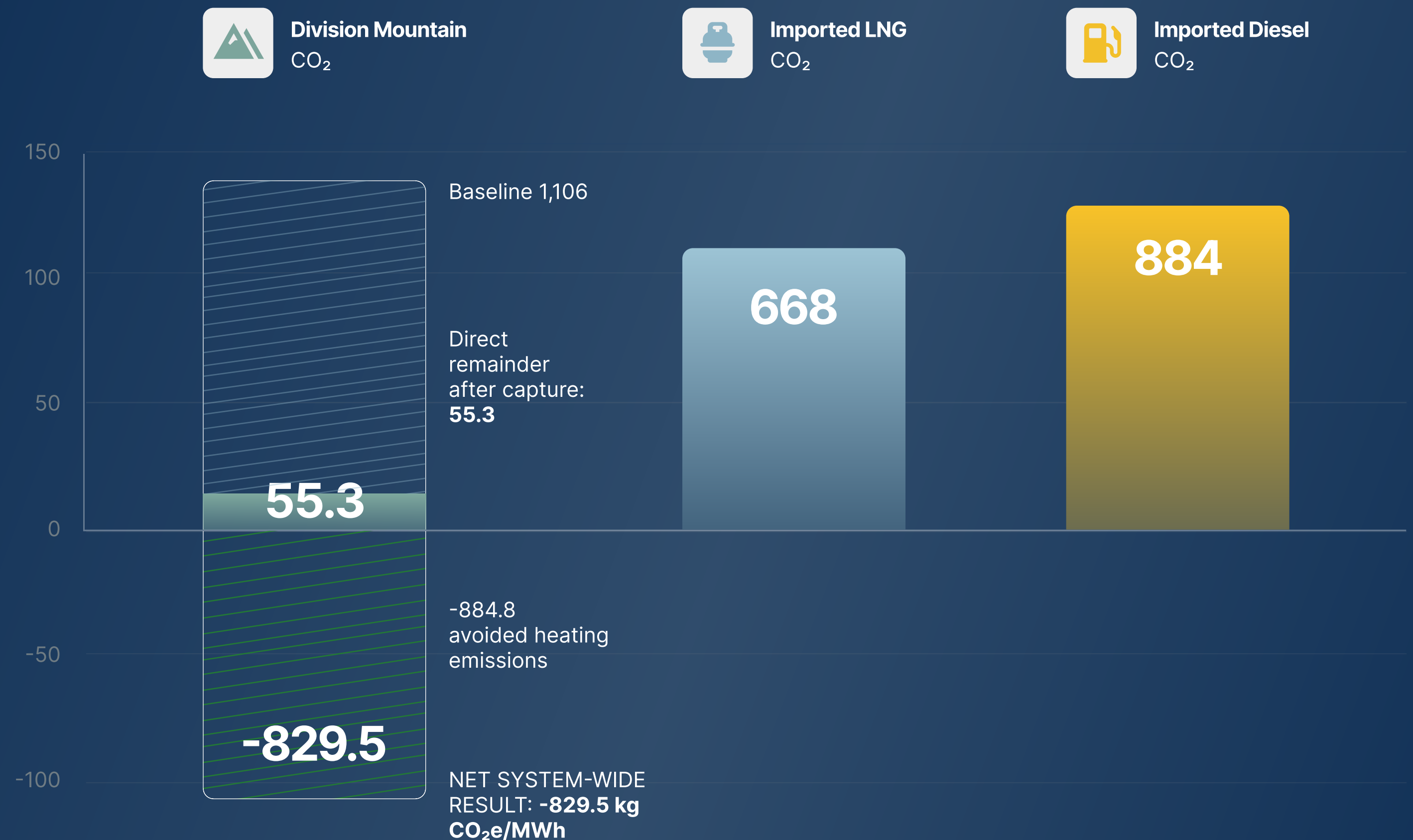
DIRECT FACILITY & CAPTURED EMISSIONS

≈55.3 remains after capture | ≈1,050.7 is captured and stored

AVOIDED / SYSTEM-WIDE CREDITS

≈884.8 in avoided heating-fuel emissions results in a net system-wide impact of -829.5 — not negative stack emissions

Combined environmental punchline



BRAEBURN

Strategic Location and Grid Connectivity

Near Braeburn

The deposit is located near the community of Braeburn

90 km

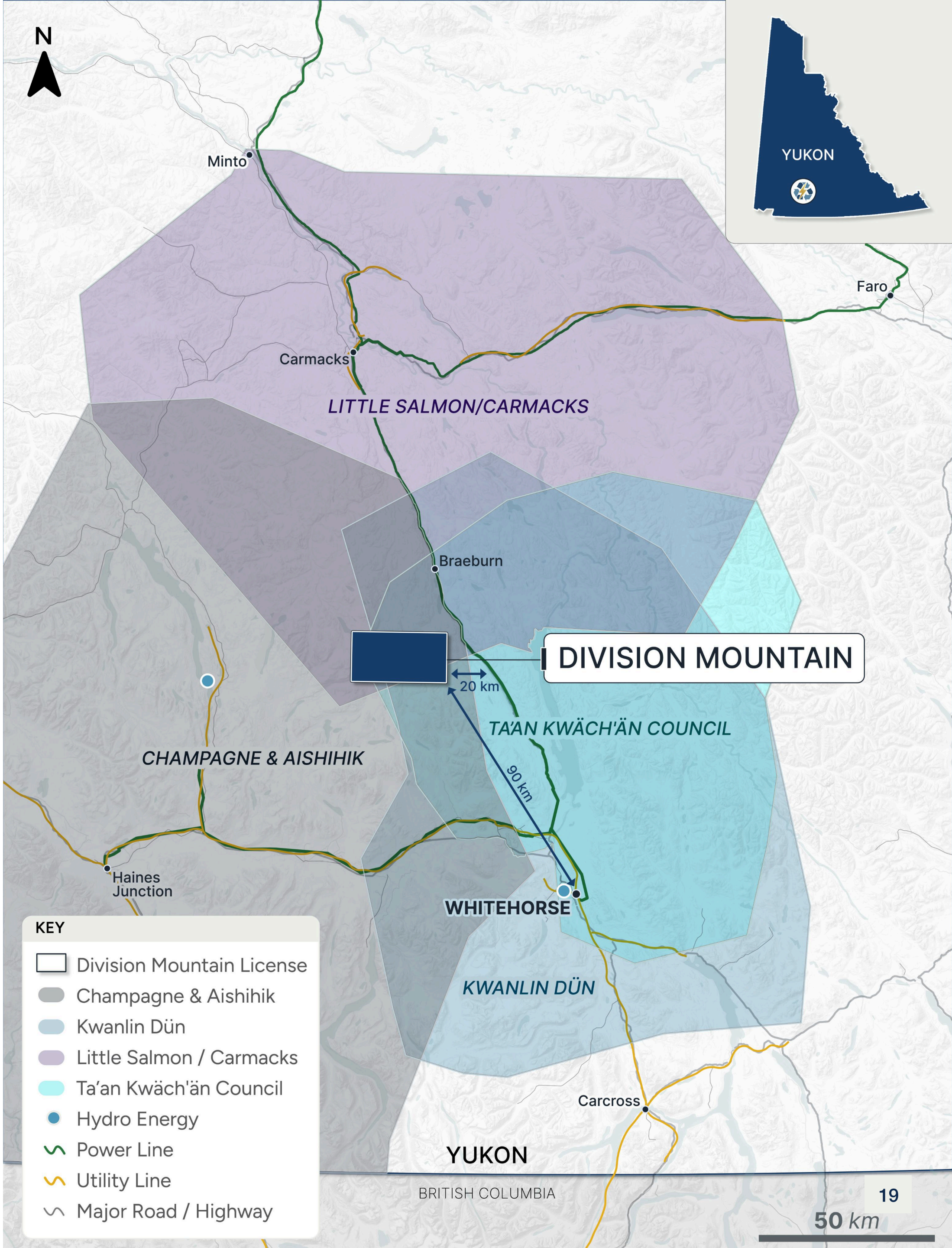
Northwest of
Whitehorse

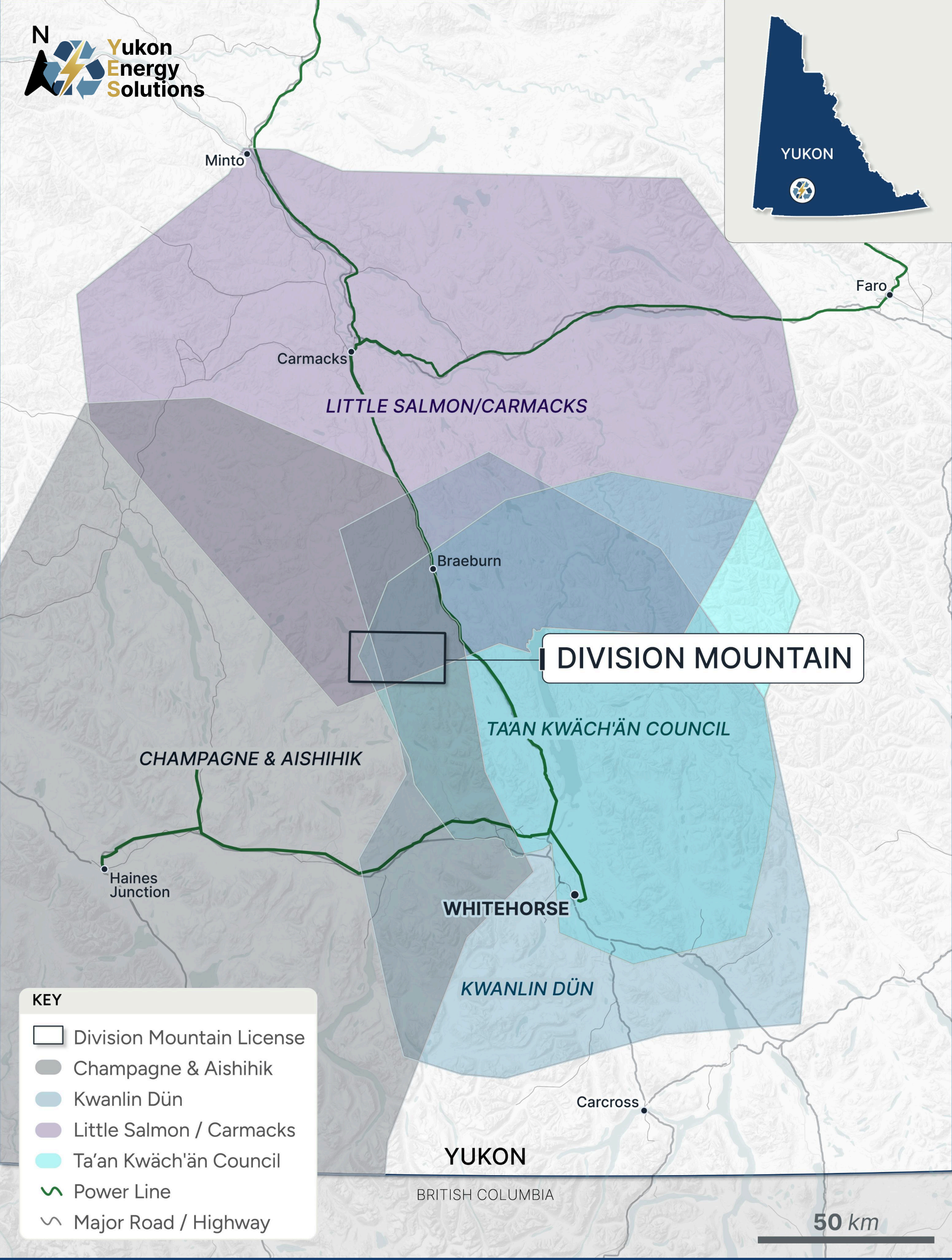
20 km

West of Yukon's major north-south electrical transmission line

Road and Infrastructure Access

The project is positioned near established roads and essential infrastructure required to support development and power generation.





Division Mountain And First Nations Traditional Territories

Division Mountain lies within the Traditional Territories of the Champagne and Aishihik, Little Salmon/Carmacks, Kwanlin Dün and the Ta'an Kwäch'än Council.

FOUR TRADITIONAL TERRITORIES



Champagne and Aishihik First Nations



Kwanlin Dün First Nation



Little Salmon/ Carmacks First Nation

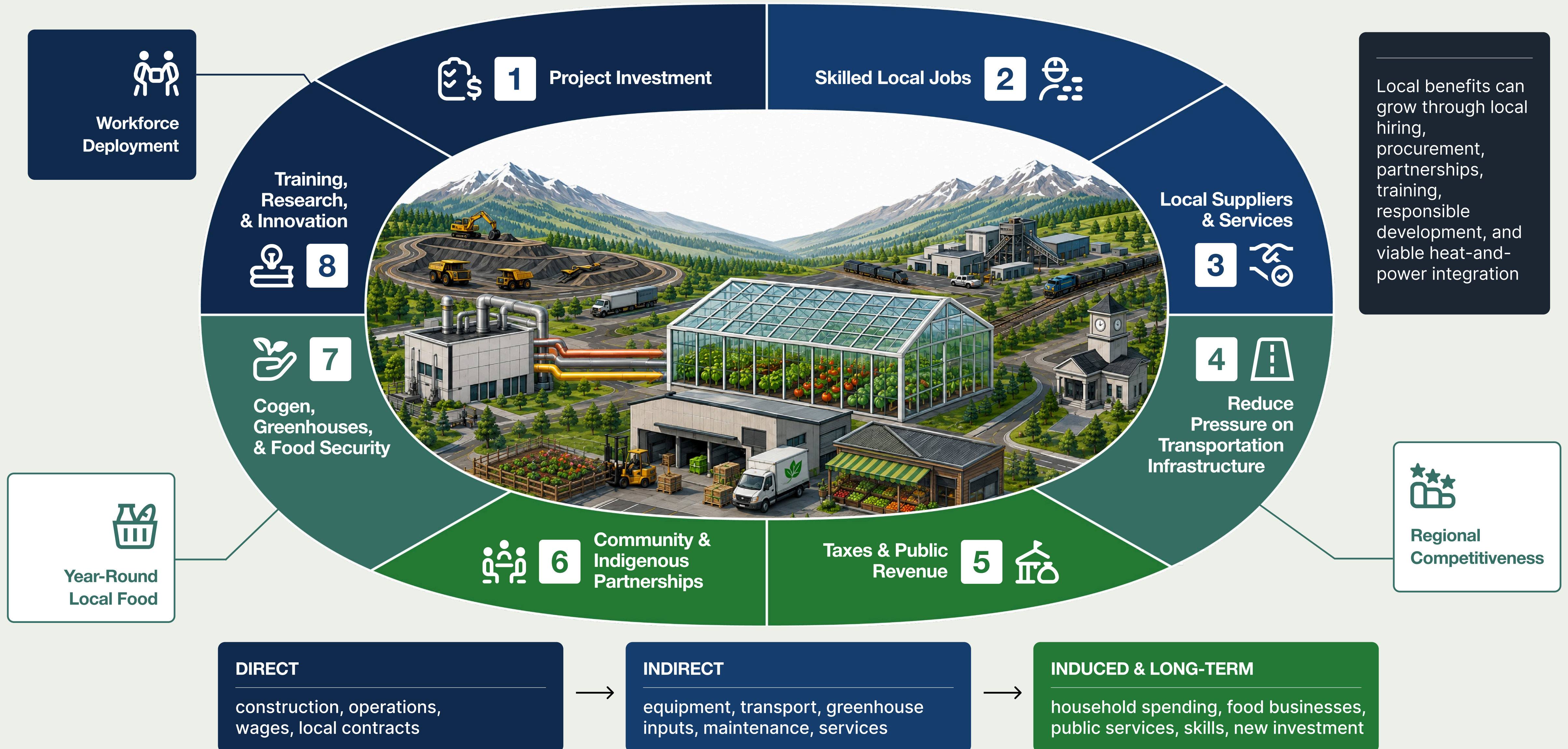


Ta'an Kwäch'än Council

PROGRESSIVE RECLAMATION

Project planning would incorporate progressive reclamation, including the staged restoration of disturbed areas as development advances, alongside site-specific dust, water and environmental controls.

How Division Mountain Coal Can Build Local Value



A Vision For Long-Term Self-Sufficiency

A Practical Bridge to Yukon's Energy Future

The coal-fired power plant proposed by YES could provide Yukon with medium-term energy self-sufficiency, while creating a pathway to transition to small modular reactor power when energy demand, technology and costs make SMRs practical.

Medium-Term Energy Security

Locally sourced coal could provide firm, reliable electricity while reducing dependence on imported diesel and LNG.

Infrastructure That Outlives the Plant

The greenhouses, distribution systems and supply-chain networks developed around cogeneration could continue supporting local food production long after the coal plant is decommissioned.

A Future Transition to SMRs

Waste hot water from a future SMR could replace the cogenerated hot water supplied by the coal plant, allowing established greenhouse and agricultural systems to continue operating.

Long-Term Outcome

A planned transition from local coal to SMR-generated power could help Yukon achieve lasting energy security and food self-sufficiency.



Building Yukon's Energy And Food Security



ENERGY SECURITY

Reliable electricity from a local Yukon resource.



EMPLOYMENT

Construction jobs and long-term operating opportunities.



LOCAL ECONOMY

Wages, contracts, purchases and taxes remain in Yukon.



FOOD SELF-SUFFICIENCY

Greenhouse and agricultural heat can support year-round food production.



COGENERATION

Captured heat becomes useful hot water for local use.



2-4 years

Estimated construction

300-500

Temporary construction jobs

40-60

Long-term operating jobs

100 MW

Proposed generation capacity

80%+

Potential material recovery rates
from combustion by-products

**Yukon Energy Solutions Ltd. is a
wholly owned subsidiary of
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