



FOR IMMEDIATE RELEASE

January 16th, 2023

TSX-V: WIN, OTCQB: WINKF, FSE: L72C

## Chairman's Update<sup>1</sup>

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**Brossard, Quebec / The Newswire / April 14th, 2021** – Windfall Geotek Inc. (the “Company”, or “Windfall” TSX-V: WIN, OTCQB: WINKF, FSE: L7C2)

Dear fellow shareholders,

I wanted to take this opportunity at the beginning of 2023 to discuss our progress over 2022 and lay out the plan we remain committed to over the next 12 months.

2022 was a very difficult year for many parts of the mining industry. We saw material changes in capital inflows and valuations of firms, in spite of strong fundamentals. At Windfall we perceived this change in the capital environment early and re-positioned our operations to drive to break even. It is my firm and continuing belief that an operating discipline that seeks to minimize burn and invests in high multiple valuable assets is the only way to achieve our vision of being the market leader in digital exploration.

Our pivot to focus on scale resulted in a complete greenfields replatforming of our technology stack leveraging new methods and capabilities not the least of which is leveraging Amazon Web Services for scale. This complete redo of our technology platform was a significant investment in time and capital. Using technology as a leverage will help Windfall Geotek explore new avenues to add value to the exploration teams using the data at its core. We think a platform focused on data directly accessible by geological professionals will be a net positive in the exploration industry.

We started this digital transformation with our own business. With the leverage that comes from our technological scale, we were able to do things that were impossible in the previous decade of the business. For example, in 2022, we completed 30 projects. This number is 10 times the average number of projects per year we did over the previous decade. The optimizations to our cost structure means we can partner with our clients and meet their financial realities creatively to gain market share.

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<sup>1</sup> **FORWARD-LOOKING STATEMENTS:** This letter contains forward-looking statements, which relate to future events or future performance and reflect management’s current expectations and assumptions. Such forward-looking statements reflect management’s current beliefs and are based on assumptions made by and using information currently available to the Company. Investors are cautioned that these forward-looking statements are neither promises nor guarantees, and they are subject to risks and uncertainties that may cause future results to differ materially from those expected. These forward-looking statements are made as of the date hereof and, except as required under applicable securities legislation, the Company does not assume any obligation to update or revise them to reflect new events or circumstances. All forward-looking statements made in this press release are qualified by these cautionary statements and by those made in our filings with SEDAR in Canada (available at [WWW.SEDAR.COM](http://WWW.SEDAR.COM)).

It also means that we, in partnership with financial and operational groups, can make bets based on the insights we gain from the large data sets we process. For example, in 2022, we prototyped the process for engaging in this way with our clients, successfully partnering to build an important land package in Ontario with our technology, yielding a 2% royalty and a 4 year option agreement worth \$1.4M.

On the application of our technology towards the scourge of landmines, in 2022 we deepened our partnership with Draganfly to support a product demonstration in Ukraine, and brought our deep knowledge in software and data models to support the build out of their drone and sensor facilities in the US. We jointly presented to decision makers in Europe, Asia, and North America, culminating in being invited to jointly present to the Canadian government our drone based detection and de-mining solution in the summer of 2023.

2023 is going to be a pivotal year for the adoption of AI assisted digital exploration. The decision by EarthLabs (formerly Goldspot) to pivot out of this area means we can leverage our position on the TSX Venture to take a more important market share. The sale of their platform for cash proceeds of \$24M also sets a very favourable comparative valuation to Windfall. Today we are one of the only companies offering digital exploration capabilities able to structure deals in a way that supports the junior market namely royalties, marketable securities, and cash.

Over the next 12 months we expect that we will take our technology platform and bring its capabilities directly to VP's of Exploration. This will put the power of digital exploration directly in the Geologist's hands to test and validate. Over the past 15 years we have struggled as Geological professionals expressed skepticism in the technology.

By pivoting to a licensable cloud based platform with algorithms that are explainable we will overcome the barrier that has limited our go to market over the past 18 months- namely skepticism of our technology by geological professionals. It is my sincere hope that next year I will be able to report another significant increase in projects through the platform based on the optimizations we have made to the business model and user interface.

2023 will also see us continuing to invest in our partnership with DraganFly, as we jointly work to mitigate the huge cost to human life in Ukraine and around the world. Our joint hardware and software teams are engaged deeply. Though change comes slowly, we are excited about the commercial potential from our invitations to a number of product demonstrations globally, the first of which is in June 2023.

In closing I am very excited about our prospects this year, and continue to operate the business in a way that efficiently uses shareholder capital. We remain debt free and continue to build our asset base. As always we welcome constructive input from all of you on the business and your continued advocacy to share our mission with all the primary exploration companies you invest and engage with.

Best Regards,  
Dinesh Kandanchatha  
Chairman