



TIDEWATER

Renewables Ltd.

Management's Discussion and Analysis

For the three month period ended March 31, 2026

May 6, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis (the "MD&A") of the condensed interim consolidated financial and operating results of Tidewater Renewables Ltd. ("Tidewater Renewables" or the "Corporation") is dated May 6, 2026, and should be read in conjunction with Tidewater Renewables' condensed interim consolidated financial statements as at and for the three months ended March 31, 2026 and 2025 (the "Financial Statements"). The Financial Statements have been prepared in accordance with IFRS[®] Accounting Standards as issued by the International Accounting Standards Board, which represent generally accepted accounting principles ("GAAP"). This MD&A contains non-GAAP measures which are used to measure and analyze financial performance, financial position and cash flow and therefore may not be comparable to similar measures presented by other entities. This MD&A also contains forward-looking statements. Readers are cautioned that the MD&A should be read in conjunction with Tidewater Renewables' disclosure under "Non-GAAP and Other Financial Measures" and "Forward-Looking Information" included at the end of this MD&A. Unless otherwise indicated, references herein to "\$" or "dollars" are to Canadian dollars.

Management is responsible for preparing the MD&A. The MD&A has been reviewed and recommended by the Audit Committee of Tidewater Renewables' board of directors (the "Board") and approved by the Board.

BUSINESS OVERVIEW

Tidewater Renewables is an energy transition company. The Corporation is focused on the production of low carbon fuels, primarily renewable diesel. The Corporation was created in response to the growing demand for renewable fuels in North America and to capitalize on its potential to efficiently turn a wide variety of renewable feedstocks (such as canola oil, tallow, used cooking oil, distillers corn oil, soybean oil, and other biomasses) into low carbon fuels. Tidewater Renewables' objective is to become a leading Canadian renewable fuel producer. The Corporation is pursuing this objective through the ownership, development, and operation of clean fuels projects and related infrastructure, that utilize existing proven technologies.

Tidewater Renewables' assets are located in British Columbia and Alberta (collectively the "Renewable Assets"). The Corporation's flagship asset, the renewable diesel & renewable hydrogen complex ("HDRD Complex") is located adjacent to the Prince George Refinery (the "PGR"), owned by the Corporation's controlling shareholder, Tidewater Midstream and Infrastructure Ltd. ("Tidewater Midstream"). Tidewater Renewables' other asset, the Corporation's joint venture investment in Rimrock Cattle Company Ltd. (the "Equity Investment"), is located in southern Alberta.

Tidewater Renewables' common shares are publicly traded on the Toronto Stock Exchange under the symbol "LCFS".

Additional information relating to Tidewater Renewables is available on SEDAR+ at www.sedarplus.ca and at www.tidewater-renewables.com.

FIRST QUARTER HIGHLIGHTS

- During the first quarter of 2026, the Corporation reported net income of \$10.0 million, compared to net income of \$5.3 million in the first quarter of 2025.
- Adjusted EBITDA⁽¹⁾ was \$24.1 million during the first quarter of 2026, a 904% increase over the \$2.4 million generated in the same period of 2025.
- The HDRD Complex achieved an average daily throughput of 2,837 bbl/d during the first quarter of 2026, representing a 95% utilization rate, compared to 2,239 bbl/d, representing a 75% utilization rate from the first quarter of 2025.
- Commercial momentum continued with over 90% of 2026 forecasted renewable diesel production and over 40% of 2027 and 2028 forecasted renewable diesel production now committed under offtake agreements.
- The Corporation has secured strong gross margins for 2026 by hedging approximately 50% of forecasted renewable diesel sales and associated feedstock purchases to mitigate commodity price volatility.
- On March 27, 2026, the U.S. Environmental Protection Agency (“EPA”) finalized the 2026 to 2027 Renewable Volume Obligations (“RVO”), establishing enhanced blending mandates that are expected to provide substantial structural support for the Corporation’s realized margins.
- On March 30, 2026, the Corporation received conditional approval for the Biofuel Production Incentive (“BPI”) from Natural Resources Canada, confirming total funding in line with the full annual production capacity of the HDRD Complex. The Corporation is currently finalizing the related contribution agreement with Natural Resources Canada, the final administrative requirement, which is expected to be executed in the second quarter of 2026.
- Increased full-year Adjusted EBITDA⁽¹⁾ guidance to \$100.0 million to \$110.0 million (from \$80.0 million to \$90.0 million). At the midpoint, this represents an 24% increase over the midpoint of the prior guidance, driven by a more constructive margin environment resulting from the continuation of the conflict in the Middle East and the favorable impact of the EPA finalized RVO on U.S. import parity benchmarks.

(1) Non-GAAP financial measure. See the “Non-GAAP and Other Financial Measures” section of this MD&A.

FINANCIAL HIGHLIGHTS

<i>(in millions of Canadian dollars except per share information)</i>	Three months ended March 31,	
	2026	2025
Revenue	\$ 93.6	\$ 57.7
Net income	\$ 10.0	\$ 5.3
Net income per share - basic and diluted	\$ 0.27	\$ 0.14
Adjusted EBITDA ⁽¹⁾	\$ 24.1	\$ 2.4
Net cash provided by operating activities	\$ 1.3	\$ 2.5
Distributable cash flow ⁽¹⁾	\$ 18.4	\$ (4.8)
Distributable cash flow per share - basic ⁽¹⁾	\$ 0.51	\$ (0.13)
Distributable cash flow per share - diluted ⁽¹⁾	\$ 0.49	\$ (0.13)
Total common shares outstanding (millions)	36.5	36.4
Total assets	\$ 419.7	\$ 401.7
Net debt ⁽²⁾	\$ 206.8	\$ 200.7

(1) Non-GAAP financial measures. Refer to the "Non-GAAP and Other Financial Measures" section of this MD&A.

(2) Capital management measure. Refer to the "Non-GAAP and Other Financial Measures" section of this MD&A.

OUTLOOK AND CORPORATE UPDATE

Financial performance review

During the three months ended March 31, 2026, the Corporation reported net income of \$10.0 million, compared to net income of \$5.3 million for the same period of 2025. The increase was primarily driven by higher throughput at the HDRD Complex, resulting in increased sales volume, alongside higher realized pricing. The recognition of the BPI also contributed to the increase in net income. Offsetting these results were unfavourable movements in derivative contracts, lower contributions from the Equity Investment, and the recognition of deferred income tax expense.

Tidewater Renewables generated Adjusted EBITDA ⁽¹⁾ of \$24.1 million in the first quarter of 2026, a 904% increase over the \$2.4 million generated during the same period in 2025. This increase was driven by strong facility throughput at the HDRD Complex, which led to a significant increase in production and sales volumes. The Corporation benefited from higher realized margins on these volumes and the recognition of the BPI.

U.S. regulatory developments

On March 27, 2026, the U.S. EPA finalized the RVO for the 2026 and 2027 compliance years (the "Set 2 Rule"), establishing record-high blending mandates that exceed 27 billion RINs by 2027. While the Set 2 Rule is a U.S. federal action, management believes this regulatory framework could lead to tightness, in the D4 RIN market, which would be expected to provide substantial structural support for Tidewater Renewables' realized margins in Canada.

The majority of the Corporation's offtake agreements utilize U.S. import benchmark pricing, which are structured to reflect the economic substitution cost of a U.S. gallon of renewable diesel. The Set 2 Rule is expected to increase the intrinsic value of D4 RINs, driven by a higher valuation for compliance credits amid stricter blending mandates. This pricing mechanism bolsters the benchmark pricing that Tidewater Renewables receives for its physical product sales in Canada. This allows the Corporation to capture environmental premiums reflective of North American market conditions without being a direct participant in the U.S. regulatory system.

(1) Non-GAAP financial measure. See the "Non-GAAP and Other Financial Measures" section of this MD&A.

Specific finalized components of the Set 2 Rule further underpin the Corporation's 2026 outlook:

- The 1.7x Multiplier - The EPA confirmed the maintenance of the 1.7x equivalence value for renewable diesel through 2026, ensuring a stable credit-generation baseline for the current planning cycle; and
- SRE Reallocation - The formal 70% reallocation of Small Refinery Exemptions ("SRE") is expected to reduce historical credit price volatility and strengthen the stability of the benchmarks that underpin the Corporation's revenue.

Management remains focused on navigating the evolving North American regulatory landscape to maximize the Corporation's realized pricing. The finalization of the Set 2 Rule provides a multi-year framework that ensures robust demand for renewable fuels within the U.S., thereby supporting the North American benchmarks to which Tidewater Renewables' sales are indexed. By leveraging offtake contracts that capture the replacement value inherent in the U.S., Tidewater Renewables is well-positioned to realize the elevated market value of its physical product and the associated Canadian environmental attributes. While the Corporation continues to monitor potential long-term shifts in regulatory multipliers and cross-border trade dynamics, the current RVO trajectory provides a transparent and supportive foundation for the Corporation's objective of generating strong cash flow and strengthening its overall financial position.

Canadian regulatory developments

As previously disclosed in the Corporation's MD&A for the year ended December 31, 2025, Tidewater Renewables formally submitted its application for the BPI in January 2026.

The Corporation is pleased to report that on March 30, 2026, Tidewater Renewables received conditional approval for the BPI, and Natural Resources Canada has formally confirmed total available funds under the program. The confirmed funding is in line with the Corporation's initial requests and reflects the total annual production capacity of the HDRD Complex.

This milestone validates the Corporation's eligibility for the federal BPI, with the remaining condition for approval being the execution of a contribution agreement. These funds are expected to be received quarterly in arrears, providing a consistent and meaningful boost to the HDRD Complex's economics, liquidity, and overall profitability throughout the incentive window.

Commercial execution and hedging program

The Corporation's commercial activities remain focused on securing long-term demand and stabilizing offtake to provide multi-year cash flow certainty. This momentum has continued into 2026, with over 90% of forecasted renewable diesel production for 2026 currently committed under offtake agreements (inclusive of associated emission credits). Looking further ahead, the Corporation has successfully extended its commercial reach, with over 40% of forecasted renewable diesel production for each of 2027 and 2028 now under contract. Management believes these levels reflect sustained demand for domestic renewable fuels. The majority of these contracts are structured with U.S. import parity pricing benchmarks to align realized prices with market values. Remaining volumes are expected to be sold into the Canadian spot market, providing the Corporation with flexibility to respond to prevailing market dynamics.

To further protect the Corporation's financial position, management has implemented a proactive hedging program for 2026. As of the date of this MD&A, the Corporation has hedged approximately 50% of 2026 renewable diesel (and attached emission credit) sales and associated feedstock purchases. By

utilizing these derivative instruments, the Corporation has locked in a strong gross margin on a significant portion of its 2026 production, effectively reducing exposure to commodity pricing volatility and ensuring more predictable cash flows.

2026 guidance update

Since the commencement of the Middle East conflict on February 28, 2026, the Corporation has observed significant pricing volatility and a notable strengthening in renewable diesel benchmarks, primarily driven by heightened geopolitical tensions in key energy-producing regions. This environment has resulted in realized pricing strength that has outpaced fluctuations in feedstock input costs, leading to a more constructive margin environment for the HDRD Complex than previously anticipated. Furthermore, the EPA finalized RVO is expected to increase the intrinsic value of D4 RINs and create broader market tightness. Given that a significant portion of the Corporation's offtake agreements utilize U.S. import parity benchmark pricing to reflect the economic substitution cost of U.S. product, this regulatory shift is expected to bolster the benchmarks that Tidewater Renewables uses to price its physical sales in Canada.

In light of these market dynamics, Tidewater Renewables is updating its full-year 2026 Adjusted EBITDA⁽¹⁾ guidance to \$100 million to \$110 million (from \$80 million to \$90 million). All other operational guidance metrics, including sales volume and 2026 capital expenditure targets, remain unchanged as the Corporation continues to prioritize debt reduction and operational optimization.

<i>(in millions of Canadian dollars, unless otherwise stated)</i>	2026 Prior Guidance	2026 Revised Guidance
Adjusted EBITDA ⁽¹⁾	80.0 – 90.0	100.0 – 110.0
Sales volume (MM litres)	150.0 – 170.0	150.0 – 170.0
Capital expenditures ⁽²⁾	2.0 – 3.0	2.0 – 3.0

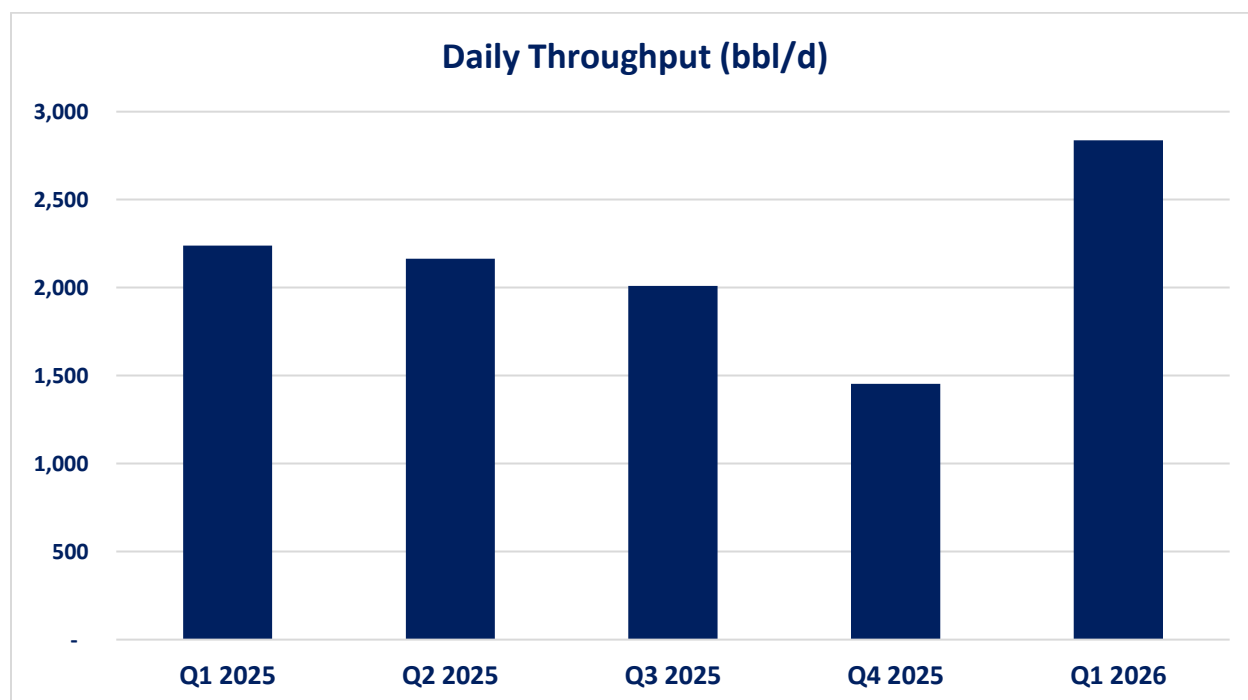
(1) Non-GAAP financial measure. Refer to the "Non-GAAP and Other Financial Measures" section of this MD&A.

(2) Capital expenditures are inclusive of growth capital expenditures and maintenance capital expenditures and are presented net of capital emission credits.

(1) Non-GAAP financial measure. See the "Non-GAAP and Other Financial Measures" section of this MD&A.

HDRD Complex

The HDRD Complex is Canada’s first standalone renewable diesel facility and is located adjacent to Tidewater Midstream’s PGR. The HDRD Complex is designed to process 3,000 bbl/d of renewable feedstock and utilizes renewable hydrogen to reduce the CI of the renewable fuel it produces.



During the first quarter of 2026, the HDRD Complex achieved an average utilization rate of 2,837 bbl/d, or 95% of design capacity. This compares to 2,239 bbl/d, or 75% of design capacity, during the same period in the prior year. The year over year increase in utilization was primarily driven by the absence of weather related rail logistics challenges and softer Canadian renewable diesel demand, that impacted the comparable period in 2025.

The facility’s performance during the quarter was further highlighted by its successful full rate operation in winter mode, producing high-quality, low cloud point renewable diesel that meets rigorous Canadian cold-weather specifications. While this operating mode typically requires minor throughput adjustments during high severity winter operations, the facility demonstrated significant operational resilience by maintaining near-nameplate utilization rates throughout the season. Management believes this ability to deliver specialized winter-spec fuel while maximizing throughput underscores the HDRD Complex’s advanced design and the Corporation’s ability to optimize operations across varying seasonal requirements.

Capital Program

The main expenditure under Tidewater Renewables’ 2026 growth capital program was the front-end engineering design (“FEED”) work being conducted on its proposed 6,500 bbl/d SAF project in British Columbia. The SAF project is being developed under a joint development agreement with Tidewater Midstream, whereby both parties have the right to participate in up to 50% of the project upon a final investment decision, which is targeted for 2026.

The SAF FEED work is complete and was partially funded through the sale of capital emissions credits issued under an executed initiative agreement with the Government of British Columbia. The Corporation

is now advancing optimization work on the project, which is partially funded through the amended initiative agreement with the Government of British Columbia executed in September 2025 (the “Amended Initiative Agreement”). Tidewater Renewables is actively pursuing long-term offtake commitments for the SAF product expected to be produced. Tidewater Renewables continues to see significant interest in supporting future SAF developments, as well as other renewable fuel initiatives, from various provincial and federal governments.

RESULTS OF OPERATIONS

Financial Overview

<i>(in millions of Canadian dollars except per share information)</i>	Three months ended March 31,	
	2026	2025
Revenue	\$ 93.6	\$ 57.7
Operating expenses	\$ 66.9	\$ 49.9
General and administrative	\$ 2.0	\$ 1.2
Share-based compensation	\$ 0.4	\$ 0.1
Depreciation	\$ 4.0	\$ 3.9
Finance costs and other	\$ 5.5	\$ 5.1
Realized loss on derivative contracts	\$ 1.1	\$ 6.2
Unrealized gain on derivative contracts	\$ (0.4)	\$ (12.1)
Loss on warrant liability revaluation	\$ 5.3	\$ 4.5
Income from equity investments	\$ (4.6)	\$ (6.6)
Transaction costs	\$ -	\$ 0.2
Deferred income tax expense	\$ 3.4	\$ -
Net income	\$ 10.0	\$ 5.3
Net income per share – basic and diluted	\$ 0.27	\$ 0.14

Revenue

Revenue increased to \$93.6 million in the first quarter of 2026, compared to \$57.7 million in the first quarter of 2025. This increase was primarily driven by higher throughput at the HDRD Complex, which resulted in increased sales volume of renewable diesel that was sold with the emission credits attached. Also contributing to the favourable variance was higher realized pricing for renewable diesel and increased sales of conventional blending fuels.

Operating Expenses

Operating expenses for the three months ended March 31, 2026 were \$66.9 million, compared to \$49.9 million in the first quarter of 2025. The increase was primarily driven by higher feedstock consumption, increased blending fuel costs and pricing. These costs were a direct result of the higher HDRD Complex utilization during the current quarter. These increases were partially offset by the recognition of \$6.1 million in funding expected to be received from the Government of Canada’s BPI.

The Corporation became eligible for the BPI starting January 1, 2026, following the formal launch and the subsequent conditional approval of the Corporation’s application. The income recognized in the quarter reflects an incentive rate of \$0.16 per litre on eligible renewable diesel production from the HDRD Complex. As the BPI program was not in effect during the first quarter of 2025, there was no comparable amount in the prior year period.

General and Administrative

General and administrative (“G&A”) expenses for the first quarter of 2026 were \$2.0 million, compared to \$1.2 million in the first quarter of 2025. The increase was primarily driven by a higher allocation of shared service resources from Tidewater Midstream, reflecting increased labour utilization to support the Corporation’s ongoing operational and strategic initiatives.

Share-Based Compensation

For the three months ended March 31, 2026, the Corporation’s share-based compensation expense was \$0.4 million, compared to share-based compensation expense of \$0.1 million for the same period in 2025. The increase was primarily driven by the timing of certain annual grants under the Long-Term Incentive Plan, which were granted during the current quarter but were not granted in the comparative 2025 period until the second quarter of 2025.

Depreciation

Depreciation expense for the three months ended March 31, 2026 was \$4.0 million, compared to \$3.9 million for the same period in 2025. The depreciation expense remained relatively consistent with the comparable period in 2025, reflecting a stable asset base and consistent depreciation rates.

Finance Costs and Other

Finance costs and other expenses for the first quarter of 2026 were \$5.5 million, compared to \$5.1 million for the same period in 2025. The increase was primarily driven by non-cash interest expenses.

Finance costs and other includes interest on the Corporation’s credit facilities as well as other non-cash interest expenses. Non-cash interest expenses include unrealized foreign exchange losses, unrealized gains or losses on equity investments, and accretion expenses on the Corporation’s decommissioning obligations, lease liabilities and long-term debt.

Realized Gains or Losses on Derivative Contracts

During the first quarter of 2026, the Corporation recognized a realized loss of \$1.1 million on derivative contracts, compared to a realized loss of \$6.2 million for the same period in 2025. The current quarter’s realized losses on derivative contracts relate to an increase in renewable diesel, environmental attributes, and associated feedstock, compared to the fixed derivative price. This compares favourably to the prior year period, where the realized loss related to lower average commodity prices for soybean oils, when compared to the fixed derivative price. Generally, realized gains and losses on derivative contracts resulting from fluctuations in renewable diesel prices, its associated environmental attributes, and related feedstocks are partially offset by an inverse gain or loss on physical product purchases and sales.

Unrealized Gains or Losses on Derivative Contracts

The Corporation recorded a non-cash unrealized gain of \$0.4 million for the three months ended March 31, 2026, compared to an unrealized gain of \$12.1 million for the same period in 2025. In the current quarter, the mark-to-market fluctuations were driven by a broader range of variables, including price volatility in diesel, D4 RIN, and California LCFS Credit prices, in addition to soybean oil futures. This compares to the same period in 2025, where unrealized gains and losses were more singularly focused on pricing changes in the Chicago Board of Trade soybean oil futures market. The shift reflects the Corporation’s risk management strategy of utilizing derivatives to hedge both the U.S. import parity

pricing benchmarks for committed sales, and the associated benchmark pricing for feedstocks, to reduce gross margin volatility and market price risk.

Warrant Liability Revaluation

For the three months ended March 31, 2026, the Corporation recognized a non-cash revaluation loss of \$5.3 million, compared to a non-cash revaluation loss of \$4.5 million for the same period in 2025, from remeasuring the Corporation's outstanding warrants to their fair value. Changes in the fair value are influenced by movements in the Corporation's share price, volatility assumptions, and other market-based inputs.

Income from Equity Investment

For the three months ended March 31, 2026, the Equity Investment generated income of \$4.6 million, compared to income of \$6.6 million for the same period in 2025. The decrease in the current quarter was primarily driven by reduced cattle sales volumes and a lower non-cash unrealized gain resulting from a mark-to-market revaluations of the cattle inventory, as compared to the same period in the prior year.

Transaction costs

For the three months ended March 31, 2026, the Corporation incurred no transaction costs. For the three months ended March 31, 2025, transaction costs of \$0.2 million were incurred to complete the sale of the Corporation's interest in Rimrock Renewables Limited Partnership.

Deferred Tax

For the three months ended March 31, 2026, the Corporation recognized \$3.4 million of deferred tax expense, compared to no deferred tax expense for the same period in 2025. The current quarter deferred tax expense primarily relates to the utilization of available tax pools against taxable income generated during the period.

Capital Expenditures

The following table summarizes growth and maintenance capital expenditures for the three months ended March 31, 2026, and 2025:

<i>(in millions of Canadian dollars)</i>	Three months ended March 31,	
	2026	2025
Growth capital ⁽¹⁾	\$ 0.8	\$ 2.0
Maintenance capital ⁽¹⁾	-	-
Expenditures on property, plant and equipment as per statement of cash flows	\$ 0.8	\$ 2.0
Capital emissions credits awarded ⁽²⁾	\$ (1.0)	\$ (1.2)

(1) Supplementary financial measures. See the "Non-GAAP and Other Financial Measures" section of this MD&A.

(2) During the three months ended March 31, 2026, the Corporation monetized \$NIL capital emissions credits (2025 - \$1.3 million).

Growth Capital

Growth capital expenditures for the first quarter of 2026 totaled \$0.8 million, compared to \$2.0 million in the first quarter of 2025.

During the first quarter of 2026, Tidewater Renewables' growth capital spending primarily related to optimization work on the SAF project, which is expected to be partially funded through the sale of capital emission credits issued under the Amended Initiative Agreement.

Maintenance Capital

The Corporation did not incur any material maintenance capital expenditures during the three months ended March 31, 2026, or during the same period in 2025.

SUMMARY OF QUARTERLY RESULTS

The following table presents a summary of Tidewater Renewables' quarterly results of the last eight quarters:

<i>(in millions of Canadian dollars, except per share information)</i>	Q1 2026	Q4 2025	Q3 2025	Q2 2025
Revenue	\$ 93.6	\$ 54.7	\$ 62.0	\$ 73.6
Net income (loss)	\$ 10.0	\$ (13.8)	\$ (1.0)	\$ 13.0
Net income (loss) per share - basic	\$ 0.27	\$ (0.38)	\$ (0.03)	\$ 0.36
Net income (loss) per share - diluted	\$ 0.27	\$ (0.38)	\$ (0.03)	\$ 0.35
Adjusted EBITDA ⁽¹⁾	\$ 24.1	\$ (3.8)	\$ 16.5	\$ 10.7

(1) Non-GAAP financial measure. Refer to the "Non-GAAP and Other Financial Measures" section of this MD&A.

<i>(in millions of Canadian dollars, except per share information)</i>	Q1 2025	Q4 2024	Q3 2024	Q2 2024
Revenue	\$ 57.7	\$ 76.4	\$ 91.6	\$ 147.2
Net income (loss)	\$ 5.3	\$ (3.4)	\$ (367.1)	\$ 4.9
Net income (loss) per share - basic	\$ 0.14	\$ (0.09)	\$ (10.46)	\$ 0.14
Net income (loss) per share - diluted	\$ 0.14	\$ (0.09)	\$ (10.46)	\$ 0.14
Adjusted EBITDA ⁽¹⁾	\$ 2.4	\$ 6.1	\$ 13.6	\$ 29.6

(1) Non-GAAP financial measure. Refer to the "Non-GAAP and Other Financial Measures" section of this MD&A.

During the first quarter of 2026, Tidewater Renewables' results were impacted by the following factors and trends:

- strong operational performance with the HDRD Complex achieving a 95% utilization rate, driven by successful winter mode operations and leading to higher sales volumes, improved margins, and recognition of the BPI;
- supportive North American regulatory dynamics following the March 2026 finalization of the U.S. RVO, which established record high blending mandates that provide structural support for Corporation's realized margins;
- disciplined commercial execution with over 90% of 2026 forecasted renewable diesel production contracted under offtake agreements; and
- proactive margin protection through a 2026 hedging program that covers approximately 50% of renewable diesel sales and feedstock purchases to mitigate commodity price volatility.

During 2025, Tidewater Renewables' results were impacted by the following factors and trends:

- strong commercial momentum, reflected in increased contracted offtakes and growing demand for Canadian-produced renewable diesel, which is expected to contribute to long-term market stability for the Corporation's renewable diesel production and associated emission credits;
- lower throughput at the HDRD Complex resulting in lower sales volumes;
- the absence of income contributions and related costs associated with the assets sold in the Tidewater Midstream Transaction;
- lower losses on derivative contracts as a result of price movements in soybean oil futures; and
- lower finance costs resulting from reduced debt balances and more favourable interest rates.

LIQUIDITY AND CAPITAL RESOURCES

The Corporation's primary liquidity and capital resource needs include funding the HDRD Complex's operations, future interest payments, working capital requirements and funding growth opportunities, including the SAF project. The Corporation anticipates that its net cash from operating activities, funds from its senior credit facility and second lien credit facility, proceeds from the sale of emissions credits, and other financing sources will be sufficient to fulfill its financial commitments, obligations, and anticipated capital expenditures as they become due.

The Corporation's liquidity position is further supported by a proactive hedging program and disciplined commercial execution. Current hedging activities cover approximately 50% of the Corporation's 2026 renewable diesel sales and associated feedstock purchases, locking in strong gross margins and reducing exposure to commodity price volatility. Furthermore, over 90% of 2026 forecasted renewable diesel production is committed under offtake agreements. The majority of these contracts utilize U.S. import parity pricing benchmarks, aligning realized prices with North American market values and ensuring consistent cash flow generation.

Liquidity is also expected to be enhanced by the recently confirmed BPI funding. These federal incentive funds are expected to be received quarterly in arrears, providing a meaningful boost to the HDRD Complex's economics and overall profitability throughout the incentive window.

The Corporation does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Corporation's financial performance. Credit facilities held by the Corporation's equity investees are non-recourse to the Corporation.

Debt Borrowings

The following table summarizes the Corporation's credit facilities outstanding as at March 31, 2026:

<i>(in millions of Canadian dollars)</i>	Maturity Date	Rate	Facility Amount	Amount Drawn
Senior Credit Facility	February 28, 2027	variable	\$ 40.0	\$ 22.9
Second Lien Credit Facility	October 24, 2027	variable	183.9	183.9
Total			\$ 223.9	\$ 206.8

Financial Covenants

The following is a list of Tidewater Renewables financial covenants as at March 31, 2026:

	Ratio	March 31, 2026
Tidewater Renewables debt to Adjusted EBITDA ⁽¹⁾⁽²⁾	Maximum 4.50:1	2.19
Adjusted EBITDA to interest coverage ⁽²⁾	Minimum 2.50:1	6.46

(1) Debt to Adjusted EBITDA ratio for the fiscal quarter ending June 30, 2026, not greater than 4.00:1, fiscal quarter ending September 30, 2026, not greater than 3.50:1, for fiscal quarter ending December 31, 2026 and beyond, not greater than 3.00:1.

(2) Adjusted EBITDA for covenant reporting at March 31, 2026, to be calculated based on three months annualized, at June 30, 2026, on six months annualized, at September 30, 2026, on nine months annualized, and December 31, 2026, and beyond, on the trailing-twelve months. Interest is to be calculated on a trailing twelve-month basis.

Tidewater Renewables is required to maintain certain financial covenants. The calculations for each of these ratios are based on specific definitions in the agreements governing the Tidewater Renewables' senior credit facility and the second lien credit facility, are not in accordance with GAAP, and cannot be

directly calculated by referring to the Financial Statements. At March 31, 2026, Tidewater Renewables was in compliance with its financial covenants.

Cash Flow Summary

The following table summarizes the Corporation's sources and uses of funds from continuing operations for the three months ended March 31, 2026 and 2025:

Cash flows provided by (used in) <i>(in millions of Canadian dollars)</i>	Three months ended March 31,	
	2026	2025
Operating activities	\$ 1.3	\$ 2.5
Financing activities	\$ (2.4)	\$ (2.4)
Investing activities	\$ 1.1	\$ -

Net Cash Provided by (Used in) Operating Activities

Net cash provided by operating activities was \$1.3 million for the three months ended March 31, 2026, compared to net cash provided by operating activities of \$2.5 million for the three months ended March 31, 2025.

The decrease in net cash provided by operating activities in the current quarter was primarily driven by unfavourable non-cash working capital changes, largely due to an increase in accounts receivable reflecting the timing of cash receipts. These unfavourable impacts were partially offset by higher operating margins resulting from increased throughput at the HDRD Complex during the current quarter, and favourable commodity pricing.

Net cash provided by operating activities will fluctuate quarter over quarter due to inventory at the HDRD Complex, the commodity prices at which inventory is bought and sold, and seasonal demand. Commodity prices and the HDRD Complex's inventory is expected to fluctuate period over period, and accordingly, working capital requirements also fluctuate with changes in commodity prices and demand.

Net Cash (Used in) Provided by Financing Activities

Net cash used by financing activities for both the three months ended March 31, 2026 and March 31, 2025 was \$2.4 million. During the current quarter, lower net advances from the senior credit facility were offset by higher finance charges, as compared to the same period in the prior year.

Net Cash Provided by (Used in) Investing Activities

Net cash provided by investing activities for the three months ended March 31, 2026 was \$1.1 million, compared to net cash provided by investing activities of \$NIL for the same period in 2025. The increase primarily relates to favourable changes in non-cash working capital and lower capital expenditures, partially offset by the absence of proceeds from the interest in Rimrock Renewables Limited Partnership and capital emission credit sales.

CONTRACTUAL LIABILITIES AND COMMITMENTS

The Corporation had the following contractual obligations and commitments as at March 31, 2026:

<i>(in millions of Canadian dollars)</i>		Within one year	One to five years	Thereafter	Total
Accounts payables, accrued liabilities and provisions	\$	29.7	\$ -	\$ -	\$ 29.7
Lease liabilities ⁽¹⁾		3.5	0.9	-	4.4
Senior credit facility ⁽²⁾		22.9	-	-	22.9
Second lien credit facility ^{(2) (3)}		-	183.9	-	183.9
Total	\$	56.1	\$ 184.8	\$ -	\$ 240.9

(1) Amounts represent the expected undiscounted cash payments related to leases.

(2) Amounts represent undiscounted principal only and exclude accrued interest.

(3) The second lien tranche A and tranche B facilities are due on October 24, 2027.

OUTSTANDING EQUITY

As at May 5, 2026, Tidewater Renewables had the following number of outstanding common shares, restricted share units (“RSUs”), deferred share units (“DSUs”), stock options (“Options”) and warrants:

<i>(in thousands)</i>	
Common shares	36,524
RSUs	539
DSUs	158
Options	360
Warrants	4,375

TRANSACTIONS WITH RELATED PARTY

The Corporation has entered into certain agreements and transactions with its controlling shareholder, Tidewater Midstream. Related party transactions included in the consolidated statements of net income and comprehensive income for the three months ended March 31, 2026 and 2025, are summarized in the following table:

<i>(in millions of Canadian dollars)</i>	Three months ended March 31,	
	2026	2025
Revenue from the sale of renewable fuels	\$ 16.3	\$ 28.9
Purchases of blending fuels	17.2	2.0
Sales of emission credits	-	20.4
Other operating expenses	6.0	5.3
G&A expenses under the shared services agreement	0.8	0.6
Realized loss on derivative contracts	-	1.1
Unrealized gain on derivative contracts	-	(1.9)

The related party balances included in the consolidated statement of financial position as at March 31, 2026 and December 31, 2025, are summarized in the following table:

	March 31, 2026	December 31, 2025
Accounts receivable	\$ 4.7	\$ 1.9
Accounts payable, accrued liabilities and provisions	(9.4)	(10.2)

For the three months ended March 31, 2026, Tidewater Renewables had no other transactions with related parties, except the remuneration of key management personnel in the ordinary course of their employment.

FINANCIAL INSTRUMENTS

Tidewater Renewables' financial instruments consist of cash and cash equivalents, accounts receivable, derivative contracts, accounts payable, accrued liabilities and provisions, the senior credit facility and the second lien credit facility. Tidewater Renewables employs risk management strategies and policies to ensure that any exposures to market risks are in compliance with the Corporation's business objectives and risk tolerance levels.

The majority of the Corporation's accounts receivable are due from investment-grade counterparties subject to normal industry credit risks. This represents a continued improvement in the Corporation's credit profile compared to the prior year. Tidewater Renewables evaluates and monitors the financial strength of its customers in accordance with its credit policy. Financial assurances received to mitigate and reduce risk may include letters of credit and prepayments.

The Corporation enters into certain financial derivative contracts to manage commodity price risk and these instruments are not used for speculative purposes. The Corporation has not designated its financial derivative contracts as effective accounting hedges. Such financial derivative contracts are recorded on the statement of financial position at fair value, with changes in the fair value being recognized as an unrealized loss (gain) on the consolidated statement of net income and comprehensive income.

RISK FACTORS

The Corporation continually works to mitigate the impact of risks to its business by identifying all significant risks so that they can be appropriately managed. The risks that may affect the business and operations of Tidewater Renewables are described herein and within the Corporation's most recent annual information form, a copy of which is available on Tidewater Renewables' SEDAR+ profile at www.sedarplus.ca. The Corporation's financial risks are discussed in note 12 of the Financial Statements.

CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

Certain accounting policies require that management make appropriate decisions with respect to the formulation of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Management reviews its estimates on a regular basis. The emergence of new information and changed circumstances may result in actual results or changes to estimates that differ materially from current estimates. The Corporation's use of estimates and judgments in preparing the Financial Statements is discussed in note 2 of the consolidated financial statements for the year ended December 31, 2025, a copy of which is available on Tidewater Renewables' SEDAR+ profile at www.sedarplus.ca. There have been no material changes to the Corporation's critical accounting estimates and judgements during the three months ended March 31, 2026.

CONTROL ENVIRONMENT

Management, including the Corporation's Chief Executive Officer and Chief Financial Officer, assessed the design and effectiveness of internal control over financial reporting ("ICFR") and disclosure controls and procedures ("DC&P") as at March 31, 2026. In making its assessment, management used the Committee of Sponsoring Organizations of the Treadway Commission Framework in Internal Control – Integrated Framework (2013) to evaluate the design and effectiveness of ICFR. Based on that evaluation, management has concluded that both ICFR and DC&P were effective as at March 31, 2026, in all material respects.

Internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable and not absolute assurance that the objectives of the control system will be met. As a result of inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Corporation have been prevented or detected. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with the Corporation's policies or procedures.

NON-GAAP AND OTHER FINANCIAL MEASURES

Throughout this MD&A and in other materials disclosed by the Corporation, Tidewater Renewables uses a number of non-GAAP financial measures, non-GAAP ratios, capital management measures and supplementary financial measures when assessing its results and measuring overall performance. The intent of non-GAAP measures and ratios is to provide additional useful information to investors and analysts. These non-GAAP financial measures and ratios do not have standardized meanings prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other entities.

As such, these measures should not be considered in isolation or used as a substitute for measures of performance prepared in accordance with GAAP. Except as otherwise indicated, these non-GAAP financial measures and ratios will be calculated and disclosed on a consistent basis from period to period. Specific adjusting items may only be relevant in certain periods. The following are the non-GAAP financial measures, non-GAAP financial ratios, capital management measures and supplementary financial measures used herein.

Non-GAAP Financial Measures

The non-GAAP financial measures used by the Corporation are Adjusted EBITDA and distributable cash flow.

Adjusted EBITDA

Adjusted EBITDA is calculated as income (or loss) before finance costs, taxes, depreciation, share-based compensation, unrealized gains and losses on derivative contracts, transaction costs, and other items considered non-recurring in nature, plus the Corporation's proportionate share of Adjusted EBITDA in its equity investments.

Adjusted EBITDA is used by management to set objectives, make operating and capital investment decisions, monitor debt covenants and assess performance. Tidewater Renewables also believes Adjusted EBITDA is a measure widely used by securities analysts, investors, lending institutions and others to evaluate the financial performance of the Corporation. From time to time, the Corporation issues guidance on this key measure. As a result, Adjusted EBITDA is presented as a relevant measure in this

MD&A to assist analysts and readers in assessing the performance of the Corporation as seen from management’s perspective. Investors should be cautioned that Adjusted EBITDA should not be construed as an alternative to net income, net cash provided by operating activities or other measures of financial results determined in accordance with GAAP as an indicator of the Corporation’s performance and may not be comparable to companies with similar calculations.

The following table reconciles net income, the nearest GAAP measure, to Adjusted EBITDA:

<i>(in millions of Canadian dollars)</i>	Three months ended March 31,	
	2026	2025
Net income	10.0	\$ 5.3
Deferred income tax expense	3.4	-
Depreciation	4.0	3.9
Finance costs and other	5.5	5.1
Share-based compensation	0.4	0.1
Unrealized gain on derivative contracts	(0.4)	(12.1)
Loss on warrant liability revaluation	5.3	4.5
Transaction costs	-	0.2
Non-recurring expenses	0.1	0.3
Adjustment to share of profit from equity accounted investments	(4.2)	(4.9)
Adjusted EBITDA	24.1	\$ 2.4

Distributable Cash Flow

Distributable cash flow is calculated as net cash provided by (used in) operating activities before changes in non-cash working capital plus transaction costs, non-recurring expenses, and after any expenditures that use cash from operations. Changes in non-cash working capital are excluded from the determination of distributable cash flow because they are primarily the result of seasonal fluctuations or other temporary changes, and are generally funded with short-term debt or cash flows from operating activities. Maintenance capital expenditures, including turnarounds, are deducted from distributable cash flow as they are ongoing recurring expenditures which are funded from operating cash flows. Transaction costs are added back as they vary significantly quarter to quarter based on the Corporation’s acquisition and disposition activity. Distributable cash flow also excludes non-recurring transactions that do not reflect Tidewater Renewables’ ongoing operations.

Management believes distributable cash flow is a useful metric for investors when assessing the amount of cash flow generated from the Corporation’s normal operations. These cash flows are relevant to the Corporation’s ability to internally fund growth projects, alter its capital structure, or distribute returns to shareholders.

The following table reconciles net cash provided by (used in) operating activities, the nearest GAAP measure, to distributable cash flow:

<i>(in millions of Canadian dollars)</i>	Three months ended March 31,	
	2026	2025
Net cash (used in) provided by operating activities	\$ 1.3	\$ 2.5
Add (deduct):		
Changes in non-cash working capital	22.7	(2.1)
Transaction costs	-	0.2
Non-recurring expenses	0.1	0.3
Interest and financing charges	(4.0)	(3.9)
Payment of lease liabilities	(1.7)	(1.8)
Distributable cash flow	\$ 18.4	\$ (4.8)

Growth capital expenditures will generally be funded from net cash provided by operating activities, sales of capital emission credits and proceeds from additional debt or equity, as required.

Non-GAAP Financial Ratios

The Corporation uses the following non-GAAP financial ratios to present aspects of its financial performance or financial position.

Distributable cash flow per common share (basic and diluted)

Distributable cash flow per common share is calculated as distributable cash flow, a non-GAAP financial measure, over the weighted average number of common shares outstanding for the period.

Management believes that distributable cash flow per common share provides investors an indicator of funds generated from the business that could be allocated to each shareholder's equity position.

<i>(in millions of Canadian dollars except per share information)</i>	Three months ended March 31,	
	2026	2025
Distributable cash flow	\$ 18.4	\$ (4.8)
Weighted average shares outstanding - basic	36.4	36.4
Weighted average shares outstanding - diluted	37.4	36.8
Distributable cash flow per share - basic	\$ 0.51	\$ (0.13)
Distributable cash flow per share - diluted	\$ 0.49	\$ (0.13)

Capital Management Measures

The Corporation has its own methods for managing capital and liquidity as further described in the "Liquidity and Capital Resources" section of this MD&A and within note 22 of the consolidated financial statements for the year ended December 31, 2025, a copy of which is available on Tidewater Renewables' SEDAR+ profile at www.sedarplus.ca.

Net Debt

Net debt is used by the Corporation to monitor its capital structure and financing requirements. It is also used as a measure of the Corporation's overall financial strength. Net debt is defined as amounts owing under the senior credit facility and second lien credit facility, less cash.

Net debt excludes working capital, lease liabilities and derivative contracts as the Corporation monitors its capital structure based on net debt to Adjusted EBITDA.

The following table reconciles net debt:

<i>(in millions of Canadian dollars)</i>	March 31, 2026		December 31, 2025	
Senior Credit Facility	\$	22.9	\$	22.3
Senior Lien Credit Facility		183.9		183.9
Net debt	\$	206.8	\$	206.2

Supplementary Financial Measures

Growth Capital

Growth capital expenditures are defined as expenditures which are recoverable, incrementally increase cash flow or the earning potential of assets, expand the capacity of current operations, or significantly extend the life of existing assets. This measure can be used by investors to assess the Corporation's discretionary capital spending.

Maintenance Capital

Maintenance capital expenditures are generally defined as expenditures that support and/or maintain the current capacity, cash flow or earning potential of existing assets without the characteristic benefits associated with growth capital expenditures. These expenditures include major inspections and overhaul costs that are required on a periodic basis. This measure can be used by investors to assess the Corporation's non-discretionary capital spending.

ABBREVIATIONS AND DEFINITIONS

“bbl/d” means barrels per day.

“BC LCFS Credits” are tradable certificates awarded to fuel producers, importers, or users who produce or use fuels with a CI lower than the required standard set by the British Columbia government. These credits are earned when the carbon emissions of fuel are below the established threshold, and they can be bought and sold in a market to help companies meet their regulatory obligations. The purpose of these credits is to incentivize the use of cleaner, low-carbon fuels and to help reduce the overall greenhouse gas emissions in the transportation sector.

“capital emissions credits” refers to environmental credits granted or generated for the achievement of engineering or construction milestones on the expansion of the Corporation’s capital assets.

“CFR Emission Credits” means credits generated under the Canadian Clean Fuel Regulations.

“CI” means carbon intensity as specified and calculated under each specific government methodology, where certain calculation differences may exist from one jurisdiction to another.

“D4 RINs” means tradeable compliance credits created under the RFS by producing biomass-based diesel from qualifying renewable biomass, including blending such biomass-based diesel into petroleum-based transportation fuels, and meeting a 50% lifecycle GHG reduction, and utilized by obligated parties to meet annual renewable volume obligation targets;

“environmental attributes” means, collectively, BC LCFS Credits, CFR Emission Credits, carbon credits, rebates, tax credits, grants and other incentives specific to the jurisdiction the renewable product is sold and environmental attributes available;

“operating emissions credits” refers to environmental credits granted or generated through the production or blending of renewable fuels.

“throughput” means with respect to refinery units of the HDRD Complex, inlet volumes processed (including any off-load or reprocessed volumes).

“Tidewater Midstream Transaction” refers to an Assets Sales Agreement that the Corporation and Tidewater Midstream entered into on September 12, 2024, pursuant to which the Corporation sold its canola co-processing infrastructure, the fluid catalytic cracking co-processing infrastructure, working interests in various other PGR units, and a natural gas storage facility co-located at Tidewater Midstream’s Brazeau River Complex (collectively the “Divested Assets”) to Tidewater Midstream for cash proceeds of \$122.0 million, plus the assumption by Tidewater Midstream of certain of our liabilities relating to the Divested Assets. In addition, as part of the consideration, Tidewater Midstream assigned the right to receive certain BC LCFS Credits to the Corporation with a minimum value of \$7.7 million.

“U.S.” meaning the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

“utilization” or “utilization rate” means the throughput of a facility or unit divided by its design capacity.

FORWARD-LOOKING INFORMATION

Certain statements contained in this MD&A constitute forward-looking statements and forward-looking information (collectively, “forward-looking statements”) within the meaning of applicable Canadian securities laws. Such forward-looking statements relate to future events, conditions or future financial performance of Tidewater Renewables based on future economic conditions and courses of action. All statements other than statements of historical fact may be forward-looking statements. Such forward-looking statements are often, but not always, identified by the use of any words such as “seek”, “anticipate”, “budget”, “plan”, “continue”, “forecast”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe”, “will likely result”, “are expected to”, “will continue”, “is anticipated”, “believes”, “estimated”, “intends”, “plans”, “projection”, “outlook” and similar expressions. These statements involve known and unknown risks, assumptions, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Corporation believes the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon.

In particular, this MD&A contains forward-looking statements pertaining to, but not limited to, the following:

- the Corporation’s ability to become a leading renewable fuel producer;
- the expected execution of the contribution agreement in connection with the BPI;
- full-year 2026 Adjusted EBITDA, sales volume and capital expenditures guidance;
- the Corporation’s priority of debt reduction and operational optimization;
- the requirement for the Corporation to maintain specific financial covenants on an annualized basis under its senior credit facility and second lien credit facility following the expiry of the waiver of such covenants;
- the receipt of additional BC LCFS Credits from the Government of British Columbia as a result of the Amended Initiative Agreement, including the anticipated use thereof;
- the development of the proposed SAF project, including the funding of optimization work, the expected timing of a final investment decision and the pursuit of long-term offtake agreements in relation thereto;
- the anticipated effects from the Set 2 Rule including resulting tightness, an increase in the intrinsic value of D4 RINs and its effect on the Corporation;
- an expected 1.7x multiplier through 2026;
- the reallocation of SRE and its anticipated effects;
- anticipated increase in local market share as a result of shifts in U.S. tax policy and British Columbia’s updated domestic-content requirements;
- management’s focus on maximizing realized pricing;
- the use of cash flow for debt reduction;
- the Corporation’s qualification for the BPI, the associated incentive expected to be received by the Corporation under the BPI and the expected effect of the BPI on the Corporation and the Canadian renewable fuels sector;
- the percentage of forecasted production subject to offtake agreements;
- the percentage of forecasted production expected to be sold inclusive of associated emission credits;
- the expected sale of volumes not sold under offtake agreements on the spot market;
- the amount of renewable diesel revenue and associated feedstock purchases hedged under derivative contracts and the expected effect of such hedging strategy;

- the Government of Canada’s intention to make targeted amendments to the CFR and the expected effect on the Corporation and the Canadian renewable fuels sector;
- expected production volumes and management’s view of the renewable diesel pricing environment;
- the Corporation’s view of the renewable diesel and emissions credit markets;
- the Corporation’s view of regulatory developments in the low-carbon fuels sector;
- the expected effect of finalized U.S. regulatory developments, including the Set 2 Rule, on the Corporation’s realized margins, benchmark pricing, and competitive position in Canada;
- management’s expectations regarding optimizing operations across varying seasonal requirements at the HDRD Complex;
- expectations for the Corporation’s capital program for 2026;
- the effect of fluctuations in feedstock and energy prices on the Corporation’s derivative contracts;
- the Corporation’s primary liquidity and capital resource needs and the Corporation’s expectations regarding its ability to satisfy such needs;
- the fluctuation of net cash (used in) provided by operating activities quarter to quarter;
- the fluctuation of working capital requirements;
- the Corporation’s use of risk management strategies and policies;
- the use of financial assurances such as letters of credit and prepayments to mitigate and reduce credit risk;
- the Corporation’s use of financial derivative contracts to manage commodity price risk; and
- the Corporation’s business plans and strategies.

Although the forward-looking statements contained in this MD&A are based upon assumptions which management of the Corporation believes to be reasonable, the Corporation cannot assure investors that actual results will be consistent with these forward-looking statements. With respect to forward-looking statements contained in this MD&A, the Corporation has made assumptions regarding, but not limited to:

- Tidewater Renewables’ ability to execute on its business plan;
- general economic and industry trends;
- operating assumptions relating to the Corporation’s projects;
- the ownership and operation of Tidewater Renewables’ business;
- regulatory risks;
- future commodity and renewable energy prices;
- sustained or growing demand for renewable fuels;
- the ability for the Corporation to successfully turn a wide variety of renewable feedstocks into low carbon fuels;
- the continued alignment of U.S. import parity benchmark pricing with the Corporation’s revenue generation;
- the ability of the Corporation to successfully execute offtake agreements with respect to expected production;
- the effect of increasingly stringent CI reduction targets on obligated parties’ operations and the emission credit market;
- the credit-worthiness of counterparties;
- the Corporation’s future debt levels, financial stability, future debt reduction initiatives, and its ability to repay its debt when due;
- the Corporation’s ability to continue to satisfy the terms and conditions of its credit facilities;
- the continued availability of the Corporation’s credit facilities;
- the Corporation’s ability to obtain additional debt and/or equity financing on satisfactory terms;
- the Corporation’s ability to manage liquidity by working with its current capital providers and other sources and through the sale of emissions credits and renewable diesel;
- the market, demand and pricing for emissions credits;

- foreign currency, exchange, inflation and interest rate risks;
- the continued support of governments of various levels for current policy initiatives; and
- the other assumptions set forth in the Corporation's most recent annual information form available under the Corporation's profile on SEDAR+ at www.sedarplus.ca.

The Corporation's actual results could differ materially from those anticipated in the forward-looking statements, as a result of numerous known and unknown risks and uncertainties and other factors including, but not limited to:

- changes in supply and demand for, and the pricing of, low carbon products and emissions credits;
- general economic, political, market and business conditions, including fluctuations in interest rates, foreign exchange rates, supply chain pressures, inflation, stock market volatility and supply/demand trends;
- changes to U.S. and Canadian regulatory programs;
- risks and liabilities inherent in the operations related to renewable energy production, including the lack of operating history and risks associated with forecasting future performance;
- competition for, among other things, third-party capital, acquisition opportunities, requests for proposals, materials, equipment, labour, and skilled personnel;
- risks related to the environment and changing environmental laws and regulations in relation to the operations conducted with the Renewable Assets and the Corporation's other future capital projects;
- actions by joint venture partners or other partners which hold interests in certain of the Corporation's assets;
- reliance on key relationships and agreements;
- losses of key customers;
- construction and engineering variables associated with capital projects, including the availability of contractors, engineering and construction services, accuracy of estimates and schedules, and the performance of contractors;
- effects of weather conditions (such severe weather or catastrophic events including, but not limited to, fires, floods, lightning, earthquakes, extreme cold weather, storms or explosions);
- reputational risks;
- the Corporation's reliance on key personnel;
- technology and security risks, including cybersecurity;
- potential losses stemming from any disruptions in production, including work stoppages or other labour difficulties, or disruptions in the transportation network on which the Corporation is reliant;
- technical and processing problems, including the availability of equipment and access to properties;
- failure to realize the anticipated benefits of dispositions and capital projects; and
- the other risks set forth in the Corporation's most recent annual information form available under the Corporation's profile on SEDAR+ at www.sedarplus.ca.

The foregoing lists are not exhaustive. Additional information on these and other factors which could affect the Corporation's operations or financial results are set forth in the Corporation's most recent annual information form and in other documents on file with the Canadian regulatory authorities available under the Corporation's profile on SEDAR+ at www.sedarplus.ca.

Management of the Corporation has included the above summary of assumptions and risks related to forward-looking statements provided in this MD&A in order to provide holders of common shares in the

capital of the Corporation with a more complete perspective on the Corporation's current and future operations and such information may not be appropriate for other purposes.

The Corporation's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do occur, what benefits the Corporation will derive therefrom. Readers are therefore cautioned that the foregoing list of important factors is not exhaustive, and they should not unduly rely on the forward-looking statements included in this MD&A. Tidewater Renewables does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by applicable securities law. All forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement. Further information about factors affecting forward-looking statements and management's assumptions and analysis thereof is available in the Corporation's most recent annual information form and other filings made by the Corporation with Canadian provincial securities commissions available under the Corporation's profile on SEDAR+ at www.sedarplus.ca.

The financial outlook information contained in this MD&A is based on assumptions about future events, including economic conditions and proposed courses of action, based on management's assessment of the relevant information currently available. Additionally, the financial outlook information contained in this MD&A is subject to the risk factors described above in respect of forward-looking information generally as well as any other specific assumptions and risk factors in relation to such financial outlook noted in this MD&A. Accordingly, readers are cautioned that the financial outlook information contained in this MD&A should not be used for purposes other than for which it is disclosed herein. The financial outlook information contained in this MD&A was approved by management as of the date such financial outlook information was announced and was provided for the purpose of providing further information about Tidewater Renewables' current expectations and plans for the future.