TIDEWATER

Renewables Ltd.

Management's Discussion and Analysis

For the year ended December 31, 2024

March 26, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis (the "MD&A") of the audited annual consolidated financial and operating results of Tidewater Renewables Ltd. ("Tidewater Renewables" or the "Corporation") is dated March 26, 2025, and should be read in conjunction with Tidewater Renewables' audited annual consolidated financial statements as at and for the years ended December 31, 2024, and 2023 (the "Financial Statements"). The Financial Statements have been prepared in accordance with IFRS® Accounting Standards ("IFRS"), 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 tallow, used cooking oil, distillers corn oil, soybean oil, canola 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 Alberta and British Columbia (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 the Rimrock Cattle Company (the "Equity Investment"), is located in southern Alberta. See "Financial Highlights" and "Capital Program" for more information on these assets and projects.

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

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

HIGHLIGHTS

Q4 2024 Results

- During the fourth quarter of 2024, the Corporation reported a net loss attributable to shareholders of $3.4 million, compared to a net loss attributable to shareholders of $12.7 million during the fourth quarter of 2023. The decrease in the net loss attributable to shareholders in the fourth quarter of 2024 was primarily due to an unrealized gain on derivative contracts and income from the Equity Investment. This was partially offset by lower deferred tax recoveries and higher financing costs.

- Tidewater Renewables generated Adjusted EBITDA[1] of $6.0 million during the fourth quarter of 2024, a decrease of 44% from the fourth quarter of 2023 and a decrease of 56% from the third quarter of 2024. The decrease was attributed to the sale of certain co-processing assets and the termination of take-or-pay contracts in connection with the related party transaction ("Tidewater Midstream Transaction") with Tidewater Midstream, partially offset by the sale of BC LCFS Credits (as defined herein) in the fourth quarter pursuant to forward sales contracts that were entered into and priced during the first half of 2024 prior to the significant decline in the market price for BC LCFS Credits. For further information regarding the Tidewater Midstream Transaction and the BC LCFS Credit market please see the "Outlook and Corporate Update" section of this MD&A.

- The HDRD Complex achieved average daily throughput of 2,677 bbl/d during the fourth quarter of 2024, representing an 89% utilization rate. This compared to average daily throughput of 1,700 bbl/d[2] during the fourth quarter of 2023, representing a 57% utilization rate.

- On November 25, 2024, Thomas P. Dea was appointed as a director of the Corporation. With his distinguished career in private equity, the Corporation looks forward to leveraging Mr. Dea's expertise to enhance the strategic direction and support the continued growth of Tidewater Renewables. On the same date, Margaret (Greta) Raymond retired from the board of directors (the "Board"). The Corporation extends its sincere appreciation to Ms. Raymond for her valuable contributions and wishes her continued success in her future endeavors.

Year End 2024 Results

- During the year ended December 31, 2024, the Corporation reported a net loss attributable to shareholders of $357.8 million, compared to a net loss attributable to shareholders of $41.0 million for the year ended December 31, 2023. The increase in the net loss attributable to shareholders was primarily driven by losses on the sale of assets in the Tidewater Midstream Transaction, realized losses on derivative contracts, and higher financing costs. These factors were partially offset by an unrealized gain on derivative contracts, deferred tax recoveries, and higher operating income compared to the prior year.

- In 2024, Tidewater Renewables generated Adjusted EBITDA[1] of $74.5 million, an increase of 62% from 2023 Adjusted EBITDA of $45.9 million. The increase was due to the full year of operations at the HDRD Complex and the sale of an increased number of BC LCFS Credits, partially offset by the sale of certain co-processing assets and the termination of take-or-pay contracts in connection with Tidewater Midstream Transaction, and realized losses on derivative contracts.

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

(2) Represents the throughput from November 7, 2024 to December 31, 2024, during which the HDRD Complex was fully operational and no longer in the commissioning phase.

- Significant improvements in throughput and reliability at the HDRD Complex resulted in achieving an average daily throughput of 2,643 bbl/d for the full year of 2024, representing an 88% utilization rate. Over 170 million liters of renewable diesel have been produced and sold into the local British Columbia market since the HDRD Complex commenced commercial operations in November 2023.

- Tidewater Renewables continued to make meaningful progress on the front-end engineering design (“FEED”) work for its proposed 6,500 bbl/d sustainable aviation fuel (“SAF”). The project remains contingent upon a final investment decision which is anticipated in the second half of 2025.

- In 2024, the Corporation made significant strides in enhancing its leverage profile and reducing cash interest expenses through a series of strategic asset dispositions. These included the Tidewater Midstream Transaction and the divestiture of its used cooking oil feedstock business, generating total proceeds of $140.3 million which were used to pay down existing indebtedness.

- In 2024, the Corporation completed the refinancing of its senior credit facility (the “Senior Credit Facility”) and second lien credit facilities. The aggregate principal amount of the Senior Credit Facility was reduced from $175.0 million to $30.0 million, and the maturity date was extended to February 28, 2026. Additionally, the maturity of the $25.0 million tranche B second lien credit facility was also extended to February 28, 2026.

Subsequent events

- On January 10, 2025, Tidewater Renewables completed the sale of its interest in the Rimrock Renewables Partnership (“RNG LP”) to Biocirc Canada Holdings Inc., an affiliate of Biocirc Group ApS for total proceeds of $7.8 million, of which $4.7 million was received on close and a further $3.1 million could be received upon the satisfaction of certain post-closing conditions on or before December 30, 2025. The net proceeds of this transaction were used to repay outstanding indebtedness.

- On February 27, 2025, the Government of British Columbia announced changes to the *Low Carbon Fuels Act* (the “Amendments”) to increase to the renewable fuel requirement for diesel from 4% to 8% for the 2025 compliance period, together with, effective April 1, 2025, requiring such renewable fuel content to be produced in Canada. Management believes that the Amendments represent a good first step in levelling the unfair trade environment and supporting the economic viability of Tidewater Renewables and the broader Canadian biofuels industry.

- On March 6, 2025, the Canada Border Services Agency (“CBSA”) formally initiated a countervailing (anti-subsidy) and anti-dumping duty investigation into imports of renewable diesel from the United States (the “Investigation”). The Investigation follows a complaint filed by Tidewater Renewables with the CBSA at the end of 2024 (the “Complaint”). In initiating the Investigation, the CBSA confirms that Tidewater Renewables provided satisfactory evidence to support its allegations that U.S. renewable diesel imports were subsidized and dumped, causing harm to Tidewater Renewables. The Complaint targets unfairly traded imports of renewable diesel from the United States that significantly undermine the Canadian renewable fuels industry. Management anticipates that provisional duties will be imposed at the Canada-U.S. border by June 2025. Final duties, which would be in place for five years and can be renewed every five years thereafter, could be imposed by September 2025 following a ruling by the Canadian International Trade Tribunal. If final duties are imposed at the levels expected by management, valued between $0.50 and $0.80 per litre of renewable diesel imported from the United States, management believes these duties would support long-term market stability for Tidewater Renewables' renewable diesel production and its related emission credits.

- On March 26, 2025, the Corporation successfully amended its Senior Credit Facility and second lien credit facility (the "Refinancing"). The Refinancing provides over $15.0 million of additional capacity to the Corporation's credit facilities and extends the maturity date of the second lien tranche B and tranche C facilities from February 28, 2026, to October 24, 2027. The Refinancing also waives the requirements to comply with the quarterly financial covenants until March 31, 2026, previously waived until September 30, 2025, at which time the Corporation will be required to maintain certain financial covenants on an annualized basis.

OUTLOOK AND CORPORATE UPDATE

Regulatory engagement and trade actions to support competitive and sustainable growth in the Canadian renewable diesel market

Tidewater Renewables is engaged in ongoing discussions with the Governments of Canada and British Columbia to explore adjustments to low carbon fuel regulations aimed at improving liquidity and pricing stability for emissions credits. At the end of 2024, the Corporation retained external trade law counsel to prepare and file the Complaint, a trade remedy complaint regarding the unfair pricing of U.S. renewable diesel imports, which are negatively impacting the competitiveness of Canadian operations. The Corporation is seeking fair competition to support the growth of the Canadian renewable diesel industry and enhance energy security.

Regulatory engagement

The Corporation has expressed concerns regarding the unfair competitive advantage held by U.S. renewable diesel producers who are able to export their products into British Columbia, benefiting from U.S. subsidies generated at the point of production and the generation of emissions credits at the point of sale. Management believes that this has resulted in an unlevel playing field for Canadian renewable diesel producers. The changes to the *Low Carbon Fuels Act* announced by the Government of British Columbia on February 27, 2025, are viewed by management as a positive first step in addressing these disparities and supporting the long-term viability of both Tidewater Renewables and the broader Canadian biofuels industry.

Specifically, the Amendments increase the renewable fuel requirement for diesel from 4% to 8% for the 2025 compliance period, and require that renewable fuel content be produced in Canada, effective April 1, 2025. These changes demonstrate the Government of British Columbia's ongoing commitment to strengthening the Canadian biofuels sector. Tidewater Renewables will continue to collaborate with both the Governments of Canada and British Columbia to ensure fair and appropriate policies are put in place to support the growth of the Canadian renewable fuels industry.

Trade action

On December 30, 2024, Tidewater Renewables filed the Complaint with the CBSA regarding the dumping and subsidization of U.S. renewable diesel imports. Management believes there is a high likelihood of success in this process, with duties between $0.50 and $0.80 per litre potentially imposed on U.S. imports to counteract unfair trade practices, based on an estimated 40% to 60% range of subsidization and dumping.

On March 6, 2025, the CBSA formally initiated the Investigation, confirming the validity of Tidewater Renewables' allegations. Provisional duties are expected by June 2025, and final duties, if imposed, could provide long-term market stability for the Corporation's renewable diesel production and emission credits.

These measures are separate from the ongoing Canada-U.S. trade dispute, as the Complaint was filed before the imposition of tariffs. Any duties resulting from the Investigation would be in addition to any existing tariffs imposed by Canada in response to U.S. actions. Tidewater Renewables supports free and fair trade in Canada's renewable diesel market, viewing the Investigation as a critical step in addressing unfair trade practices that have undermined the competitiveness of Canadian producers and the growth of the Canadian renewable diesel industry.

Refinancing and extension of credit facilities

On March 26, 2025, the Corporation successfully executed the Refinancing, securing an additional $15.1 million in capacity for its credit facilities. This strategic refinancing extended the maturity date of the second lien tranche B and tranche C facilities, from February 28, 2026, to October 24, 2027. The Refinancing also waives the quarterly financial covenant requirements for an additional two quarters.

The Refinancing significantly enhances Tidewater Renewables' financial flexibility and provides the additional capacity necessary to support the Corporations' ongoing financial stability. Tidewater Renewables is pleased to acknowledge the continued confidence demonstrated by its lenders, reflecting their strong support for the Corporation's long-term business strategy. Management believes this affirmation underscores the lenders' belief in the Corporation's future prospects and its ability to execute on its strategic vision, further strengthening Tidewater Renewables' position for financial stability while facilitating its future debt reduction initiatives. For further information on the refinancing of the Tidewater Renewables credit facilities, please see the "**Liquidity and Capital Resources**" section of this MD&A.

Board of Directors update

On November 25, 2024, Thomas P. Dea was appointed to the Board. In addition to serving as the chairman of the board of directors of Tidewater Midstream, Mr. Dea is the President and CEO of Kicking Horse Capital Inc., a Toronto-based investment management firm. Prior to this role, he was a Partner at West Face Capital Inc. and a Managing Director at Onex Corporation, a leading private equity firm. Mr. Dea has extensive experience serving on the boards of both public and private companies and holds an M.B.A. from Harvard Business School and a B.A. from Yale College.

The Corporation is excited to welcome Mr. Dea to the Board and look forward to his unique skills, insights, and expertise enhancing the strategic direction and growth of Tidewater Renewables.

Additionally, on November 25, 2024, Margaret Raymond retired from the Board. The Corporation expresses its sincere gratitude to Ms. Raymond for her significant contributions to the Board and wishes her continued success in her future endeavors.

Tidewater Midstream Transaction

As disclosed in the Corporation's MD&A for the three and nine months ended September 30, 2024, on September 12, 2024, the Corporation closed the Tidewater Midstream Transaction.

Pursuant to the Tidewater Midstream Transaction, the Corporation sold its canola co-processing infrastructure, 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 (the "Divested Assets") to Tidewater Midstream for cash proceeds of $122.0 million, plus the assumption by

Tidewater Midstream of certain liabilities relating to the Divested Assets. As part of the consideration for the Divested Assets, Tidewater Midstream assigned the right to receive certain BC LCFS Credits to the Corporation with a minimum value of $7.7 million. The cash proceeds from the Divested Assets were used to repay amounts outstanding on the Corporation's Senior Credit Facility.

In connection with the Tidewater Midstream Transaction, on September 12, 2024, Tidewater Renewables and Tidewater Midstream entered into an agreement for the purchase and sale of credits (the "BC LCFS Credit Purchase Agreement") pursuant to which Tidewater Renewables sold BC LCFS Credits to Tidewater Midstream for an aggregate purchase price of approximately $7.2 million. Tidewater Midstream also agreed to purchase additional BC LCFS Credits (subject to certain monthly average limits) from Tidewater Renewables until March 31, 2025 for cash proceeds of approximately $77.5 million (assuming the HDRD Complex continued to operate at over 90% utilization). A portion of such BC LCFS Credits sold were subject to the exercise of a put option in favour of Tidewater Renewables and/or a call option in favour of Tidewater Midstream, with cash proceeds paid monthly by Tidewater Midstream to Tidewater Renewables as the BC LCFS Credits are purchased by Tidewater Midstream from Tidewater Renewables. From September 12, 2024 to December 31, 2024, Tidewater Renewables sold $52.7 million of BC LCFS Credits to Tidewater Midstream. Tidewater Renewables has used the proceeds generated from the BC LCFS Credit Purchase Agreement during the year ended December 31, 2024 to repay amounts on its Senior Credit Facility.

FINANCIAL HIGHLIGHTS

(in thousands of Canadian dollars except per share information)	Three months ended December 31, **2024**	Three months ended December 31, 2023	Year ended December 31, **2024**	Year ended December 31, 2023
Revenue	**$ 76,442**	$ 40,376	**$ 426,544**	$ 97,679
Net loss attributable to shareholders	**$ (3,385)**	$ (12,747)	**$ (357,846)**	$ (41,019)
Net loss attributable to shareholders per share – basic and diluted	**$ (0.09)**	$ (0.37)	**$ (10.15)**	$ (1.18)
Adjusted EBITDA [(1)]	**$ 6,005**	$ 10,708	**$ 74,475**	$ 45,941
Net cash (used in) provided by operating activities	**$ (21,438)**	$ 17,161	**$ 54,648**	$ 22,784
Distributable cash flow [(1)]	**$ (7,855)**	$ 2,142	**$ 29,740**	$ 2,747
Distributable cash flow per share – basic [(1)]	**$ (0.22)**	$ 0.06	**$ 0.84**	$ 0.08
Distributable cash flow per share – diluted [(1)]	**$ (0.22)**	$ 0.06	**$ 0.82**	$ 0.08
Total common shares outstanding (000s)	**36,372**	34,763	**36,372**	34,763
Total assets	**$ 406,526**	$ 1,086,698	**$ 406,526**	$ 1,086,698
Net debt [(1)]	**$ 195,852**	$ 346,644	**$ 195,852**	$ 346,644

(1) Refer to "Non-GAAP and Other Financial Measures".

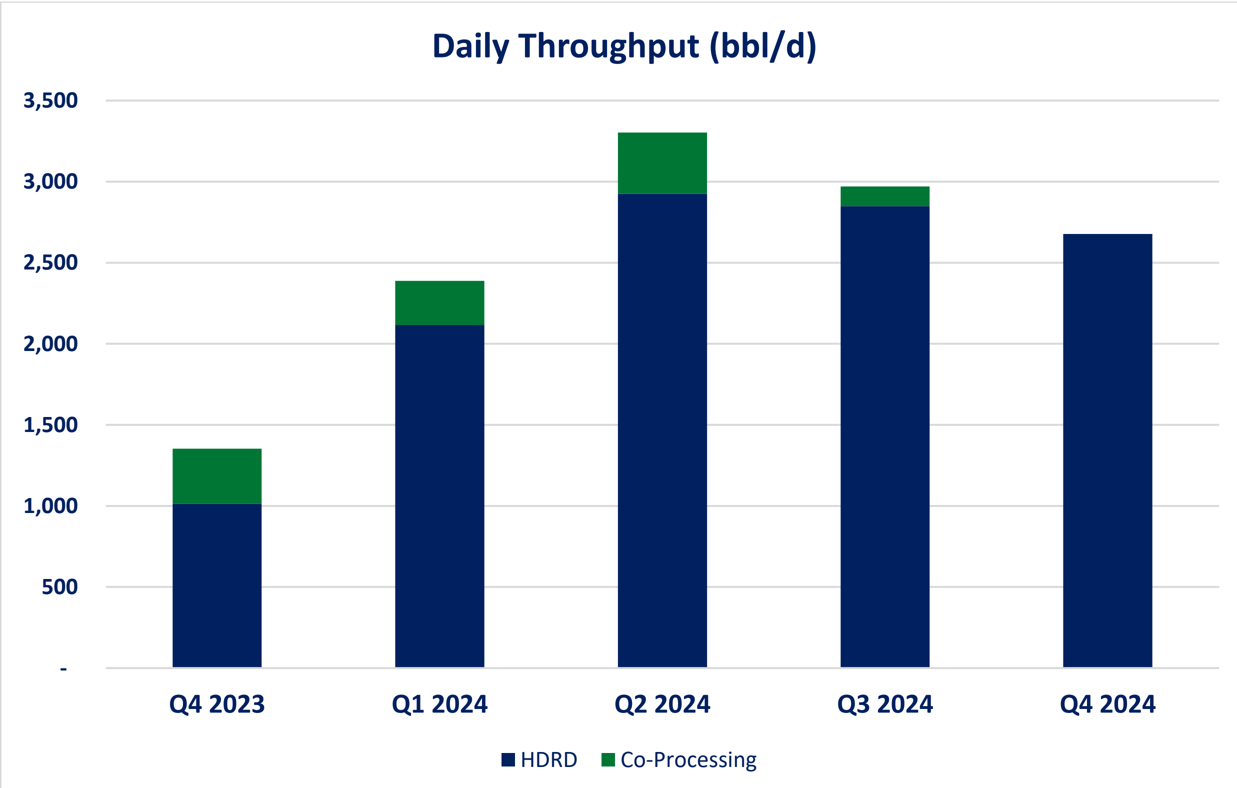
HDRD Complex and Renewable Fuel Assets

Tidewater Renewables' 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.

The HDRD Complex's pre-treatment facility enables the Corporation to utilize a wide variety of feedstocks in the production of renewable fuels. This flexibility reduces dependency on specific feedstocks and helps to optimize refining costs. The Corporation has entered into financial forward contracts for vegetable oils to minimize commodity price exposure and protect its cash flows. The Corporation remains hedged on approximately 30% of its feedstock volume requirements through 2025.

Tidewater Renewables' primary focus continues to be on maintaining a high and consistent utilization rate at the HDRD Complex. For the year ended December 31, 2024, the HDRD Complex achieved an average utilization rate of 2,643 bbl/d, representing 88% of design capacity. This performance exceeded the previously announced target of 2,550 bbl/d by 4%.

In line with its objectives, Tidewater Renewables expects to execute a disciplined capital program for 2025, supported by government funding – see the "Capital Program" section of this MD&A for further information.



During the three months and year ended December 31, 2024, the HDRD Complex averaged throughput of 2,677 bbl/d and 2,643 bbl/d, respectively.

During winter operations, the HDRD Complex produces a high-quality, low cloud point renewable diesel that meets the cold temperature specifications for diesel fuel in Canada. This operating mode requires minor reductions to throughput rates in order to optimize hydrogen production for the enhanced severity operation.

Across North America, fuel suppliers are subject to numerous mandates to decrease the CI of their fuels. These mandates include federal programs such as the Canadian Clean Fuel Regulation and the U.S. Renewable Fuel Standard Program, as well as provincial and state-level programs including the British Columbia, California, Oregon, and Washington low carbon fuel standard programs. To comply with these mandates, fuel suppliers must either lower the CI of their fuel, undertake approved capital projects to reduce emissions, or acquire emissions credits from other fuel suppliers.

Looking forward, the British Columbia Low Carbon Fuel Standard program mandates that marketers of fossil-derived fuels and their alternatives adhere to increasingly stringent CI reduction targets, which will tighten in 2025 compared to 2024. Specifically, the CI reduction target was set at 16% in 2024, with an increase to 18.3% in 2025, ultimately aiming for a 30% reduction by 2030 relative to the 2010 CI levels.

The tightening CI reductions targets will require obligated parties to blend more renewable fuel into their existing fuel stream, or acquire additional BC LCFS Credits, both of which are expected to increase the market and demand for Tidewater Renewables' products. This evolving regulatory framework is expected to enhance market conditions and drive a higher demand for emissions credits. Notably, British Columbia remains the only province in Canada with an established LCFS program, positioning it as a leader in clean fuel policy.

The Corporation's renewable fuel has a CI low enough to generate environmental credits in various jurisdictions which are referred to as "*operating emissions credits"*. These operating emissions credits may be sold "attached" to the fuel or separated and sold independently. Operating emissions credits are, in many but not all cases, fungible with "*capital emissions credits"*, which the Corporation receives under agreements for achieving engineering or construction milestones on certain capital projects.

Prior to the Tidewater Midstream Transaction, the Corporation owned:

- 100% of the canola co-processing infrastructure, fluid catalytic cracking co-processing infrastructure, and steam methane reformer at the PGR;
- working interests in various PGR assets including tankage, rack and truck infrastructure, water treatment and electrical utilities; and
- 100% of the natural gas storage facility co-located at Tidewater Midstream's Brazeau River Complex

The co-processing units averaged daily throughput of 295 bbl/d for the first seven months of 2024. As part of the Tidewater Midstream Transaction, Tidewater Renewables' take-or-pay processing and storage agreements with Tidewater Midstream were terminated, effective August 1, 2024. As a result, no revenues and associated expenses were recorded in the statement of net loss and comprehensive loss as of August 1, 2024.

Renewable Natural Gas Assets

During the year ended December 31, 2024, the Corporation owned an interest in RNG LP, an entity which was developing a renewable natural gas facility in Foothills County, Alberta that was designed to convert feedlot manure to pipeline quality renewable natural gas with negative CI scores (meaning it takes more carbon out of the environment than it produces) through an anaerobic digestion and gasification process. On January 10, 2025, Tidewater Renewables completed the sale of RNG LP to Biocirc Canada Holdings Inc., an affiliate of Biocirc Group ApS. The Corporation no longer owns any renewable natural gas assets.

CAPITAL PROGRAM

Tidewater Renewables executed a restrained 2024 capital program that was significantly offset by government funding.

The main expenditure under Tidewater Renewables' 2024 growth capital program was the FEED work conducted on the 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. The SAF project is expected to leverage many of the same processes used in the Corporation's HDRD Complex.

The SAF FEED work is expected to be completed in the second quarter of 2025 and is being funded through the sale of capital emissions credits issued under an executed incentive agreement. To manage price exposure on these emissions credits, the Corporation has secured a purchase commitment with an independent third party for the capital emissions credits it expects to receive. Tidewater Renewables is actively pursuing long-term offtake agreements 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 and renewable gas initiatives, from various provincial and federal governments.

RESULTS OF OPERATIONS

Financial Overview

(in thousands of Canadian dollars except per share information)	Three months ended December 31,				Year ended December 31,			
		2024		2023		**2024**		2023
Revenue	**$**	**76,442**	$	40,376	**$**	**426,544**	$	97,679
Operating expenses	**$**	**61,983**	$	26,661	**$**	**308,390**	$	53,629
General and administrative	**$**	**2,184**	$	3,369	**$**	**9,149**	$	9,634
Share-based compensation	**$**	**(462)**	$	903	**$**	**(181)**	$	4,811
Depreciation	**$**	**6,943**	$	9,454	**$**	**31,451**	$	25,587
Finance costs and other	**$**	**9,248**	$	4,440	**$**	**42,386**	$	21,009
Realized loss on derivative contracts	**$**	**9,115**	$	6,636	**$**	**41,014**	$	3,331
Unrealized (gain) loss on derivative contracts	**$**	**(3,105)**	$	12,952	**$**	**(16,690)**	$	53,350
Gain on warrant liability revaluation	**$**	**(247)**	$	(1,090)	**$**	**(2,962)**	$	(9,250)
(Income) loss from equity investments	**$**	**(3,732)**	$	2,580	**$**	**(4,529)**	$	(680)
(Gain) loss on sale of assets	**$**	**(1,981)**	$	-	**$**	**489,047**	$	-
Impairment expense	**$**	**-**	$	-	**$**	**801**	$	-
Transaction costs	**$**	**595**	$	-	**$**	**2,132**	$	111
Deferred income tax recovery	**$**	**(714)**	$	(12,782)	**$**	**(115,618)**	$	(22,834)
Net loss attributable to shareholders	**$**	**(3,385)**	$	(12,747)	**$**	**(357,846)**	$	(41,019)
Net loss attributable to shareholders per share – basic and diluted	**$**	**(0.09)**	$	(0.37)	**$**	**(10.15)**	$	(1.18)

Revenue

Revenue increased to $76.4 million in the fourth quarter of 2024, compared to $40.4 million in the fourth quarter of 2023. Revenue for the year ended December 31, 2024 was $426.5 million, compared to $97.7 million for the same period in 2023. The increase for both periods was driven by the commencement of operations at the HDRD Complex and the corresponding sale of blended renewable fuels and operating emission credits to customers, partially offset by the sale of certain co-processing and natural gas storage assets to Tidewater Midstream in the Tidewater Midstream Transaction.

Revenue for the three months and year ended December 31, 2024, includes approximately $41.9 million and $170.1 million of operating emission credit sales, respectively, as compared to $4.9 million in operating emission credit sales for the same periods in 2023. The increase in operating emission credit sales during 2024 was due to the full year of commercial operations at the HDRD Complex. During the three months and year ended December 31, 2024, Tidewater Renewables sold $23.2 million and $36.6 million of operating emission credits, respectively, to Tidewater Midstream pursuant to the BC LCFS Credit Purchase Agreement. For further information on the BC LCFS Credit Purchase Agreement, please see the “Outlook and Corporate Update” section of this MD&A.

Operating Expenses

Operating expenses for the three months and year ended December 31, 2024 were $62.0 million and $308.4 million, respectively, compared to $26.7 million and $53.6 million, respectively, in the corresponding periods in 2023. The increase was primarily attributable to the commencement of operations at the HDRD Complex and the purchase of blending fuels from Tidewater Midstream in 2024.

General and Administrative

General and administrative ("G&A") expenses for the fourth quarter of 2024 were $2.2 million, compared to $3.4 million in the fourth quarter of 2023. G&A expenses for the year ended December 31, 2024, were $9.1 million, compared to $9.6 million for the year ended December 31, 2023. The decrease for both periods was due to the lower employee costs resulting from reductions in personnel, partially offset by the absence of capitalization of corporate costs to the HDRD project, which ceased when the HDRD Complex commenced commercial operations in November 2023.

Share-Based Compensation

For the three months and year ended December 31, 2024, the Corporation's share-based compensation recovery was $0.5 million and $0.2 million, respectively, compared to expenses of $0.9 million and $4.8 million, respectively, for the same periods in 2023. The decrease was primarily attributable to share award forfeitures, cancellations resulting from reductions in personnel, and the adjustment of the performance factor associated with certain restricted share units, which reflects the impact of changes in the vesting conditions compared to prior periods.

Depreciation

Depreciation for the three months and year ended December 31, 2024, was $6.9 million and $31.5 million, respectively, compared to $9.5 million and $25.6 million for the same periods in 2023, respectively. In both periods, depreciation expense was primarily attributed to the HDRD Complex, which commenced commercial operations in November 2023. However, the decline in depreciation during the fourth quarter of 2024 can be attributed to a reduction in depreciable assets, resulting from asset disposals completed during the third quarter of 2024.

Finance Costs and Other

Finance costs and other expenses for the fourth quarter of 2024 were $9.2 million, compared to $4.4 million for the same period in 2023. Finance costs and other for the year ended December 31, 2024, were $42.4 million, compared to $21.0 million for the same period of 2023. For both periods, the increase was largely due to the absence of capitalized interest in 2024 following the commencement of commercial operations at the HDRD Complex. During the third quarter of 2024, an unrealized loss on investments recognized at fair value, also contributed to the higher financing costs for the year ended December 31, 2024, compared to the same period in 2023.

Finance costs and other includes interest on the Corporation's bank debt 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

The Corporation uses forward financial contracts to protect operating income against volatility in commodity prices. During the fourth quarter of 2024, the Corporation recognized a realized loss of $9.1 million on derivative contracts, compared to a loss of $6.6 million for the same period in 2023. Realized losses on derivative contracts for the year ended December 31, 2024 were $41.0 million, compared to a realized loss of $3.3 million for the same period in 2023. The realized losses on derivative contracts relate to lower average commodity prices for soybean oils in 2024. Generally, realized gains and losses on derivative contracts resulting from fluctuations in feedstock and energy prices 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 $3.1 million for the three months ended December 31, 2024, compared to an unrealized loss of $13.0 million for the same period in 2023. Unrealized gains on derivative contracts for the year ended December 31, 2024 were $16.7 million, compared to an unrealized loss of $53.4 million for the same period in 2023. The changes in unrealized gains and losses are primarily due to pricing changes in the Chicago Board of Trade soybean oil futures market.

Gains on Warrant Liability Revaluation

On September 12, 2024, in conjunction with the amended and restated second lien credit facility, the Corporation issued 1.0 million warrants to an affiliate of Alberta Investment Management Corporation ("AIMCo"), the lender under the second lien credit facility. Each warrant entitles the holder to purchase one common share of Tidewater Renewables for a term of five years at a price of $3.99 per share. Due to their exercise features the warrants are measured at fair value at each reporting period.

In conjunction with entering into the original second lien credit facility on October 24, 2022, the Corporation issued 3.4 million warrants to AIMCo. Each warrant entitles the holder to purchase one common share for a term of five years.

The Corporation recognized non-cash revaluation gains of $0.2 million and $3.0 million for the three months and year ended December 31, 2024, respectively, from remeasuring the warrants to their fair value. The revaluation gains are due to the Corporation's lower closing share price and the shorter period to expiry.

Income from Equity Investment

For the three months and year ended December 31, 2024, the Corporation's equity investment in Rimrock Cattle Company Ltd. generated income of $3.7 million and $4.5 million, respectively, compared to a loss of $2.6 million and income of 0.7 million, respectively, for the same periods in 2023. The increase in income was primarily driven by higher unrealized gains resulting from the revaluation of the cattle inventory.

Loss on sale of assets

Tidewater Renewables recognized a loss of $489.0 million on sale of assets which is primarily attributable to the Tidewater Midstream Transaction, partially offset by a gain on the sale of assets from the Corporation's non-core used cooking oil feedstock business. For further information on the Tidewater Midstream Transaction, please see the "**Outlook and Corporate Update**" section of this MD&A and for further information on the sale of the Corporation's non-core used cooking oil feedstock business, please see the "**Liquidity and Capital Resources**" section of this MD&A.

Impairment

During the third quarter of 2024, the Corporation initiated the process to divest its interest in RNG LP, which was classified as held for sale at December 31, 2024. Consequently, an impairment charge was recognized on the Corporation's investment in RNG LP. Readers should refer to note 9 of the Financial

Statements, an electronic copy of which is available on Tidewater Renewables' SEDAR+ profile at www.sedarplus.ca.

Transaction costs

For the three months and year ended December 31, 2024, the Corporation's transaction costs were $0.6 million and $2.1 million, respectively. For both periods, these costs relate to external legal counsel and financial advisors engaged for the Tidewater Midstream Transaction, the sale of assets from the Corporation's used cooking oil feedstock business and the divestiture of the Corporation's interest in RNG LP.

Deferred Tax

The deferred tax recovery for the three months and year ended December 31, 2024, was $0.7 million and $115.6 million, respectively, compared to a deferred tax recovery of $12.8 million and $22.8 million, respectively, for the same periods in 2023. For the three months ended December 31, 2024, the deferred tax recovery declined, compared to the same period in the prior year due to a reassessment of the deferred tax assets post the Tidewater Midstream Transaction. The increase in the deferred tax recovery for the year ended December 31, 2024 was driven by the disposition of assets as a result of the Tidewater Midstream Transaction, as compared to the same period in the prior year.

Net Income and Loss Attributable to Shareholders

The Corporation reported a net loss attributable to shareholders of $3.4 million for the three months ended December 31, 2024, compared to a net loss of $12.7 million for the same period in 2023. The decrease in the net loss was primarily due to an unrealized gain on derivative contracts and income from the Equity Investment. This was partially offset by lower deferred tax recoveries and higher financing costs.

For the year ended December 31, 2024, the Corporation reported a net loss attributable to shareholders of $357.8 million, compared to a net loss attributable to shareholders of $41.0 million for the same period in 2023. The increase in the net loss was primarily driven by losses on the sale of assets, realized losses on derivative contracts, and higher financing costs. These factors were partially offset by an unrealized gain on derivative contracts, deferred tax recoveries, and higher operating income compared to the prior year.

Capital Expenditures

The following table summarizes growth and maintenance capital expenditures for the three months and years ended December 31, 2024 and 2023:

	Three months ended December 31,		Year ended December 31,	
(in thousands of Canadian dollars)	**2024**	2023	**2024**	2023
Growth capital (1)	**$ 7,119**	$ 31,411	**$ 20,639**	$ 187,496
Maintenance capital (1)	**1,157**	251	**3,408**	15,312
Expenditures on property, plant and equipment as per statement of cash flows	**$ 8,276**	$ 31,662	**$ 24,047**	$ 202,808
Capital emissions credits awarded (2)	**$ (3,568)**	$ (253)	**$ (46,464)**	$ (82,693)

(1) Refer to supplementary financial measures. See the "Non-GAAP and Other Financial Measures" section of this MD&A.
(2) During the three months and year ended December 31, 2024, $9.5 million and $45.4 million of capital emissions credits were monetized.

Growth Capital

Growth capital expenditures for the fourth quarter of 2024 were $7.1 million, compared to $31.4 million for the fourth quarter of 2023. During the year ended December 31, 2024, growth capital expenditures were $20.6 million, compared to $187.5 million for the same period of 2023. Tidewater Renewables' 2024 growth capital relates to optimizing the HDRD Complex and advancing FEED work on the SAF project. In the fourth quarter of 2024, the Corporation received emission credits in connection with achieving its 12-month operational milestone at the HDRD Complex, as well as for reaching the fourth of six milestones outlined in an executed incentive agreement for the SAF project.

The 2023 growth capital program focused on the construction and commissioning of the HDRD Complex.

Maintenance Capital

Tidewater Renewables places a high priority on the maintenance of its assets to provide safe operating conditions for its employees and reliable services to its customers. Maintenance capital expenditures for the fourth quarter of 2024 were $1.2 million, compared to $0.3 million for the fourth quarter of 2023. The increase in maintenance capital primarily related to the acquisition of key components required to support ongoing maintenance activity and reliability of key equipment at the HDRD Complex. During the year ended December 31, 2024, maintenance capital expenditures were $3.4 million, compared to $15.3 million for the same period of 2023. The decrease in maintenance capital was primarily attributable to the PGR maintenance turnaround which took place in the second quarter of 2023, as well as the sale of assets to Tidewater Midstream pursuant to the Tidewater Midstream Transaction.

SELECTED ANNUAL INFORMATION

The following table presents selected annual financial information for Tidewater Renewables:

			Year ended December 31,		
(In thousands of Canadian dollars, except per share information)		**2024**		2023		2022
Revenue	**$**	**426,544**	$	97,679	$	76,099
Net (loss) income attributable to shareholders		**(357,846)**		(41,019)		25,942
Net (loss) income per share attributable to shareholders – basic		**(10.15)**		(1.18)		0.75
Net (loss) income per share attributable to shareholders – diluted		**(10.15)**		(1.18)		0.74
Weighted average common shares outstanding – basic		**35,272**		34,731		34,712
Weighted average common shares outstanding – diluted		**35,272**		34,731		34,888
Total assets		**406,526**		1,086,698		993,321
Total non-current liabilities		**187,355**		279,678		361,585

SUMMARY OF QUARTERLY RESULTS

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

(In thousands of Canadian dollars, except per share information)	**Q4 2024**	Q3 2024	Q2 2024	Q1 2024
Revenue	**$ 76,442**	$ 91,625	$ 147,238	$ 111,239
Net (loss) income attributable to shareholders	**$ (3,385)**	$ (367,116)	$ 4,935	$ 7,720
Net (loss) income per share attributable to shareholders – basic	**$ (0.09)**	$ (10.46)	$ 0.14	$ 0.22
Net (loss) income per share attributable to shareholders – diluted	**$ (0.09)**	$ (10.46)	$ 0.14	$ 0.21
Adjusted EBITDA (1)	**$ 6,005**	$ 13,630	$ 29,570	$ 25,270

(1) Refer to "Non-GAAP and Other Financial Measures".

(In thousands of Canadian dollars, except per share information)	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Revenue	$ 40,376	$ 24,244	$ 13,163	$ 19,896
Net (loss) income attributable to shareholders	$ (12,747)	$ (9,449)	$ 2,654	$ (21,477)
Net (loss) income per share attributable to shareholders – basic	$ (0.37)	$ (0.27)	$ 0.08	$ (0.62)
Net (loss) income per share attributable to shareholders – diluted	$ (0.37)	$ (0.27)	$ 0.07	$ (0.62)
Adjusted EBITDA (1)	$ 10,708	$ 14,531	$ 8,067	$ 12,635

(1) Refer to "Non-GAAP and Other Financial Measures".

During 2024, Tidewater Renewables' results were impacted by the following factors and trends:

- full year of commercial operations at the HDRD Complex;
- losses recognized on the sale of assets, leading to a deferred tax recovery;
- volatility in unrealized gains and losses on derivative contracts as a result of price movement in the commodities hedged by the Corporation;
- imports of subsidized US renewable diesel into the BC market that reduced demand for emission credits, resulting in a significant decrease in the price for such emission credits; and
- higher finance costs due to lower capitalized interest.

During 2023, Tidewater Renewables' results were impacted by the following factors and trends:

- volatility in unrealized gains and losses on derivative contracts as a result of price movement in the commodities hedged by the Corporation;
- escalating emissions targets supporting demand for emissions credits;
- a scheduled major maintenance turnaround at the PGR, reducing throughput and increasing maintenance capital; and
- higher finance costs relating to the costs associated with the construction of the HDRD Complex and rising 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.

As disclosed in the Corporation's MD&A for the three and six months ended June 30, 2024, Tidewater Renewables had insufficient cash to fund its operations for the next 12 months if the Corporation's sales declined and/or the Senior Credit Facility and tranche B facility under the second lien credit facility matured without extension or refinancing. However, on September 12, 2024, the Corporation successfully completed the Tidewater Midstream Transaction and refinanced the Senior Credit Facility, and the second lien credit facility. Additionally, on March 26, 2025, the Corporation successfully executed the Refinancing. Readers should refer to the "**Related Party Transactions**" and "**Debt Borrowings**" section of this MD&A for further information.

Further to the Corporations deleveraging strategy, on September 12, 2024, Tidewater Renewables completed the sale of assets from its used cooking oil feedstock business for total proceeds of $10.6 million. Of this amount, $2.0 million, which had been held in escrow during the third quarter 2024, was released to Tidewater Renewables in the fourth quarter of 2024 upon the fulfillment of customary post-closing conditions. The net proceeds of this transaction were used to reduce debt levels and interest costs.

Additionally, during the third quarter of 2024, Tidewater Renewables initiated the process to divest its interest in the RNG LP to Biocirc Canada Holdings Inc., an affiliate of Biocirc Group ApS. These assets are classified as held for sale in the Financial Statements. This decision to divest its interest in RNG LP aligns with Tidewater Renewables' ongoing efforts to optimize its asset portfolio, enhance its liquidity, and strengthen its balance sheet. On January 10, 2025, Tidewater Renewables completed the sale of its interest in RNG LP for total proceeds of $7.8 million, of which $4.7 million was received on close and a further $3.1 million is to be received upon the satisfaction of certain post-closing conditions on or before December 30, 2025.

These aforementioned transactions immediately enhanced Tidewater Renewables' leverage profile and reduced cash interest costs. As at December 31, 2024, the Corporation had negative working capital of $1.8 million (excluding the assets held for sale), nominal cash and cash equivalents, and cash flow provided by operating activities of $54.6 million for the year ended December 31, 2024.

Subsequent to year end 2024, on February 27, 2025, the Government of British Columbia announced the Amendments. The Amendments increase the renewable fuel requirement for diesel from 4% to 8%, for the 2025 compliance period, and mandate that renewable fuel content be produced in Canada, effective April 1, 2025.

Additionally, on March 6, 2025, the CBSA initiated the Investigation. This follows the Complaint filed by Tidewater Renewables in late 2024, which provided evidence of U.S. imports being subsidized and sold at unfair prices, causing harm to the Canadian biofuels industry. Provisional duties are expected by June 2025, with final duties potentially imposed by September 2025. If finalized at the anticipated levels of $0.50 to $0.80 per litre, these duties, if imposed, are expected to support long-term market stability for Tidewater Renewables' renewable diesel production and related emission credits. For further information on the current state of the emissions credit markets, the Amendments, and the Investigation, readers should refer to the "**Outlook and Corporate Update**" section of this MD&A.

The Amendments and Investigation have increased demand for renewable diesel and emission credits, and are expected to support the long-term financial viability of the Corporation.

Additionally, on March 26, 2025, the Corporation successfully executed the Refinancing, readers should refer to the "**Outlook and Corporate Update**" and "**Debt Borrowings**" section of this MD&A. This strategic refinancing significantly strengthens Tidewater Renewables' leverage profile, positioning the Corporation for enhanced financial stability while facilitating its future deleveraging initiatives.

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

Senior Credit Facility

On September 12, 2024, Tidewater Renewables, upon receiving the proceeds of the Tidewater Midstream Transaction, and immediately prior to the Senior Credit Facility being amended, repaid amounts outstanding under the syndicated portion of its Senior Credit Facility. Thereafter, Tidewater Renewables amended and restated its Senior Credit Facility. The aggregate principal amount of the Senior Credit Facility was reduced from $175.0 million to $30.0 million, and the maturity date was extended from September 18, 2024 to February 28, 2026. This followed previous extensions of the maturity date from August 18, 2024 to August 30, 2024 and from August 30, 2024 to September 18, 2024 to provide the Corporation with the necessary time to complete the Tidewater Midstream Transaction. The Senior Credit Facility consists of a $5.0 million syndicated facility and a $25.0 million revolving operating facility.

On March 26, 2025, the Senior Credit Facility was amended. The total aggregate availability under the Tidewater Renewables Senior Credit Facility was increased from $30.0 million to $40.0 million. The amended facility consists of a $5.0 million syndicated facility and a $35.0 million revolving operating facility. Compliance by Tidewater Renewables with its quarterly financial covenants has been waived for an additional two quarters, until March 31, 2026.

The Senior Credit Facility can be drawn in Canadian funds and bears interest at the agent bank's prime lending rate or adjusted Canadian Overnight Repo Rate Average ("CORRA") or Secured Overnight Financing Rate ("SOFR") lending rates, plus applicable margins and stamping fees.

Second lien credit facility

On September 12, 2024, Tidewater Renewables amended and restated its second lien credit facility with an affiliate of AIMCo (the "Term Lender"). The second lien credit facility consists of a tranche A facility in the aggregate principal amount of $150.0 million, a tranche B facility in the aggregate principal amount of $25.0 million, and a new tranche C facility in the aggregate principal amount of $33.0 million. The new tranche C facility of the second lien credit facility may only be drawn under certain circumstances to refinance the Senior Credit Facility. The maturity date of the tranche B facility was extended from September 18, 2024 to February 28, 2026, while the maturity date of the tranche A facility remained unchanged at October 24, 2027. The tranche C facility, if drawn, is due and payable on demand by the lender under the second lien credit facility. The maturity date on the tranche B facility was previously extended during the year from August 18, 2024 to August 30, 2024 and from August 30, 2024 to September 18, 2024 to provide the Corporation with the necessary time to complete the Tidewater Midstream Transaction. The second lien credit facility is subordinate to the Senior Credit Facility and is subject to a number of customary covenants and restrictions, however, compliance by Tidewater Renewables with its quarterly financial covenants had been waived until September 30, 2025.

The $150.0 million tranche A facility bears minimum interest at 6.5% for periods up to and including October 24, 2025, minimum interest of 6.875% for periods between October 25, 2025 and October 24, 2026, and minimum interest of 7.25% from October 25, 2026 up to but excluding the maturity date of October 24, 2027. The rates are subject to an annual Canadian Consumer Price Index adjustment factor with a maximum cumulative increase of 4.0% per annum. The tranche B facility under the second lien credit facility continues to bear interest at 9.5%, paid quarterly.

The $25.0 million tranche B facility is subject to variable quarterly repayments based on a portion of Tidewater Renewables' adjusted cash flows. The calculation of these adjusted cash flows is based on specific definitions in the agreements governing the second lien credit facility, are not in accordance with GAAP, and cannot be directly calculated by referring to Tidewater Renewables' consolidated financial statements. As at December 31, 2024, no portion of the second lien credit facility was classified as current on the consolidated financial statements, as Tidewater Renewables was not required to make minimum repayments based on the adjusted cash flow calculation. The tranche B facility can be repaid at Tidewater Renewables' option without penalty.

The tranche C facility, if drawn, bears interest at the adjusted CORRA rate plus 8.0% payable quarterly in arrears, and had a maturity of February 28, 2026.

In conjunction with the amendment and restatement of the second lien credit facility, Tidewater Renewables issued 1.0 million warrants, to an affiliate of the Term Lender, which entitles the holder to purchase 1.0 million Tidewater Renewables common shares at an exercise price of $3.99 per share for a term of five years. The exercise price represents a 50% premium to the 5-day volume weighted average trading price ("VWAP") of the common shares on the TSX prior to September 12, 2024.

On September 13, 2024, certain fees payable to the Term Lender as part of the second lien credit facility amendments were settled with the issuance of 1,449,239 common shares of Tidewater Renewables at the 10-day VWAP of the Tidewater Renewables common shares on the TSX.

On March 26, 2025, the second lien credit agreement was amended. Total aggregate availability under the tranche C second lien credit facility increased from $33.0 million to $43.0 million. The maturity date for both the tranche B and tranche C second lien credit facilities was extended to October 24, 2027 (with the $150.0 million tranche A second lien credit facility maturity date remaining unchanged at October 24, 2027). The Corporation has the option to elect that the April 24, 2025 interest payment (of approximately $5.1M) on the Tranche A Facility, be paid in kind, with the balance added to the aggregate principal amount of the Tranche A Facility.

The second lien credit facility continues to be subordinate to the Senior Credit Facility and is subject to a number of customary covenants and restrictions, however, compliance with the quarterly financial covenants has been waived until March 31, 2026, having been previously waived until September 30, 2025, at which time the Corporation will be required to maintain certain financial covenants on an annualized basis.

Cash Flow Summary

The following table summarizes the Corporation's sources and uses of funds from continuing operations for the three months and years ended December 31, 2024, and 2023:

Cash flows provided by (used in) *(in thousands of Canadian dollars)*	**Three months ended December 31,** **2024**	 2023	**Year ended December 31,** **2024**	 2023
Operating activities	**$ (21,438)**	$ 17,161	**$ 54,648**	$ 22,784
Financing activities	**$ 2,997**	$ 7,064	**$ (183,787)**	$ 101,979
Investing activities	**$ 18,480**	$ (24,416)	**$ 129,078**	$ (136,037)

Net Cash (Used in) Provided by Operating Activities

Net cash used in operating activities was $21.4 million for the three months ended December 31, 2024, compared to net cash provided by operating activities of $17.2 million for the three months ended December 31, 2023. Net cash provided by operating activities for the year ended December 31, 2024 was $54.6 million, compared to $22.8 million for the year ended December 31, 2023. The increase in net cash for both periods was primarily driven by a higher gross margin resulting from the initiation of commercial operations at the HDRD Complex in November 2023. However, the cash flow for the current quarter was negatively impacted by non-cash working capital changes, largely due to a decrease in accounts payable, which was influenced by the timing of payments.

Net cash (used in) 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 provided by financing activities for the three months ended December 31, 2024 was $3.0 million, compared to net cash provided by financing activities of $7.1 million, for the same period in 2023. The decrease from the prior period was largely due to realized foreign exchange losses and financing charges paid. Cash used in financing activities for the year ended December 31, 2024 was $183.8 million compared to net cash provided by financing activities of $102.0, for the same period of 2023. The cash used in financing activities for the full year was largely due to the repayment of debt, and higher interest and financing charges paid. Net cash provided by financing activities during the comparative period was primarily due to advances of bank debt and term debt to fund the construction of the HDRD Complex.

Net Cash Provided by (Used in) Investing Activities

For the three months and year ended December 31, 2024, net cash provided by investing activities was $18.5 million and $129.1 million, respectively, compared to net cash used in investing activities of $24.4 million and $136.0 million, respectively, for the same periods of 2023. The variance between the comparative periods primarily relates to proceeds received from the sale of assets, and decreased capital expenditures, following the commissioning of the HDRD Complex. Additionally, the current quarter benefited from higher proceeds from capital emission credits compared to the same period in the prior year.

CONTRACTUAL LIABILITIES AND COMMITMENTS

The Corporation had the following contractual obligations and commitments as at December 31, 2024:

(in thousands of Canadian dollars)	Within one year	One to five years	Thereafter	Total
Accounts payables, accrued liabilities and provisions	$ 25,041	$ -	$ -	$ 25,041
Derivative contracts	29,142	-	-	29,142
Lease liabilities (1)	7,193	6,315	-	13,508
Senior credit facility (2) (4)	-	20,896	-	20,896
Second lien credit facility (3) (4)	-	175,000	-	175,000
Warrant liability	233	-	-	233
Total	**$ 61,609**	**$ 202,211**	**$ -**	**$ 263,820**

(1) Amounts represent the expected undiscounted cash payments related to leases.
(2) The Corporation's Senior Credit Facility is due February 28, 2026.
(3) Tranche A of the second lien credit facility is due on October 24, 2027 and tranche B of this facility is due February 28, 2026.
(4) Amounts represent undiscounted principal only and exclude accrued interest.

OUTSTANDING EQUITY

At March 25 2025, Tidewater Renewables had the following number of outstanding common shares, restricted share units (“RSUs”), deferred share units (“DSUs”), stock options (“Options”) and warrants (“Warrants”):

(in thousands)	
Common shares	36,393
RSUs	578
DSUs	20
Options	443
Warrants	4,375

TRANSACTIONS WITH RELATED PARTY

The Corporation has entered into certain agreements and transactions with its controlling shareholder, Tidewater Midstream. The impact of these agreements and transactions is discussed below.

Related party transactions included in the consolidated statements of net loss and comprehensive loss for the three months and years ended December 31, 2024 and 2023, are summarized in the following table:

	Three months ended December 31,		**Year ended December 31,**	
(in thousands of Canadian dollars)	**2024**	2023	**2024**	2023
Revenue from take-or-pay agreements	**$ -**	$ 9,823	**$ 27,420**	$ 47,945
Revenue from the sale of renewable fuels	**30,773**	24,645	**149,675**	38,580
Purchases of blending fuels	**2,117**	-	**54,561**	-
Purchase of emission credits	**5,625**	-	**11,648**	-
Sales of emission credits	**23,229**	-	**36,573**	-
Other operating expenses	**6,456**	9,028	**30,716**	22,997
G&A expenses under the shared services agreement	**238**	963	**2,260**	3,150
Realized loss on derivative contracts	**1,231**	393	**4,287**	941
Unrealized gain on derivative contracts	**(332)**	(4,776)	**(1,176)**	(6,869)

Related party transactions included in the consolidated statement of cash flow for the three months and years ended December 31, 2024 and 2023, are summarized in the following table:

	Three months ended December 31,		**Year ended December 31,**	
(in thousands of Canadian dollars)	**2024**	2023	**2024**	2023
Lease payments	**$ (32)**	$ (32)	**$ (125)**	$ (125)
Capital emissions credit sales	**9,629**	$ -	**21,879**	$ 4,600
Proceeds on sale of assets	**7,740**	$ -	**129,740**	$ -

The related party balances included in the consolidated statement of financial position as at December 31, 2024 and 2023, are summarized in the following table:

	December 31, 2024	December 31, 2023
Accounts receivable	$ 10,516	$ 5,522
Prepaid expenses and other	$ -	$ 3,900
Accounts payable, accrued liabilities and provisions	$ (7,138)	$ (6,144)
Derivative contracts	$ (4,812)	$ (5,988)
Lease liabilities	$ -	$ (442)

For the year ended December 31, 2024, Tidewater Renewables had no other transactions with related parties, except the Tidewater Midstream Transaction and 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 Tidewater Midstream and other entities subject to normal industry credit risks. 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 loss and comprehensive loss.

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 Annual Information Form, an electronic copy of which is available on Tidewater Renewables' SEDAR+ profile at www.sedarplus.ca. The Corporation's financial risks are discussed in note 23 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 Financial Statements, an electronic copy of which is available on Tidewater Renewables' SEDAR+ profile at www.sedarplus.ca.

ADOPTION OF NEW STANDARDS

On January 1, 2024, Tidewater Renewables adopted the amendments to IAS Standards 1 Presentation of Financial Statements as issued by the International Accounting Standards Board ("IASB") that clarify its requirements for the presentation of liabilities as current or non-current in the statement of financial position and specify the classification and disclosure of a liability with covenants. The adoption did not result in a material impact to Tidewater Renewables' financial statements.

FUTURE ACCOUNTING PRONOUNCEMENTS

In May 2024, the IASB issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures relating to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets. The amendments will become effective on January 1, 2026, but are not expected to have a material impact on Tidewater Renewables' financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements ("IFRS 18") was issued by the IASB on April 9, 2024. IFRS 18 replaces IAS Standards 1 Presentation of Financial Statements and will be applied to annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. IFRS 18 establishes a revised structure for the consolidated statements of net earnings, required disclosures for certain management-defined performance measures, and enhanced requirements for grouping of information in the financial statements. Tidewater Renewables is currently assessing the impact of adopting IFRS 18 on the consolidated financial statements.

CONTROL ENVIRONMENT

Disclosure controls and procedures ("DC&P")

The Corporation's Chief Executive Officer and Chief Financial Officer have designed, or caused to be designed under their supervision, disclosure controls and procedures ("DC&P"), as defined by National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), to provide reasonable assurance that material information relating to the Corporation is made known to them by others, particularly during the period in which the annual filings are being prepared, and information required to be disclosed by the Corporation in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation. The Corporation's management, including the Chief Executive Officer and Chief Financial Officer, evaluate the effectiveness of the Corporation's DC&P annually.

Management of the Corporation, including the Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of the DC&P as at December 31, 2024. Based on that evaluation, the Chief Executive Officer has concluded that the Corporation's DC&P are effective as of the end of the year, in all material respects.

Internal controls over financial reporting ("ICFR")

Tidewater Renewables' Chief Executive Officer and Chief Financial Officer are responsible for establishing and maintaining internal control over financial reporting ("ICFR"), as defined by NI 52-109. They have, as at the year ended December 31, 2024, designed ICFR, or caused it to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The control framework used by the officers to design the Corporation's ICFR is the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations.

Management of the Corporation, including the Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of the ICFR as at December 31, 2024. Based on that evaluation, the Chief Executive Officer has concluded that the Corporation's ICFR are effective as of the end of the year, in all material respects.

The Corporation's Chief Executive Officer and Chief Financial Officer are required to disclose any change in the ICFR that occurred during the most recent period that has materially affected, or is reasonably likely to materially affect, the Corporation's ICFR. No material changes in the ICFR were identified during the period ended December 31, 2024, that have materially affected, or are reasonably likely to materially affect, the Corporation's ICFR. It should be noted that a control system, including the Corporation's DC&P and ICFR, no matter how well conceived, can provide only reasonable and not absolute assurance that the objectives of the control system will be met. As a result of inherent limitation 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. Additionally, 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 and 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 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 financial measures 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, the non-GAAP financial ratio, 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 relevant measure in the 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 (loss) 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 loss, the nearest GAAP measure, to Adjusted EBITDA:

	Three months ended December 31,		Year ended December 31,	
(in thousands of Canadian dollars)	**2024**	2023	**2024**	2023
Net loss	**$ (3,385)**	$ (12,747)	**$ (357,846)**	$ (41,019)
Deferred income tax recovery	**(714)**	(12,782)	**(115,618)**	(22,834)
Depreciation	**6,943**	9,454	**31,451**	25,587
Finance costs and other	**9,248**	4,440	**42,386**	21,009
Share-based compensation	**(462)**	903	**(181)**	4,811
Unrealized (gain) loss on derivative contracts	**(3,105)**	12,952	**(16,690)**	53,350
Gain on warrant liability revaluation	**(247)**	(1,090)	**(2,962)**	(9,250)
Transaction costs	**595**	-	**2,132**	111
Non-recurring transactions	**8**	3,428	**3,000**	7,971
(Gain) loss on sale of assets	**(1,981)**	-	**489,047**	-
Impairment expense	**-**	-	**801**	-
Adjustment to share of (profit) loss from equity accounted investments	**(895)**	6,150	**(1,045)**	6,205
Adjusted EBITDA	**$ 6,005**	$ 10,708	**$ 74,475**	$ 45,941

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:

(in thousands of Canadian dollars)	Three months ended December 31, 2024	2023	Year ended December 31, 2024	2023
Net cash (used in) provided by operating activities	**$ (21,438)**	$ 17,161	**$ 54,648**	$ 22,784
Add (deduct):				
Changes in non-cash working capital	**21,237**	(12,992)	**8,240**	7,834
Transaction costs	**595**	-	**2,132**	111
Non-recurring transactions	**8**	3,428	**3,000**	7,971
Interest and financing charges	**(5,320)**	(3,447)	**(27,842)**	(13,931)
Payment of lease liabilities	**(1,780)**	(1,757)	**(7,030)**	(6,710)
Maintenance capital	**(1,157)**	(251)	**(3,408)**	(15,312)
Distributable cash flow	**$ (7,855)**	$ 2,142	**$ 29,740**	$ 2,747

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.

(in thousands of Canadian dollars except per share information)	Three months ended December 31, 2024	2023	Year ended December 31, 2024	2023
Distributable cash flow	**$ (7,855)**	$ 2,142	**$ 29,740**	$ 2,747
Weighted average shares outstanding – basic	**36,350**	34,754	**35,273**	34,731
Weighted average shares outstanding – diluted	**36,350**	34,754	**36,306**	34,731
Distributable cash flow per share – basic	**$ (0.22)**	$ 0.06	**$ 0.84**	$ 0.08
Distributable cash flow per share – diluted	**$ (0.22)**	$ 0.06	**$ 0.82**	$ 0.08

Capital Management Measures

The Corporation has its own methods for managing capital and liquidity as further described in "*Liquidity and Capital Resources*" section of this MD&A and within note 22 of the Financial Statements for the year ended December 31, 2024.

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:

(in thousands of Canadian dollars)	**December 31, 2024**	December 31, 2023
Senior Credit Facility	**$ 20,896**	$ 171,749
Senior Lien Credit Facility	**175,000**	175,000
Cash	**(44)**	(105)
Net debt	**$ 195,852**	$ 346,644

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.

OPERATIONAL 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.

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

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

“SAF” means sustainable aviation fuel.

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

“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 referred to herein as, "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 Corporation's ability to leverage directors' expertise to enhance the strategic direction and support the continued growth of the Corporation;
- the development of the SAF project, including the timing of a final investment decision and the pursuit of long-term offtake agreements in relation thereto;
- the receipt of the balance of the total proceeds from the sale of the Corporation's interest in RNG LP;
- the expected effect of the Amendments on the emissions credit markets and the broader Canadian renewable fuels industry;
- expectations regarding the timing and effect of the Investigation, including the imposition of duties on U.S. renewable diesel imports;
- ongoing discussions with the Governments of Canada and British Columbia regarding the BC LCFS Credit market and the regulation of the renewable fuels industry more generally;
- the Corporation's pursuit of competitive fairness in the renewable diesel industry;
- the Corporation's exploration of strategic options if the condition of the emissions credit market does not improve;
- the sale of BC LCFS Credits to Tidewater Midstream pursuant to the BC LCFS Credit Purchase Agreement;
- the Corporation's operational focus with regard to the HDRD Complex;
- expectations for the Corporation's capital program for 2025;
- the Corporation's throughput rate expectations during winter operations;
- requirements to adhere to increasingly stringent CI reduction targets pursuant to regulations put in place by various levels of government in Canada and the U.S. and the effect on obligated parties' operations and the market conditions from emissions credits;
- the effect of fluctuations in feedstock and energy prices on the Corporation's derivative contracts;
- the Corporation's primary liquidity and capital resource needs;
- the Corporation's efforts and strategies to optimize its asset portfolio, enhance its liquidity and strengthen its balance sheet;
- expectations regarding the Corporation's ability to generate capital emissions credits;
- the Corporation's view of the renewable diesel and emissions credit markets;

- the Corporation’s ongoing reliance on revenue from Tidewater Midstream;
- the Corporation’s reliance on revenue from the sale of emissions credits;
- the Corporation’s requirement to comply with its quarterly financial covenants under the Senior Credit Facility and the second lien credit facility;
- 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 assurance such as letters of credit and prepayments to mitigate and reduce credit risk;
- the Corporation’s use of financial derivative contracts to management 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 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 belief that the Refinancing underscores the lenders’ belief in its future prospects and its ability to execute on its strategic vision;
- 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;
- the market, demand and pricing for emissions credits;
- foreign currency, exchange, inflation and interest rate risks;
- 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;
- 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.