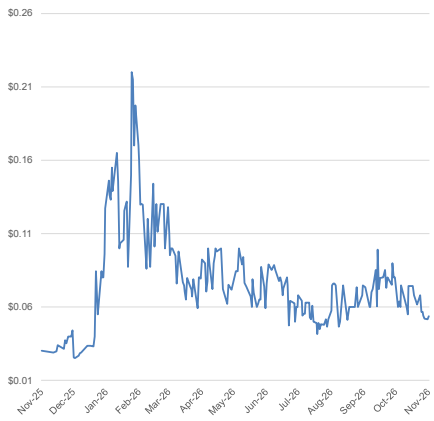
RESEARCH UPDATE

HYORC CORPORATION (OTCQB: HYOR)

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Market Statistics in USD	
Price	$ 0.05
52 week Range	$0.02 - $0.23
Daily Vol (3-mo. average)	22,523
Market Cap (M)	$ 40.9
Enterprise Value (M)	$ 41.0
Shares Outstanding: (M)	758.0
Float (M)	132.3

Financial Summary in USD	
Cash (M)	$ 0.1
Cash/Share	$ 0.00
Debt (M)	0
Equity (M)	$ 21.2
Equity/Share	$ 0.03



Company Description

HyOrc Corporation is an early-stage energy technology company developing waste-to-methanol systems, multi-fuel power-generation technology, and locomotive retrofit applications. The Company's development and commercialization activity is centered on its waste-to-methanol platform, with proposed projects in Portugal and Bulgaria. HyOrc is also pursuing equipment sales, technical-services work, stationary-power applications, and the conversion of existing diesel locomotives to alternative fuels.

Company Updates

Technology Update: HyOrc reported independent laboratory analysis of syngas from the first commercial gasification module in November. Results showed 39.88% carbon monoxide, 35.55% hydrogen and 0.76% nitrogen after gasification and gas cleaning, but before downstream conditioning for methanol synthesis. These results supplement the Company's earlier pilot-scale methanol work but do not yet establish commercial methanol yields, uptime or the targeted production cost of approximately €350 per tonne.

Economics and Validation: According to HyOrc, the Company's targeted green methanol production cost is approximately €350 per tonne. Management frames this against a conventional grey methanol benchmark of approximately €850 per tonne and a potential green premium of up to €700 per tonne. We believe this cost structure is the most important part of the story, but it still needs to be demonstrated through continuous commercial operation outside of pilot and modular testing environments.

Additional Projects: HyOrc has announced plans for a larger 150 TPD RDF-processing facility in Portugal, for which it intends to seek funding in 2027. Separately, a government agency in Tamil Nadu approved a project report and identified land for a proposed 10 TPD waste-to-syngas facility in India. Both projects broaden the development pipeline but remain subject to financing, agreements and execution before meaningful recurring revenue can be established.

Porto Commercial Milestone: In September, HyOrc completed off-site fabrication and assembly of its first commercial module, designed to process three TPD of RDF into up to one TPD of methanol. The unit did not ship in September as previously expected. Final system integration and factory testing are now targeted for early December, followed by shipment to Portugal, with initial methanol production expected in 1Q27. Installation, commissioning and sustained operation remain outstanding.

Execution and Capital Needs: HyOrc announced approval of approximately €6.7 million in STEP funding for the next phase of its 50%-owned Portugal joint venture, which is designed to process approximately 35 tonnes per day (TPD) of refuse-derived fuel (RDF) into eight TPD of methanol. Under a revised agreement with MO.RE.DA. Oils, HyOrc's direct funding obligation is limited to the fully funded initial module, while the joint venture is responsible for financing subsequent expansion. The grant approval improves funding visibility, although the timing of disbursements and remaining project-level capital requirements have not been disclosed.

Valuation: We rely on a DCF framework to guide our valuation. Given HyOrc's early-stage profile, limited historical revenue, and need for external capital, our valuation is highly sensitive to timing, funding, dilution, and assumptions around future methanol capacity. Please see the valuation page for further details.

Business Overview

HyOrc Corporation is an early-stage energy technology company developing waste-to-methanol systems, multi-fuel power-generation technology, and locomotive retrofit applications. The Company's development and commercialization activity is centered on its waste-to-methanol platform, with proposed projects in Portugal and Bulgaria. HyOrc is also pursuing equipment sales, technical-services work, stationary-power applications, and the conversion of existing diesel locomotives to alternative fuels.

The operating business was acquired through a reverse merger with SRE Power, Inc. during 2024. The public entity had previously operated as Asia Properties, Inc. and was redomiciled to Wyoming in 2019. HyOrc issued approximately 655.4 million shares to acquire SRE Power, after which former SRE shareholders became the controlling shareholders of the combined company. The transaction provided HyOrc with SRE Power's intellectual property, technical personnel, project-development experience, and interest in the Biliran geothermal project in the Philippines.

The Company describes its business through three principal technology areas. The first is the conversion of refuse-derived fuel, or RDF, into synthesis gas and methanol. The second is an external-combustion system designed to generate power using hydrogen, natural gas, LPG, biogas, syngas, methanol, or combinations of those fuels. The third is the proposed use of this power-generation system to replace diesel engines in existing locomotives. These technologies remain at different stages of development. The waste-to-methanol process has operated at pilot scale, while the locomotive and stationary-power applications remain in design, pilot-development, or commercial-discussion stages.

HyOrc does not currently operate large-scale manufacturing facilities. Engineering, fabrication, prototyping, and testing are performed through outside manufacturers and technical partners. Vaigunth Enertek has played a principal role in this work and is a related party through HyOrc Chief Technology Officer Manoharan Sundaralingam, who also serves as a director of Vaigunth. The Company also expects to source turbines, generators, controls, pumps, compressors, and other components from established third-party suppliers.

The executive team is led by Chief Executive Officer K. Reginald Fubara, Chief Technology Officer Manoharan Sundaralingam, and President Andrea Magalini. The board includes executives and non-executive directors with backgrounds in power generation, hydrogen propulsion, project finance, industrial technology, and energy-sector transactions. Ownership remains concentrated following the SRE transaction. As of December 31, 2025, Mr. Fubara beneficially owned approximately 53% of the common stock, while SRE Power director Alfonso Sotres owned approximately 25%.

Exhibit 1: HyOrc Overview



Source: Company Website

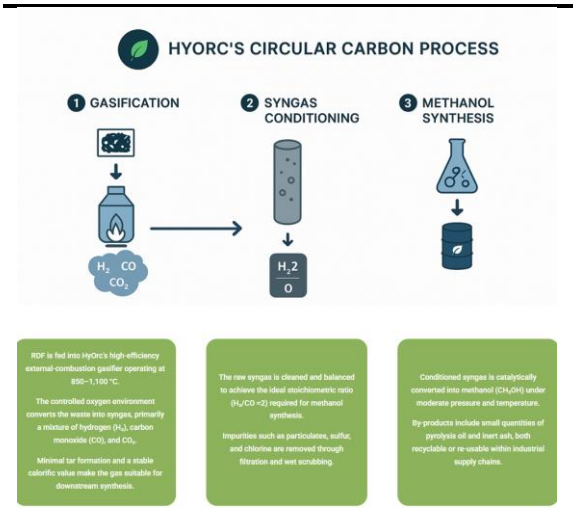
Technology and Products

Waste-to-Methanol Platform

HyOrc's waste-to-methanol process begins with RDF produced from municipal or industrial waste. The feedstock is prepared to remove unsuitable materials and control moisture, particle size, and energy content before entering the gasifier. The Company states that its gasification system operates at approximately 850°C to 1,100°C in a controlled-oxygen environment.

Gasification converts the feedstock into synthesis gas composed principally of hydrogen, carbon monoxide, and carbon dioxide. The raw gas is then cleaned to remove particulates, sulfur, chlorine, tar, and other contaminants. The hydrogen-to-carbon-monoxide ratio is adjusted before the conditioned synthesis gas enters a catalytic reactor, where it is converted into methanol. The methanol is then condensed and purified. Solid residue, ash, and other byproducts require disposal, reuse, or additional treatment depending on their composition.

Exhibit 2: Methanol Overview



Source: Company Website

The commercial system is intended to combine several pieces of equipment rather than operate as a single standalone unit. These include feedstock-preparation systems, the gasifier, gas-cleaning equipment, synthesis-gas conditioning, methanol reactors, condensers, control systems, and, in certain configurations, a HyOrc engine for onsite power generation. The final design will depend on the feedstock, required output, site utilities, environmental requirements, and intended use of the methanol.

HyOrc's earlier research and development system in Tamil Nadu was designed to produce approximately 300 liters of methanol per day. In March 2026, the Company reported a 60-day monitoring program and methanol purity of 99.8%. Bureau Veritas subsequently observed pilot operations in April, reporting satisfactory results with no non-conformities. These trials established pilot-scale conversion under the observed conditions, but not sustained operation at the capacity proposed for Portugal. In November 2026, HyOrc announced separate laboratory results from the gasification module intended for Portugal. Prewel Laboratories measured syngas containing 39.88% carbon monoxide, 35.55% hydrogen and 0.76% nitrogen after gasification and gas cleaning, but before water-gas shift, separation and further conditioning for methanol synthesis. The measurements provide additional information on syngas composition, although the module has not yet demonstrated continuous commercial methanol production.

This work provides operating evidence for the pilot process, but it does not establish performance at the scale proposed for Portugal or Bulgaria. Commercial operation will require larger equipment, continuous feedstock handling, emissions control, product-quality consistency, maintenance procedures, and integration with site utilities. The amount and quality of methanol produced per tonne of RDF will also depend on feedstock composition and process configuration.

HyOrc has published an indicative methanol-production cost range of approximately €350 to €370 per tonne. This estimate is based on internal engineering assumptions, including the receipt of RDF at no cost or with an associated tipping fee. It is not an operating result from a commercial methanol facility. Actual costs will depend on plant utilization, feedstock treatment, labor, utilities, catalysts, maintenance, financing, product certification, and local waste-disposal economics.

Off-site fabrication and assembly of the first commercial module were completed in September. HyOrc now expects final system integration and factory testing in early December, followed by shipment and installation in Portugal. Initial methanol production is targeted for 1Q27, compared with the September 2026 shipment schedule discussed in our initiation. Commercial operation will require testing of product quality, production yield, availability and cost over a sustained period.

A definitive offtake agreement would address another portion of the Portugal development process. The PRIO BIO term sheet establishes a framework for negotiations, but commercial production will require agreement on product specifications, sustainability certification, volumes, pricing, delivery, and credit terms.

The Bulgaria project provides a larger potential application of the technology but is earlier in development. Progress will depend on completion of engineering, grant or project financing, permitting, final commercial agreements, site construction, and equipment delivery. Receipt of grant funding would reduce the amount of external capital required but remains uncertain until a formal award is made.

Commercial operation of a scaled methanol plant would provide information not available from pilot testing, including feedstock throughput, methanol yield, plant availability, maintenance requirements, emissions, catalyst life, product certification, and production cost. These results will determine whether the process can be repeated across additional sites.

Expansion of the patent portfolio would provide additional geographic protection if the applications are granted. Patent issuance would not remove the need to demonstrate commercial performance, but it could support licensing or technology-supply arrangements in markets where HyOrc does not intend to own projects directly.

Gasification Equipment

Gasification equipment can be sold separately from a complete methanol facility. In May 2026, HyOrc announced the sale and shipment of a 3 tonne-per-day gasification unit for a municipal project in Assam, India. The Company described the transaction as an outright equipment sale. Public materials did not disclose the sale price, payment schedule, expected margin, or timing of revenue recognition.

The Assam unit includes automated material charging, process controls, gas-cleaning equipment, and enclosed handling of oils and tars generated during the process. Its use in a municipal setting should provide additional information on feedstock handling and gasifier operation, although it is not a methanol-production facility.

External-Combustion and Organic Rankine Cycle Technology

HyOrc's power-generation platform uses an external combustor to produce heat, which is transferred to a working fluid in a closed-loop Organic Rankine Cycle. The heated fluid drives a turbine connected to a generator before being cooled and recirculated. Because combustion occurs outside the turbine, the heat source can be adapted to different gaseous or liquid fuels.

The Company states that the system can operate on hydrogen, natural gas, LPG, biogas, synthesis gas, methanol, and mixed fuels. HyOrc has reported thermal efficiency above 45% in certain configurations and has stated that its system can operate using hydrogen with purity of approximately 97%. These figures are based on Company testing and engineering work. The technology is intended for stationary power, onsite industrial generation, backup power, and locomotive applications. HyOrc has proposed a pay-as-you-go model under which it or a financing partner would own the equipment and sell electricity to the customer.

The two 500 kW turbine units delivered during 2025 provide evidence that the Company and its manufacturing partner can source, test, and deliver Organic Rankine Cycle equipment. HyOrc's role in that transaction was primarily commercial and technical coordination, and the turbines were manufactured by Vaigunth Enertek.

Exhibit 3: Locomotive Overview

HOW HYORC STACKS UP VS DIESEL & FUEL CELLS

	HYORC	DIESEL	FUEL CELL
HOW IT WORKS	External-combustion Rankine; closed loop	Internal-combustion piston engine	Electrochemical stack + traction motor
EFFICIENCY (THERMAL)	45+% on H_2/LPG	≈38% typical	≈42% system level
FUEL FLEXIBILITY	Natural Gas, LPG, H_2, biogas, e-methanol	Diesel/HVO only	Hydrogen only
HYDROGEN PURITY	Operates at ~97%+ purity H_2 (by-product H2 accepted)	N/A	Needs high-purity H_2; impurity-sensitive
RETROFIT & OPEX	Keep Class 66 frame; O&M <€25k/yr	O&M ~€39k/yr; no decarb gains	Heavy redesign/new build; stack upkeep

Source: Company Website

Locomotive Retrofit Platform

The locomotive program is intended to replace the diesel engine in an existing locomotive while retaining the chassis, traction equipment, and other reusable components. HyOrc's current design work is focused on the Class 66 locomotive used in UK freight service. The proposed system would initially operate on natural gas or LPG before transitioning to hydrogen as fuel supply becomes available.

HyOrc's published Class 66 case study assumes a 2.8 MW external-combustion system. The Company has also published estimated retrofit costs, fuel consumption, operating expenses, emissions, and payback calculations. These figures are design assumptions and have not yet been demonstrated through an operating locomotive.

In February 2026, HyOrc and GB Railfreight entered into a memorandum of understanding for Project Phoenix. The parties intend to define the technical pathway for a pilot retrofit of an older locomotive. The work includes system design, packaging, fuel storage, safety analysis, performance requirements, and regulatory review. HyOrc has also referred to proposals submitted to Banaras Locomotive Works in India and discussions with other potential rail partners.

The locomotive program will require a completed technical design and an operating pilot before broader fleet deployment can be considered. The GB Railfreight relationship provides access to an established operator and a defined locomotive platform, but no purchase commitment has been announced. Similar requirements apply to the proposals in India and other jurisdictions.

Commercialization and Project Pipeline

HyOrc is pursuing several forms of commercialization. These include ownership interests in fuel-production projects, technology and equipment supply, engineering services, equipment-sale commissions, licensing, and proposed power or locomotive deployments. The economic structure is not the same across each opportunity.

The Portugal project is structured through a 50/50 joint venture. The Bulgaria agreement currently positions HyOrc as a technology and process-design partner. The Assam transaction was announced as an equipment sale. The turbine transaction generated commission income, while the German power-station work generated service revenue. The locomotive and stationary-power programs remain at earlier stages and do not yet have an established revenue model supported by completed commercial deployments.

Portugal

HyOrc's Portugal project is structured through a 50/50 joint venture with MO.RE.DA. Oils, Lda. at an existing industrial site near Porto. The initial module is designed to process three TPD of RDF into up to one TPD of methanol. Under the September 2026 restructuring, HyOrc's direct funding responsibility is limited to this fully funded first module, while financing for subsequent expansion is the responsibility of the joint venture.

The Portuguese project consortium received approval for approximately €6.7 million of STEP funding supporting a second phase designed to process approximately 35 TPD of RDF and produce up to eight TPD of methanol. The grant provides a potential source of non-dilutive project funding, but the public disclosures do not establish the timing of disbursements, required matching contributions or the total remaining cost of the expansion.

The Company announced completion of off-site fabrication and assembly for the initial module in September. Final integration and factory testing are targeted for early December, followed by shipment and commissioning, with initial methanol production in Portugal now expected in 1Q27. In October, HyOrc outlined an additional plan for a facility processing approximately 150 TPD of RDF, with an EU Innovation

Fund application contemplated in 2027 and installation targeted to begin in 2028. This figure represents RDF throughput rather than methanol output. The proposed development remains subject to engineering, financing and commercial agreements. The existing PRIO BIO offtake term sheet also remains subject to definitive commercial terms.

The Company has signed an exclusive ten-year commercial term sheet with PRIO BIO for potential methanol offtake. The term sheet indicates commercial interest but is not the same as a definitive purchase agreement. Final volume, pricing, quality, delivery, certification, credit, and commencement provisions have not been publicly disclosed. HyOrc has identified a longer-term objective of developing up to 400 tonnes per day of methanol capacity across Portugal.

Bulgaria

In March 2026, HyOrc entered into a project-development and technology agreement with OnEnergy GreenPower EAD and On Energy EOOD for a proposed waste-to-methanol facility near Varna. The project was designed to process approximately 50,000 to 56,000 tonnes of RDF annually and produce approximately 38 to 42 TPD of methanol, subject to final engineering, financing and commercial agreements.

On October 21, 2026, HyOrc received notice from OnEnergy purporting to discontinue the Company's participation following an unsuccessful joint grant application. HyOrc disputes the validity of that action and has reserved its contractual and intellectual property rights. The agreement's status and HyOrc's future economic participation remain unresolved, limiting visibility into potential project revenue.

The agreement contemplates possible participation in later development, construction, and operation, but the final commercial terms have not been disclosed. Lastly, the Company has reported submission of a funding application of approximately €50 million for the Bulgaria project.

Equipment and Engineering Revenue

The Assam gasifier represents the clearest announced example of a standalone sale of HyOrc-branded equipment. Successful installation and customer acceptance would provide additional information on equipment pricing, manufacturing cost, delivery time, warranty requirements, and aftermarket-service obligations.

The 2025 turbine transaction shows a second potential model in which HyOrc originates a sale and provides technical and commercial support while a third party manufactures and delivers the equipment. This model limits inventory and manufacturing requirements.

Engineering and personnel-coordination services provide another potential source of revenue. The German power-station work was limited in scale and included an outstanding receivable at year-end 2025. The extent to which this work becomes recurring will depend on additional contracts and collection of amounts already invoiced.

Locomotives and Stationary Power

Project Phoenix remains in the technical-design stage. The next steps include completion of the design, agreement on the pilot scope, identification of funding, regulatory and safety review, equipment manufacturing, installation, and testing. A successful pilot would still need to be followed by a commercial purchase or retrofit agreement.

The stationary-power strategy is less advanced publicly. HyOrc identifies ports, data centers, industrial sites, cold storage, remote facilities, and island grids as potential customers. The proposed pay-as-you-go structure

may reduce customer capital requirements but would require HyOrc or a financing partner to fund the equipment and retain operating and performance risk.

India Waste-to-Syngas

In November 2026, HyOrc announced that Tamil Nadu's District Rural Development Agency had approved a project report and identified a site for a proposed 10 TPD waste-to-syngas facility in Kanyakumari District. The proposed public-private partnership would process approximately 10 TPD of RDF and target a similar daily quantity of syngas for sale to local industrial customers. Management estimates approximately $562,000 of annual revenue and $211,000 of operating contribution at planned capacity, based on 330 operating days and an indicative selling price of approximately $170 per tonne of syngas. These are forward-looking project estimates, not current sales or earnings. An MOU, customer arrangements, financing, engineering, permitting and deployment remain to be completed.

Market Overview

Methanol is an established commodity used in formaldehyde, chemicals, fuels, and other industrial applications. Most current production is based on natural gas or coal. Lower-emission alternatives include biomethanol produced from biomass or biogas, e-methanol produced from renewable hydrogen and captured carbon dioxide, and methanol produced from waste-derived synthesis gas.

Shipping has become an additional source of potential demand. Methanol can be stored as a liquid at ambient conditions and can be used in dual-fuel marine engines. According to Det Norske Veritas (DNV), more than 450 methanol-capable vessels were operating or on order by late 2025.

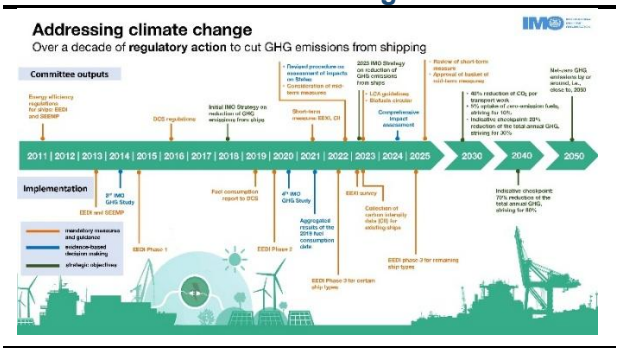
The International Maritime Organization's 2023 strategy calls for total annual greenhouse-gas emissions from international shipping to decline by at least 20%, while striving for 30%, by 2030 relative to 2008. It also calls for zero- or near-zero-emission fuels and technologies to account for at least 5%, while striving for 10%, of energy used by international shipping by 2030.

The proposed IMO Net-Zero Framework would add a global marine-fuel standard and emissions-pricing mechanism. Formal adoption was deferred in October 2025, and discussions are expected to resume in 2026. The existing IMO strategy remains in place, but the timing and final form of the additional global measures remain subject to further negotiation.

The European Union's FuelEU Maritime regulation took effect in 2025. It requires the average greenhouse-gas intensity of energy used by covered vessels calling at EU ports to decline by 2% beginning in 2025, 6% beginning in 2030, and progressively more through 2050. The regulation is technology-neutral and measures fuels using lifecycle emissions rather than relying only on emissions at the vessel.

Waste-derived methanol competes with several production pathways. E-methanol developers use renewable electricity, electrolytic hydrogen, and captured carbon dioxide. Biomethanol projects use forestry residue, agricultural waste, biogas, or other biological feedstocks. Conventional methanol producers may use carbon capture or renewable gas to reduce emissions from existing facilities. Waste-gasification projects also compete for RDF with incineration, cement kilns, mechanical recycling, pyrolysis, landfill disposal, and other waste-to-energy systems.

Exhibit 4: IMO Climate Targets



Source: IMO.org

HyOrc's proposed process may reduce exposure to the cost of renewable hydrogen because hydrogen and carbon monoxide are produced within the gasification process. In locations where waste owners pay a tipping fee, feedstock can also have a negative acquisition cost. These conditions are site-specific. RDF preparation, transport, contamination, moisture, contractual availability, and competing disposal options can materially affect the economics.

The Company's intended modular format is smaller than many conventional methanol projects. Smaller plants may be placed closer to waste sources and customers, potentially reducing feedstock and product transportation. Smaller scale can also result in higher unit costs if equipment, staffing, controls, permitting, and maintenance do not decline proportionally with capacity.

HyOrc's principal points of differentiation are its use of RDF as a feedstock, the modular scale of its methanol systems, the fuel flexibility of its external-combustion platform, and its proposed ability to retrofit existing equipment. Whether these characteristics produce a sustained cost or performance advantage will depend on commercial-scale operating results.

Risks

Liquidity and financing risk remain material. HyOrc had approximately $54,000 of cash at June 30, 2026, compared with approximately $135,000 at March 31. Operating activities used approximately $299,000 of cash during the first six months of 2026. In August, the Company entered into a conditional equity purchase arrangement for up to $7.5 million and issued additional convertible notes. The facility does not represent cash already received, and its use, together with conversion features in outstanding notes, may result in further share issuance.

Pilot results may not translate to commercial operation. The waste-to-methanol process has operated at pilot scale, but the Company has not yet disclosed sustained production from a commercial methanol plant. Scale-up may affect yield, availability, emissions, maintenance, and cost.

Feedstock quality and availability may vary. RDF composition can change by region, supplier, season, and waste-processing method. Variations in moisture, plastics, chlorine, metals, and other contaminants can affect operation and product quality.

Competitive Industry. HYOR operates in a highly competitive industry with an abundance of players, some of which are larger than the Company. Should the Company fail to expand its customer base or lose its current customers, the business will suffer.

Going concern risk. HyOrc's independent auditor has raised substantial doubt about the Company's ability to continue as a going concern, reflecting its operating losses, limited cash position, and dependence on external financing. The Company's ability to fund ongoing operations and commercialization efforts will depend on securing additional capital through equity, debt, grants, or strategic partners. Failure to obtain sufficient financing could delay planned projects, limit operations, or require the Company to curtail its development activities.

Valuation

Discounted Cash Flow

We value HyOrc using separate discounted cash flow analyses for the Porto and Bulgaria waste-to-methanol projects. Our analysis centers primarily on the methanol opportunity and does not include separate valuation contributions from Project Phoenix, distributed-power applications, data-center initiatives, geothermal interests, standalone equipment sales, or methanol capacity beyond the projects currently modeled. These areas may provide additional value as they progress and as further commercial and financial detail becomes available.

Our operating assumptions are broadly consistent across the two projects. We assume that 25% of RDF is converted into methanol. The model assumes 330 operating days per year, a realized renewable-methanol price of approximately €1,550 per tonne, and net production costs of approximately €350 per tonne. The production-cost assumption reflects the Company's stated economics after incorporating the benefits of tipping-fee revenue and internally generated process energy. Methanol pricing and production costs are held constant throughout the forecast period, with euro-denominated assumptions translated at €0.90 per US$1.00.

We assume approximately 1.5 to 2 years of construction and commissioning for each project, followed by a phased ramp toward full production. The 50%-owned Porto project is modeled to reach approximately 8 TPD during its initial phase, followed by an additional 50 TPD of separately developed capacity.

For Bulgaria, we model a facility producing approximately 40 TPD. We currently assume HYOR retains 100% of the project economics, although the valuation may change as the final ownership, licensing, and commercial structure becomes clearer. We apply a 12.0% discount rate to Porto, reflecting its more advanced development stage, recent scientific announcements, and existing project infrastructure. For Bulgaria we apply a 17.5% discount rate to account for its earlier stage, lower visibility regarding financing, recent uncertainties, and construction timing. Terminal growth is modeled between 1% and 3%.

Our combined project DCF produces an indicated equity value range of $0.14 to $0.20 per share, with a midpoint of $0.17 per share. The range reflects differences in terminal growth assumptions, discount rates, project timing, and the pace at which the facilities reach commercial utilization. The valuation is presented using the current share count and does not explicitly incorporate future equity issuance

The valuation remains particularly sensitive to HYOR's ability to achieve the assumed conversion rates, realized methanol pricing, production costs, operating availability, and project capital requirements. Successful commissioning of the Porto modules, validation of commercial production economics, execution of definitive feedstock and offtake agreements, and financing of subsequent capacity could support increases in estimated value as the projects are derisked. Delays in permitting, installation, financing, or the production ramp would reduce the present value of the modeled cash flows.

HyOrc Corporation
Combined Discounted Cash Flow Model
(in $000's, except per share)

Estimates:	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	2036E	Terminal Value
Total Revenue	617	59	87	689	18,465	36,930	38,768	39,931	41,129	42,362	43,633	44,942	46,291	
Operating Expenses	2,249	625	659	716	5,214	10,259	10,770	11,095	11,430	11,775	12,128	12,492	12,867	
Operating Income	(1,632)	(566)	(572)	(27)	13,251	26,671	27,998	28,836	29,699	30,588	31,505	32,450	33,424	
Less: Taxes (benefit)	-	-	-	3	1,325	4,489	5,880	6,056	6,237	6,423	6,616	6,815	7,019	
NOPAT	(1,632)	(566)	(572)	(29)	11,926	22,182	22,118	22,780	23,462	24,164	24,889	25,636	26,405	
Plus: Depreciation & Amortization	-	-	-	50	900	1,963	2,375	2,788	3,200	3,375	3,550	3,725	3,900	
Plus: Changes in WC	54	(297)	(0)	(3)	(34)	(68)	(37)	(31)	(31)	(24)	(25)	(17)	(18)	
Less: Capex	-	-	(500)	(8,500)	(10,625)	(4,125)	(4,125)	(4,125)	(1,750)	(1,750)	(1,750)	(1,750)	(1,750)	
Free Cash Flow	(1,578)	(863)	(1,072)	(8,483)	2,166	19,951	20,331	21,412	24,881	25,765	26,664	27,594	28,537	232,864
Discount period - months			6	18	30	42	54	66	78	90	102	114	126	
Discount period - years			0.5	1.5	2.5	3.5	4.5	5.5	6.5	7.5	8.5	9.5	10.5	
Discount factor			0.9	0.8	0.7	0.6	0.5	0.5	0.4	0.4	0.3	0.3	0.2	
PV of FCF			(1,002)	(6,924)	1,544	12,421	11,054	10,168	10,319	9,332	8,435	7,624	6,886	56,188

Valuation:

Shares outstanding (M)	758
PV of FCF	69,857
PV of Terminal Value	56,188
Enterprise Value	126,045
less: Net Debt	54
Estimated Total Value:	125,991
Est Equity Value/share:	**$0.17**
Price	$0.05

Sensitivity Analysis:

Discount rate \ Terminal Growth Rates	0%	1%	2%	3%	4%
12.00%	$0.20	$0.21	$0.22	$0.24	$0.26
13.25%	$0.18	$0.18	$0.19	$0.20	$0.21
14.50%	$0.15	$0.16	$0.17	$0.17	$0.18
15.75%	$0.14	$0.14	$0.15	$0.15	$0.16
17.00%	$0.12	$0.12	$0.13	$0.13	$0.14

Source: Company Reports; Stonegate Capital Partners

Our valuation remains focused on the Porto and Bulgaria methanol projects and does not assign additional value to the Company's broader initiatives, including Project Phoenix, distributed-power applications, data-center opportunities, geothermal interests, standalone equipment sales, or the recently announced India project. We estimate that meaningful commercial progress in any one of these initiatives could provide meaningful incremental upside to our indicated valuation range on a per-project basis.

Comparable-Company Reference

We also use selected renewable-fuel, distributed-power, and industrial companies as a valuation cross-check. The peer group trades at high-single-digit forward EV/EBITDA multiples, providing a useful longer-term reference as HYOR progresses toward commercial production and develops a recurring operating base.

The smallest companies within the selected comparable group currently carry market capitalizations of approximately $250 million to $450 million. Applying that range to HYOR's current share count would imply approximately $0.33 to $0.60 per share. We view this range as aspirational at the Company's present stage, given its limited operating history, remaining financing requirements, and the need to demonstrate sustained commercial production. It nevertheless provides context for the potential scale of a future rerating as HYOR completes its initial facilities, validates the stated economics, and expands its commercial platform.

We view the DCF as a methanol execution case rather than a valuation of HYOR's broader portfolio. Expansion toward the Company's longer-term 400-TPD methanol objective and progress across Project Phoenix, distributed power, and other technology applications may provide additional value but are not included in our current estimate. Our valuation therefore reflects the Porto and Bulgaria methanol opportunities while leaving room for further revisions as the Company reaches operating, commercial, and financing milestones.

While the valuation remains subject to significant execution and financing risk, our DCF indicates that successful commissioning of Porto and Bulgaria along with the development of the modeled expansion could support value above the current market price. The estimate depends on achieving the assumed production economics, securing capital on acceptable terms, and limiting dilution. We therefore view the valuation as an execution case rather than an indication of near-term realizable value. Additional valuation detail is available upon request.

Comparative Analysis
(all figures in M, except per share information)

Company Name	Symbol	Price [1]	Mrkt Cap	EV	EV/Revenue [2, 3]			EV/EBITDA [2, 3]			P/E [2, 3]		
					2025	2026E	2027E	2025	2026E	2027E	2025	2026E	2027E
Alstom SA	ALO	$ 11.65	$ 5,390.7	$ 6,928.3	0.73x	0.32x	0.30x	1120.7x	5.3x	3.9x	39.7x	24.0x	9.6x
Bloom Energy Corporation	BE	$185.42	$54,820.7	$ 55,150.8	10.62x	12.18x	7.78x	725.0x	52.2x	28.7x	N/A	56.7x	34.8x
Capstone Energy+, Inc.	CEPL	$ 3.06	$ 99.9	$ 179.5	1.67x	1.78x	1.32x	5.7x	16.1x	8.5x	N/A	N/A	N/A
Clean Energy Fuels Corp.	CLNE	$ 1.83	$ 403.5	$ 576.0	1.45x	1.33x	1.32x	22.8x	7.3x	6.7x	N/A	183.0x	32.3x
FuelCell Energy, Inc.	FCEL	$ 10.28	$ 821.9	$ 397.7	1.53x	2.31x	1.56x	N/A	N/A	N/A	N/A	N/A	N/A
Gevo, Inc.	GEVO	$ 1.39	$ 332.8	$ 453.1	3.57x	2.32x	2.20x	14.8x	7.4x	7.2x	N/A	N/A	N/A
Montauk Renewables, Inc.	MNTK	$ 1.19	$ 170.5	$ 311.8	1.72x	1.47x	1.26x	8.1x	5.5x	4.7x	136.6x	9.0x	5.6x
Neste Oyj	NESTE	$ 30.14	$23,156.4	$ 26,247.4	1.02x	1.00x	0.97x	1503.4x	5.0x	6.1x	103.6x	6.9x	9.3x
				Average	2.8x	2.8x	2.1x	485.8x	14.1x	9.4x	93.3x	55.9x	18.3x
				Median	1.6x	1.6x	1.3x	22.8x	7.3x	6.7x	103.6x	24.0x	9.6x
HyOrc Corporation	HYOR	$ 0.05	$ 40.9	$ 41.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) Previous day's closing price
(2) Estimates are from Capital IQ
(3) Forward estimates as of calendar year
Source: Company reports, CapitalIQ, Stonegate Capital Partners

BALANCE SHEET

HyOrc Corporation
Consolidated Balance Sheets ($000's)
Fiscal Year End: December

ASSETS	FY 2024	FY 2025	Q1 Mar-26	Q2 Jun-26
Cash and Cash Equivalents	176.0	19.4	134.7	53.9
Trade Receivables	-	36.5	36.5	36.5
Total Current Assets	**176.0**	**56.0**	**171.3**	**90.5**
Property, Plant, and Equipment	2,700.0	2,320.0	2,320.0	2,483.8
Goodwill	15,755.3	15,755.3	15,755.3	15,755.3
Patents	3,604.6	3,604.6	3,604.6	3,604.6
Total Assets	**22,235.9**	**21,735.9**	**21,851.2**	**21,934.1**
LIABILITIES AND SHAREHOLDERS' EQUITY				
Advance and Other Payables	160.2	15.0	15.0	95.7
Subscription Money Advance	-	-	200.0	55.0
Convertible Notes Payable	-	-	-	108.1
Derivative Liability	-	-	-	466.6
Total Liabilities	**160.2**	**15.0**	**215.0**	**725.4**
Accumulated Deficit	(8,216.2)	(8,767.5)	(8,852.2)	(9,541.9)
APIC	29,563.8	29,645.4	29,645.4	29,886.7
Common Stock Subscribed	-	105.9	105.9	105.9
Common Stock issuable	-	-	-	18.0
Common Stock	728.2	737.1	737.1	740.0
Total Consolidated Equity	**22,075.8**	**21,720.9**	**21,636.2**	**21,208.8**
Total Liabilities and Shareholders' Equity	**22,235.9**	**21,735.9**	**21,851.2**	**21,934.1**

Source: Company Reports, Stonegate Capital Partners

INCOME STATEMENT

HyOrc Corporation
Consolidated Statements of Income (in $000's, except per share amounts)
Fiscal Year End: December

	FY 2024	FY 2025	Q1 Mar-26	Q2 Jun-26	Q3 E Sep-26	Q4 E Dec-26	FY 2026E	Q1 E Mar-27	Q2 E Jun-27	Q3 E Sep-27	Q4 E Dec-27	FY 2027E
Revenue	$ 617.1	$ 59.1	$ -	$ 24.0	$ -	$ 63.4	$ 87.4	$ 111.8	$ 149.0	$ 186.3	$ 242.2	$ 689.3
Total Revenues	**617.1**	**59.1**	-	**24.0**	-	**63.4**	**87.4**	**111.8**	**149.0**	**186.3**	**242.2**	**689.3**
Operating Expenses:												
Raw materials and consumables used	-	-	-	-	-	30.5	30.5	61.0	81.3	101.6	132.1	376.0
Gross Profit	**617.1**	**59.1**	-	**24.0**	-	**32.9**	**56.9**	**50.8**	**67.7**	**84.7**	**110.1**	**313.3**
G&A Expenses	1,017.2	324.9	84.7	374.1	85.0	85.0	628.7	85.0	85.0	85.0	85.0	340.0
Impairment Loss	1,232.1	300.0	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	2,249.3	624.9	84.7	374.1	85.0	85.0	628.7	85.0	85.0	85.0	85.0	340.0
Operating Income	**(1,632.2)**	**(565.8)**	**(84.7)**	**(350.1)**	**(85.0)**	**(52.1)**	**(571.8)**	**(34.2)**	**(17.3)**	**(0.3)**	**25.1**	**(26.7)**
Other gains/losses	-	14.5	-	(339.7)	-	-	(339.7)	-	-	-	-	-
Profit Before Taxes	**(1,632.2)**	**(551.3)**	**(84.7)**	**(689.7)**	**(85.0)**	**(52.1)**	**(911.4)**	**(34.2)**	**(17.3)**	**(0.3)**	**25.1**	**(26.7)**
Provision for Income Tax	-	-	-	-	-	-	-	(1.7)	(1.7)	(0.0)	6.3	2.8
Net Income	**(1,632.2)**	**(551.3)**	**(84.7)**	**(689.7)**	**(85.0)**	**(52.1)**	**(911.4)**	**(32.5)**	**(15.5)**	**(0.3)**	**18.8**	**(29.5)**
Basic EPS	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ 0.00**	**$ (0.00)**
Diluted EPS	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ 0.00**	**$ (0.00)**
WTD Shares Out - Basic	685.7	733.4	737.1	758.0	738.4	738.4	743.0	738.4	738.4	738.4	738.4	738.4
WTD Shares Out - Diluted	685.7	733.4	737.1	738.4	738.4	738.4	738.1	738.4	738.4	738.4	738.4	738.4

Source: Company Reports, Stonegate Capital Partners estimates

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