



Cover Photo: Tourmaline's Banshee Gas Plant near Edson, AB
Inside Cover Photo: ENMAX substation #21, located in Calgary

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ACCOUNTABILITY STATEMENT

This review is documented as an annual accountability report and ensures that Emissions Reduction Alberta's (ERA) mandate is being fulfilled, its commitments in its three-year *Business Plan* are being executed, and it's delivering results in accordance with the Grant Agreement and Memorandum of Understanding in place with the Government of Alberta. All material economic, environmental, or fiscal implications, of which ERA is aware, have been considered in preparation of this report.

DISCLAIMER

While ERA makes every effort to ensure claims related to emissions performance are accurate, it does not audit underlying information or verify all source data and is not responsible or liable for any environmental claims, environmental performance metrics, or any representations, statements, or claims regarding emissions or emissions reductions contained in this Annual Report, or any assumptions or methodologies underlying any such claims. All GHG reductions are estimates and are based on specific projects; significantly higher reductions are expected from market adoption.

MESSAGE FROM KELLY J. OGLE

*"Today, nearly **80 per cent** of ERA's active portfolio has identified export potential, while more than half of our commercialization-ready completed projects have already generated international sales, deployments, or strategic partnerships."*

Alberta has always succeeded by looking ahead. Our province has built one of the world's strongest economies by embracing innovation, developing world-class industries, reducing emissions, and competing successfully in global markets.

The past year has reinforced how quickly the global landscape can evolve. Geopolitical instability, shifting trade relationships, and the ongoing threat of tariffs have heightened the importance of energy security, resilient supply chains, and industrial competitiveness. Nations around the world are investing aggressively to strengthen domestic industries, secure reliable sources of energy, and develop the technologies that will define the next generation of economic growth. Alberta is well positioned to lead.

This year also marked an important milestone with the signing of the Canada-Alberta Memorandum of Understanding Implementation Agreement. The agreement provides greater long-term certainty for industry and investors while reinforcing Alberta's ability to direct industrial carbon pricing revenues toward technology development and commercialization. Stable policy, combined with strategic investment, gives businesses the confidence to pursue ambitious projects, accelerate innovation, reduce emissions, and compete in global markets.

ERA continues to play a vital role in that effort. By investing in technologies that move from demonstration to commercialization, we help bridge financing gaps, reduce investment risk, and accelerate innovation across Alberta's energy, industrial, agricultural, electricity, manufacturing, and emerging technology sectors. Since 2009, ERA investments have leveraged billions of dollars in additional capital while helping companies develop technologies that improve industrial performance, create high-value jobs, attract private investment, and strengthen Alberta's long-term competitiveness.

This work demonstrates that economic growth and technological innovation go hand in hand. Alberta's innovators are developing practical solutions that strengthen existing industries while creating entirely new opportunities. Increasingly, those opportunities extend far beyond our provincial borders.

Perhaps most encouraging is the growing international demand for technologies developed right here in Alberta. ERA-supported companies are expanding into global markets, attracting international investment, and building partnerships around the world. Today, nearly 80 per cent of ERA's active portfolio has identified export potential, while more than half of our commercialization-ready completed projects have already generated international sales, deployments, or strategic partnerships.

Alberta is exporting not only its natural resources, but also the ingenuity, expertise, and technologies that will shape the future of industry.

None of this happens without strong leadership. This year, we also recognize and thank Board member Clive Mather as he concludes his service with ERA. Throughout his tenure, Clive has been a trusted advisor to the Board, bringing thoughtful insight, strategic perspective, and decades of executive leadership in the global energy sector.

On behalf of the Board of Directors, I extend my sincere appreciation to our funding partners, project proponents, government partners, stakeholders, and the exceptional staff at ERA. Their expertise, collaboration, and commitment continue to strengthen this organization and amplify its impact across Alberta.

The technologies being developed today will determine where industries invest, where talent builds careers, and where economies grow tomorrow. ERA is helping ensure those opportunities are created here in Alberta, but benefiting the world.



KELLY J. OGLE
BOARD CHAIR, ERA



MESSAGE FROM JUSTIN RIEMER

*"In 2025-26 alone, ERA committed **\$256 million** to **57 projects** across the province, along with an additional **\$72 million** for new projects to be selected and announced in 2026-27."*

ERA has grown into one of the largest and most respected clean technology funders in Canada, and our impact reaches well beyond Alberta's borders. The technologies we back strengthen the country's industrial competitiveness.

That role matters most in a year like this one. As capital for clean technology has grown harder to raise and slower to deploy, ERA has remained a steady, catalytic source of funding—the critical support that helps promising technologies cross from demonstration to market, and market to widespread adoption.

Since 2009, our investments have helped Alberta companies develop, deploy, and scale technologies that strengthen competitiveness, improve productivity, reduce emissions, and create lasting economic value.

In 2025-26 alone, ERA committed \$256 million to 57 projects across the province, along with an additional \$72 million for new projects to be selected and announced in 2026-27. The numbers speak for themselves, but they also reflect something bigger: a proven model that continues to deliver results for Alberta, Canada, and ultimately the world.

This year, ERA advanced several major initiatives, including announcing projects from the Industrial Transformation Challenge, Tailings Technology Challenge, and Drilling Technology Challenge; launching the Methane Reduction Deployment Program and managing the demand for the Strategic Energy Management for Industry (SEMI) program.

By 2029, ERA-supported projects are expected to support more than 53,000 person-years of employment in Alberta and contribute nearly \$8.49 billion to the provincial GDP. From skilled trades and construction jobs during project development to long-term operational and maintenance roles, these investments support communities, and the technologies they produce strengthen Canada's position in the markets of the future.

We also work to maximize the impact of every dollar invested. For every dollar committed by ERA, \$5.1 are leveraged from other sources. Through partnerships with governments, industry, and financial institutions, ERA helps attract additional investment into Alberta while providing the independent validation that gives co-investors confidence to move projects forward. In a tighter financing environment, that catalytic role has never been more important.

We were especially proud to stand up the Fuel Innovation Fund, an ERA subsidiary established under Canada's Clean Fuel Regulations and the first of its kind in the country. The Fund opens a new pathway to reinvest compliance contributions into projects that lower the carbon intensity of transportation fuels while accelerating innovation and commercialization across Canada's clean fuels sector. Its first major call, the \$50 million Future Fuels Challenge, drew strong interest and applications from across the country. Through the related Contributor Reinvestment Program, we also awarded substantial funding, enabling contributors to invest directly in their existing or planned operations and deliver immediate benefits to their fuel-producing assets.

Beyond funding, ERA creates value through knowledge transfer. Every project generates technical insights and lessons learned that help reduce risk, inform investment decisions, and accelerate technology adoption by demonstrating the art of the possible.

This year, ERA's Commercialization Impact Project highlighted the long-term outcomes of ERA-funded projects, including commercialization success, job creation, revenue growth, and environmental benefits. Together, these insights strengthen Alberta's innovation ecosystem and extend the value of our investments well beyond any individual project.

I would like to thank our funding partners, project proponents, stakeholders, Board of Directors, and the exceptional ERA team. The team's expertise, dedication, and commitment is vital to building Alberta and Canada's future.



JUSTIN RIEMER
CEO, ERA

ABOUT ERA

MANDATE

Reduce emissions and support the competitiveness and growth of Alberta's economy by accelerating the development and adoption of innovative technology solutions.

VISION

Alberta has a diversified economy with competitive industries that deliver sustainable environmental outcomes and attract investment.

CORE VALUES



VALUE PROPOSITION

ERA provides funding to strengthen the competitiveness of industries in Alberta. These investments help innovators develop, demonstrate, and adopt technologies that reduce emissions and improve environmental outcomes while lowering costs, improving competitiveness, and accelerating economic diversification. ERA delivers results through a competitive, transparent, efficient, and outcomes-focused delivery model.

STRATEGIC FUNDING

- ERA receives a portion of the revenues from the Government of Alberta's Technology Innovation and Emissions Reduction (TIER) fund. TIER is at the core of emissions management in Alberta and serves as a framework that offers industrial facilities an opportunity to advance innovative approaches to reduce emissions and maintain competitiveness.
- ERA also receives funding from Canada's federal government through Natural Resources Canada (NRCan), the Low Carbon Economy Leadership Fund (LCELF), and other national programs to deliver targeted initiatives that support improved environmental performance and economic competitiveness in Alberta.
- ERA has recently expanded its role by launching the Fuel Innovation Fund (Fund), a subsidiary of ERA and a federally registered emissions-reduction funding program under Canada's Clean Fuel Regulations.
- ERA works with trusted partners to identify opportunities to build on investments made by other funding organizations. By leveraging this support, ERA can expand the reach and impact of funding.
- ERA delivers targeted efficiency and emissions-reduction programming supported by TIER and additional federal funding. This includes the Strategic Energy Management for Industry (SEMI) program and the Methane Reduction Deployment Program (MRDP), which help Alberta companies improve performance and lower emissions.

UNIQUE BUSINESS MODEL

While many jurisdictions have a mechanism to invest in clean technology, ERA's model is unique:

- Funding accelerates innovation by supporting technology adoption and commercialization through demonstration and first-of-kind deployment stages of development; incentives are also provided to support the deployment of commercially viable technologies.
- ERA reinvests industrial compliance payments in projects led by companies and technology developers actively working to reduce emissions, keeping investment circulating within Alberta's economy to advance technology adoption, strengthen industry competitiveness, and deliver results.
- Non-dilutive grant funding enables ERA to accelerate the advancement of clean technology by sharing risk with industry and private funders across key development stages.
- A Delegated Administrative Organization (DAO) structure means ERA has no annual investment caps, can fund multi-year projects, carry funding over from year-to-year, and, if necessary, reinvest funds when projects do not progress.
- ERA requires a minimum 1:1 matching of its investments with private dollars. For projects funded to date, for every dollar invested by ERA, 5.1:1 has been leveraged from public and private funders.

**To ensure accuracy of the leverage ratio, projects with high project costs are capped at \$1B, as these are considered outliers.*

"Alberta has spent more than 17 years building ERA into a world-class organization with the expertise to turn complex challenges into practical results."

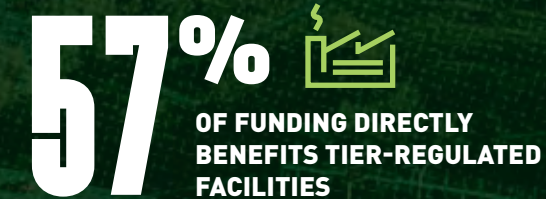
Grant Hunter, Minister of Environment and Protected Areas



Photo: Grant Hunter, announcing ERA-funded projects in Coalville, AB.

PORTFOLIO IMPACT

TECHNOLOGY INNOVATION FUNDING



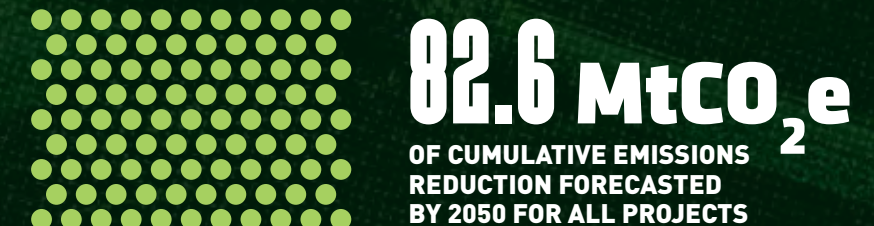
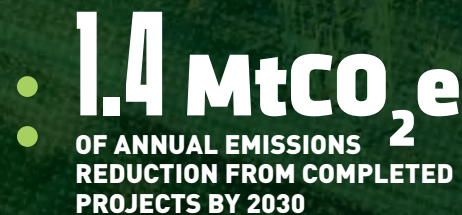
ECONOMIC OUTCOMES

\$1.19 BILLION
TOTAL COMMITTED INVESTMENT

\$10.84 BILLION
TOTAL PROJECT COST



ENVIRONMENTAL IMPACT



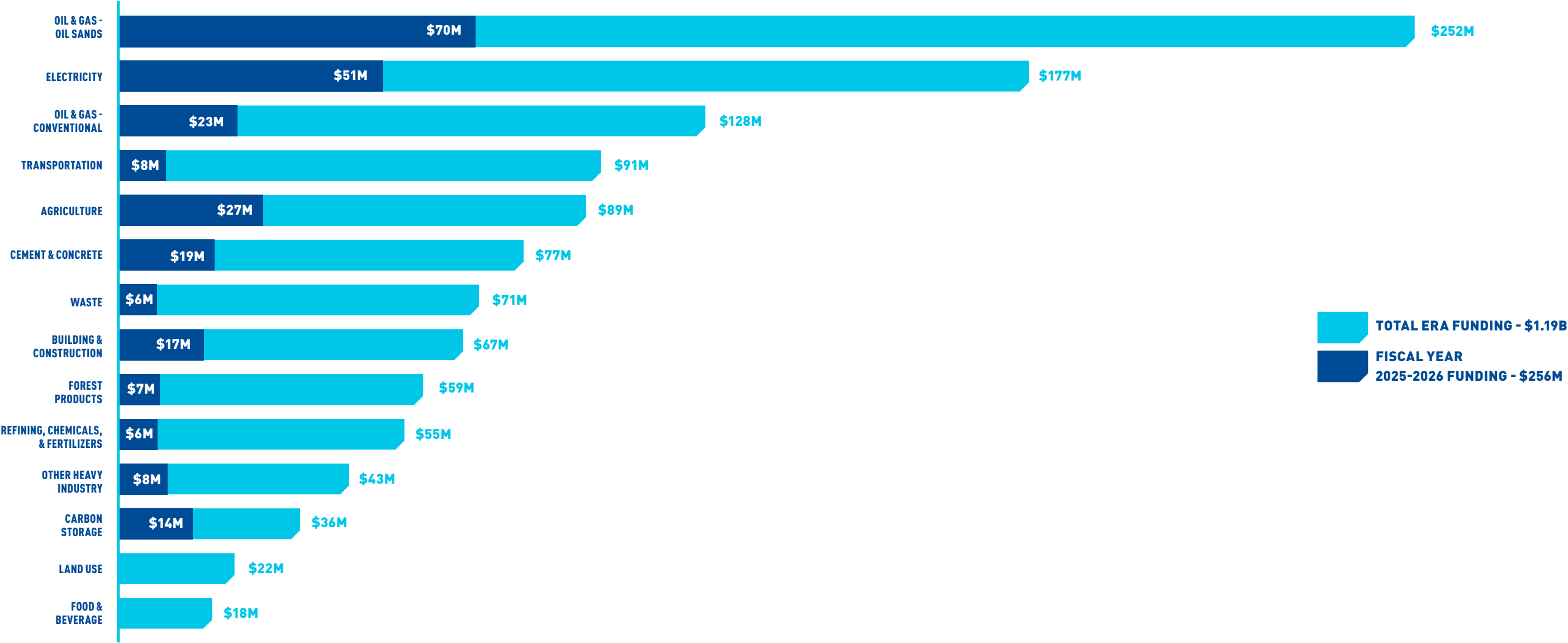
INCENTIVE PROGRAMMING



Note: Data accurate for incentive programming as of May 31, 2026.

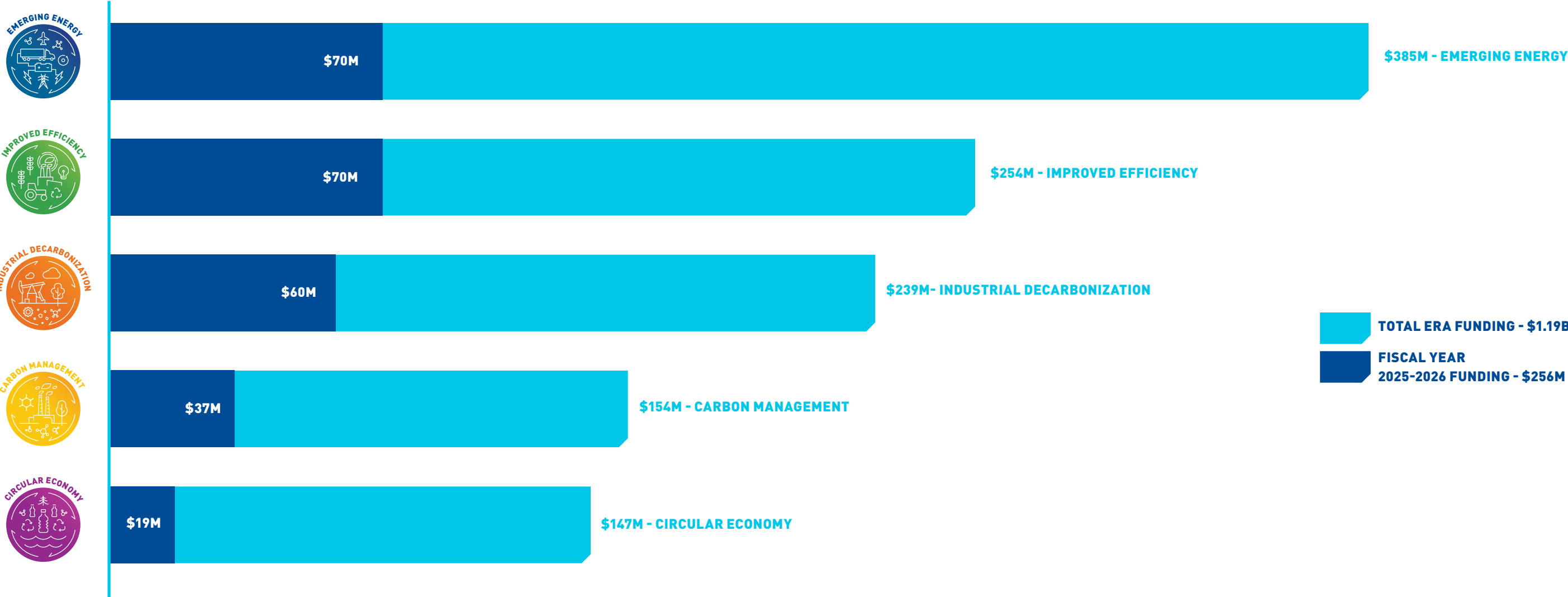
DIVERSIFIED PORTFOLIO

TECHNOLOGY INVESTMENT BY SECTOR



DIVERSIFIED PORTFOLIO

INVESTMENT BY TECHNOLOGY ROADMAP AREA OF FOCUS



**Note: In 2012, ERA provided \$7 million in funding for three adaptation projects worth \$7 million in consultation with Alberta Environment and Parks that are not reflected above.*

MAP OF ERA-FUNDED PROJECTS

ERA has funded a total of **364 projects** through competitive funding calls and continuous intake programming.

335 PROJECTS ARE LOCATED AT SPECIFIC
SITES WITHIN ALBERTA AND ARE
REPRESENTED ON THE MAP

29 PROJECTS ARE LOCATED OUTSIDE
ALBERTA (11 ELSEWHERE IN CANADA
AND 18 OUTSIDE CANADA)

Disclaimer: Project locations shown on this map are approximate and intended for illustrative purposes only. Pins do not represent exact geographic coordinates.

Note: With over 2,600 projects, incentive programming projects are too numerous to be displayed on this map but have occurred across Alberta.



ADVANCING TOWARDS COMMERCIALIZATION

194  **PROJECTS**
COMPLETED TO DATE

 **82%** OF COMPLETED
PROJECTS
INCREASED
IN TECHNOLOGY
READINESS LEVEL

 **47%** OF COMPLETED
PROJECTS REACHED
COMMERCIALIZATION

\$3.6 **MILLION**
AVERAGE ANNUAL REVENUE GENERATED
PER SURVEYED COMPANY

 **33%** OF SALES
GENERATED IN
INTERNATIONAL
MARKETS

 **TOP JOB-CREATING
TECHNOLOGY AREAS:
RENEWABLE ENERGY,
CARBON CAPTURE,
METHANE MANAGEMENT**



Photo: Karleigh Lewis, Sales Manager & Agronomist, Livestock Water Recycling.

2025-26 HIGHLIGHTS AT-A-GLANCE

 **57** NEW TECHNOLOGY
INNOVATION PROJECTS
FUNDED

 **27** TECHNOLOGY INNOVATION PROJECTS
COMPLETED

 **\$256 MILLION** → **\$1.3 BILLION**
IN APPROVED INVESTMENTS WORTH IN TOTAL PROJECT COST

\$72 MILLION → **2026 > 2027** FISCAL YEAR
IN FUNDING COMMITTED FOR ACTIVE OPPORTUNITIES IN

440 NEW ENERGY EFFICIENCY
INCENTIVE PROJECTS
APPROVED

 **\$42 MILLION**
METHANE REDUCTION DEPLOYMENT
PROGRAM ROLLED OUT

**LAUNCHED THE FUEL INNOVATION FUND
AS AN ERA SUBSIDIARY, INCLUDING:**

\$50 MILLION
IN NEW FUNDING THROUGH
THE FUTURE FUELS CHALLENGE

\$140 MILLION
FOR APPROVED PROJECTS THROUGH THE
CONTRIBUTOR REINVESTMENT PROGRAM

 **FUEL
INNOVATION
FUND**

STRATEGIC PRIORITIES

ERA has three strategic priorities to deliver on its mandate and vision for Alberta. In 2025-26, in alignment with its **Business Plan**, ERA continued its focus on the following:

1. ACCELERATE TECHNOLOGY

Invest in innovative technologies that help industries in Alberta reduce emissions and mitigate environmental impacts while improving global competitiveness.

2. DRIVE COMMERCIALIZATION

Convene the right resources to accelerate the adoption and broader commercial deployment of clean technology solutions that drive economic growth, emissions reductions, and wider environmental benefits in Alberta.

3. MAXIMIZE IMPACT

Maximize ERA's impact beyond technology support by sharing knowledge and striving for operational excellence.



Photo: Kennedy Doan, Insectary Lead, Future Fields.

1. ACCELERATE TECHNOLOGY

ERA supports the development and deployment of high-potential technologies that drive economic growth and environmental performance across Alberta. Investments are delivered through competitive funding calls, and the Continuous Intake Program. The Fuel Innovation Fund subsidiary, provides further funding to both regulated and non-regulated entities to advance low-carbon fuels and support compliance with the federal Clean Fuel Regulations.

In 2025-2026, ERA approved more than \$256 million in funding for over 57 technology innovation projects worth a combined value of more than \$1.3 billion. ERA also allocated an additional \$72 million in funding to be awarded through future competitive funding opportunities.



Photo: CPKC hydrogen train.



FUEL INNOVATION FUND LAUNCHED AS A COMPLIANCE OPTION UNDER CANADA'S CLEAN FUEL REGULATIONS



In 2025-26, ERA expanded its role in advancing clean technology development and deployment through the establishment of the Fuel Innovation Fund, a subsidiary of ERA.

The Fund provides regulated fuel suppliers, industry innovators, and technology developers with an opportunity to deploy technologies that lower the carbon intensity of transportation fuels.

The Fund has two streams: a Contributor Reinvestment Program where primary suppliers can apply to reinvest into their own projects and an annual funding competition, the Future Fuels Challenge, that supports a broad range of applicants.

The Fund launched the \$50 million Future Fuels Challenge in April of 2026. The annual competition was open to a broad range of applicants, including entities regulated under the Clean Fuel Regulations, as well as non-regulated entities. Successful applicants will be approved in 2026-27.

With over 17 years of delivering clean technology investments, ERA is uniquely positioned to administer the Fund. Its transparent and rigorous process ensures investments are allocated fairly, efficiently, and in line with federal requirements.

"CFA was pleased to collaborate in the development of this important program. This new funding represents a strong opportunity to advance low-carbon fuel projects, technologies, and infrastructure that will deliver direct, measurable emissions reductions across Canada."

Bob Larocque, President and CEO, Canadian Fuels Association (CFA)

APPROVED PROJECTS IN 2025-26

\$107 MILLION TO ADVANCE INDUSTRIAL TRANSFORMATION AND ACCELERATE CLEAN TECHNOLOGIES

ERA's Industrial Transformation Challenge is an annual funding opportunity that supports the development and deployment of innovative technologies that improve competitiveness, strengthen environmental performance, and support long-term economic growth in Alberta. In this year's iteration of the Challenge, ERA announced \$107 million in funding for 20 projects including first-of-kind manufacturing upgrades, circular economy solutions, piloting carbon capture systems, launching Alberta's first robotic fabrication platform, enhancing grid management, supporting the development of a livestock feed additive, and more.

"Alberta knows how to innovate in energy, and the Government of Alberta's support through ERA helps GeoGen move from shop floor to field. By deploying modular geothermal systems built with an Alberta-based supply chain, we're strengthening energy security and reducing energy costs for commercial operators across the province."

Matt Hogg, CEO, GeoGen

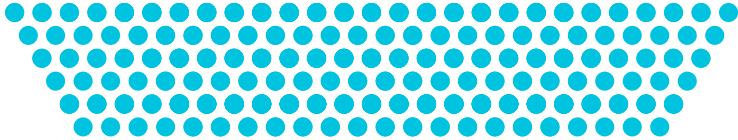


INDUSTRIAL TRANSFORMATION CHALLENGE

\$107 M **>** **20** 
TOTAL INVESTMENT PROJECTS

\$720 MILLION
TOTAL PROJECT COST

504,000 t OF ANNUAL EMISSIONS REDUCTIONS


9.4 Mt OF CUMULATIVE EMISSIONS REDUCTIONS FORECASTED BY 2050


    **3,653** PERSON YEAR JOBS

 **\$570 MILLION**
ADDED TO ALBERTA'S GDP BY 2029



Photo: Janine Sullivan, President and CEO, FortisAlberta.



INDUSTRIAL
TRANSFORMATION
CHALLENGE

ALTALINK INVESTMENT LTD.
PARTNERSHIP

ERA FUNDING: \$1,840,000
PROJECT COST: \$5,400,000

Calgary, AB

Use real-time weather data and advanced monitoring systems to safely increase transmission capacity, reduce congestion, and improve grid performance.

ASHCOR TECHNOLOGIES LTD.
(A SUBSIDIARY OF ATCO LTD.)

ERA FUNDING: \$625,000
PROJECT COST: \$1,300,000

Halkirk, AB

Recover and repurpose coal ash from retired power plants to reduce waste and support lower-emissions concrete production.

CANADIAN NATURAL
RESOURCES LTD.

ERA FUNDING: \$15,000,000
PROJECT COST: \$116,600,000

Conklin, AB

Demonstrate a technology that combines steam and solvent injection to improve bitumen recovery while reducing steam requirements.

CANADIAN STRATEGIC
MISSIONS CORP.

ERA FUNDING: \$5,000,000
PROJECT COST: \$10,400,000

Edmonton, AB

Develop a prototype nuclear micro-reactor to explore reliable, small-scale, zero-emissions energy generation.

CENTRAL FARMS RNG LTD.
(A SUBSIDIARY OF TAURUS
CANADA RENEWABLE NATURAL
GAS CORP.)

ERA FUNDING: \$10,000,000
PROJECT COST: \$77,200,000

Coaldale, AB

Build a facility that converts manure into renewable natural gas while capturing carbon emissions.

CERTAINTEED CANADA

ERA FUNDING: \$10,000,000
PROJECT COST: \$68,700,000

Redcliff, AB

Modernize insulation manufacturing processes to improve energy efficiency, reduce emissions, and strengthen long-term competitiveness.

CNERGREEN CORP.

ERA FUNDING: \$1,550,000
PROJECT COST: \$3,600,000

Calgary, AB

Test foam-based enhanced oil recovery that increases efficiency while storing CO₂ underground.

CVICTUS INC.

ERA FUNDING: \$750,000
PROJECT COST: \$2,700,000

Calgary, AB

Scale up production of a novel, low-carbon alternative to soybean meal and fishmeal for animal feed to support more sustainable feed production.

ENERPURE INC.

ERA FUNDING: \$6,200,000
PROJECT COST: \$30,600,000

Bowden, AB

Develop a used motor oil recycling facility to convert waste oil into low-sulphur, lower-carbon marine fuels.

FORTIS ALBERTA INC.

ERA FUNDING: \$6,990,000
PROJECT COST: \$18,900,000

Airdrie, AB

Deploy advanced grid management technologies to improve reliability, strengthen outage response, and support a more resilient electricity system.

FULCRUM AIR INC.

ERA FUNDING: \$1,500,000
PROJECT COST: \$3,000,000

Calgary, AB

Expand an autonomous, drone-based maintenance platform for high-voltage electricity transmission systems to improve worker safety and grid reliability.

GEOGEN TECHNOLOGIES INC.

ERA FUNDING: \$2,750,000
PROJECT COST: \$10,600,000

Clearwater County, AB

Demonstrate closed-loop geothermal technology capable of generating electricity without water use or emissions.



INDUSTRIAL
TRANSFORMATION
CHALLENGE

GRAYMONT
ERA FUNDING: \$15,000,000
PROJECT COST: \$225,000,000

Exshaw, AB

Deploy a low-emission lime production process to reduce emissions and energy use, improve operational efficiency, and maintain product quality.

TOTAL CONTAINMENT INC.
ERA FUNDING: \$630,000
PROJECT COST: \$1,500,000

Vermilion, AB

Improve CO₂ pipeline safety by preventing cracking in carbon capture infrastructure.

PALL CORP.
ERA FUNDING: \$1,000,000
PROJECT COST: \$2,000,000

Exshaw, AB

Install advanced filtration systems to reduce water use, lower emissions, and improve efficiency in cement production.

TOURMALINE OIL CORP.
ERA FUNDING: \$12,000,000
PROJECT COST: \$87,000,000

Yellowhead County, AB

Install advanced carbon capture equipment on natural gas compressor engines at the Banshee Gas Plant to reduce emissions and test scalability.

ROBIM TECHNOLOGIES INC.
ERA FUNDING: \$2,860,000
PROJECT COST: \$6,200,000

Edmonton, AB

Apply robotics and artificial intelligence to reduce material waste and improve efficiency in construction manufacturing.

TRANSALTA CORP.
ERA FUNDING: \$10,000,000
PROJECT COST: \$39,100,000

Brazeau Dam, AB

Integrate battery storage with hydroelectric generation to improve grid flexibility, reliability, and overall system performance.

RUMINANT BIOTECH
ERA FUNDING: \$2,800,000
PROJECT COST: \$7,700,000

Edmonton, AB

Produce and pilot a livestock feed additive to reduce methane emissions.

UNIVERSITY OF CALGARY
ERA FUNDING: \$750,000
PROJECT COST: \$2,800,000

Leduc County, AB

Develop soil remediation technology to clean up oil and gas sites at end of life.



Photo: RobIM Technologies uses robotics and AI to reduce construction waste and improve manufacturing efficiency.

\$46 MILLION TO ADVANCE OIL SANDS TAILINGS AND MINE WATER TECHNOLOGIES

Responsible management of tailings and mine water is one of the most important long-term environmental challenges facing Alberta’s oil sands industry. ERA’s Tailings Technology Challenge was designed to accelerate the development and commercialization of technologies that improve water treatment, reduce environmental impacts, support land reclamation, and strengthen the long-term sustainability of Alberta’s resource sector.

In 2026, ERA announced \$46 million in funding through the challenge to support nine projects focused on tailings treatment, mine water management, water recycling, and technologies that support faster and more effective reclamation across the oil sands.

“The world is looking for responsibly produced energy, and Alberta is delivering. With industry leadership and TIER investment, we’re deploying technologies that clean up mine water, protect land and water, and deliver the jobs and competitiveness Alberta needs.”

Grant Hunter, Minister of Environment and Protected Areas



**TAILINGS
TECHNOLOGY
CHALLENGE**

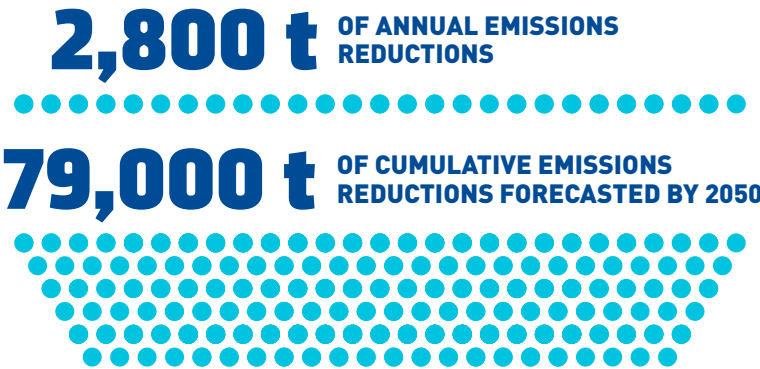
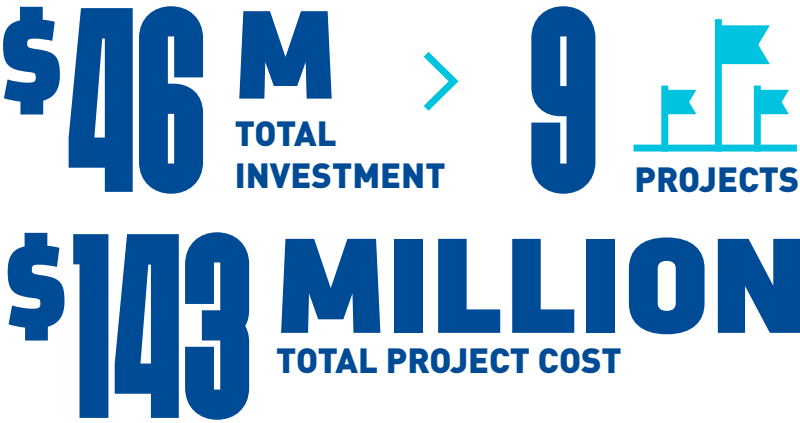


Photo: CNRL will advance 3 projects to improve tailings and water management.



Photo: Suncor will accelerate tailings dewatering, stabilization, and land reclamation.

CANADIAN NATURAL RESOURCES LTD.

ERA FUNDING: \$1,540,000
PROJECT COST: \$3,100,000

Albian Sands, AB

Pilot advanced membrane technologies to treat and recycle mine water for reuse in bitumen extraction, reducing freshwater demand and improving operational efficiency.

CANADIAN NATURAL RESOURCES LTD.

ERA FUNDING: \$1,230,000
PROJECT COST: \$2,500,000

Fort McKay, AB

Advance research into tailings geochemical processes to improve water and soil quality, reduce environmental impacts, and support long-term reclamation efforts.

CANADIAN NATURAL RESOURCES LTD.

ERA FUNDING: \$15,000,000
PROJECT COST: \$69,800,000

Albian Sands, AB

Advance in-pond mixing technologies for tailings management to create more stable deposits, reduce fluid inventories, and lower reliance on energy-intensive treatment methods.

CONETEC INVESTIGATIONS LTD.

ERA FUNDING: \$4,680,000
PROJECT COST: \$19,400,000

Fort McMurray & Edmonton, AB

Develop a field-ready platform for high-resolution tailings characterization to improve dewatering, consolidation, water reuse, and closure planning.

H2NANO INC.

ERA FUNDING: \$1,800,000
PROJECT COST: \$3,900,000

Wood Buffalo, AB

Demonstrate passive mine water treatment technologies that improve water reuse, address salinity, and reduce environmental impacts with smaller treatment footprints.

IMPERIAL OIL RESOURCES LTD.

ERA FUNDING: \$12,780,000
PROJECT COST: \$27,200,000

Kearl Oil Sands, AB

Pilot advanced tailings treatment processes to improve water recovery, reduce tailings volumes, and accelerate land reclamation efforts.

NORTHERN ALBERTA INSTITUTE OF TECHNOLOGY

ERA FUNDING: \$1,030,000
PROJECT COST: \$2,100,000

Across Alberta

Develop a collaborative evaluation framework with industry and Indigenous communities to support consistent assessment and adoption of emerging tailings treatment technologies.

SUNCOR ENERGY INC.

ERA FUNDING: \$4,500,000
PROJECT COST: \$9,000,000

Across Alberta

Assess modular amphibious equipment and ground improvement technologies designed to accelerate tailings dewatering, stabilization, and land reclamation.

SUNCOR ENERGY INC.

ERA FUNDING: \$3,000,000
PROJECT COST: \$6,000,000

Across Alberta

Further test advanced membrane technologies for treating mine water to improve recycling, support reclamation, and reduce emissions associated with mine closure.



**TAILINGS
TECHNOLOGY
CHALLENGE**



Photo: Conetec Investigations Ltd. is developing a field-ready platform for high-resolution tailings characterization.

\$37 MILLION TO ADVANCE NEXT-GENERATION DRILLING AND SUBSURFACE TECHNOLOGIES

ERA is building on Alberta’s extensive energy extraction history by investing \$37 million in 10 projects to advance next-generation drilling and subsurface technologies that can reduce emissions, improve efficiency, lower costs, and unlock new opportunities across the oil and gas, geothermal, carbon storage, and critical minerals sectors.

Projects supported through the Drilling Technology Challenge showcase next-generation drilling technologies, including robotic automation, AI-enabled energy management, advanced downhole sensing, precision well navigation, hybrid power systems, and geothermal innovations that improve performance while reducing emissions, costs, and operational impacts.

"This funding from the Government of Alberta through ERA will enable Global Dynamics to significantly accelerate our time to market. This, in turn, will support our creation of new jobs in Alberta in software development, engineering, and field operations, as well as allow our customers to produce more with significantly lower emissions."

Dean Spence, CEO and CTO, Global Dynamics Inc.



DRILLING
TECHNOLOGY
CHALLENGE

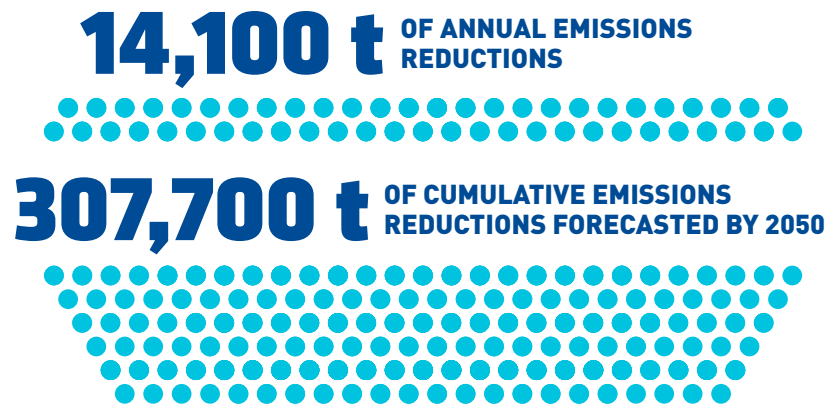


Photo: Heather Stephens, COO, ERA, speaks with Dr. Terry Rock, COO, Alberta Innovates, and Kevin Krausert, CEO and Founder, Avatar Innovations.



DRILLING
TECHNOLOGY
CHALLENGE

BOROBOTICS AG

ERA FUNDING: \$4,420,000
PROJECT COST: \$8,900,000

Winterthur, Switzerland; Calgary, AB

Develop a compact and autonomous electric drilling robot for geothermal boreholes used in ground-source heat pumps.

PHASE ADVANCED SENSOR SYSTEMS CORP.

ERA FUNDING: \$420,000
PROJECT COST: \$1,600,000

Edmonton, AB

Test high-temperature downhole pressure sensors designed for geothermal wells operating above 200°C through laboratory validation and pilot deployments.

CLEANDESIGN INC.

ERA FUNDING: \$2,640,000
PROJECT COST: \$6,800,000

Nisku and Lloydminster, AB

Deploy a rig-mounted software platform that optimizes drilling power use through real-time data capture and automation to reduce fuel use and associated emissions.

PRECISION DRILLING CORP.

ERA FUNDING: \$3,100,000
PROJECT COST: \$6,200,000

Nisku, AB

Demonstrate robotic automation and pipe-handling technologies that improve drilling safety, reliability, and operational efficiency through a first-of-kind Alberta field deployment.

EAVOR TECHNOLOGIES INC.

ERA FUNDING: \$8,000,000
PROJECT COST: \$83,300,000

Calgary, AB

Upgrade Eavor’s core technology with a suite of solutions to enable access to superhot geothermal resources, increase energy output, and reduce the levelized cost of electricity.

RODATHERM ENERGY LTD.

ERA FUNDING: \$8,000,000
PROJECT COST: \$69,300,000

Milford, Utah, U.S.A.

Adapt oil and gas drilling solutions and novel wellbore architectures for use in closed-loop geothermal systems to produce firm zero-emission electricity.

GA DRILLING LTD. (UK)

ERA FUNDING: \$4,990,000
PROJECT COST: \$11,600,000

Stavanger, Norway; Renkum, Netherlands; Across Alberta

Validate modular downhole drilling technology that improves well construction speed, reach, and efficiency using real-time sensing and closed-loop automation.

TOURMALINE OIL CORP.

ERA FUNDING: \$1,810,000
PROJECT COST: \$3,700,000

Across Alberta

Demonstrate a hybrid drilling power system that integrates gas blending, battery storage, and intelligent controls to reduce diesel use, emissions, fuel trucking, and operating costs.

GLOBAL DYNAMICS INC.

ERA FUNDING: \$2,250,000
PROJECT COST: \$7,500,000

Across Alberta

Demonstrate drilling and multilateral well re-entry technology that enables precise access to lateral well branches using real-time downhole sensing, directional control, and surface-steered navigation.

WEATHERFORD CANADA LTD.

ERA FUNDING: \$1,420,000
PROJECT COST: \$3,500,000

Across Alberta

Validate real-time sensing and ranging technology that identifies nearby wellbores and subsurface hazards during SAGD drilling, improving drilling accuracy while reducing site disturbance and emissions.

CONTINUOUS INTAKE PROGRAM SUPPORTS
HIGH-POTENTIAL AND STRATEGICALLY
IMPORTANT PROJECTS

While ERA primarily invests through competitive funding calls, the Continuous Intake Program enables strategic investments in high-potential projects outside regular intake periods. Through referrals from trusted partners and strategic opportunities identified throughout the year, the program provides the flexibility to leverage partnerships and co-investment, and advance innovative technologies that support Alberta's economic growth and environmental objectives.

"Funding and support from ERA will help Qube to further develop a technology that uses artificial intelligence and the internet of things to help oil and gas operators reduce fugitive methane in their pursuit of environmental responsibility."

Alex MacGregor, CEO, Qube Technologies

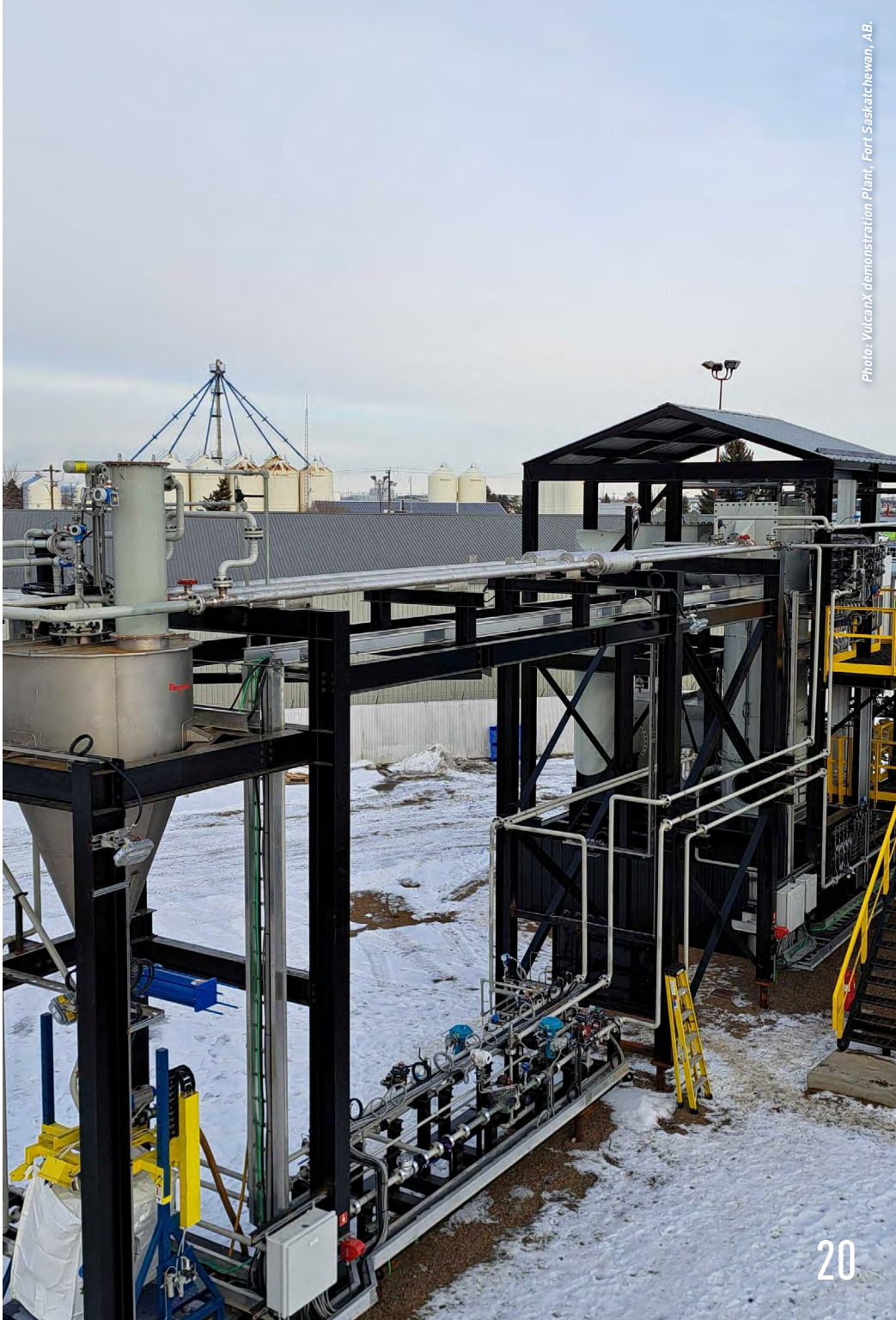
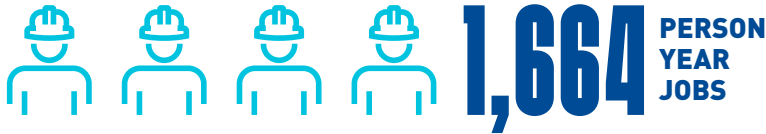
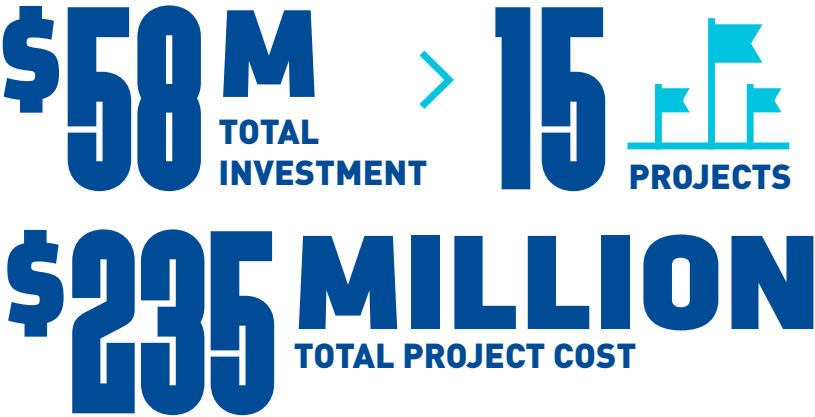


Photo: VulcanX demonstration plant, Fort Saskatchewan, AB.

1212843 B.C. LTD.
ERA FUNDING: \$5,000,000
PROJECT COST: \$18,700,000

Grande Prairie, AB

Support conventional geothermal resources in Alberta by drilling and testing two deep geothermal wells to validate subsurface temperature, flow rates, and chemistry.

CHEMSHIFT TECHNOLOGIES INC.
ERA FUNDING: \$360,000
PROJECT COST: \$1,400,000

Calgary, AB

Design, build, and test a pilot-scale lithium refining system that produces battery-grade lithium, validating efficient processing technologies and supporting domestic battery material production and future commercial deployment.

ATHABASCA ASPHALT COMPANY LTD.
ERA FUNDING: \$2,260,000
PROJECT COST: \$4,500,000

Calgary, AB

Develop a first-of-kind commercial asphalt binder facility using a patented electrified process that converts bitumen to asphalt without fired heaters, steam systems, water use, or conventional distillation.

COUNTY OF NEWELL
ERA FUNDING: \$5,000,000
PROJECT COST: \$13,300,000

County of Newell, AB

Demonstrate dual-fuel hydrogen-diesel conversions in heavy-duty vehicles while supporting the growth of Alberta's hydrogen economy.

AZOLLA HYDROGEN LTD.
ERA FUNDING: \$3,000,000
PROJECT COST: \$12,500,000

Edmonton, AB

Deploy a methanol-to-hydrogen fueling system and rapid-deployment refueling station to expand access to affordable high-pressure hydrogen fuel for vehicle fleets in Alberta.

DRIFT RESOURCE TECHNOLOGIES INC.
ERA FUNDING: \$3,000,000
PROJECT COST: \$6,300,000

Fort McMurray, AB

Pilot a non-thermal process that extracts bitumen through horizontal wells to validate performance and scalability while reducing land disturbance and tailings production.

BIOREFINEX CANADA INC.
ERA FUNDING: \$10,000,000
PROJECT COST: \$81,100,000

Lacombe, AB

Build a full-scale commercial biofuel facility that converts animal by-products, including disease-risk materials, into high-grade organic fertilizers and renewable natural gas.

ENVIRONMENTAL MATERIAL SCIENCES INC.
ERA FUNDING: \$3,000,000
PROJECT COST: \$9,100,000

Across Canada

Advance and validate BioLodestone, a natural nutrient solution that accelerates hydrocarbon soil remediation, reducing site closure times, water use, energy consumption, costs, and emissions while restoring contaminated land faster.



Photo: County of Newell will demonstrate dual-fuel hydrogen-diesel heavy duty vehicles.

KAL TIRE LTD.
ERA FUNDING: \$5,000,000
PROJECT COST: \$16,500,000

Fort McMurray, AB

Construct Canada’s first large-scale recycling facility for giant mining tires using proven thermal conversion technology to recover oil, gas, steel, and carbon black.

QUBE TECHNOLOGIES INC.
ERA FUNDING: \$2,550,000
PROJECT COST: \$7,900,000

Calgary, AB

Enhance a continuous emissions monitoring platform that detects, quantifies, and reduces methane and greenhouse gas emissions across industrial sites.

MANGROVE WATER TECHNOLOGIES LTD.
ERA FUNDING: \$3,000,000
PROJECT COST: \$12,300,000

Delta, BC and Edmonton, AB

Demonstrate delithiated beta spodumene as a low-carbon cement ingredient, reducing emissions from concrete production while creating a valuable use for lithium refining byproducts and strengthening Canadian supply chains.

SVANTE TECHNOLOGIES INC.
ERA FUNDING: \$7,000,000
PROJECT COST: \$25,900,000

Peace River, AB

Advance engineering and design work for a carbon capture project at the Mercer Peace River pulp mill that aims to capture approximately 500,000 tonnes of carbon dioxide annually from mill operations.

NORTHIANA ENERGY SOLUTIONS INC.
ERA FUNDING: \$5,000,000
PROJECT COST: \$11,700,000

Across Alberta

Demonstrate Continuous Multilayered Encapsulation technology that improves bitumen transportation through existing pipelines, reducing drag, energy use, and diluent requirements while increasing throughput and lowering emissions.

VULCANX ENERGY CORP.
ERA FUNDING: \$2,500,000
PROJECT COST: \$10,000,000

Calgary and Fort Saskatchewan, AB

Demonstrate next-generation methane pyrolysis technology that converts natural gas into low-emission hydrogen and high-value solid carbon, supporting clean industry, low-carbon materials, and critical mineral supply chains without CO₂ emissions or water use.

NUCLEON FUEL INC.
ERA FUNDING: \$1,500,000
PROJECT COST: \$3,300,000

Calgary, AB

Assess the feasibility of an advanced uranium conversion facility and its role in strengthening the domestic nuclear fuel supply chain.



ADDITIONAL ADVANCED MATERIAL CHALLENGE PROJECTS APPROVED

In 2024-25, ERA committed \$49 million through its Advanced Materials Challenge to 18 projects valued at \$199 million. These projects advance technologies and solutions that support a circular economy, create economic opportunities, and improve environmental outcomes. In 2025-26, ERA approved two additional projects, bringing the portfolio to 20 projects.

QUANTIAM TECHNOLOGIES INC.

ERA FUNDING: \$3,400,000
PROJECT COST: \$11,000,000

Edmonton, AB

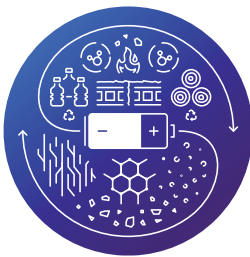
Demonstrate green methanol production from captured carbon dioxide and clean hydrogen to decarbonize olefins and plastics manufacturing while reducing emissions and advancing low-carbon chemical production.

ZYLOTEX INC.

ERA FUNDING: \$3,750,000
PROJECT COST: \$20,400,000

Edmonton, AB

Scale up production of lower-emissions cellulose materials from agricultural residues, beginning with hemp bast, for commercial textiles today and frontier materials tomorrow.



ADVANCED MATERIALS CHALLENGE

INTERNATIONAL COLLABORATION ADVANCES CARBON STORAGE INNOVATION

ERA committed \$840,000 through the Clean Energy Transition Partnerships (CETP) Joint Call 2025 to support an international research collaboration led by the University of Calgary. CETP is a transnational initiative that brings together more than 50 funding organizations across 30 countries to accelerate clean energy research, development, and innovation. Projects are delivered through an international consortia involving partners from at least three participating countries or regions. ERA has participated in the annual CETP joint calls since 2022 as the initiative's only sub-national funding partner.

UNIVERSITY OF CALGARY

ERA FUNDING: \$840,000
PROJECT COST: \$1,700,000

Across Alberta

The project will advance cost-effective CO₂ storage monitoring using fibre optic sensors and advanced algorithms, providing reliable, real-time verification while reducing monitoring infrastructure requirements. The technology aims to support the safe, efficient, and scalable deployment of industrial carbon capture and storage.



ERA-SUPPORTED ENERGY INNOVATION CHALLENGE AWARDS THREE NEW INNOVATORS IN SECOND ROUND OF INTAKE

In 2024, ERA announced \$100,000 in support for Decentralised Energy Canada's and the City of Medicine Hat's Energy Innovation Challenge, a three-year program designed to invest approximately \$2.4 million in small businesses to help them overcome commercialization obstacles and advance their decentralised energy solutions to the market. In 2025, TAKEnergy Inc., Aqua-Cell Energy Inc., and Eguana Technologies were approved as the final award recipients in the Energy Innovation Challenge.

- **TAKEnergy Inc.** will deploy its TERVEX expander to convert energy normally lost during natural gas pressure reduction into reliable, carbon-free electricity. The system will be installed alongside Aqua-Cell's prototype battery storage facility.
- **Aqua-Cell Energy Inc.** will develop its modular saltwater flow batteries that store renewable and off-peak energy for use during peak demand and outages.
- **Eguana Technologies** will deploy nine battery energy storage systems and enhance its EDGE™ energy management platform to improve grid performance, reliability, and resiliency.



NEW FUNDING MADE AVAILABLE IN 2026-27

\$50 MILLION FOR ANNUAL INDUSTRIAL TRANSFORMATION CHALLENGE

ERA's annual Industrial Transformation Challenge plays a central role in building a long-term pipeline of technologies that strengthen Alberta's competitiveness while addressing environmental objectives. Launched in April 2026, the 2026-27 Industrial Transformation Challenge committed up to \$50 million to support pilot, demonstration, and first-of-a-kind commercial projects across Alberta's industrial and natural resource sectors. The program's annual structure provides consistency for innovators, investors, and industry by creating ongoing opportunities to advance technologies from development to deployment.

The challenge supports projects across a wide range of sectors, including energy, electricity, manufacturing, agriculture, forestry, construction, and industrial technology. The annual approach also helps build momentum across Alberta's innovation ecosystem by encouraging companies to continue developing practical solutions that improve productivity, lower costs, reduce emissions, and strengthen long-term economic growth. Successful applicants are eligible for up to \$10 million per project, with a strong focus on technologies that are ready for real-world testing and commercialization. Projects will be announced in ERA's 2026-27 fiscal year.

"Alberta's industries are rising to one of the most important challenges of our time—reducing emissions while remaining globally competitive. This funding is a direct response to that opportunity."

Justin Riemer, CEO, ERA



INDUSTRIAL TRANSFORMATION CHALLENGE

GOVERNMENT OF CANADA PROVIDES \$20 MILLION TO SUPPORT ERA'S CONTINUOUS INTAKE PROGRAM

In 2025-26, the Government of Canada's Low Carbon Economy Leadership Fund provided \$20 million in new funding to ERA's Continuous Intake Program. This investment strengthens ERA's ability to support high-potential technologies and strategically important projects that advance Alberta's economic growth and environmental objectives. The additional funding enables continued investment through this flexible program, complementing ERA's competitive funding calls and supporting the advancement of innovative solutions across sectors.

\$2 MILLION COMMITTED TO CETPARTNERSHIP JOINT CALL 2026

International collaboration plays an important role in accelerating the technologies needed to reduce emissions and strengthen energy systems around the world. ERA is contributing up to \$2 million to the CETPartnership Joint Call 2026. Co funded by the European Union and other partners, this transnational initiative enables ERA to support Alberta participation in joint research, development, and demonstration projects. Funding is pooled to support selected projects, covering a broad variety of technologies and system solutions.

ERA funding will focus on energy system flexibility; carbon capture, utilization, and storage; hydrogen and other renewable fuels, and efficient heating and cooling technologies. Project proposals require a consortium consisting of at least three eligible applicants from at least three separate countries or regions participating in Joint Call 2026. Funding is available for projects at the technology scale-up, field pilot, commercial demonstration, or commercial implementation stages.



Photo: Alfonso Izquierdo Martinez, Research Scientist, NOVA Chemicals

ADVANCING A MORE STRATEGIC TRUSTED PARTNERS MODEL

ERA's Trusted Partners program has evolved into a more strategic and collaborative model focused on fostering long-term relationships with organizations that share ERA's commitment to rigorous, fair, and transparent funding practices. Through these partnerships, ERA helps connect innovators with the funding, expertise, and commercialization support needed to advance promising technologies from development through deployment.

In 2025-26, ERA refined the program to focus on a core group of high-volume referral partners with active funding programs and robust project evaluation processes. This targeted approach strengthens collaboration across the innovation ecosystem, enhances the identification of high-potential projects, and creates more seamless pathways for innovators to access support at key stages of growth.

CURRENT TRUSTED PARTNERS INCLUDE:



Natural Resources Canada
Ressources naturelles Canada



2. DRIVE COMMERCIALIZATION

ERA continued to strengthen Alberta's innovation ecosystem in 2025-26 by launching and expanding programs and services that help innovators move technologies from development to deployment.

Through targeted investments in methane reduction and energy efficiency, support for small and medium-sized enterprises, expanded access to post-secondary research infrastructure, and new mentorship opportunities, ERA is helping drive commercialization while addressing Alberta's economic and environmental priorities.



Photo: Keyera was approved for \$1.3 million for capital retrofits at two gas plants.

ERA INVESTS OVER \$40 MILLION TO REDUCE METHANE EMISSIONS FROM THE OIL AND GAS INDUSTRY



**METHANE
REDUCTION
DEPLOYMENT
PROGRAM**

Reducing methane emissions remains a key priority for ERA. In 2025, ERA launched the Methane Reduction Deployment Program (MRDP) with an initial \$22.4 million from the Government of Alberta's TIER fund to help companies deploy proven methane-reducing technologies across upstream and midstream operations.

In February 2026, ERA received notification of an additional \$19.4 million from the Government of Canada through the Low Carbon Economy Leadership Fund, bringing the total program to \$41.8 million. The added investment expanded the program's ability to support more projects, accelerate deployment, and deliver greater emissions reductions across the sector.

Uptake for ERA's Methane Reduction Deployment Program has been strong.

NEARLY
\$5.2 MILLION COMMITTED
8 PROJECTS WORTH **\$11 MILLION** TOTAL PROJECT COST

APPROVED PROJECTS ESTIMATED TO REDUCE OVER

25,000 t OF GHG EMISSIONS

AND

400,000 t OF LIFETIME EMISSIONS

With this expansion of funding, the program is estimated to generate over 950 person-year jobs and contribute over \$122 million to Alberta's GDP.

ERA's MRDP now provides up to \$2 million per parent company to support the rapid deployment of commercial-ready technologies. Successful applicants may receive up to 50 per cent of the eligible project costs for commercial-ready solutions that achieve measurable methane emissions reductions.

The program is open to owners and operators of upstream and midstream oil and gas facilities located in Alberta. Funding is available for technologies that detect, quantify, and reduce methane emissions; strengthen regulatory readiness, and improve economic performance across the oil and gas sector. The program will continue until March 31, 2029, or until funding is fully allocated.

"This funding is a great opportunity for oil and gas producers to improve operations and reduce emissions while supporting the many Alberta-based innovators and contractors operating in the methane reduction space."

Jacqueline Peterson, Chief External Affairs Strategist, Kathairos Solutions

Closing the Loop: Carbon Copy Podcast Explores Alberta's Leadership in Methane Reduction

Reducing methane emissions is one of the fastest and most cost-effective ways to lower greenhouse gas emissions. In an episode of Carbon Copy, Blake Wickland, Executive Director of the Methane Emission Leadership Alliance, explains why Alberta is well-positioned to lead methane-reduction efforts and how innovation can help producers achieve environmental and operational goals.

[LISTEN HERE](#)



STRONG INDUSTRY DEMAND DRIVES FULL SUBSCRIPTION OF \$70 MILLION SEMI PROGRAM



**STRATEGIC ENERGY
MANAGEMENT**
FOR INDUSTRY

Launched in October 2024, ERA's \$70 million Strategic Energy Management for Industry (SEMI) program helps Alberta's industrial and manufacturing facilities identify and implement opportunities to improve energy efficiency and reduce emissions. Supported by \$50 million from Natural Resources Canada's (NRCan) Green Industrial Facilities and Manufacturing Program (GIFMP), now administered by Environment and Climate Change Canada (ECCC), and \$20 million from the Government of Alberta, the program is expected to drive more than \$140 million in total investment when combined with participant contributions.

Demand for the program has exceeded expectations. All SEMI activities became fully subscribed well ahead of the March 2027 program end date, reflecting strong industry interest in energy management and emissions reduction. Waitlists are now in place across all program streams, including Capital Retrofits, Energy Assessments and Audits, Energy Management Information Systems, and Strategic Energy Management.

To date, the program has engaged 254 industrial facilities across Alberta, with small- and medium-sized enterprises (SME) representing more than 95 per cent of participants. Manufacturing facilities account for 39 per cent of participants, followed by the mining, oil and gas sector at 24 per cent, with the remainder spanning agriculture and forestry, construction, transportation, utilities, services, and waste management. In addition, 26% of the incentive budget has been allocated to Not-for-Profit and Indigenous-owned organizations.

Strong demand continues to highlight the need for additional program funding. At year-end, 47 eligible Capital Retrofit projects were on the waitlist and ready to proceed if funding becomes available, while an additional 42 Expressions of Interest (EOI) had been submitted through the SEMI portal. ERA anticipates the number of EOIs will continue to grow until the end of the program.

"Going through SEMI's Facility Readiness Assessment and Capital Retrofits activities has been a galvanizing process. It's allowed our team in the head office to partner with asset engineers and facility workers on-site. Upgrading technology is the easy part, but getting people to learn and think differently is the challenge. SEMI has really helped with that."

Clark Dickson, Operations Transformation Program Manager, Keyera

 **11** COMPLETED PROJECTS **485** ACTIVE PROJECTS

\$70 MILLION
TOTAL PROGRAM FUNDING
→ **\$64 MILLION**
TOTAL PROGRAM INVESTMENT COMMITTED

\$197 MILLION
ESTIMATED IMPACT TO ALBERTA BETWEEN 2024-2027

 **1,550** ESTIMATED PERSON YEAR JOBS IN ALBERTA BETWEEN 2024-2027

8 SEM GROUPS LAUNCHED **67%** OF SEMI TRAINING SESSIONS COMPLETED

ERA SUPPORT HELPS ALBERTA MANUFACTURER REACH NEW HEIGHTS

The outdoor plaza at Calgary's new BMO Centre has quickly become a gathering place for visitors. Beneath its sweeping metal canopy, the space hosts live performances, public art installations, and provides welcome shade during sunny summer days at the Calgary Stampede. The canopy's aluminum panels were manufactured by Alberta-based Grant Metal Products. Support from the SEMI program helped the company upgrade its equipment, improving efficiency and reducing energy use.

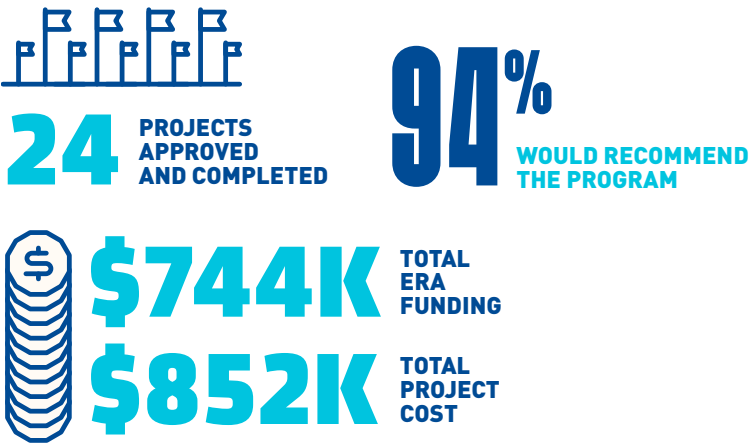
[LEARN MORE](#)

EVOLVING AND EXTENDING THE LAB SERVICES INCENTIVE PROGRAM

In December 2024, ERA launched the Lab Services Incentive Program (LSIP) pilot, committing \$1 million to improve access to specialized lab services for Alberta’s early-stage clean technology developers. The program helped Alberta-based small and medium-sized enterprises engage with post-secondary research institutions by reducing the cost of testing, validation, characterization, and other technical services that support technology development and commercialization. The pilot was delivered in partnership with the University of Alberta, the University of Calgary, and the University of Lethbridge.

To inform the program’s future direction, ERA conducted a series of stakeholder engagement sessions in 2025-26. Based on this feedback and successful outcomes from the pilot, LSIP has been extended for three more years, with annual funding increased to \$1.5 million. Participation has expanded to include additional Post Secondary Institutions that meet specific eligibility requirements. Under the renewed program, ERA will provide up to 50 per cent of eligible project costs through a first-come, first-served intake process, with incentives ranging from \$10,000 to \$50,000 per project.

At the time of this report for the pilot program:



“The LSIP program allowed us to validate performance, collect high-quality data to share with partners, investors, and future clients which is essential to build trust and credibility.”

Phil De Lunca, Co-Founder and CEO, CURA Climate Inc

INNOVATOR SUPPORT SERVICES SUPPORTS ENTREPRENEURS

In 2025 - 26, ERA’s Innovator Support Services (ISS) Program continued to help ERA-funded SMEs address non-technical barriers to commercialization by connecting companies with expert service providers for tailored advisory support such as Executives in Residence. ISS helped participating SMEs strengthen go-to-market strategies, improve investor readiness, clarify financial models, validate market opportunities, provide human resource strategies, and reduce commercialization risk. Eligible companies can access up to 60 hours of mentorship and support from selected service providers at no cost to the SME.

At the time of this report:

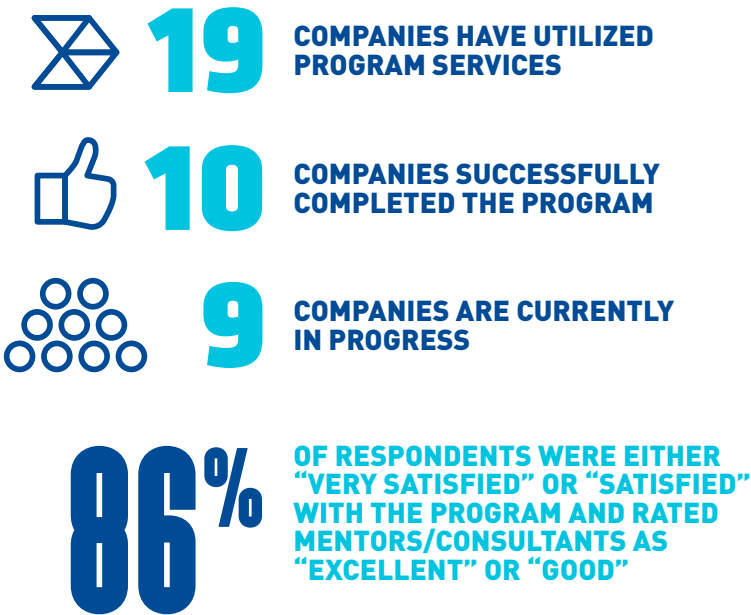


Photo: Lab technician, University of Calgary.

3. MAXIMIZE IMPACT

ERA ensures its funds are used effectively by sharing knowledge and insights from funded projects to help drive wider adoption and scale-up of successful technologies. Lessons learned are built into future funding opportunities to keep improving outcomes.

Working alongside the Government of Alberta and the Government of Canada, ERA is helping position the province as a leader in innovation, a responsible environmental steward, and a top destination for clean technology investment.



Photo: Janelle Johnson, MSc, Biomanufacturing Lead, Future Fields, showing how product is packaged

SHARING KNOWLEDGE AND KEY FINDINGS FROM COMPLETED PROJECTS

Knowledge sharing is a key part of ERA's mandate. Every funded project is required to report on its outcomes, achievements, and lessons learned, helping build a growing body of evidence on what works in Alberta's industrial and environmental conditions. To support transparency and broader industry learning, these reports are publicly available on ERA's website. In 2025-26, 27 projects reached completion, generating new insights that can help inform future innovation and technology deployment.

CANADIAN NATURAL RESOURCES LTD.

ERA FUNDING: \$730,000
PROJECT COST: \$1,500,000

Across Alberta

Piloted an Alternative Fugitive Emissions Management Program (alt-FEMP) using Bridger Photonics' Gas Mapping LiDAR (an aerial-based methane detection system) and the University of Calgary's PoMELO (a vehicle-based methane detection technology).

ALBERTA MOTOR TRANSPORT ASSOCIATION

ERA FUNDING: \$7,340,000
PROJECT COST: \$21,300,000

Edmonton, AB

Developed and demonstrated two long-range hydrogen fuel cell electric trucks for operation between Edmonton and Calgary, with a range of more than 700 kilometers, to reduce GHG emissions from heavy-duty transportation.

CANADIAN PACIFIC RAILWAY COMPANY

ERA FUNDING: \$700,000
PROJECT COST: \$24,600,000

Coalhurst, AB

Expanded the world's first hydrogen-powered freight locomotives to additional locomotive types and installed fixed-point refuelling infrastructure and a mobile refueller to enable more flexible liquid hydrogen refuelling at CPKC's Taber and Lethbridge terminals.

AMRIZE (FORMERLY LAFARGE CANADA)

ERA FUNDING: \$10,000,000
PROJECT COST: \$35,300,000

Exshaw, AB

Installed an automated alternative-fuel receiving, storage, and conveying system at Amrize's Exshaw Cement Plant to replace 50 per cent of natural gas with low-carbon fuels sourced from construction demolition waste to power a cement kiln.

CARBON UPCYCLING TECHNOLOGIES

ERA FUNDING: \$400,000
PROJECT COST: \$800,000

Calgary, AB

Characterized five locally sourced, low-value waste feedstocks that can be used as Supplementary Cementitious Materials (SCMs) derived from industrial byproducts, and added to concrete to offset cement, the most carbon-intensive ingredient in concrete.

ANAX POWER

ERA FUNDING: \$2,240,000
PROJECT COST: \$5,000,000

Calgary, AB

Demonstrated the first installation of the Anax Turboexpander (ATE-500), a novel technology that converts wasted pressure energy from natural gas pipelines into clean, reliable electricity to displace grid electricity and reduce direct combustion emissions from heaters.

CARBONOVA CORP.

ERA FUNDING: \$540,000
PROJECT COST: \$1,200,000

Calgary, AB

Demonstrated a technology that converts industrial CO₂ and waste heat into carbon nanofibers, a high-performance additive for cement and concrete applications to lower material consumption and decrease emissions.

ARCHER BD INC.

ERA FUNDING: \$625,000
PROJECT COST: \$1,500,000

Calgary, AB

Demonstrate the viability of a new SAGD steam technology to offer more affordable and lower environmental footprint bitumen production potential through lab and field feasibility demonstration activities to prove commercial readiness.

CMC RESEARCH INSTITUTES

ERA FUNDING: \$350,000
PROJECT COST: \$700,000

Across Alberta

Developed and validated modelling and monitoring for CO₂ injection in depleted oil and gas reservoirs as part of a larger international initiative with partners from Norway, the Netherlands, Germany, the UK, Italy, and Canada.

ATCO GAS AND PIPELINES LTD.

ERA FUNDING: \$2,820,000
PROJECT COST: \$7,700,000

Fort Saskatchewan, AB

Introduced a 5 per cent hydrogen-natural gas blend to customers in the Fort Saskatchewan community, representing Canada's second hydrogen blending project.

CRWN.AI

ERA FUNDING: \$790,000
PROJECT COST: \$1,600,000

Across Alberta

Deployed 100 AI-driven sensors on transmission lines to detect and classify defects related to electrical discharge, which contribute to power transmission inefficiencies and wildfire risks.

DOEF'S GREENHOUSES LTD.

ERA FUNDING: \$1,350,000
PROJECT COST: \$4,000,000

Lacombe, AB

Constructed a tri-generation plant that utilizes natural gas from surrounding areas to generate electricity, heat, CO₂, and treated water for a 13-acre greenhouse.

LITUS INC.

ERA FUNDING: \$590,000
PROJECT COST: \$1,230,000

Calgary, AB

Piloted a modular, portable Direct Lithium Extraction system which operated under continuous flow conditions with real brines, demonstrating strong performance and confirming the scalability of the technology.

DRUMHELLER SOLAR CORP.
(LONGSPUR DEVELOPMENTS)

ERA FUNDING: \$5,000,000
PROJECT COST: \$36,700,000

Drumheller, AB

Combined a utility-scale solar photovoltaic installation with a lithium-ion battery energy storage system in a direct-current-coupled hybrid configuration to capture excess solar energy and store it for use when electricity demand and prices are high.

PETROLEUM TECHNOLOGY ALLIANCE CANADA (PTAC)

ERA FUNDING: \$720,000
PROJECT COST: \$1,600,000

Calgary, AB

Deployed and tested a small-scale, enclosed incinerator at an operational wellsite, which proved to be compatible with existing sites and eliminated nearly all the methane that would have been vented.

EXIMIUS ENVIRONMENTAL SOLUTIONS

ERA FUNDING: \$740,000
PROJECT COST: \$1,500,000

Across Alberta

Advanced a mobile water treatment technology and confirmed full commercial readiness within Alberta's oil and gas industry. The technology demonstrated high-volume filtration performance across three field deployments under challenging, real-world hydraulic fracturing conditions.

RBW WASTE MANAGEMENT

ERA FUNDING: \$660,000
PROJECT COST: \$1,500,000

Nisku, AB

Established a process that recycles contaminated thermoplastic polymers into useful plastic products which are resold to the same customers who produced the waste.

HEIDELBERG (FORMERLY LEHIGH HANSON MATERIALS LTD.)

ERA FUNDING: \$2,340,000
PROJECT COST: \$46,000,000

Edmonton, AB

Installed systems and infrastructure to receive, store, and feed waste-based alternative low-carbon fuels to replace fossil fuels in the cement kiln system at the Edmonton plant. The project achieved significant emissions reductions and environmental benefits. Heidelberg now plans to develop low-carbon fuels at its 14 North American plants that do not already have ALCF integrated.

ROTOLIPTIC TECHNOLOGIES INC.

ERA FUNDING: \$1,500,000
PROJECT COST: \$3,600,000

Bonnyville, AB

Advanced and commercialized a high-performance all-metal pump designed for extreme pressure and temperatures in Alberta's steam-assisted gravity drainage and heavy oil fields. Rotoliptic's technology demonstrated efficiency improvements, reduced CO₂ emissions, and reliability in high-viscosity applications.



Photo: Brent Korobanik, Permitting and Community Liaison & Environmental Manager, Heidelberg Materials.



Photo: RBW Waste Management uses plastic extrusion technology to turn industrial plastic waste into recycled plastic products.

SPARKS EGGS

ERA FUNDING: \$500,000
PROJECT COST: \$1,300,000

Calgary, AB

Implemented a novel dehydrator to turn inedible eggs into a high-protein powder that can be used in animal feed. During the project, Sparks diverted 263 tonnes of waste from landfills and reduced transport costs by \$30,000.

STONE MOUNTAIN TECHNOLOGIES INC.

ERA FUNDING: \$920,000
PROJECT COST: \$1,900,000

Edmonton, AB

Commercialized Stone Mountain Technologies' thermally driven heat pump (TDHP), a gas absorption heat pump using an all-natural ammonia-water refrigerant, to enhance heating and cooling efficiency while reducing GHG emissions.

SUNCOR ENERGY INC. OIL SANDS

ERA FUNDING: \$2,500,000
PROJECT COST: \$9,400,000

Christina Lake, AB

Demonstrated high-temperature reverse osmosis technology, a membrane-based system that treats steam-assisted gravity drainage water at above 100°C for reuse in steam production.

ULTRACOUSTICS TECHNOLOGIES LTD.

ERA FUNDING: \$260,000
PROJECT COST: \$600,000

Sherwood Park, AB

Tested, validated, and completed commercial design for a technology capable of using acoustic sensors to detect pinhole leaks in industrial refrigerant systems.

AI-Powered Monitoring Helps Strengthen Alberta's Grid

Transmission line defects can lead to outages, safety risks, and costly repairs if they go undetected. Support from ERA helped CRWN.ai deploy an AI-powered wireless monitoring system that continuously detects and classifies transmission line defects in real time. By providing utilities with actionable data on asset condition and wildfire risks, the technology is helping improve grid reliability and enable more proactive maintenance decisions.

[WATCH HERE](#)



UNIVERSITY OF ALBERTA

ERA FUNDING: \$750,000
PROJECT COST: \$1,900,000

Edmonton, AB

Developed and validated digital models to optimize the entire CCUS chain, helping stakeholders plan and design large-scale, flexible CCUS networks and enabling more efficient decarbonization efforts.

UNIVERSITY OF ALBERTA

ERA FUNDING: \$510,000
PROJECT COST: \$1,000,000

Scotford, AB

Advanced technology that monitors small earthquakes (micro seismic monitoring technology) to become a cost-effective and publicly accepted tool for verifying seal integrity in large-scale CO₂ sequestration.

VARME ENERGY INC.

ERA FUNDING: \$2,800,000
PROJECT COST: \$6,100,000

Industrial Heartland, AB

Completed a study in support of a first-of-its-kind facility that will combine proven waste-to-energy combustion technology with post-combustion carbon capture to create a high-efficiency, low-carbon alternative to landfilling.

X-ENERGY CANADA

ERA FUNDING: \$470,000
PROJECT COST: \$1,000,000

Edmonton, AB

Assessed the feasibility of repurposing a fossil-fuel power plant site for a nuclear power plant, representing important groundwork for deploying small modular reactors in Alberta. The study found that deploying the Xe-100 SMR in Alberta would require several in-depth follow-on studies and commercial arrangements.



Photo: Sparks Eggs facility, located in Calgary

HIGHLIGHTS FROM ERA'S PORTFOLIO

From raising capital and launching commercial facilities to securing international partnerships and industry recognition, ERA-supported companies achieved important milestones throughout 2025-26.



Deep Sky Alpha began operations just one year after breaking ground; they also raised \$11 million in debt financing to support project growth and deployment.



Thiozen completed front-end engineering and design for Alberta's first commercial-scale hydrogen production unit.



Aqua-Cell Energy secured \$1.6 million to advance commercialization of its saltwater battery technology.



Diesel Tech Industries developed a proprietary hydrogen leak detection system with commercialization potential across automotive and industrial applications.



Carbon Upcycling broke ground on Canada's first commercial carbon capture and utilization cement facility.



Litus deployed its first lithium extraction pilot, achieving 99.5 per cent lithium recovery.



Linde's low-carbon LNG demonstration project became fully operational.



Northstar Clean Technologies secured a five-year agreement with the City of Calgary to recycle asphalt shingles from three municipal facilities.

MEASURING IMPACT BEYOND THE INVESTMENT

In 2025, ERA undertook a Commercialization Impact Project to better understand the long-term outcomes of ERA-funded technologies and businesses. Through surveys and interviews with project proponents, the study examined commercialization success, job creation, revenue growth, environmental benefits, and the factors that influence market adoption.

The findings demonstrate the lasting impact of ERA's investments, highlighting how funding helps accelerate technology readiness, support business growth, and advance commercialization. The study also identified common barriers, key lessons learned, and factors that contribute to success, providing valuable insights for innovators, investors, and policymakers.

By capturing and sharing these outcomes, ERA is helping build a stronger evidence base for technology deployment and commercialization in Alberta, ensuring lessons learned today can inform the innovations and investments of tomorrow.

COMMERCIALIZATION IMPACT

METHANE

ELECTRICITY

AGRICULTURE

HYDROGEN

OIL & GAS

HEAVY INDUSTRY

CCUS

FORESTRY

KEY FINDINGS FROM SURVEYED COMPANIES:

JOB
AND
EMPLOYMENT
OUTCOMES

75%

OF TOTAL REPORTED JOB CREATION IS IN OIL & GAS AND ELECTRICITY SECTORS

BY TECHNOLOGY AREA, THE HIGHEST JOB CREATION IS REPORTED IN RENEWABLE ENERGY, CARBON CAPTURE, AND METHANE MANAGEMENT

COMMERCIALIZATION
TIMELINE

→ FASTEST TIME-TO-COMMERCIALIZATION:
METHANE TECHNOLOGIES AND
EFFICIENCY IMPROVEMENTS

→ LONGEST TIME-TO-COMMERCIALIZATION:
IN SITU RECOVERY, CARBON CAPTURE, BIOENERGY & BIOFUELS

BY INDUSTRY, FOREST PRODUCTS AND OIL & GAS PROJECTS HAVE LONGER COMMERCIALIZATION TIME ON AVERAGE AT

> 6 YEARS

REVENUE
OUTCOMES

\$3.6 MILLION

PER YEAR - AVERAGE ANNUAL DOMESTIC REVENUE (SURVEYED COMPANIES)

→ METHANE AND EFFICIENCY IMPROVEMENT TECHNOLOGIES LEAD REVENUE STREAMS

OIL & GAS SECTOR GENERATES MORE REVENUE THAN ALL OTHER INDUSTRIES COMBINED

SALES AND
MARKET REACH

~ 1/3 OF SALES

TO EXPORT MARKETS

INVESTMENT
LEVERAGED

\$1.2 BILLION

IN PUBLIC INVESTMENT

→ \$1.5 BILLION

IN PRIVATE INVESTMENT

MATERIALS THAT MATTER EVENT HIGHLIGHTS SUSTAINABLE CONSTRUCTION

In November 2025, Materials that Matter: Sustainable Construction in Alberta brought together builders, researchers, technology developers, and industry leaders to explore how innovation is reshaping the future of construction in Alberta. Co-hosted by ERA and the Smart Sustainable Resilient Infrastructure Association (SSRIA), the event highlighted growing interest in low-carbon building materials, circular economy solutions, and new approaches to sustainable infrastructure. More than 130 attendees participated in conversations focused on practical ways to move new technologies from ideas to real projects and to drive wider industry adoption.

The event also showcased the strength of collaboration across Alberta’s innovation ecosystem. Discussions throughout the day focused on opportunities and challenges facing the construction sector, from reducing emissions and material waste to improving resilience and long-term performance. By bringing together industry, innovators, researchers, and government, Materials that Matter helped spark conversations about how Alberta can continue to build smarter, more sustainable infrastructure for the future.



Photo: Adam Auer, President & CEO, Cement Association of Canada, delivers keynote speech.



Photo: Materials that Matter attendees network in between programming.



Photo: panel discussion focused on Leading the Low-Carbon Transition in New and Existing Buildings.

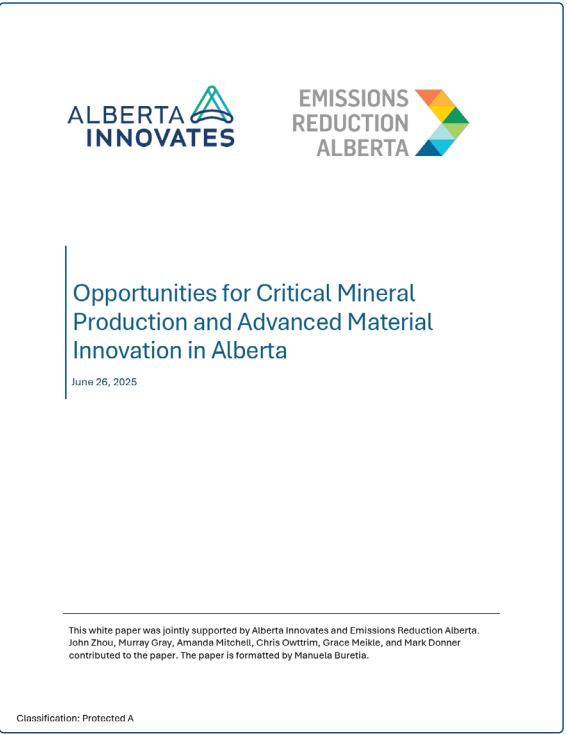
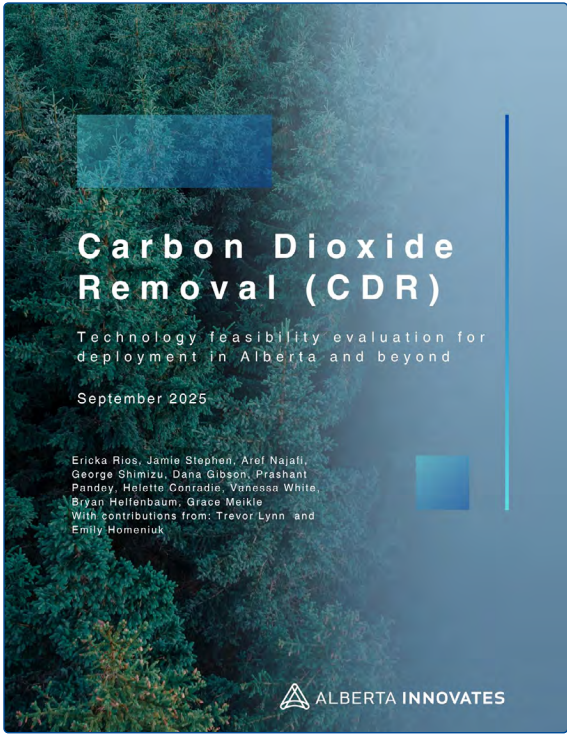
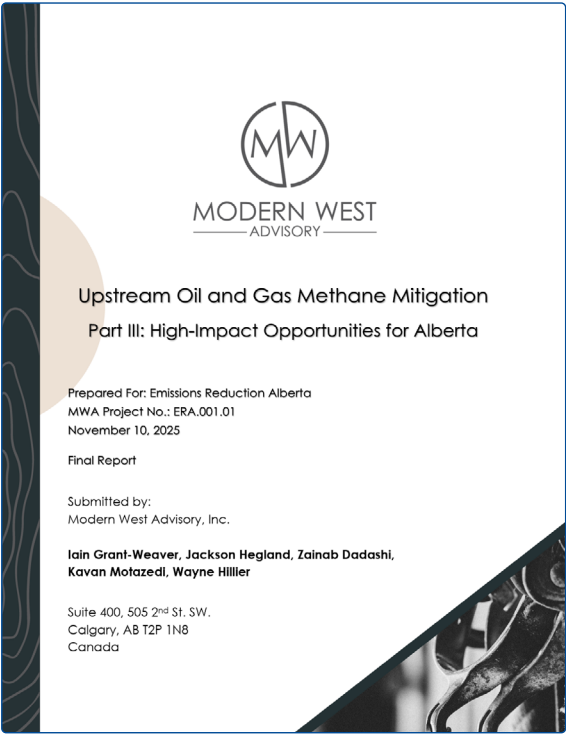
RESEARCH SPOTLIGHTS ALBERTA'S INNOVATION ECOSYSTEM, BOLSTERS INDUSTRY OBJECTIVES

ERA prepares or participates in research and analysis that supports its mandate. These activities range from studies that identify the economic impact of ERA's investments to reports that speak to the potential for emissions reductions in specific sectors. In 2025-26, ERA contributed to the publication of three reports for public consumption:

Upstream Oil and Gas Mitigation: High Impact Opportunities for Alberta, prepared for ERA by Modern West Advisory, examines practical pathways to reduce methane emissions across Alberta's upstream oil and gas sector. The report explores existing technologies, emerging opportunities, and key areas where innovation and deployment can improve operational performance while supporting Alberta's methane reduction objectives.

Carbon Dioxide Removal (CDR) Technology: Researched and written by Alberta Innovates with support from ERA, Carbon Dioxide Removal (CDR) in Alberta explores the province's potential to support emerging CDR technologies and industries. The report examines Alberta's competitive advantages in areas such as geology, infrastructure, technical expertise, and industrial capacity and outlines opportunities to advance technologies that permanently remove carbon dioxide from the atmosphere.

Opportunities for Critical Mineral Production: Developed in collaboration with Alberta Innovates, Opportunities for Critical Mineral Production and Advanced Material Innovation in Alberta examines how Alberta's industrial strengths, technical expertise, and natural resources could support the growth of critical minerals and advanced materials industries. The report highlights opportunities to build on Alberta's expertise in energy, manufacturing, and resource development to support emerging technologies, strengthen supply chains, and create new economic opportunities in rapidly growing global markets.

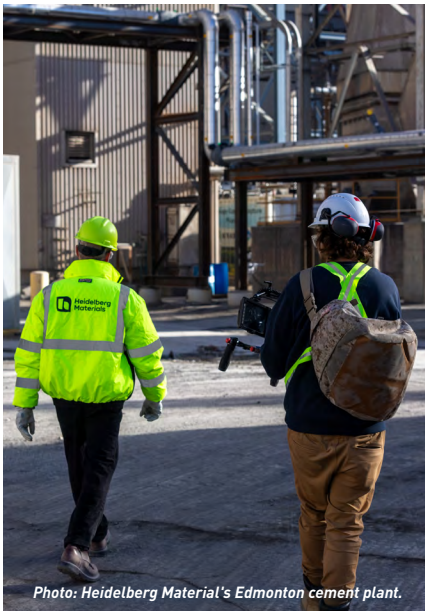


PODCASTS, VIDEOS, AND BLOGS HIGHLIGHT FUNDED PROJECTS AND INNOVATORS

Through podcasts, videos, and written stories, ERA highlights its funded projects and the innovators driving Alberta's energy transition. In 2026, ERA featured a one-on-one conversation with energy economist Peter Tertzakian, alongside interviews and profiles of leaders from across Alberta's innovation ecosystem, including representatives from Clean Energy Fuels, Wyvern, CPKC, Shell, and Kuva Systems, sharing insights on technology development, commercialization, and emissions reduction.

ERA's YouTube channel also continued to grow, surpassing 4,000 subscribers as interest in Alberta's innovation stories and technology leadership continues to expand. Profiled projects include Sultech, Livestock Water Recycling, RBW Waste Management, CRWN.AI, Aqua Pure Technologies, and more.

ERA continued to share the impact of its investments through project profiles and feature stories highlighting innovators across Alberta's agriculture, manufacturing, transportation, energy, and resource sectors. Featuring projects from organizations such as Agriculture and Agri-Food Canada, Keyera, Baymag, Northstar Clean Technologies, Alberta Newsprint Company, and Grant Metal Products, these stories showcased the economic and environmental benefits of Alberta-made innovation.



ERA SUPPORT HELPS SULTECH TURN WASTE INTO A VALUABLE CROP NUTRIENT

Sulphur is an essential nutrient for healthy crop growth, but much of the sulphur recovered from Alberta's oil and gas industry has historically been difficult to use. Support from ERA helped Sultech commercialize a proprietary process that transforms recovered sulphur into a high-performance agricultural product. The technology converts an industrial byproduct into a valuable crop nutrient, creating new market opportunities while helping farmers improve soil health and crop yields.

[LEARN MORE](#)

ERA HOSTS INAUGURAL STORYTELLING WORKSHOP

ERA's inaugural Storytelling Workshop brought project proponents, partners, and communicators together to strengthen how innovation stories are shared. Participants explored practical ways to communicate project successes, lessons learned, and measurable impacts. The sessions highlight the role of collaboration in moving technologies from development to deployment. By building storytelling skills across its network, ERA helps ensure Alberta's innovation successes reach broader audiences and inspire future investment and adoption.

100% OF RESPONDENTS RECOMMEND FUTURE STORYTELLING WORKSHOPS TO COLLEAGUES OR OTHER FUNDED PROJECTS

80% OF RESPONDENTS WERE "EXTREMELY SATISFIED" OR "VERY SATISFIED" WITH THE WORKSHOP

"The session explored the neurological reasons why stories resonate, how to craft a compelling narrative, and how to balance storytelling with data. The biggest takeaway for me? Data informs, but stories inspire action. Thank you for the valuable insights!"

Taylor Kawaguchi, Policy and Fund Development, SolarSteam

RAISING ALBERTA'S PROFILE AT STRATEGIC EVENTS

At a series of strategic conferences, workshops, roundtables, and other events, ERA worked to raise Alberta's profile as a global leader in technology investment through keynote speeches, panel participation, trade show booths, and more. This included a presence at key events such as CERAWeek, Global Energy Show, Clean Fuels Canada Summit, PTAC Methane Leadership Summit, Scale Up Week, and more.



GOVERNANCE

ERA remains accountable to the Government of Alberta. As a Delegated Administrative Organization, ERA operates under an independent Board of Directors and is required to report annually on progress, operations, and outcomes delivered.

This structure allows ERA to:

- Respond quickly to the needs of Alberta’s innovation system
- Provide independent oversight when selecting the most impactful projects for funding
- Carry unallocated funds from one budget year to the next
- Support the feasibility of multi-year projects
- Reinvest funds when projects do not progress

A commitment to best-in-class governance, operational excellence, internal controls, and continuous improvement ensures ERA functions efficiently and independently.

2025-26 BOARD OF DIRECTORS



Kelly J. Ogle – Chair



Sarah Applebaum



Kevin Birn



Mark Blackwell



Stephanie Clarke



Kate Chisholm



Stuart Cullum



Dr. Monica Gattinger



Clive Mather
until December 2025



David Moss



Dale Swampy

EXECUTIVE



Justin Riemer
Chief Executive Officer



Heather Stephens
Chief Operating Officer



Christophe Owtrim
Executive Director,
Technology & Innovation



Syed Ayub
Executive Director,
Portfolio Management and
Corporate Services



KPMG LLP

2200, 10175 – 101 Street
Edmonton, AB T5J 0H3
Canada
Telephone 780-429-7300
Fax 780-429-7379

Summary Financial Statements of

EMISSIONS REDUCTION ALBERTA

(Emissions Reduction Alberta is a registered trade name
of Climate Change and Emissions Management
(CCEMC) Corporation)

Year ended May 31, 2026

REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARY FINANCIAL STATEMENTS

To the Board of Directors of Emissions Reduction Alberta

Opinion

The summary financial statements of Climate Change and Emissions Management (CCEMC) Corporation (operating as Emissions Reduction Alberta) (the Entity), which comprise:

- the summary financial position as at May 31, 2026
- the summary statement of operations for the year then ended
- and related notes to the summary financial statements

are derived from the audited financial statements of Emissions Reduction Alberta as at and for the year ended May 31, 2026 (audited financial statements).

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the criteria disclosed in Note 2 in the summary financial statements.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the Entity's audited financial statements and the auditor's report thereon.

The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated September 15, 2026.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with the criteria disclosed in Note 2 in the summary financial statements.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.



Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with the criteria disclosed in Note 2 in the summary financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards 810, Engagements to Report on Summary Financial Statements.

A handwritten signature in black ink that reads "KPMG LLP" with a long, sweeping horizontal line underneath.

Chartered Professional Accountants

Edmonton, Canada

September 15, 2026

EMISSIONS REDUCTION ALBERTA

Summary Statement of Financial Position

As at May 31, 2026, with comparative information for 2025

	2026	2025
Assets		
Current assets:		
Cash	\$ 301,863,373	\$ 309,545,946
Accounts receivable	243,303	37,756
Grants receivable (note 4)	9,347,981	53,868,037
Interest receivable	11,696,562	1,689,855
Prepaid expenses	205,158	291,508
Prepaid project expenses	2,828,332	4,599,588
Short-term investments	210,000,000	40,000,000
Recovered equipment held for sale	534,600	-
	536,719,309	410,032,690
Non-current assets		
Long-term investments	80,000,000	190,000,000
Grants receivable (note 4)	2,190,341	429,782
Interest receivable	1,720,699	3,538,748
Property and equipment	320,112	187,500
	\$ 620,950,461	\$ 604,188,720

Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities (note 5)	\$ 9,587,882	\$ 9,211,296
Deferred lease incentives	7,578	2,882
	9,595,460	9,214,178
Non-current liabilities		
Deferred lease incentives	245,493	226,808
Long-term interest payable	157,048	-
	\$ 9,998,001	\$ 9,440,986
Net assets		
General fund - unrestricted	\$ 266,140	\$ 258,341
Restricted fund	610,686,320	594,489,393
	\$ 610,952,460	\$ 594,747,734
Commitments and guarantees (note 5)		
	\$ 620,950,461	\$ 604,188,720

See accompanying notes to summary financial statements.

On behalf of the Board of Directors:



Director



Director

EMISSIONS REDUCTION ALBERTA

Summary Statement of Operations

For the year ended May 31, 2026, with comparative information for 2025

	General Fund	Restricted Fund	CFR-General Fund	CFR-Restricted Fund	Total 2026	Total 2025
Revenue						
Grant revenue (note 4)	-	99,650,610	-	-	99,650,610	111,004,628
Contribution revenue (note 3)	-	-	-	188,215,403	188,215,403	-
Interest income	-	20,714,822	4,684,798	-	25,399,620	25,577,713
Other Income	-	539,115	-	-	539,115	580,958
Management fees	7,799	-	-	-	7,799	-
Total Revenue	7,799	120,904,547	4,684,798	188,215,403	313,812,547	137,163,299
Project expenses (note 5)	-	92,146,650	-	-	92,146,650	71,717,285
Excess of revenue over project expenses	7,799	28,757,897	4,684,798	188,215,403	221,665,897	65,446,014
Operating expenses						
Program management	-	11,133,427	583,990	-	11,717,417	9,156,994
Consulting contracted services	-	336,227	-	-	336,227	657,873
Corporate costs	-	929,824	106,866	-	1,036,690	1,331,284
Amortization	-	59,078	7,270	-	66,348	60,204
Conference expenses	-	-	-	-	-	645
Board remuneration and expenses	-	102,414	31,993	-	134,407	145,448
Total operating expenses	-	12,560,970	730,119	-	13,291,089	11,352,448
Excess (deficiency) of revenue over expenses for the year, before undernoted	7,799	16,196,927	3,954,679	188,215,403	208,374,808	54,093,566
Contribution to FIFC – transfer of CFR Fund (note 3)	-	-	3,954,679	188,215,403	192,170,082	-
Excess of revenue over expenses for the year	\$7,799	\$16,196,927	-	-	\$16,204,726	\$54,093,566

See accompanying notes to summary financial statements.

EMISSIONS REDUCTION ALBERTA

Notes to Summary Financial Statements

Year ended May 31, 2026, with comparative information for 2025

1. Authority:

Climate Change and Emissions Management (CCEMC) Corporation (“CCEMC”), operating as Emissions Reduction Alberta (“ERA”), is an Alberta-based independent not-for-profit organization incorporated under the Canada Corporations Act on February 17, 2009, and continued under the Canada Not-for-profit Corporations Act on October 14, 2016. ERA commenced operations on June 1, 2009 and registered Emissions Reduction Alberta as its operating name on October 21, 2016. ERA’s mandate is to reduce emissions while supporting the competitiveness and growth of Alberta’s economy by accelerating the development and adoption of innovative clean technology solutions.

ERA’s primary source of funding is the Government of Alberta through grant agreements funded from The Technology Innovation and Emissions Reductions Fund (the “TIER Fund”), established under the Emissions Management and Climate Resilience Act, SA 2003, c. E-7.8 (the “Act”). ERA also receives funding from the Government of Canada, including funding from Natural Resources Canada and Environment and Climate Change Canada, pursuant to separate contribution agreements. The Government of Alberta and ERA entered into a Grant Agreement dated March 8, 2017, together with an Amending Agreement dated March 3, 2026 for a period up until March 31, 2029 with respect to funding under the Act. This is supplemented by a Memorandum of Understanding dated and effective April 6, 2023, together with an amending agreement dated March 11, 2026 which outlines roles and responsibilities of both parties to the Grant Agreement.

As a not-for-profit organization, ERA is exempt from tax in accordance with Section 149(1)(l) of the Income Tax Act (Canada).

2. Basis of presentation:

The summary financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations. The statement of changes in net assets, the statement of cash flows, and certain note disclosures have been omitted. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of ERA.

ERA is committed to full accountability and transparency in all we do. Our audited financial statements for the year ended May 31, 2026, including all disclosures required by Canadian accounting standards for not-for-profit organizations, can be found on ERA’s website at www.eralberta.ca.

3. Clean Fuel Regulations Compliance Fund and Controlled Entity:

On June 5, 2025, ERA was approved by Environment and Climate Change Canada ("ECCC") as a registered Emission Reduction Funding Program ("ERFP") under the Clean Fuel Regulations ("CFR"). During June and July 2025, ERA received approximately \$188.2 million in contributions from primary suppliers under the CFR. Prior to the transfer of program administration, no project funding had been approved or disbursed. During the period ERA administered the ERFP, approximately \$4.7 million of investment income was earned on the contribution balances and approximately \$0.7 million of administrative expenses were incurred.

On January 9, 2026, ERA incorporated Fuel Innovation Fund Corporation ("FIFC") to administer the ERFP. Effective April 1, 2026, ECCC approved the transfer of the ERFP from ERA to FIFC, and the registered program was renamed the Fuel Innovation Fund ("FIF"). ERA transferred \$192.2 million, representing the remaining net assets of the CFR Fund, to FIFC. The transferred balance comprised \$188.2 million of externally restricted contributions and \$3.9 million of accumulated net assets representing investment income earned less administration costs incurred to the transfer date. The transfer is presented in ERA's Statement of Operations.

EMISSIONS REDUCTION ALBERTA

Notes to Summary Financial Statements

Year ended May 31, 2026, with comparative information for 2025

3. Clean Fuel Regulations Compliance Fund and Controlled Entity (continued):

FIFC is a federally incorporated not-for-profit corporation established to administer the Fuel Innovation Fund under the Clean Fuel Regulations and is a controlled entity of ERA. ERA has elected to prepare non-consolidated financial statements in accordance with ASNPO Section 4450 - Reporting Controlled and Related Entities.

Subsequent to May 31, 2026, FIFC received \$508.7 million in contributions from primary suppliers under the Clean Fuel Regulations in respect of the 2025 compliance year. As of Sept 15, 2026, FIFC approved approximately \$369.7 million in funding commitments for eligible emission reduction projects and contribution agreement negotiations are underway.

4. Grant revenue:

Under the terms of the Government of Alberta Grant Agreement, interest income earned in a fiscal year is reported to the Government of Alberta and may reduce grant funding.

During the year, the Government of Alberta confirmed funding of \$50 million for fiscal year 2025-26. The funding was reduced by \$25.6 million for interest income earned in the prior year, resulting in grant funding of \$24.4 million. These funds are to be used to execute ERA's business plan, as well as for the purposes stated in the Grant Agreement and the MOU. In addition, the Government of Alberta confirmed funding of \$20.6 million to invest in advancing drilling technologies aligned with Alberta Drilling Accelerator's core principles. All funding confirmed during the year had been received by May 31, 2026. Last fiscal year, the Government of Alberta confirmed additional funding of \$14 million for the Advanced Materials initiative, \$22.4 million for the Methane Incentive Program, and \$50 million for the Tailings Challenge. The Tailings Challenge funding was recorded as a grant receivable as at May 31, 2025, and received June 19, 2025. All other funding was received during the fiscal year.

During the year, ERA entered the Recapitalized Low Carbon Economy Leadership Fund ("Recapitalized LCEL") Delivery Entity Grant Agreement with the Government of Alberta. The funding is provided by the Government of Canada under the Canada-Alberta Recapitalized Low Carbon Economy Leadership Fund Funding Agreement (the "Federal Agreement"), under which Canada provides funding to Alberta to support initiatives that materially reduce greenhouse gas emissions. ERA's Delivery Entity Grant Agreement was entered into to support the objectives of, and is aligned with, the Federal Agreement and provides total funding of up to \$39.4 million. Funding will be disbursed through March 31, 2029, including an initial payment of \$37.0 million and three subsequent annual payments of \$0.8 million.

The initial contribution of \$37.0 million received during the year has been recognized as revenue of the Restricted Fund upon receipt in accordance with ERA's accounting policies for externally restricted contributions. Unspent or ineligible amounts may be repayable to the Government of Alberta.

On June 24, 2024, ERA signed an agreement with Natural Resources Canada ("NRCan"), as amended on January 8, 2026, providing up to \$50 million under the Greening Industrial Facilities and Manufacturing Program ("GIFMP"). This program is supplemented by \$20 million of Government of Alberta funds provided in prior periods. The Strategic Energy Management for Industry (SEMI) program was launched with this funding in the fall of 2024 and will run to March 31, 2027. ERA recognized \$17.2 million of GIFMP grant revenue during the year using the percentage of completion method.

At May 31, 2026, grant receivables related to GIFMP totaled \$11.5 million, consisting of \$9.3 million classified as current and \$2.2 million classified as long term.

EMISSIONS REDUCTION ALBERTA

Notes to Summary Financial Statements

Year ended May 31, 2026, with comparative information for 2025

4. Grant revenue (continued):

	Revenue Recognized	Grant Receivable	Grant Receivable (LT)
Government of Alberta	\$ 45,042,287	\$ -	\$ -
Government of Alberta - LCELF	37,002,727	-	-
Natural Resource Canada	17,605,596	9,347,981	2,190,341
	\$ 99,650,610	\$ 9,347,981	\$ 2,190,341

5. Commitments and guarantees:

Funding commitments arise from Board-approved projects and executed contribution agreements. Commitments for executed contribution agreements represent the remaining funding after deducting project expenses incurred to date and the value of cancelled or terminated agreements. Board-approved projects for which contribution agreements have not yet been executed are disclosed separately. Projects that are Board-approved but do not proceed to executed contribution agreements, are considered never initiated projects and are removed from Board-approved commitments.

Project statuses are defined as follows: Never initiated - Board-approved projects for which a contribution agreement was not executed; Cancelled - Projects with an executed Contribution Agreement where no project funding has been disbursed; Terminated - Projects with an executed contribution agreement where funding has been disbursed for at least one completed milestone; On Hold - Active projects with an executed contribution agreement that have been temporarily paused due to internal or external factors without formal termination.

Additional information on project activity during the year, including number of projects in each status category, is provided in ERA's Annual Report.

A summary of these amounts is outlined as follows:

	2026	2025
Total Committed funds for executed projects - beginning of year	\$ 352,624,652	\$ 339,925,969
Total funds for executed projects approved or adjusted during the year	202,789,141	158,325,951
Project expenses incurred during the year	(75,037,590)	(62,890,256)
Contribution agreements cancelled or terminated during the year	(35,816,439)	(82,737,012)
Total committed funds for executed projects - end of year	444,559,764	352,624,652
Total funds for projects approved but not yet executed	76,887,407	22,369,150
Total Commitments	\$ 521,447,171	\$ 374,993,802

Funding disbursed under executed contribution agreements are subject to ERA's review and approval to ensure full compliance with the terms of the applicable contribution agreement. Accordingly, the actual amount disbursed may differ materially from the total commitments presented of \$521,447,171 but will not exceed that amount. Project expenses includes \$199,288 included in accrued liabilities (2025 - \$nil) and \$4,067,38 included in accounts payable (2025 - \$6,864,800).

EMISSIONS REDUCTION ALBERTA

Notes to Summary Financial Statements

Year ended May 31, 2026, with comparative information for 2025

5. Commitments and guarantees (continued):

Projects totaling \$76,887,407 (2025 - \$22,369,150) have been approved for funding by ERA's Board of Directors but contribution agreements have not yet been executed as of May 31, 2026. The ultimate commitment related to these projects is dependent on successful execution of contribution agreements and may differ materially from the approved funding amount.

Subsequent to year-end on June 16, 2026, ERA approved additional projects totaling \$51,838,077 (2025 - \$58,218,310). Approved projects, totaling \$42,823,038, now have an executed contribution agreement. Projects have been cancelled or terminated reducing committed funds on executed projects by \$27,529,167, and funding committed to approved projects but not yet executed has been reduced by \$3,068,135.

In addition to the commitments noted above, ERA has approved incentive funding under its Energy Incentive Programs: Strategic Energy Management for Industry ("SEMI") and the Methane Reduction Deployment Program ("MRDP").

The SEMI program was launched in October 2024 and will run until March 2027. ERA utilizes a third-party servicer provider, Enerva Energy Solutions Inc., to support the administration of the program and distribute incentives. As at May 31, 2026 total approved commitments are as follows:

	2026	2025
Facility Readiness Assessment ("FRA")	\$ 1,226,352	\$ 942,612
Strategic Energy Management Training ("SEM")	618,783	3,266,508
Energy Management System ("EMIS")	4,071,076	-
Energy Assessments and Audits ("EAA")	1,062,701	-
Capital Retrofits ("CR")	40,790,308	-
Total Commitments - End of year	\$ 47,769,221	\$ 4,209,120

Project expenses recognized during the year totaled \$14,777,589 (2025 - \$2,247,452), including \$3,616,464 (2025 - \$3,126) in accounts payable and accrued liabilities. Prepaid incentives totaling \$2,206,287 represent payments made to the service provider where participant activated remained in progress at May 31, 2026 is still underway. These amounts will be recognized as project expenses as the related participant activities are completed.

Subsequent to year-end, total approved SEMI commitments have decreased by \$939,933. As at September 15, 2026, total SEMI commitments were \$46,829,287.

The MRDP was launched in November 2025. ERA utilizes a service provider, Modern West Advisory Inc., to support the administration of the program and distribute incentives. Incentives are paid in two phases: Procurement, when eligible equipment has been received and is ready for installation, and Completion, when the project is commissioned.

As at May 31, 2026 approved total commitments are as follows:

	2026	2025
Procurement	\$ 2,718,638	\$ -
Completion	2,718,637	-
Total Commitments - End of year	\$ 5,437,275	\$ -

EMISSIONS REDUCTION ALBERTA

Notes to Summary Financial Statements

Year ended May 31, 2026, with comparative information for 2025

5. Commitments and guarantees (continued):

No incentives for the Methane Program have been disbursed as at May 31, 2026.

Subsequent to year-end total MRDP incentives have increased by \$4,319,630 and \$261,641 of incentives have been disbursed.

The Energy Savings for Business (“ESB”) program was launched in November 2020. As at May 31, 2026, all approved incentive amounts have been paid following successful completion of the projects. No commitments remained under the program as at May 31, 2026.

ERA indemnifies its directors against claims reasonably incurred and resulting from the performance of their services to ERA. No amounts are reflected in the financial statements related to these indemnifications.



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