

Successful Placement to Accelerate Growth in Canadian and US Operations

Highlights

- Firm commitments received to raise \$2.72 million via a placement of approximately 160 million shares at \$0.017 per share
- Proceeds to support growth initiatives, production efficiency and working capital across Canadian and US operations
- Directors and management to participate in the placement for \$170,000 on the same terms as other investors, with director participation subject to shareholder approval

Peak Processing Limited (ASX: PKP) ('PKP', or 'the Company') is pleased to announce that it has received binding commitments from sophisticated and professional investors to raise \$2.72 million via a placement of 160 million new fully paid ordinary shares at an issue price of \$0.017 per share (**Placement**).

The Placement was strongly supported by new and existing investors and will enable the Company to accelerate targeted growth initiatives across its Canadian and US operations.

Commenting on the capital raising and the Company's renewed focus on disciplined execution and growth, Managing Director and CEO, Barry Katzman said:

"This capital raising reflects strong support from investors and allows us to continue executing on our growth strategy across Canada and the United States. We are focused on scaling production efficiently, improving margins and supporting increasing customer demand across our key markets."

Placement

Under the Placement, the Company will issue 160 million new fully paid ordinary shares at an issue price of \$0.017 per share to raise total gross proceeds of \$2.72 million.

The issue price represents a 10.53% discount to the Company's last closing price of \$0.019 on 28 January 2026. The Placement Shares will be issued utilising the Company's existing placement capacity under ASX Listing Rules 7.1 and 7.1A and will rank equally with existing ordinary shares from the date of issue.

In alignment with shareholders, the Board and management of the Company have subscribed to participate in the Placement, with Non-Executive Chair Manik Pujara subscribing for 4,000,000 shares (\$68,000), Managing Director and CEO Barry Katzman, and Chief Operating Officer Ian Scott each subscribing for 3,000,000 shares (\$51,000) on the same terms as other investors.

All shares subscribed for by the directors are subject to shareholder approval, which will be sought at the next general meeting of the Company.

Chair fee alignment and leadership commitment

Subject to shareholder approval, the Company advises that Non-Executive Chair Manik Pujara, in addition to his subscription for shares in the Placement, has also elected to receive \$68,000 of his director fees payable for the 12-month period from 1 December 2025 to 30 November 2026 in fully paid ordinary shares of the Company, priced at the same issue price as the Placement that being 4,000,000 shares at \$0.017 per share.

The issue of the Placement Shares is expected to occur on or around 13 February 2026.

This commitment reflects the Chair's strong conviction in the Company's strategy and outlook, and further aligns Board remuneration with long-term shareholder outcomes during the Company's next phase of execution and growth.

Use of funds

The Placement will position the Company with additional capital to support execution of its growth strategy. Proceeds from the Placement are intended to be used for:

- increased sales and distribution volumes
- production efficiency and margin enhancement initiatives across Canadian and US operations
- procurement and supply chain optimisation
- corporate and general working capital

Advisors

The Placement was managed by Taurus Capital Group Pty Ltd ACN 622 499 834 (**Lead Manager**).

The Lead Manager will receive a fee equal to 6% of the total funds raised and will be issued 25 million unlisted options exercisable at \$0.025 per option, expiring on 13 February 2029. The Lead Manager options will be put to shareholders for approval at the next general meeting or otherwise issued under the Company's available listing rule 7.1 placement capacity.

-ENDS-

The Board of Peak Processing Limited authorised this announcement to be lodged with the ASX.

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About Peak Processing

Peak Processing Limited (ASX:PKP) is a leading FMCG organisation specialising in the manufacturing, sales, and distribution of THC beverages. Peak Processing develops premium, compliant products that resonate with adult consumers in regulated global markets, including USA and Canada.

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