

Dear Fellow Shareholders,

As 2022 begins, the world is coming up on two full years of COVID-19, and corporations, including Wavefront, have faced unique challenges posed by the pandemic. Specific to Wavefront, the oil and gas sector has, and continues to suffer office closures, lost productive days due to widespread COVID-related illness, and numerous supply chain issues. Such supply chain issues impacted access to well stimulation fluids, coiled tubing, rig replacement parts, etc., and delayed many scheduled well stimulation projects. To frame the impact on Wavefront, one new client who was to commence stimulation work in January 2021 has yet to begin operations – an entire year of delay. We estimate that in 2021 Wavefront's US clients deferred a minimum of 500 well stimulation projects. While such delays may bode well for potential future revenue as a backlog of stimulations exists, these multiple interruptions had a noticeable impact on fiscal 2021 revenue.

Further confronting Wavefront is global economic uncertainty and fossil fuel industry volatility related to government policies surrounding climate change initiatives. To meet our goal of a healthy, sustained revenue stream, Wavefront must move ahead, continuing to build on our strengths.

Despite the challenges Wavefront has faced, we entered new arrangements, continued vital agreements, and secured new clientele to grow Wavefront's portfolio of Powerwave®-related technologies. The sum of these provides a base scenario for Wavefront. We seek to enter into similar agreements and secure additional clients in our traditional markets and new frontiers.

Highlights of 2021 activities include:

- Wavefront secured a global equipment rental agreement with a multi-national oilfield services (OFS) company, which provides certain Powerwave®-branded technologies exclusively in 11 countries and non-exclusively across that company's remaining 79 global locations. Strategically, the agreement establishes Powerwave®-branded technologies on a collaborative global marketing platform, broadening access to the international well stimulation market.
- Wavefront continued Kuwait's exclusive Powerwave® distribution agreement with Gulf Drilling & Maintenance Co. This distribution agreement provides a minimum guaranteed yearly aggregate sum of US \$900,000.
- Wavefront added three new clients in the US, positively impacting revenue generation once work begins.
- Wavefront entered a five-year General Services Agreement (GSA) with a Texas-based client. Under the terms of the GSA, the client and Wavefront agreed to a minimum guaranteed aggregate amount of US \$10 Million over the five years. Under the agreement, Wavefront will supply specific well-stimulation tools and field services at various oil and gas production locations throughout the United States. Wavefront will invoice the client US \$500,000 during each of Wavefront's fiscal quarters over the term of the GSA.

I am a perennial optimist, but I am also keenly aware that Wavefront will face many hurdles ahead. Whether it was the global financial crisis of about 10-years ago, the devastating drop in oil prices between 2014 to 2015, or the most recent 2-years of COVID-19 wreaking havoc on economic and marketing conditions, we have met each challenge with solid resolve in the face of uncertainty. The path ahead may bring obstacles, but we are confident in our future. We see opportunities to expand Wavefront's customer base inside and outside the oil and gas industry. Most importantly, we remain enthusiastic about Wavefront's potential for further developments that build shareholder value.

Sincerely,

A handwritten signature in black ink, appearing to read "Brett Davidson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Brett Davidson
President and CEO