Health Canada issues maximum five-year licence renewal

- Health Canada has renewed the processing license for Peak's Oldcastle, Ontario facility for five years, to September 2031. That is the maximum term available, up from the one-year renewals Peak has previously been granted
- In Peak's view, the five-year term reflects the strength of its quality, security and compliance systems in one of the world's most tightly regulated beverage categories
- Compliance was maintained through a period of rapid growth: record Q4 FY26 production of 1.61 million units (up 61% quarter on quarter), OTIF above 97% in Q1 FY27, and 355ml standard cans and THC shots added under the existing license
- Removing the annual renewal cycle gives Peak, its brand partners and provincial customers the regulatory certainty to plan and contract over a longer horizon

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Peak Processing Limited (ASX: PKP) ('PKP', 'Peak' or 'the Company'), a leading manufacturer of THC-infused beverages, is pleased to announce that Health Canada has renewed the standard processing and sensory license for its Oldcastle, Ontario facility for a five-year term expiring in September 2031. This is the maximum term Health Canada grants. Peak's previous renewals were each for one year.

In Canada's regulated cannabis market, a Health Canada licence is the foundation of a manufacturer's business and one of the sector's most significant barriers to entry. Licence holders must maintain quality assurance systems, facility security, personnel security clearances, ongoing regulatory reporting and site inspections. Renewals are assessed against how well the licence holder controls its operations and complies with the Cannabis Act and Cannabis Regulations.

Peak believes the move from one-year renewals to the maximum five-year term reflects the stability and discipline of its operating systems, and gives brand partners confidence that their contract manufacturer has a secure regulatory footing for the long term.

The renewal follows a year of significant operational improvement and growth for Peak in Canada:

- Q4 FY26 production rose 61% quarter-on-quarter to a record 1,610,908 beverage units.
- On-time-in-full (OTIF) delivery has remained above 97% in Q1 FY27, up from 53% in June 2025 (refer to the Quarterly Reports released 30 October 2026).
- Peak added 355ml standard can capability and began producing THC beverage shots, broadening what its state-of-the-art licensed facility can deliver for brand partners within its existing licence.

Maintaining compliance becomes more demanding as volumes, product formats and customer numbers grow. Achieving the maximum term during this period shows that Peak's systems have scaled with the business.

The five-year term removes the annual renewal cycle. That reduces administrative burden and regulatory risk and supports longer-term manufacturing agreements with customers and longer-horizon operational planning across the Canadian platform. Peak remains subject to the ongoing requirements of the Cannabis Act and Cannabis Regulations throughout the license term.

Managing Director and CEO, Barry Katzman, commented:
"Moving from one-year renewals to the maximum five-year term is an important milestone for Peak. Health Canada's focus is control and compliance, and that becomes harder to maintain as an operation grows in scale and complexity. Strong compliance is what allows us to operate efficiently in a highly regulated industry, and maintaining it through a year of significant growth is a credit to our team in Ontario .

"With a more reliable operation, record production and a stronger commercial base, the focus now is using this longer runway to give our customers confidence to plan with us and support the next phase of growth across our Canadian platform."

-ENDS-

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

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. Visit www.peakprocessing.com

Forward-Looking Statements

Certain statements in this announcement may constitute forward-looking statements or statements about future matters based on information known and assumptions made as at the date of this announcement. Forward-looking statements can generally be identified by the use of words such as "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "will", "believe", "forecast", "estimate" and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings, financial position or performance are also forward-looking statements. These statements are subject to internal and external risks and uncertainties that may have a material effect on future business. Actual results may differ materially from any future results or performance expressed, predicted or implied by the statements contained in this announcement. Accordingly, undue reliance should not be placed on any forward-looking statement. Past performance is not necessarily a guide to future performance. Nothing contained in this announcement nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee, whether as to the past, present or future.

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