



## **ENCORE TECHNOLOGIES ANNOUNCES STRATEGIC INVESTMENT OF US\$1 MILLION WITH SOLSTAR SPACE COMPANY AND ARRANGES C\$1.4 MILLION PRIVATE PLACEMENT**

**Vancouver, British Columbia – June 25, 2026** – Encore Technologies Corp. ("Encore" or the "Company") (CSE:ENCR) is pleased to announce that it has entered into a binding term sheet with Solstar Space Company ("Solstar") pursuant to which Encore intends to make a strategic investment of US\$1.0 million in Solstar (the "Investment"), subject to the completion of a financing by Encore and the execution of definitive documentation.

The Investment is intended to provide Encore with meaningful exposure to a high-growth industry through an investment in Solstar, which develops communications infrastructure and connectivity solutions for the emerging space economy. Solstar's Deke Space Communicator is currently operating successfully on-orbit on the Momentus Vigoride 7 mission launched by SpaceX Falcon 9 in March 2026. Co-passengers on the mission include NASA, DARPA, and a commercial space data center operator, all of which are using the Deke service. This mission represents a significant technical and commercial milestone for the company and an important step toward commercial deployment.

Concurrently, Encore intends to complete a non-brokered private placement of common shares for gross proceeds of up to C\$1.4 million (the "Financing"). The Financing is a condition to completion of the Investment and is expected to be used primarily to fund the Investment.

### **Transaction Highlights**

- Binding term sheet executed for a proposed US\$1.0 million strategic investment in Solstar through a convertible loan.
- Solstar develops communications infrastructure designed to enable persistent connectivity between spacecraft, operators and future space-based infrastructure.
- Solstar's Deke Space Communicator successfully operating on-orbit aboard a Momentus Vigoride 7 mission launched by SpaceX Falcon 9 in March 2026.
- Encore believes the next 24 months will be a critical period in Solstar's evolution into a foundational communications platform for the emerging space economy.
- Encore and Solstar intend to explore future opportunities to integrate Solstar's communications capabilities with Encore's broader intelligent infrastructure initiatives.
- Encore plans a concurrent non-brokered private placement of up to C\$1.4 million at a price of C\$0.26 per common share.



## Strategic Rationale

Encore believes communications infrastructure will remain a foundational component of next-generation technology systems, both on Earth and beyond. As activity in space continues to expand, demand for reliable connectivity, data transmission and communications services is expected to increase across a broad range of civil, commercial, and government applications. The space economy is among the world's fastest growing economy according to industry research at McKinsey & Co and the World Economic Forum.

Solstar was identified by Encore as a compelling strategic investment opportunity due to its milestones achieved in developing communications infrastructure and connectivity solutions for spacecraft, commercial and government space operators and future off-world infrastructure. The successful on-orbit demonstration of Deke represents a significant technical validation of Solstar's platform and marks an important step toward commercial deployment. Encore believes the next 24 months will be pivotal in the maturation of Solstar's broadband communications platform, which is designed to support persistent connectivity across the emerging space economy.

Encore believes that communications networks, telemetry systems and distributed data infrastructure are increasingly converging across terrestrial and space-based environments. As intelligent infrastructure continues to evolve, management sees potential opportunities to explore how space-based connectivity and communications technologies may complement the Company's existing and future business initiatives.

## Management Commentary

*"Communications infrastructure will be a critical component of the next generation of intelligent systems, both on Earth and in space,"* said Stephen Kukucha, Chief Executive Officer of Encore.

*"We believe Solstar is developing technologies that address a growing need for persistent connectivity across commercial, civil and government space applications. As the space economy continues to mature, communications infrastructure has the potential to become a foundational layer of future space-based operations, which aligns closely with our broader vision of intelligent infrastructure and connectivity. We are excited to support the company's continued growth as stakeholders and explore future opportunities for collaboration."*

Brian Barnett, Chief Executive Officer of Solstar, commented:

*"We are pleased to welcome Encore as a strategic investor at an important stage in Solstar's growth. With our Deke communications technology now successfully operating on-orbit, our focus shifts toward expanding our customer adoption, advancing our technology roadmap, and pursuing new opportunities, commercial and government, in Earth orbit and on the Moon. We*



*believe the coming years represent a significant opportunity to establish communications infrastructure that supports the next generation of space operations. We also look forward to exploring potential areas of collaboration with Encore as both companies pursue innovative approaches to connectivity and infrastructure."*

### **Proposed Private Placement**

The Company intends to complete a non-brokered private placement of up to 5,384,615 common shares at a price of C\$0.26 per common share for aggregate gross proceeds of up to C\$1.4 million. The net proceeds of the Financing are expected to be used primarily to fund the proposed Investment and for general working capital purposes.

The Company may pay standard finder fees in connection with the Financing. The Financing remains subject to all required regulatory approvals, including the approval of the Canadian Securities Exchange. All securities issued under the Financing will be subject to a statutory hold period of four months plus one day from the date of issuance.

### **Proposed Investment**

The parties have entered into a binding term sheet outlining the principal terms of the proposed Investment. Completion of the Investment remains subject to the successful completion of the Financing, execution of definitive documentation, receipt of required regulatory approvals and satisfaction of customary closing conditions.

Terms of the proposed Investment include a secured convertible loan in the principal amount of US\$1,000,000 bearing interest at an initial rate of 10% per annum, with step-up provisions thereafter, and maturing five years from closing. Except following an event of default, the principal amount of the Investment is not repayable in cash and shall be satisfied solely through conversion into equity in accordance with the terms of the Investment. The Investment is expected to be secured by a first-ranking security interest over substantially all of Solstar's assets, subject to customary permitted encumbrances.

The Investment is expected to be convertible into equity securities of Solstar or a successor issuer upon certain financing, liquidity, strategic transaction or maturity events, at a conversion price equal to the lower of: (i) a 25% discount to the applicable transaction price; and (ii) a price based on a fully diluted pre-money valuation cap of US\$14,000,000, less a 25% discount.

### **About Solstar Space Company**

Solstar is a U.S.-based communications infrastructure company developing connectivity solutions for the rapidly growing space economy. The Company is focused on enabling on-demand communications for spacecraft, commercial space operators, government agencies and future space-based infrastructure through a combination of communications hardware,



software and communications services. Solstar's Deke Space Communicator is currently operating on-orbit, supporting the Company's mission of extending connectivity beyond traditional terrestrial networks.

### **About Encore Technologies Corp.**

Encore Technologies Corp. is a technology-focused public company advancing intelligent infrastructure solutions and evaluating strategic opportunities in emerging technology sectors. The Company seeks to identify technologies and partnerships that have the potential to improve connectivity, operational efficiency and long-term infrastructure resilience.

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### **Caution Regarding Forward-Looking Information**

*This news release contains "forward-looking information" within the meaning of applicable Canadian securities laws. Forward-looking information includes statements regarding, the proposed Financing, the proposed Investment, the execution of definitive agreements, the use of proceeds, anticipated strategic benefits, potential future collaboration opportunities between Encore and Solstar, the completion of the transactions described herein, and other statements that are not historical facts. Forward-looking information is generally identified by words such as "expects," "intends," "anticipates," "believes," "plans," "estimates," "may," "could," "would," "should," and similar expressions. Forward-looking information reflects management's current beliefs and assumptions and is subject to a number of known and unknown risks, uncertainties, and other factors that may cause actual results, performance, or achievements to differ materially from those expressed or implied, including: the failure to obtain required regulatory approvals; the failure to complete the Financing or the Investment on the terms described or at all; changes in market conditions; the early stage of Solstar's technology and business; risks inherent in the space industry; and general economic, market or business conditions. Readers are cautioned not to place undue reliance on forward-looking information. The Company undertakes no obligation to update or revise forward-looking information except as required by applicable law.*

*The CSE has neither approved nor disapproved the contents of this news release. The CSE does not accept responsibility for the adequacy or accuracy of this news release.*