



EverGen Infrastructure Corp. Reports Second Quarter 2021 Results

Company executes on planned operational and growth initiatives; including core acquisition of BC's original RNG facility, signing of 20 year offtake for Net Zero Waste Abbotsford RNG expansion and subsequent completion of IPO

VANCOUVER, BRITISH COLUMBIA, August 30, 2021 – EverGen Infrastructure Corp. ("EverGen" or the "Company") (TSXV: EVGN), today announced financial results for the second quarter ended June 30, 2021. For further information on these results please see the Company's Consolidated Interim Financial Statements and Management's Discussion and Analysis filed on SEDAR at www.sedar.com. All amounts are in Canadian dollars unless otherwise stated and in accordance with IFRS.

Second Quarter Events & Updates

"Our second quarter performance was in line with seasonal expectations for our existing assets, and included the acquisition & integration of Fraser Valley Biogas, an existing RNG facility that we have begun to optimize in line with our focused RNG expansion strategy," said Chase Edgelow, CEO "We continue to optimize efficiencies across all of our operating facilities despite complexities of combining business operations and unprecedented weather circumstances in the quarter. We are also pleased to have executed our 20-year offtake agreement underpinning our RNG expansion project at Net Zero Waste Abbotsford. These milestones bolster our immediate growth potential and enhance our competitive positioning enabling us to show leadership in accelerating build out of renewable gas infrastructure in Canada".

- Grew EverGen's of production and development projects through the acquisition of Western Canada's first renewable natural gas ("RNG") producing facility, Fraser Valley BioGas Ltd ("FVB") . The FVB facility currently produces over 80,000 gigajoules of RNG annually – enough to heat 1,000 homes for a year - and has supplied RNG to FortisBC Energy Inc. ("Fortis BC") for the last decade. FVB combines anaerobic digestion and biogas upgrading to produce RNG, primarily by converting agricultural waste from local dairy farms.
- On April 29, 2021 EverGen's wholly owned subsidiary Net Zero Waste Abbotsford announced it was entering onto a 20-year offtake agreement with FortisBC. Under the agreement, FortisBC will purchase up to 173,000 gigajoules of RNG annually for injection into its natural gas system, upon completion of an anaerobic digester project at EverGen's existing Net Zero Waste Abbotsford composting and organic processing facility in Abbotsford, British Columbia. Once constructed this project will convert municipal and commercial organic waste into enough energy to meet the needs of more than 1,900 homes.
- Subsequent to the acquisition of Fraser Valley Biogas; we immediately began optimization activities that have resulted in increased RNG production at the facility.

- Subsequent to June 30, 2021, EverGen via its wholly owned subsidiary Sea to Sky Soils entered into a 5 year feedstock agreement with a local municipal entity for a material tonnage of organic waste.
- Subsequent to June 30, 2021, EverGen completed an initial public offering (“IPO”) of 3,080,000 units of the Company at a price of \$6.50 per Offered Unit for aggregate gross proceeds of \$20,020,000. The Company’s common shares were listed on the TSX Venture Exchange under the symbol “EVGN” and commenced trading on August 4, 2021.

Financial Highlights Q2, 2021

The consolidated results of EverGen in the second quarter of 2021 demonstrate a strong operating performance compared to it’s first year. The incorporation of the revenues and associated operating costs of the RNG business at FVB has further boosted the financial results. Additionally, the impact of the global pandemic on the composting businesses has been to increase the seasonal demand for residential and commercial compost and soil products while also increasing the volumes of organic feedstock from municipal and other sources. Compared to the first quarter of 2021, operating profits are significantly increased largely as a result of the seasonal demand for compost products during the late spring and early summer months.

- **Reported Revenue** \$3.3 million in the second quarter. Revenue increased by \$1.8 million, 111% over the first quarter related to seasonal demand for compost driving an increase in sales volumes together with the incorporation of RNG revenues from FVB.
- **Adjusted EBITDA(1)** of \$1.9m in the second quarter of 2021, an increase of \$1.6m from the first quarter primarily due to non-recurring professional, legal and consulting fees relating to the integration of acquisitions, implementation of processes and in preparation of readying EverGen as a reporting issuer in Q1.
- **Gross Profit of \$2.5m**, 74% of revenue. Gross Profit in Q1 was \$1m and 62% of revenue, the increase being further reflective of the strong seasonal performance of consolidated composting operations and the addition of RNG sales.

Three months ended:

<i>In millions of Canadian Dollars</i>	June 30, 2021 (unaudited)	March 31, 2021
Revenue	3.35	1.59
Gross Profit	2.48	0.99
Gross Profit %	74%	62%
Operating profit (loss) (1)	1.62	(0.48)
Net income (loss)	(0.18)	(1.16)
Adjusted EBITDA(1)	1.86	0.20

Statement of Financial Position

<i>In millions of Canadian Dollars</i>	June 30, 2021 (unaudited)	Dec 31, 2021
Total Assets	64.96	50.51
Total Liabilities	22.50	18.60
Equity	42.47	31.91
Working Capital Surplus(1)	2.31	(2.84)

About EverGen Infrastructure Corp.

Based in British Columbia, EverGen is focused on combating climate change and helping communities contribute to a sustainable future through its strategy to develop a Renewable Natural Gas Infrastructure Platform, starting on the West Coast of Canada in British Columbia.

Incorporated in 2020, EverGen has been established to acquire, develop, build, own and operate a portfolio of renewable natural gas, waste to energy, and related infrastructure projects. EverGen has acquired three facilities and has the intention to grow its platform into other regions in North America in the future.

For more information, visit: <https://www.evergeninfra.com/>

(1) Non-IFRS Measures

EverGen uses certain financial measures referred to in this press release to quantify its results that are not prescribed by International Financial Report Standards (“IFRS”). The terms “adjusted EBITDA”, “operating profit” and “working capital” are not recognized measures under IFRS and may not be comparable to that reported by other companies. EverGen believes that, in addition to measures prepared in accordance with IFRS, the non-GAAP measurements provide useful information to evaluate the Company’s performance and ability to generate cash, profitability and meet financial commitments.

These non-GAAP measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

“Adjusted EBITDA” is defined as net earnings before finance costs, taxes and depreciation and amortization adjusted for one-time or non-recurring items, stock-based compensation expense, litigation and other claims settlements, gains and losses resulting from changes in certain balance sheet valuations, acquisition costs and costs related to our initial public offering, including estimated incremental auditing and professional services costs incurred in connection with our initial public offering.

“Operating profit” is measured as gross profit, less operating costs and general and administrative expenses.

“Working capital” for EverGen is calculated as current assets less current liabilities

Forward Looking Statements

This news release contains forward-looking statements and/or forward-looking information (collectively, “forward looking statements”) within the meaning of applicable securities laws. When used in this release, such words as “would”, “will”, “anticipates”, “believes”, “explores” and similar expressions, as they relate to EverGen, or its management, are intended to identify such forward-looking statements. Such forward-looking statements reflect the current views of EverGen with respect to future events, and are subject to certain risks, uncertainties and assumptions. Many factors could cause EverGen's actual results, performance or achievements to be materially different from any expected future results, performance or achievement that may be expressed or implied by such forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties, including but not limited to: the impact of general economic conditions in Canada, including the ongoing COVID19 pandemic; industry conditions including changes in laws and regulations and/or adoption of new environmental laws and regulations and changes in how they are interpreted and enforced, in Canada; volatility of prices for energy commodities; change in demand for clean energy to be offered by EverGen; competition; lack of availability of qualified personnel; obtaining required approvals of regulatory authorities, in Canada; ability to access sufficient capital from internal and external sources; optimization and expansion of organic waste processing facilities and RNG feedstock; the realization of cost savings through synergies and efficiencies expected to be realized from the acquisitions of NZWA, SSS and FVB; the sufficiency of EverGen's liquidity to fund operations and to comply with covenants under its credit facility; continued growth through strategic acquisitions and consolidation opportunities; continued growth of the feedstock opportunity from municipal and commercial sources, many of which are beyond the control of EverGen. Forward-looking statements included in this news release should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such forward looking statements.

Readers are encouraged to review and carefully consider the risk factors pertaining to EverGen described in EverGen's final prospectus dated May 17, 2021, which is accessible on EverGen's SEDAR issuer profile at www.sedar.com. The forward-looking statements contained in this release are made as of the date of this release, and except as may be expressly be required by law, EverGen disclaims any intent, obligation or undertaking to publicly release any updates or revisions to any forward-looking statements contained herein whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

Management of EverGen has included the above summary of assumptions and risks related to forward-looking statements provided in this release in order to provide shareholders with a more complete perspective on EverGen's current and future operations and such information may not



be appropriate for other purposes. EverGen's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and,

accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what benefits EverGen will derive therefrom.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction.