



Press Release

## **EverGen Infrastructure Corp. Reports Third Quarter 2021 Results**

*EverGen executes on operational and growth initiatives, including the optimization of the Fraser Valley Biogas RNG facility*

Vancouver, British Columbia - November 23, 2021 - EverGen Infrastructure Corp. ("EverGen" or the "Company") (TSXV: EVGN), today announced financial results for the third quarter ended September 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](http://www.sedar.com) and on EverGen's website at [www.evergeninfra.com](http://www.evergeninfra.com). All amounts are in Canadian dollars unless otherwise stated and are in accordance with IFRS.

### **Third Quarter Events & Updates**

"Our third quarter performance aligned with our seasonal expectations for our composting facilities, and we are pleased with the continued optimization of our sites, in particular Fraser Valley Biogas which saw production highs in the quarter," said Chase Edgelow, CEO of EverGen. "Our IPO in August strengthened our position as a leader in the Canadian renewable natural gas ("RNG") market and as we continue to build the portfolio and advance our facility optimizations, we are furthering Canada's efforts in combating climate change."

- On August 4, 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".
- Following the acquisition of Fraser Valley Biogas Ltd ("Fraser Valley Biogas" or "FVB") in the second quarter of 2021 immediate enhancement and optimization projects were completed and resulted in record production in the month of September, supporting the growing demand for RNG in the province. Optimization activities contributed an additional 18% of Renewable Natural Gas production for September compared to last year and 9% higher year-to-date production compared to last year.
- Subsequent to the end of the third quarter, EverGen's wholly owned subsidiary Net Zero Waste Abbotsford announced that the 20-year offtake agreement with FortisBC had been approved by the BC Utilities Commission, marking the final regulatory step with regards to the offtake agreement. Under this

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.

### Financial Highlights Q3, 2021

The operating results of the RNG business were ahead of expectations as a result of optimized performance at the Fraser Valley Biogas facility. Overall, the consolidated results of EverGen in the third quarter of 2021 demonstrate operating performance in line with seasonal expectations for the composting businesses.

- **Revenue reported of \$1.95 million** in the third quarter. Revenue decreased by 42% compared to the previous quarter primarily due to seasonal demand for tipping and compost driving a decrease in sales volumes. Sales under contract with FortisBC account for 19% of revenue in the third quarter of 2021.
- **Gross profit of \$1.58m, 81% of revenue.** The increase from the previous quarter is reflective of the consolidation of a full quarter of RNG operations representing a higher proportion of gross profit, in addition to improved efficiencies across the group.
- **Adjusted EBITDA<sup>(1)</sup> of \$0.8m** in the third quarter of 2021, which is reflective of the seasonal business performance in comparison to the prior period.

Three months ended:

In millions of Canadian Dollars (excluding %)	September 30, 2021 (unaudited)	June 30, 2021 (unaudited)
Revenue	1.94	3.35
Gross profit	1.58	2.48
Gross profit %	81%	74%
Operating profit (loss) <sup>(1)</sup>	0.59	1.62
Net income (loss)	0.49	(0.18)
Adjusted EBITDA <sup>(1)</sup>	0.79	1.86

### Statement of Financial Position

In millions of Canadian Dollars	September 30, 2021 (unaudited)	December 31, 2020
Total assets	80.93	50.51
Total liabilities	19.04	18.60
Total shareholders equity	61.89	31.91
Working capital surplus (deficit) <sup>(1)</sup>	21.75	(2.84)

## About EverGen Infrastructure Corp.

EverGen, Canada's Renewable Natural Gas Infrastructure Platform, is combating climate change and helping communities contribute to a sustainable future, starting on the West Coast. EverGen is an established independent renewable energy producer which acquires, develops, builds, owns and operates a portfolio of Renewable Natural Gas, waste to energy, and related infrastructure projects. EverGen is focused on British Columbia, with continued growth expected across other regions in North America.

For more information about EverGen Infrastructure Corp. and our projects, please visit [www.evergeninfra.com](http://www.evergeninfra.com).

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### (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, share-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 IPO, including estimated incremental auditing and professional services costs incurred in connection with our IPO.

"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](http://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.