



Press Release

EverGen Infrastructure Corp. Reports 2021 Fourth Quarter and Year End Financial Results & Corporate Update

Vancouver, British Columbia - April 21, 2022 - [EverGen Infrastructure Corp.](#) ("EverGen" or the "Company") (TSXV: EVGN) (OTCQB: EVGIF), today reported financial results as at and for the three-month period and year ended December 31, 2021. All amounts are in Canadian dollars unless otherwise stated and are in accordance with IFRS.

For further information on the results please see the Company's Consolidated Financial Statements and Management's Discussion and Analysis filed on SEDAR at www.sedar.com and on EverGen's website at www.evergeninfra.com.

Message to our Shareholders:

2021 was a transformational year for EverGen which saw the assembly of our core BC portfolio, acquisition of Fraser Valley Biogas, taking the company public via IPO and associated capital raises, together which have positioned EverGen to expedite growth as Canada's RNG infrastructure platform. We delivered on our operational goals despite a number of challenges that we were able to overcome.

In the fourth quarter of 2021, our operations were impacted by the flooding events in the Abbotsford and Sumas Prairie regions. Net income (loss) and Adjusted EBITDA were impacted by downtime and increased costs, while Revenue increased over the previous quarter due to higher volumes of incoming organic feedstock primarily related to post-flood processing. EverGen's FVB facility was temporarily shutdown on November 15, 2021 as a result of the flooding events.

Today our operations have successfully recovered from the impact of the floods, including bringing EverGen's FVB facility back online on March 2, 2022. To date in 2022, EverGen has recovered more than \$1.7 million of insurance proceeds, which represents a progress payment relating to lost revenues and additional expenses incurred from the flooding events. EverGen expects to recover further proceeds throughout 2022 as it incurred additional flood related expenses. This results in a deferral of positive Adjusted EBITDA that would have otherwise been recognized in the fourth quarter of 2021.



2021 Financial Highlights

The following table presents EverGen's Consolidated Financial and Operating Summary:

In thousands of Canadian Dollars	Three Months Ended			Year/Period Ended	
	Dec 31, 2021 \$	Sep 30, 2021 \$	Dec 31, 2020 \$	Dec 31, 2021 \$	Dec 31, 2020 \$
FINANCIAL					
Revenue ⁽¹⁾	2,693	1,937	-	9,564	-
Net income (loss) ⁽²⁾	(1,113)	493	(2,227)	(1,953)	(2,233)
Net income (loss) per share \$, basic and diluted	(0.08)	0.04	(6.69)	(0.18)	(17.05)
EBITDA ⁽³⁾⁽⁴⁾	(512)	1,854	(2,515)	836	(2,521)
Adjusted EBITDA ⁽³⁾⁽⁴⁾	(18)	791	-	2,839	-
Capital expenditures – property and equipment	1,004	428	-	1,590	-
Capital expenditures – acquisitions	-	-	24,498	10,644	24,498
Total assets	80,610	80,933	50,540	80,610	50,510
Total long-term liabilities	14,764	15,142	8,780	14,764	8,780
Working capital surplus (deficit) ⁽⁴⁾	20,545	21,751	(2,842)	20,545	(2,842)
OPERATING					
Incoming organic feedstock (tonnes)	26,110	20,465	-	94,206	-
Organic compost and soil sales (yards) ⁽⁵⁾	5,119	12,532	-	61,790	-
RNG (gigajoules) ⁽¹⁾	12,682	23,854	-	55,380	-

- (1) RNG volumes commenced on April 16, 2021, upon the acquisition of Fraser Valley Biogas ("FVB"). RNG volumes were lower for the fourth quarter of 2021 as a direct result of flooding events in the Abbotsford and Sumas Prairie regions, which resulted in the shut down of the FVB facility on November 15, 2021, until operations were restored. Since March 2, 2022 FVB has been operating and producing daily volumes of up to 223 GJ/d, restoring production volumes to historical levels.
- (2) Operating expenses and cost of goods sold increased during the fourth quarter of 2021 at FVB and Net Zero Waste Abbotsford ("NZWA") as a direct result of the flooding events.
- (3) The lost revenues and additional costs incurred as a result of the floods are insurable under the Company's insurance policies and will be offset with insurance proceeds received and recognized in net income (loss) during 2022. There were no insurance proceeds related to the floods recognized in net income (loss) during 2021.
- (4) Please refer to "Non-IFRS Measures"

Management Team Growth

EverGen successfully achieved its 2021 milestones, increasing productivity at all three facilities as well as executing on acquisitional growth. With a solid leadership team in place to set the foundation, we have expanded the core team to accelerate our growth trajectory and leverage our unique position in the RNG industry.

After successfully leading the Company's initial acquisitions and IPO in August of 2021, Mischa Zajtmann, President of EverGen has assumed the role of Chief Operating Officer, overseeing our technical leaders to drive best in class performance in operations, successful development and integration of growth projects and fostering synergies across the organization. Concurrently, Sean Mezei will transition to a strategic RNG advisor role. He will provide focused



support and expertise to the operating and project teams including playing a key role in the Company's evaluation of new projects and growth strategy, as well commissioning and optimization of our core RNG facilities.

Additionally, EverGen has welcomed Jamie Betts, VP of Operations, and Sean Hennessy, VP of Finance, as the Company continues to expand its RNG platform and become increasingly active in the M&A space and delivering on a growing number of expansion and development projects.

Betts, a professional engineer, joins EverGen as VP of Operations with over 35 years of experience in multinational energy and waste management companies, including, more recently, the positions of VP of Engineering at Miller Waste Systems Inc. and Project Director at Husky Energy. He brings to the team a demonstrated track record in project execution, process implementation, safety optimization, and environmental, operations and maintenance performance expertise, all of which will bolster the EverGen platform in operations, existing expansion projects and future growth opportunities.

Hennessy, a chartered accountant, joins EverGen as VP of Finance with over 15 years of finance and accounting related experience, including the positions of Director of Corporate Reporting for Altera Infrastructure, a global energy infrastructure group and a Brookfield Business Partners portfolio company, and Director of Financial Reporting for a clean technology company. He brings to the team a proven track record of success working within public and private equity portfolio companies and will support EverGen in realizing platform synergies with his strong business acumen combined with well-developed analytical skills and a focus on accretive growth.

These additions to the management team further strengthens our Company and provides additional capacity for development, construction, and operations for EverGen's growing platform.

Pursuant to the Company's Equity Plan, the Company has granted 78,976 restricted share units (RSUs) to certain officers of the Company.

2021 Achievements & Highlights:

1. Establishing our Initial Core RNG Portfolio

- In 2021, after successfully establishing EverGen's cornerstone portfolio with NZWA and Sea to Sky Soils, EverGen completed the acquisition of Fraser Valley Biogas, the first operational RNG facility in B.C., setting the foundation for EverGen's leadership in renewable natural gas infrastructure in Canada. The acquisition was consistent with the Company's focus on acquiring and building-out RNG and sustainable waste-to-energy projects, providing optimization opportunities and synergies with our existing portfolio.

2. Solid Operational & Asset performance

- *Resilient Performance:* The Company's operations team delivered strong performance throughout the year despite challenges of high summer temperatures in the region, COVID-19 impacts and the severe floods encountered in late-2021.
- *Fraser Valley Biogas Optimization:* Our Fraser Valley Biogas facility has been supplying renewable energy into BC for over a decade. In the short period since EverGen has



owned and operated the facility, Fraser Valley Biogas achieved record monthly production from enhancement and optimization projects completed with minimal capital expenditure.

- *Sea to Sky Soils Partnerships:* Our Sea to Sky Soils organic waste processing and composting facility processed approximately 160% of its budgeted tonnage in the second half of 2021. EverGen partnered with local municipalities – including Metro Vancouver and the municipality of Pemberton – for the delivery of additional organic waste to the facility throughout 2021 and onward. Further to generating additional revenue, the facility serves as a source of valuable feedstock to support EverGen’s existing and future RNG operations.
- *NZWA Operational Consistency & Community Support:* EverGen worked in close partnership with the Ministry of Agriculture, Ministry of Environment and the City of Abbotsford to support the region’s clean-up efforts by processing approximately 90% of the organic waste generated by the flood. NZWA was one of few facilities that remained open following the flood, due in large part to efforts by site staff who managed the floodwaters and helped NZWA stay operational throughout.

3. Strong Capital Discipline

- *Operating Results:* During 2021, EverGen generated \$9.6 million of revenues and \$2.8 million of adjusted EBITDA in line with budgeted expectations.
- *Strong Cash Position:* As at December 31, 2021, EverGen had cash and cash equivalents of \$19.6 million, restricted cash of \$2.7 million and a working capital surplus of \$20.9 million. Following the initial public offering in August 2021, EverGen has maintained its strong cash position, placing it with a unique opportunity to execute on existing and future expansion projects.

4. Positioning for Growth

- *Achieved strong capital support:* During 2021, EverGen was successful in raising \$34.1 million in net proceeds from the completion of various financing initiatives, including the initial public offering in August 2021, which demonstrates EverGen’s flexibility and diversification in its capital structure and well positions the Company to execute on growth opportunities.
- *Solidified RNG Offtake Partnerships:* During the fourth quarter, the British Columbia Utilities Commission (“BCUC”) approved a 20 year RNG offtake agreement with FortisBC Energy Inc. (“FortisBC”) for the Company’s anaerobic digester expansion project at its NZWA composting and organic processing facility.

Outlook

In 2021, EverGen laid the foundation for growth and positioned the Company to be a leader in the RNG infrastructure space in 2022 and beyond. The recently announced letter of intent to acquire a 67% interest in GrowTec, an Alberta based biogas facility, is a cornerstone project in a new jurisdiction for EverGen and demonstrates the Company’s ability to participate in the consolidation and growth of the RNG industry. EverGen intends to pursue similar opportunities within its core markets and across the country, investing in truly sustainable operations that contribute to carbon-negative energy production and positively impacting climate change initiatives.



Core Expansion Projects Update

NZWA: The Company's Net Zero Waste Abbotsford composting facility will undergo a capital expansion project to add an anaerobic digester to produce biogas, which will then be upgraded to RNG to feed into FortisBC's gas network under a previously announced long-term off-take contract. The expansion is expected to increase the facility throughput to ~135,000 tonnes of feedstock per year and is designed to produce ~180,000 GJ of RNG per year.

As a result of ongoing Covid implications and the flooding event in late-2021, the Company is anticipating a delay in construction of the expansion project based on recent discussions with local and provincial regulatory authorities. To mitigate these delays and advance the project with minimal impact to the schedule, EverGen's management team is considering a number of options and will provide updates on the project schedule as it becomes available. Concurrently, management is evaluating additional opportunities to utilize capital earmarked for this project to advance new core projects with similar return profiles.

FVB: The Company's Fraser Valley Biogas RNG facility will undergo a capital expansion project to add additional RNG production capacity. The expansion is expected to nearly double the capacity of the facility to accept ~100,000 tonnes of feedstock per year and increase RNG production to ~160,000 GJ per year.

We anticipate this expansion project may also experience some delays in the approval process due to the same issues outlined above, however with the initial phase of the expansion project utilizing existing site infrastructure, incremental RNG production and additional EBITDA contribution is still expected by the end of 2022.

Sea to Sky Soils Sea to Sky Soils is working with the Ministry of Environment to expand operational capacity in 2022 which further bolsters EverGen's footprint in Southern BC allowing for processing of incremental organic waste feedstock volumes.

Summary

EverGen remains positioned to deliver strong shareholder returns in 2022 and beyond with many competitive advantages, including the following:

1. **Established Platform – First Mover in Canada:** In a short time-frame, EverGen has uniquely assembled a strong cornerstone asset base that provides opportunity for expansion and synergies. The RNG infrastructure platform forms the foundation for the EverGen team to leverage expertise and partnerships to expand across Canada, aggregate the fragmented market and deliver accretive returns.
2. **Scaled-up Management Team:** With a growing project pipeline and abundant acquisition opportunities, EverGen has further strengthened its management team, attracting talent from across the RNG and waste management industries which underpins the team to continue to scale the business.
3. **Rapidly Expanding Project Pipeline:** The RNG industry in Canada is ripe for consolidation, evident in the recently announced letter of intent to acquire a 67% interest in GrowTec in Alberta. The management team is seeing increasing deal flow and is evaluating a number of projects across the country in key markets including BC,



Alberta, Ontario and Quebec that are expected to reveal additional opportunities in 2022.

4. **Diversified Access to Capital:** EverGen remains in a strong cash position and is disciplined with its approach to capital allocation. The operating projects provide the financial flexibility to internally finance growth projects and expansion opportunities with project level financing options, and a number of strategic investors have expressed interest and can be utilized for accretive growth.

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.

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Non-IFRS Measures

EverGen uses certain financial measures referred to in this press release to quantify its results that are not prescribed by IFRS. The terms EBITDA, adjusted EBITDA 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-IFRS measurement provide useful information to evaluate the Company's performance and ability to generate cash, profitability and meet financial commitments.

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

EBITDA is defined as net income (loss) before interest, tax and depreciation and amortization. Adjusted EBITDA is EBITDA adjusted for share-based payment expenses and unusual or non-recurring items. Working capital is calculated as current assets less current liabilities.

Forward-Looking Information

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 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. 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 Company's completed acquisitions; 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, and the factors discussed under "Risk Factors" in the Company's Annual Information Form dated January 31, 2022, 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.

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.

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