



Press Release

EverGen Infrastructure Corp. Signs Term Sheet for \$31 Million Senior Term Loan to Support the Funding of Near-Term RNG Facility Upgrades & Delivery of Expansion Projects

- Term sheet agreed for \$31 million Senior Term Loan Facility with Roynat & EDC
- Core RNG expansion projects fully funded (near-term growth to 480,000 GJ of RNG annually)
- Upcoming catalysts and milestones for H2 2022 include construction of FVB & GrowTEC RNG Expansion Projects

VANCOUVER, BRITISH COLUMBIA, August 10, 2022 - [EverGen Infrastructure Corp.](#) ("EverGen" or the "Company") (TSXV: EVGN) (OTCQB: EVGIF), is pleased to announce that it has signed a term sheet with its existing lender, Roynat Capital (a subsidiary of Scotiabank) and Export Development Canada ("EDC") for a \$31 million syndicated senior term loan (the "Facility") to support the upgrade and construction of its Renewable Natural Gas ("RNG") facilities at Fraser Valley Biogas ("FVB") and Net Zero Waste Abbotsford ("NZWA"), respectively.

"The Facility is an integral component to EverGen's capital structure as we embark on our planned upgrade and expansion projects, and we are very pleased to have the support of high quality debt partners in Roynat and EDC," said Chase Edgelow, CEO of EverGen. "This Facility ensures our near-term Core RNG Expansion projects are fully funded to deliver 480,000 GJ of RNG annually and compliments our strong balance sheet, positive cash flow & anticipated grant funding available to EverGen. This incremental liquidity and financial flexibility is fundamental as we continue to expand our RNG infrastructure platform across Canada. This milestone builds upon our team's recent execution success including the addition of our Alberta and Ontario projects (GrowTEC and Project Radius) – delivering accretive growth to our shareholders."

The proposed Facility is a five-year senior term loan with a 10-year amortization period and interest only payments for the first 12 months. The Facility is secured by certain assets of the Company and includes customary terms and conditions. The Facility will bear interest at a rate of 30-day Banker's Acceptance + 3.5 to 4.5% based on certain covenants. The Facility remains subject to the successful completion of due diligence.

Once approved, \$15 million will be available to finance the Fraser Valley Biogas RNG Expansion Project and an additional \$16 million will become available to EverGen to support the Net Zero Abbotsford RNG Expansion Project.

Core RNG Expansion Project Updates:

Fraser Valley Biogas RNG Expansion Project (BC)

FVB is the original producing RNG project in Western Canada and the first project to produce RNG into FortisBC's network. The facility combines anaerobic digestion and biogas upgrading to produce RNG, primarily by converting agricultural waste from local dairy farms.

The FVB facility is currently undergoing a capital expansion project to add additional RNG production capacity that is expected to double the capacity of the facility and increase RNG production to ~160,000 GJ per year. Capital costs for this project are anticipated to be \$13-15m, with construction beginning in late Q3 2022 and with anticipated completion in Q1 2023. These upgrades, coupled with a new off-take contract that is in late-stage negotiations, will provide a significant uplift to EverGen's RNG production capabilities to ~120,000 GJ per year, with the ramp-up to full capacity of ~160,000 GJ per year expected to begin in mid-2023, following amendments to existing permits.

Net Zero Waste Abbotsford RNG Expansion Project (BC)

NZWA is an organic waste conversion facility in British Columbia that primarily processes inbound organics, yard waste and biosolids for a contracted tipping fee, and produces high-quality organic compost and soils for farmers, gardeners, and developers.

The capital expansion project at NZWA will add anaerobic digestion capabilities to produce biogas, which will then be upgraded to RNG to feed into FortisBC's gas network under an existing 20-year off-take agreement. The expansion is expected to increase the facility's inbound organics throughput to ~135,000 tonnes of feedstock per year and is designed to produce ~180,000 GJ of RNG per year.

Capital costs for this project are anticipated to be \$32-35m. Construction of the upgrade will begin upon receipt of building and regulatory approvals, for which applications were submitted earlier this year. The region has experienced delays in regulatory approvals as a result of ongoing COVID implications and the flooding event in late-2021. EverGen's dedicated project team has been making progress working to expedite approvals and is awaiting feedback. At this stage, the project is anticipated to break ground in approximately 12 months, followed by a 6-8 month construction window.

GrowTEC RNG Expansion Project (Alberta)

GrowTEC, is an operating farm scale biogas facility consisting of an anaerobic digester, which has been converting biodegradable waste into biogas and generating renewable power for over seven years. EverGen and GrowTEC will be completing additions to the facility this year to process the biogas and upgrade it to RNG, which will be tied into the local pipeline network. GrowTEC has an offtake agreement with

[FortisBC](#) and will contribute to FortisBC's target to have at least 15% of its gas supply carbon neutral by 2030.

The first phase of development will deliver 80,000 GJ of RNG annually and is anticipated to be complete and producing gas into FortisBC's network at the end of 2022. EverGen's GrowTEC project team is working to accelerate the second phase of expansion, which is expected to add an additional 60,000 GJ of RNG per year, for a total of 140,000 GJ of RNG production per year from the facility.

Core Development Project Updates:

Project Radius (Ontario)

[Project Radius](#), located in southern Ontario, is a late-development-stage portfolio of three large scale, on-farm RNG projects, collectively capable of producing ~1.7 million GJ per year of RNG that will contribute to the reduction of emissions from agricultural operations in southern Ontario. Each of the three projects is expected to produce ~550,000 GJ per year with construction on the initial project expected to commence in the next 12 months.

RSU Grant

Pursuant to the Company's Equity Plan, on August 2, 2022, the Company granted 20,000 restricted share units (RSUs) to a director of the Company.

About EverGen Infrastructure Corp.

EverGen, Canada's Renewable Natural Gas Infrastructure Platform, is combating climate change and helping communities contribute to a sustainable future. Headquartered on the West Coast of Canada, 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 Canada, with continued growth expected across other regions in North America and beyond.

For more information about EverGen Infrastructure Corp. and our projects, please visit www.evergeninfra.com.

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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.