



Earthworks Industries Inc. - CORTINA LEASE TERMINATION

TSX-V: EWK OTCQB: EAATF

VANCOUVER, BC, Dec. 22, 2025 /CNW/ - Earthworks Industries Inc. ("the Company") disclosed in its news release dated October 23, 2025, responds to the U.S District Court's Order upholding the decision of the U.S. Department of the Interior, Board of Indian Appeals terminating the lease between the Company's wholly owned U.S. subsidiary, Cortina Integrated Waste Management Inc., (CIWM), and the Kletsel Dehe Wintun Nation of the Cortina Rancheria (KDWN). The KDWN is also seeking legal costs of more than \$400,000 U.S., disclosed in a news release dated November 14, 2025.

Since the issuance of the termination, we have focused our attention on evaluating all available options, including appealing the termination. We have also considered the costs associated with funding the appeal and the requirement that we would have to pay KDWN awarded costs or post a bond in the event we were to proceed with an appeal. It is the opinion of our U.S. lawyers that an appeal would have very little chance of success. For those reasons, despite the millions of dollars spent pursuing the Cortina project, the Board has resolved not to appeal the termination.

Mr. David Atkinson commented, "while we are of course very disappointed, it is not just the funds spent, but even more, the time invested in endlessly struggling to overcome the multitude of challenges and precedents encountered in getting the Cortina lease finally approved. KDWN invited us to participate in this development and with the support of the federal agencies we undertook one of the most exhaustive environmental reviews, resulting in regulatory approval of the lease in 2000. The County then challenged the decision and that challenge was eventually denied. However, it resulted in delaying final approval of the lease by almost 6 years. The 9-11 events at the time also added to the delays. The lease that was ultimately approved incorporated all the terms and conditions of the Record of Decision. Once approved in 2007, KDWN finally issued an Authority to Construct in 2008. At that time, we undertook at significant financial expense, all the technical studies required to begin construction. North Bay Corporation approached us on a joint development agreement to finance final permits and construction. After more than 15 years a new administration at KDWN was elected in 2010, and it declared the lease canceled in a Notice of Termination in 2012. While the first termination was reversed in 2015, a second Notice of Termination was filed in 2018. CIWM appealed again. All of these proceedings culminated in the Court issuing the Order.

We will now look to move forward with the environmentally sound model we created for Cortina at other sites with partners who are interested in the highest standards for waste handling."

Neither the TSX Venture Exchange nor its regulation services provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this News Release.

SOURCE Earthworks Industries Inc.

View original content to download multimedia:

<http://www.newswire.ca/en/releases/archive/December2025/22/c3052.html>

%SEDAR: 00008386E

For further information: For further information, contact: Earthworks Industries Inc., David Atkinson, President/CEO, 604-669-3143

CO: Earthworks Industries Inc.

CNW 09:00e 22-DEC-25