

EverGen Infrastructure Reports Q3 2022 Results and Provides Quarterly Update

Key Milestones Achieved & Highlights:

- **Quarterly revenues in line with last year, poised for growth with core expansion projects under construction on schedule and on budget**
- **Signed term sheet for long-term RNG offtake agreement at Fraser Valley Biogas ("FVB")**
- **Completed acquisition of GrowTEC and construction of RNG expansion is now 80% complete**
- **Secured remaining funding for Core RNG expansion projects: signed term sheet for \$31 million Senior Term Loan**
- **Broke ground on FVB RNG Expansion Project**

VANCOUVER, British Columbia--(BUSINESS WIRE)--November 21, 2022--EverGen Infrastructure Corp. ("EverGen" or the "Company") (TSXV: EVGN) (OTCQX: EVGIF), today reported financial results as at and for the three- and nine-month periods ended September 30, 2022 ("Q3 2022"). All amounts are in Canadian dollars unless otherwise stated and are in accordance with IFRS.

Financial Highlights for Q3 2022

Revenues for Q3 2022 were in line with prior year results, and operating results were impacted by the acquisition of a 67% interest in GrowTEC, additional flood-related operating expenses and the timing of recognition of insurance proceeds.

- **Cash and cash equivalents of \$12.8 million** post capex spend of \$3.5 million and \$1.5 million of insurance proceeds received.
- **Revenues of \$2.0 million** increased from \$1.9 million in Q3 2021, despite lower RNG revenues from flood-related production downtime, which has now been remediated.
- **Net income (loss) of (\$1.8) million** was impacted by flood-related costs, the absence of a contingent consideration gain and an increase in general and administrative costs associated with supporting EverGen's growth and transformation, partially offset by insurance proceeds recognized.
- **Adjusted EBITDA of \$0.7 million** was in line with prior year results of \$0.8 million in Q3 2021 despite a carry-over impact from flood-related costs and increased general and administrative costs associated with future growth.
- **Insurance & Completion of Flood Recovery:** As at Q3 2022, EverGen estimates operating and capital insurance recoveries outstanding of approximately \$0.3 million and \$0.6 million, respectively. EverGen expects these amounts to be recovered during Q4 2022.

"It is an exciting time for EverGen with strong momentum in the RNG market and as one of the first movers in Canada in terms of consolidating assets across the country," said Chase Edgelow, CEO of EverGen. "We are thrilled with the progress at our core RNG expansion projects that

once producing, will see us jump from C\$3M to C\$13M in run rate EBITDA and are fully funded. With our GrowTEC facility commissioning imminently and construction at Fraser Valley Biogas underway we are anticipating a strong start to 2023.”

Company Operational Highlights for Q3 2022

GrowTEC

On July 14, 2022, EverGen completed the acquisition of a 67% interest in Alberta’s Grow the Energy Circle Ltd. (“GrowTEC”), which is currently in the first phase of a core RNG expansion project designed to produce ~80,000 GJ/year of RNG. Construction is 80% complete with commissioning expected prior to the end of the year. The facility will then move into the second phase of the project, which is expected to produce a total of 140,000 GJ/year of RNG.

Financing

On August 10, 2022, EverGen announced that it had 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 funding of its near-term Core RNG Expansion Projects at FVB and Net Zero Waste Abbotsford (“NZWA”). The Facility ensures that EverGen’s near-term Core RNG Expansion Projects are fully funded.

Fraser Valley Biogas

On September 29, 2022, FVB signed a term sheet for a long-term offtake RNG agreement for up to 190,000 GJ/year purchased from FVB, comprising existing and incremental RNG volumes expected from the facility post-expansion. This agreement will replace the existing RNG offtake agreement in an environment where current market pricing is significantly stronger. During Q3 2022, EverGen commenced construction at FVB.

Insurance Proceeds

In September 2022, EverGen received an additional \$1.5 million of partial insurance proceeds to mitigate the impacts from the floods in late-2021.

OTCQX Listing

On September 14, 2022, EverGen announced that the Company’s common shares began trading on the OTCQX® Best Market in the United States under the symbol “EVGIF”. EverGen upgraded to the OTCQX® Best Market from the OTCQB® Venture Market.

Financial and Operational Summary

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

	Three months ended	Nine months ended
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In thousands of Canadian Dollars	Sep 30, 2022	Sep 30, 2021	Sep 30, 2022	Sep 30, 2021
FINANCIAL				
Revenue	1,957	1,937	5,743	6,871
Net income (loss) attributable to shareholders ⁽¹⁾	(1,832)	493	(2,597)	(840)
Net income (loss) per share (\$), basic and diluted ⁽¹⁾	(0.13)	0.04	(0.19)	(0.08)
EBITDA ⁽²⁾	(486)	1,854	(159)	1,348
Adjusted EBITDA ⁽²⁾	650	791	1,706	2,857
Capital expenditures ⁽³⁾	3,546	318	7,250	11,276
Total assets	85,692	80,933	85,692	80,933
Total long-term liabilities	17,462	15,142	17,462	15,142
Cash and cash equivalents	12,841	20,840	12,841	20,840
Working capital surplus ⁽²⁾	10,079	21,751	10,079	21,751
OPERATING				
Incoming organic feedstock (tonnes)	19,375	20,465	59,758	68,097
Organic compost and soil sales (yards)	8,219	12,532	27,397	56,671
RNG (gigajoules)	14,975	23,854	41,001	42,698
Electricity (MWh)	698	-	698	-

(1) Operating expenses and cost of goods sold increased during Q3 2022, Q2 2022, Q1 2022 and Q4 2021 at FVB and NZWA as a direct result of the flooding events

(2) Capital expenditures for the nine months ended September 30, 2022, includes a \$2,054 investment in GrowTEC and a \$1,000 initial investment in an equity-accounted investment (Project Radius).

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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.

EverGen will hold a results and corporate update conference call at 10:00 a.m. eastern time on Tuesday, November 22, 2022, hosted by Chief Executive Officer, Chase Edgelow.

Conference call details are as follows:

Date: Tuesday, November 22, 2022

Time: 10:00 a.m. ET

Zoom Link: <https://us06web.zoom.us/j/88523792381>

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.

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 measures are 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 (recoveries), unusual or non-recurring items and non-controlling interests in adjusted EBITDA. 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", "expects" 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 current inflationary environment ; 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 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.

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