EVERGEN INFRASTRUCTURE CORP.

ANNUAL INFORMATION FORM

For the fiscal year ended December 31, 2020

Dated January 31, 2022

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GLOSSARY

In this Annual Information Form, the following capitalized terms have the following meanings, in addition to other terms defined elsewhere in this Annual Information Form.

"**Acquired Businesses**" means collectively, the businesses acquired by the Company pursuant to the Acquisitions.

"**Acquisitions**" means collectively, the NZWA Acquisition, the SSS Acquisition and the FVB Acquisition.

"**AD**" means anaerobic digestion.

"**Articles**" means the Articles of Incorporation of the Company dated May 13, 2020, as may be amended from time to time.

"**Audit Committee**" means the Audit Committee of the Board.

"**BCBCA**" means the *Business Corporations Act* (British Columbia), as may be amended from time to time.

"**Board**" means the board of directors of the Company.

"**Clarus**" means Clarus Securities Inc.

"**Common Share**" means a common share in the capital of the Company, as currently constituted.

"**Corporate Governance and Nomination Committee**" means the Corporate Governance and Nomination Committee of the Board.

"**Desjardins**" means Desjardins Securities Inc.

"**DSU**" means a deferred share unit of the Company which is convertible into treasury Common Shares or, upon the joint election of the Company and the Participant, a cash payment or a combination thereof, granted pursuant to the Equity Incentive Plan.

"**Equity Incentive Plan**" means the stock option and other Equity Incentive Plan of the Company adopted by the Board on March 18, 2021, as amended from time to time.

"**EverGen**" or the "**Company**" means EverGen Infrastructure Corp., a company formed under the laws of British Columbia.

"**Exercise Deadline**" means July 19, 2021.

"**FVB**" means Fraser Valley Biogas Ltd., a corporation existing under the BCBCA and a wholly owned subsidiary of EverGen.

"**Human Resources and Compensation Committee**" means the Human Resources and Compensation Committee of the Board.

"**IFRS**" means the International Financial Reporting Standards as issued by the International Accounting Standards Board and the interpretations thereof by the International Financial Reporting Interpretations Committee and the former Standing Interpretations Committee.

"**Investor Relations Activities**" has the meaning assigned by TSXV Policy 1.1 – *Interpretation*.

"**Listing Date**" means August 4, 2021, the date the Common Shares of EverGen were publicly traded on the Toronto Stock Exchange Venture.

"**MD&A**" means management's discussion and analysis of financial condition and operating results.

"**Mtoe**" means million tonnes of oil equivalent.

"**NI 52-110**" means National Instrument 52-110 – *Audit Committees*.

"**NP 46-201**" means National Policy 46-201 – *Escrow for Initial Public Offerings*.

"**NZWA**" means Net Zero Waste Abbotsford Inc., a corporation existing under the BCBCA and a wholly owned subsidiary of EverGen.

"**Option**" means an option of the Company to purchase a Common Share issued pursuant to the Equity Incentive Plan.

"**Predecessor Entities**" means NZWA and SSS.

"**Principal**" has the meaning ascribed to such term under NP 46-201.

"**PSU**" means a performance share unit of the Company which is convertible into a Common Share pursuant to the PSU Plan.

"**PSU Plan**" means the performance share unit plan adopted by the Company on December 30, 2020.

"**RNG**" means renewable natural gas.

"**RSU**" means a restricted share unit of the Company which is convertible into Common Shares, cash payment or a combination of Common Shares and a cash payment, issued pursuant to the Equity Incentive Plan.

"**Safety and Sustainability Committee**" means the Safety and Sustainability Committee of the Board.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval.

"**Special Warrant**" means a previously issued special warrant of the Company pursuant to the Special Warrant Financing.

"**Special Warrant Agents**" means Desjardins and Clarus, who acted as agents in connection with the Special Warrant Financing.

"**Special Warrant Units**" means 1,059,325 units of the Company, which were issued on July 20, 2021, with each such unit comprised of one Special Warrant Unit Share and one half of one Special Warrant Unit Warrant.

"**SSS**" means Sea to Sky Soils and Composting Inc., a corporation existing under the BCBCA and a wholly owned subsidiary of EverGen.'

"**Tax Act**" means the *Income Tax Act* (Canada), as amended from time to time.

"**TSXV**" means TSX Venture Exchange Inc.

"**United States**" means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

"**Whistleblower Policy**" means the Whistleblower Policy of the Company adopted by the Board on March 18, 2021.

Further terms are defined herein, such terms are indicated by use of Capitalization and quotation marks ("example")

ANNUAL INFORMATION FORM

In this Annual Information Form, unless otherwise noted or the context indicates otherwise, the "Company", "EverGen", "we", "us", and "our" refer to EverGen Infrastructure Corp.

Reference is made in this Annual Information Form to the Financial Statements and the MD&A for the Company for the year ended December 31, 2020, together with the auditors' report thereon. The Financial Statements and MD&A are available for review under the Company's SEDAR profile at www.sedar.com. All financial information in this Annual Information Form is prepared in Canadian dollars and using IFRS as issued by the International Accounting Standards Board unless otherwise specified herein. The information contained herein is dated as of January 31, 2022, unless otherwise stated.

All currency amounts in this Annual Information Form are expressed in Canadian dollars unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

This AIF contains forward-looking information and forward-looking statements (collectively, "**forward-looking statements**") within the meaning of applicable securities laws that are based on certain assumptions and analysis made by the Company's management as of the date of this AIF, including the Company's current internal expectations, estimates, projections, assumptions and beliefs. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget" or "budgeted", "scheduled", "estimates", "projects", "intends", "proposes", "complete", "anticipates" or "does not anticipate", "believes", "likely", "may", "will", "should", "intend", "anticipate", "proposed", "potential", or variations of such words and phrases or state that certain actions, events, or results "may", "can", "could", "would", "might", "will be taken", "occur", or "be achieved", and other similar words, including negative and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. Forward-looking statements in this Annual Information Form include, but are not limited to, statements with respect to: the performance of the Company's business and operations, including its ability to continue as a going concern; the ability of the Company to execute on its mission, strategy, goals and primary business objectives; the Company's view that it may become engaged in discussions and negotiations with respect to future potential acquisition or investment opportunities; the Company's competitive position and the environment in which it operates, including opportunities for market expansion; anticipated trends and challenges in the Company's business and the market in which it operates, such as growing circular economy expectations regarding organics diversion rates; the Company's belief that it has identified a strong pipeline of potential RNG projects and acquisition opportunities; the Company's belief that its market, industry and economic data are accurate and that its estimates and assumptions are reasonable; statements concerning the Company's expectations of future relationships as well as the size and nature of the market for the Company's products and services; statements regarding the Company's objectives, visions and corporate strategies; statements regarding the Company's products and the cost and timing to develop and bring to market such products; statements concerning the Company's prospective sales, market penetration and the capabilities and benefits of its products; statements regarding the timing of the Company's sales and revenues; statements regarding the receipt of certifications and the timing thereof; statements regarding the effect of the COVID-19 pandemic on the economy and the Company's business; statements regarding the Company's internal controls and the adequacy thereof; statements regarding its intellectual property; statements regarding the Company's competitors and the challenges competing products may face; statements in respect of regulatory changes; statements in respect of future capital and other expenditures (including the availability, amount, nature and sources of funding thereof); statements in respect of business prospects and opportunities; statements in respect of future growth and performance opportunities; statements regarding product development; statements in respect of the results of the Company's operations and levels of activity; statements regarding the Company's ability to raise additional capital; and statements concerning factors which management believes may be relevant in assessing whether the Company's plans are achievable.

Forward-looking statements are necessarily based upon management's perceptions of historical trends, current conditions and expected future developments, as well as a number of specific factors and assumptions that, while considered reasonable by the Company as of the date of such statements, are outside of the Company's control and are inherently subject to significant business, economic and competitive uncertainties and contingencies which could result in the forward-looking statements ultimately being entirely or partially incorrect or untrue.

Certain forward-looking statements contained in this AIF about prospective results of operations, financial position or cash flows may constitute "future oriented financial information", is based on assumptions about future events, is given as at the date hereof and including economic conditions and proposed courses of action, based on management's assessment of the relevant information currently available. Management of the Company has approved the financial outlook as of January 31, 2022. Readers are cautioned that such financial outlook information contained in this AIF should not be used for purposes other than for which it is disclosed herein.

Forward-looking statements contained in this AIF are based on various assumptions, including, but not limited to the following: (i) the Company's ability to achieve a healthy growth strategy; (ii) the demand for the Company's products and services and fluctuations in future revenues; (iii) the Company's business model and assumptions; (iv) expectations of growth in the industry in which the Company operates and the markets in which the Company's products and services are sold; (v) the stability of general economic and market conditions; (vi) currency exchange rates and interest rates; (vii) equity and debt markets continuing to provide the Company with access to capital; (viii) that the risk factors noted above, collectively, do not have a material impact on the Company's business, operations, revenues and/or results. By their nature, forward-looking statements are subject to known and unknown risks and uncertainties, many of which are beyond the Company's control, that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law. All the forward-looking statements contained in this AIF are qualified by these cautionary statements.

MARKET AND INDUSTRY DATA

This AIF includes market and industry data that has been obtained from third party sources, including industry publications, as well as industry data prepared by management on the basis of its knowledge of and experience in the industry in which the Company operates (including management's estimates and assumptions relating to such industry based on that knowledge). Management's knowledge of such industry has been developed through its experience and participation in such industry. Although management believes such information to be reliable, neither the Company, nor management, has independently verified any of the data from third party sources referred to in this AIF or ascertained the underlying economic assumptions relied upon by such sources. Furthermore, references in this AIF to any publications, reports, surveys or articles prepared by third parties should not be construed as depicting the complete findings of the entire publication, report, survey, or article. The information in any such publication, report, survey or article is not incorporated by reference in this AIF.

CORPORATE STRUCTURE

NAME, ADDRESS AND COMPANY

Overview of the Company

EverGen Infrastructure Corp. was incorporated under the BCBCA on May 13, 2020. EverGen is a reporting issuer in each of the provinces of Canada, and its business is focused entirely on contributing to the circular economy in recycling waste and establishing a renewable gas infrastructure platform with the strategy of acquiring, developing, building, owning and operating a portfolio of RNG, waste to energy, and related sustainable infrastructure projects in British Columbia.

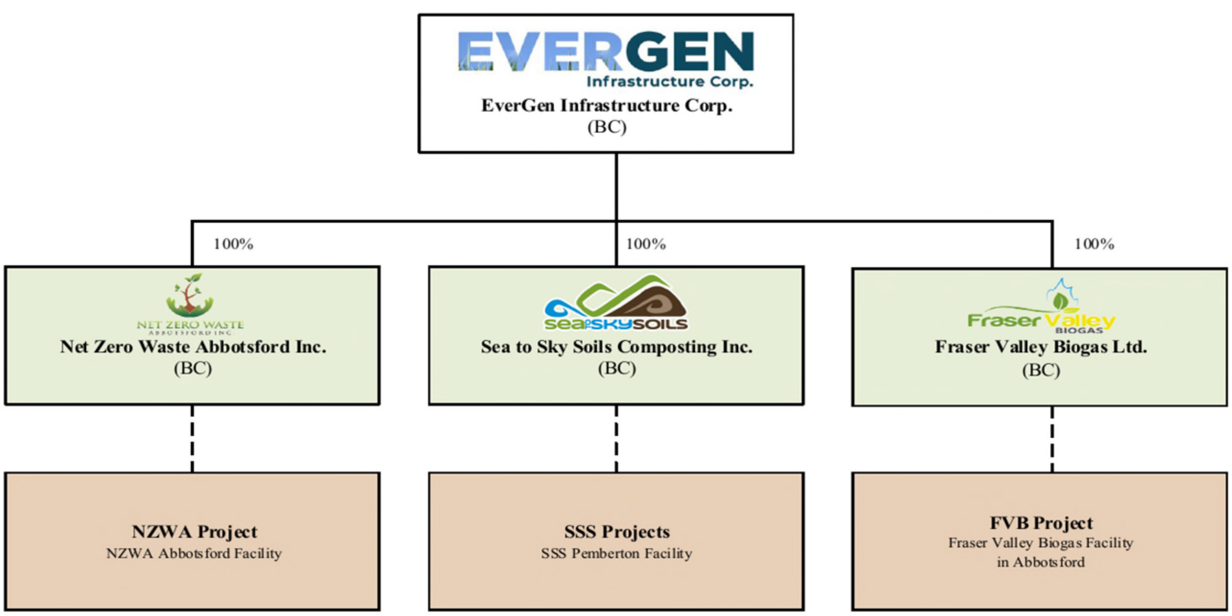
The Articles were amended on May 19, 2020 to change the Company's name from 1250139 B.C. Ltd. to EverGen Infrastructure Corp. The Company's head office is located at Suite 390, 1050 Homer Street, Vancouver, British Columbia, Canada, V6B 2W9 and its registered office is located at 1200 Waterfront Centre, 200 Burrard Street, Vancouver, British Columbia, Canada, V6C 3L6.

The Common Shares are listed and posted for trading on the TSXV under the trading symbol "EVGN".

INTERCORPORATE RELATIONSHIPS

Pursuant to the Acquisitions, the Company has three subsidiaries: NZWA, SSS and FVB. These Acquired Businesses were each incorporated under the BCBCA. NZWA's head office is located at 5050 Gladwin Road, Abbotsford, British Columbia, Canada, V4X 1X8, SSS's head office is located at South Rutherford Creek Road, Whistler, British Columbia, Canada, V0N 1B8, and FVB's head office is located at 2016 Interprovincial Hwy, Abbotsford, British Columbia, Canada, V3G 2H8.

The current organizational structure of the Company and the Acquired Businesses is set forth below:



GENERAL DEVELOPMENT OF THE BUSINESS

THREE YEAR HISTORY

Incorporation to December 31, 2020

EverGen Infrastructure Corp. was incorporated in the Province of British Columbia on May 13, 2020.

Since its inception, EverGen has completed certain private placement financings and entered into a credit facility prior to the date of this Annual Information Form.

On December 22, 2020, EverGen closed its brokered private placement for gross proceeds of $23,085,000 (the "**Subscription Receipt Financing**") through the issuance of 4,617,000 subscription receipts of the Company ("**Subscription Receipts**") at a price of $5.00 per Subscription Receipt. Each Subscription Receipt was automatically converted, without payment of any additional consideration and without further action on the part of the holder thereof, for one Common Share upon satisfaction of the escrow release conditions as set out in the subscription receipt agreement dated December 22, 2020 among the Company, TSX Trust Company, as receipt agent and Clarus and Desjardins, as the co-lead agents for the Subscription Receipt Financing (the "**Subscription Receipt Agreement**"). The Subscription Receipts converted into Common Shares (each an "**Underlying Share**") on December 31, 2020, when EverGen completed its acquisition of NZWA and SSS (see "*Significant Acquisitions*" below). Clarus and Desjardins, as co-lead agents, together with Canaccord Genuity Corp., acted as agents in connection with the Subscription Receipt Financing pursuant to the terms of an agency agreement dated December 22, 2020. In consideration for their services in connection with the Subscription Receipt Financing, the Company paid the agents a cash commission equal to $1,385,100 and the Company issued to the agents 277,020 compensation options (the "**Broker Compensation Options**"). Each Broker Compensation Option is exercisable to acquire one Common Share at an exercise price of $5.00 until December 30, 2022. Effective June 22, 2021 an additional 461,700 Common Shares were issued, for no additional consideration, to the holders of the Underlying Shares as satisfaction of the right attached to each Underlying Share to receive 0.10 of a Common Share in the event that the Company did not complete a liquidity event (as defined in the Subscription Receipt Agreement) by that date.

On December 30, 2020 and on a rolling basis throughout January and February 2021, EverGen closed multiple tranches of its non-brokered private placement, for gross proceeds of $8,359,880 (the "**December Non-Brokered Private Placement**") through the issuance of 1,671,976 Common Shares at a price of $5.00 per Common Share. In connection with the December Non-Brokered Private Placement, the Company paid certain finders a cash commission equal to $105,000, issued 41,976 Common Shares and issued 62,976 finder compensation options (of which 21,000 were issued to the agents who participated in the Subscription Receipt Financing) (the "**December Finder Compensation Options**"). Each December Finder Compensation Option is exercisable to acquire one Common Share at an exercise price of $5.00 until December 30, 2022.

As further described below, on December 31, 2020, the Company completed its acquisition of NZWA and SSS.

January 1, 2021 to Present

As noted, the December Non-Brokered Private Placement continued into the 2021 calendar year.

On March 17, 2021, the Company entered into a credit facility arrangement with Roynat Inc. (providing for a senior secured term loan with available funds of up to $7,000,000 repayable over 3 years with interest at the Roynat Inc. floating base rate plus 3.00% per annum) (the "**Roynat Credit Facility**"). The Roynat Credit Facility is secured by, *inter alia* general security agreements entered into by each of the Company, NZWA and SSS granting a charge over all personal property assets of the Company, NZWA and SSS, a mortgage of lease from NZWA over the leasehold property at the NZWA Project and a mortgage of license from SSS over certain portions of the lands at the SSS Project. The Roynat Credit Facility contains several affirmative and negative covenants, including those related to maintaining certain levels of working capital, fixed charge coverage and total fund debt to EBITDA ratios. In addition to the repayment obligations, the facility also contains a provision that requires the Company to make an annual cash sweep payment equal to 50% of "Free Cash Flow" (as defined in the Roynat Credit Facility) to a maximum of $368,000 per annum. $7,000,000 was drawn down under the Roynat Credit Facility, with $2,706,527 used to fund the FVB Acquisition (as defined below), and the remainder intended to be utilized to cover the costs associated with the Offering and other working capital and general corporate purposes. For more information, see the full text of the Roynat Credit Facility on the Company's SEDAR profile at www.sedar.com.

On March 18, 2021, EverGen completed a private placement of 1,059,325 Special Warrants at a price of $8.00 per Special Warrant for aggregate gross proceeds of $8,474,600 (the "**Special Warrant Financing**"). As part of the Special Warrant Financing, the Company completed a brokered private placement of 756,200 Special Warrants for gross proceeds of $6,049,600 (the "**Brokered Private Placement**") to purchasers resident in certain provinces in Canada (and in jurisdictions outside of Canada) on a private placement basis pursuant to prospectus exemptions under applicable securities legislation and in accordance with the terms of an agency agreement dated March 18, 2021 (the "**Agency Agreement**") among the Company and the Special Warrant Agents. EverGen also concurrently completed a non-brokered private placement of 303,125 Special Warrants for gross proceeds of $2,425,000 (the "**Non-Brokered Private Placement**") to purchasers resident in certain provinces in Canada (and in jurisdictions outside of Canada) on a private placement basis pursuant to prospectus exemptions under applicable securities legislation. The Special Warrants were issued pursuant to the terms of a special warrant indenture (the "**Special Warrant Indenture**") dated March 18, 2021 between the Company and TSX Trust Company, as special warrant agent thereunder. Each Special Warrant entitled its holder to receive, upon exercise or deemed exercise, one Special Warrant Unit at no additional cost. In accordance with the terms of the Special Warrant Indenture, the Special Warrants were automatically exercised on July 20, 2021, being the first business day following the Exercise Deadline, for Special Warrant Units. Each Special Warrant Unit was comprised of one Common Share (a "**Special Warrant Unit Share**") and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a "**Special Warrant Unit Warrant**"). Each Special Warrant Unit Warrant entitles the holder thereof to acquire one Common Share (a "**Special Warrant Share**") at a price of $10.50 until July 20, 2023. The Company did not receive any additional proceeds upon the exercise of the Special Warrants.

In connection with the Brokered Private Placement, the Company paid to Desjardins and Clarus as the Special Warrant Agents a cash fee of $362,976 (equal to 6% of the gross proceeds from Special Warrants sold pursuant to the Brokered Private Placement), and issued to the Special Warrant Agents, 22,686 non-transferable broker options of the Company (the "**Broker Options**"). Each Broker Option was automatically exchanged for one transferable broker warrant of the Company (the "**Broker Warrants**") on July 20, 2021, with each Broker Warrant being exercisable for one unit of the Company (a "**Broker Unit**") at a price of $8.00 until July 20, 2022. Each Broker Unit is comprised of one Common Share and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, "**Broker Unit Warrant**"). Each Broker Unit Warrant entitles the holder thereof to acquire one Common Share at a price of $10.50 until July 20, 2023. Additionally, in connection with the Non-Brokered Private Placement, the Company worked with a finder who introduced certain investors (the "**Finder**") and paid such Finder a fee equal to 6% of the gross proceeds from Special Warrants sold to subscribers of the Non-Brokered Private Placement that were introduced by the Finder, which was settled by issuing 13,500 Common Shares at a price of $8.00 per Common Share to the Finder, and issued to the Finder 6,750 non-transferable finder warrants (the "**March Finder Compensation Options**", and together with the December Finder Compensation Options, the "**Finder Compensation Options**"). Each March Finder Compensation Option is exercisable for one Common Share at a price of $8.00 until July 20, 2022. No fees were paid to the Special Warrant Agents or the Finder in connection with 78,125 Special Warrants ($625,000 in gross proceeds) sold under the Non-Brokered Private Placement.

On March 18, 2021, EverGen paid to an escrow agent in trust the balance owing for the remainder of the purchase price for each of the Acquisitions, in accordance with the escrow agreement as attached to the NZWA Purchase Agreement and SSS Purchase Agreement.

As further described below, on April 16, 2021, the Company completed its acquisition of FVB.

On April 27, 2021, the Company closed a non-brokered private placement for gross proceeds of $1,000,000 through the issuance of 111,111 Common Shares at a price of $9.00 per Common Share to a purchaser resident in Canada on a private placement basis pursuant to prospectus exemptions under applicable securities legislation.

On August 4, 2021, the Company announced that it had successfully completed its initial public offering (the "**Offering**") of 3,080,000 units (the "**Offered Units**") of the Company at a price of $6.50 per Offered Unit (the "**Offering Price**"), for aggregate gross proceeds of $20,020,000. The Company's common shares were listed on the TSXV under the symbol "EVGN" and commenced trading on August 4, 2021. Each Offered Unit consisted of one common share of the Company and one-half of one common share purchase warrant. Each whole common share purchase warrant (a "**Warrant**") entitles the holder thereof to purchase one common share of the Company at an exercise price of $10.50 until August 4, 2023. The Warrants are governed by a warrant indenture (the "**Warrant Indenture**") entered into on or before the Closing Date between the Company and TSX Trust Company, as warrant agent. The Offering was conducted by a syndicate of underwriters. The Company has also granted the underwriters with an over-allotment option (the "**Over-Allotment Option**") to purchase up to an additional 462,000 Offered Units at the Offering Price, exercisable in whole or in part, at any time on or prior to the date that is 30 days following the closing of the Offering.

The underwriters of the Offering partially exercised the Over-Allotment Option as of September 3, 2021 which resulted in the issuance of an additional 231,000 common share purchase warrants for additional gross proceeds to the Company of $83,160. The partial exercise of the Over-Allotment Option increased the total aggregate gross proceeds of the Offering to $20,103,160.

On December 1, 2021, the Company announced the appointment of Natasha Monk as interim Chief Financial Officer.

SIGNIFICANT ACQUISITIONS

Net Zero Waste Abbotsford Inc.

Effective December 31, 2020, EverGen acquired all of the issued and outstanding shares in the capital of Net Zero Waste Abbotsford Inc. (previously defined as "**NZWA**"), pursuant to a share purchase agreement dated December 18, 2020 and amended February 5, 2021, to amend the holdback provisions (the "**NZWA Purchase Agreement**"), among EverGen, Net Zero Waste Inc. ("**NZI**"), 806148 Alberta Ltd., Rafael Ocejo, and Andres Ocejo (the "**NZWA Acquisition**"). Pursuant to the terms of the NZWA Purchase Agreement, the Company paid an aggregate amount of $14,350,000, consisting of (i) a cash payment of $12,350,002and (ii) the issuance of 444,444 Common Shares (with the aggregate value of $1,999,998).

NZWA owns and operates a food, green and agricultural waste commercial composting facility in the City of Abbotsford, British Columbia (the "**NZWA Project**").

For more information, see the full text of the NZWA Purchase Agreement on the Company's SEDAR profile at www.sedar.com.

Sea to Sky Soils and Composting Inc.

Effective December 31, 2020, EverGen also acquired all of the issued and outstanding shares in the capital of Sea to Sky Soils and Composting Inc. (previously defined as "**SSS**"), pursuant to a share purchase agreement dated December 18, 2020 and amended February 5, 2021 to amend the holdback provision (the "**SSS Purchase Agreement**"), among EverGen, NZI, Jaye-Jay Earl Berggren and Enviro GP Limited (in its capacity as general partner of Enviro Limited Partnership) (the "**SSS Acquisition**"). Pursuant to the terms of the SSS Purchase Agreement, the Company paid an aggregate amount of $13,648,137, consisting of (i) a cash payment of $12,148,138 and (ii) the issuance of 333,333 Common Shares (with the aggregate value of $1,499,999).

SSS owns and operates an organic waste commercial composting facility hosted by and leased from the Lil'wat Nation in the Village of Pemberton, British Columbia, and employs individuals from the Lil'wat Nation (the "**SSS Project**").

For more information, see the full text of the SSS Purchase Agreement on the Company's SEDAR profile at www.sedar.com.

No Form 51-102F4, Business Acquisition Report, has been filed in respect of any of the Significant Acquisitions.

OTHER BUSINESS ACQUISITION

Fraser Valley Biogas Ltd.

Effective April 16, 2021, EverGen acquired from the Vendors (as defined below) all of the issued and outstanding shares in the capital of Fraser Valley Biogas Ltd. (previously defined as "**FVB**") and from Heppell's Potato Corp. ("**Heppell**") all legal and beneficial interest in the real property having a municipal address of 2016 Interprovincial Highway, Abbotsford, B.C. V3G 2H8 and legally described as Parcel Identifier: 010-837-906, Lot 79, Section 13, Township 19, New Westminster District Plan 4211 (the "**Land**"), pursuant to a share purchase agreement dated April 16, 2021 (the "**FVB Purchase Agreement**") among EverGen, Heppell and Pela Holdings Ltd. ("**Pela**", together with Heppell, the "**Vendors**") (the "**FVB Acquisition**"). Pursuant to the terms of the FVB Purchase Agreement, EverGen paid an aggregate amount of $11,500,000 to the Vendors, consisting of the issuance of 125,000 Common Shares (with the aggregate value of $1,000,000) and a cash payment of $10,500,000 paid at closing to the Vendors (as applicable), together. In addition, an amount of $785,000, representing the holdback amount was paid to Clark Wilson LLP as the escrow agent in accordance with the terms of the escrow agreement dated April 16, 2021, among the parties.

FVB owns and operates a biogas facility in the City of Abbotsford, British Columbia.

For more information, see the full text of each of the FVB Purchase Agreement on the Company's SEDAR profile at www.sedar.com.

COVID-19

Since December 2019, governments worldwide have been enacting emergency measures to combat the spread of disease caused by the novel coronavirus known as COVID-19. In response to the outbreak, which the World Health Organization declared a pandemic in March 2020, governmental authorities in Canada and internationally have introduced various recommendations and measures to try to limit the

COVID-19 pandemic, which include the implementation of travel bans, quarantine periods and physical distancing, all of which have caused material disruption to business globally and resulted in an economic slowdown.

Management has been closely monitoring the impact of COVID-19, with a focus on the health and safety of EverGen's employees and business continuity. EverGen has implemented various measures to reduce the spread of the virus, including implementing social distancing measures at its facilities and enhancing cleaning protocols at such facilities. EverGen adheres to all health and safety protocols implemented by provincial and local health authorities. As a result of these preventative measures and the nature of EverGen's operations, which largely occur outdoors with ample space for social distancing, the Company has experienced no material impact to its operations as a result of COVID-19.

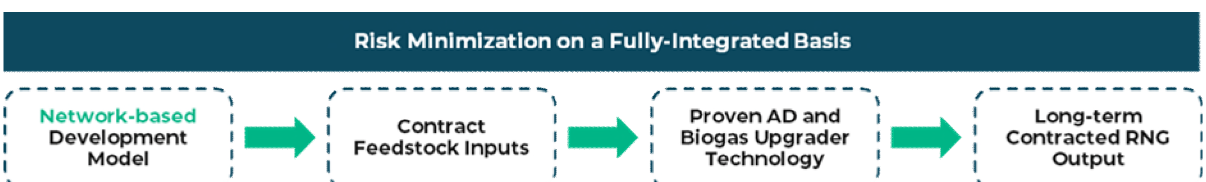
However, EverGen cannot estimate the duration and severity of the COVID-19 pandemic and its ultimate financial impact. EverGen continues to work with stakeholders to responsibly address the impact of the global pandemic on operations. EverGen continues to monitor the situation, to assess possible implications to the business, and to take actions in an effort to mitigate adverse consequences. See "*Risk Factors – Risks Related to the Company – COVID-19 May Further Disrupt the Business of the Company*".

DESCRIPTION OF EVERGEN'S BUSINESS

OVERVIEW

General

EverGen is focused on providing a renewable gas infrastructure platform with the strategy of acquiring, developing, building, owning and operating a portfolio of RNG, waste to energy, and related sustainable infrastructure projects in British Columbia. The Company's principal business activities since incorporation have been the Acquisitions and operation of the Predecessor Entities, and most recently of FVB. The assets and activities of the Predecessor Entities constitute a majority of the assets and activities disclosed by the Company's financial for the financial year end December 31, 2020. NZWA owns and operates a food, green and agricultural waste commercial composting facility in the City of Abbotsford, British Columbia. SSS owns and operates an organic waste commercial composting facility hosted by and on land leased from the Lil'wat Nation in the Village of Pemberton, British Columbia, and employs individuals from the Lil'wat Nation. Additionally, EverGen owns and operates a biogas production facility in the City of Abbotsford, British Columbia through FVB (the "**FVB Project**").



EverGen currently owns and operates the NZWA Project, the SSS Project and most recently, the FVB Project. The Company's revenue sources of tipping fees and sales of organic compost, soil products and RNG from these projects are expected to provide stable cash flows while the Company pursues its larger transition to RNG.

The NZWA Project

The NZWA Project is an operating compost facility with a development stage RNG project located on leased lands in Abbotsford, British Columbia. It generates stable cash flow from compost operations derived largely from municipal tipping fee-based long-term contracts. The NZWA Project is currently permitted to process up to 40,000 tonnes of compost per annum (with expectations to increase to 140,000 tonnes per annum) which, in addition to generating near term revenue, is expected to comprise a material portion of the feedstock for future RNG operations. The Company intends to increase the permitted tonnage of the facility in connection with the development of RNG operations. The Company is advancing RNG development at the NZWA Project. The NZWA Project will involve the construction and operation of an AD facility to be located at the site of existing operations. On August 27, 2020, NZWA entered into a letter of intent with FortisBC in connection with a proposed offtake agreement, and on April 23, 2021, NZWA entered into a conditional long-term offtake agreement with FortisBC (the "**NZWA Offtake Agreement**") pursuant to which FortisBC agreed to purchase a minimum of 130,000 GJ and up to 173,000 GJ of RNG per year from NZWA, at agreed upon specifications and a competitive base rate. The initial term of the offtake agreement is for 20 years and automatically renews for one additional five (5) year term, unless an earlier notice of intention to terminate is provided by either party. The terms of the offtake agreement remain subject to, among other things, final approval from the British Columbia Utilities Commission. Upon the offtake agreement becoming an unconditional and binding agreement between the parties, NZWA expects to capitalize on the incoming organic waste streams, proximal commercial feedstock, and nearby tie-in to pipeline infrastructure.

The NZWA Project is located on leased lands pursuant to a lease agreement dated April 2, 2012, as assigned and amended by amending agreements dated November 8, 2012 and April 1, 2021. NZWA exclusively leases the lands underlying the NZWA Project for an initial term of ten (10) years that expires on December 31, 2022. Provided that it is not in default of the lease agreement, NZWA has the option to renew the lease agreement for three (3) further terms of five (5) years each upon the same terms and conditions as the original lease agreement, other than the base rent, provided that it exercises such option not later than 180 days prior to the expiration of the initial term.

The SSS Project

The SSS Project is an operating compost facility located in Pemberton, British Columbia, on a site hosted by and leased from the Lil'wat Nation, and employs individuals from the Lil'wat Nation. The SSS Project has been conditionally approved for inclusion into the Squamish-Lillooet Regional District Solid Waste Management Plan. It previously generated cash flow primarily sourced from source separated organics from the Greater Vancouver Sewage and Drainage District (the "**Metro Vancouver**") under an organic waste processing services contract that expired on June 30, 2021 (the "**Metro Vancouver Contract**"). During the year ended December 31, 2020, this contract accounted for 70 percent of SSS's revenue. On April 16, 2021, EverGen was notified that the Metro Vancouver Contract (which had been the subject of a bid for proposal) had been awarded to another bidder. EverGen has identified additional sources of organic waste tonnage through a combination of long-term municipal contracts and shorter term merchant agreements (the "**Additional Agreements**") and expects to replace any lost revenue from the Metro Vancouver Contract. The SSS Project currently processes approximately 25,000 tonnes per annum of organic waste inputs and is able to produce up to 5,000 tonnes per annum of dry "Class A compost" (as defined in the Organic Matter Recycling Regulation (the "**OMRR**")) without requiring a permit under the OMRR. SSS is in the process of applying for such a permit under the OMRR in order to expand its design capacity to process up to 60,000 tonnes per annum of organic waste inputs and to increase its production of dry compost up to an expected 12,000 tonnes per annum. In addition to generating near and long-term revenue, this expansion in design capacity is expected to serve as a source of feedstock for existing and future RNG operations. The SSS Project is a recent recipient of a grant of $1.3 million (of which $765,000 was received by SSS) under the Organic Infrastructure Program, a program funded by the Government of Canada and the Province of British Columbia, related to the expansion of the organic waste facility.

The SSS Project is located on leased lands pursuant to a license agreement dated May 1, 2019. SSS exclusively licences the lands underlying the SSS Project from Lil'wat Capital Assets Limited Partnership for an initial term that expires April 11, 2022. Provided that it is not in default of the license agreement, SSS has the option to renew the licence agreement for three (3) further terms of five (5) years each upon the same terms and conditions as the original licence agreement, other than the base rent, provided that it exercises such option not earlier than 270 days and not later than 180 days prior to the expiration of the initial term.

The FVB Project

The FVB Project is an operating RNG facility located in Abbotsford, British Columbia. The FVB Project has been in operation since 2011 as the first RNG project in Western Canada. It is an AD facility which utilizes local agriculture and commercial food processing waste (currently 33,000 tonnes per annum with expectations to increase to 100,000 tonnes per annum) to generate RNG that is sold to FortisBC through an existing offtake agreement (the "**FVB Offtake Agreement**"). The initial term of the offtake agreement expires on October 31, 2022 and automatically renews for additional two (2) year terms, unless an earlier notice of intention to terminate is provided by either party. The Company has initiated discussions with FortisBC to negotiate an extension following the initial term. The facility currently produces over 80,000 GJ of RNG annually (230 GJ/day) – enough to heat on average approximately more than 1,000 homes per year. EverGen plans to expand and enhance the project, with the intention to significantly boost RNG production in 2022 (up to an expected 155,000 GJ per annum once the expansion is complete).

Leading the Development of Canada's RNG Infrastructure

EverGen is committed to Canada's climate change initiatives through renewable natural gas solutions as well as contributing to the circular economy in recycling waste. EverGen is focused on providing a renewable gas infrastructure platform with the strategy of acquiring, developing, building, owning and operating a portfolio of RNG, waste to energy, and related sustainable infrastructure projects. Currently, EverGen is focused on British Columbia prioritizing attractive development opportunities locally and then expanding the Company's portfolio regionally with plans to expand into other North American regions over the coming years as other regulatory frameworks progress, including actively pursuing the development of project clusters similar to the one in British Columbia in the provinces of Alberta, Ontario and Québec.

As part of this strategy, EverGen owns and operates organics processing facilities which process municipal source separated organics and food waste under long term contracts. These organics are converted to soil products via composting and are intended to be converted to biogas via AD. The biogas would then be upgraded to RNG and sold to gas utilities under long term contracts. EverGen's current operational projects are located in British Columbia, Canada where EverGen is focused on becoming the dominant supplier of RNG in the form of purified biomethane to FortisBC, the local gas utility.

The above strategy is implemented in conjunction with EverGen's commitment to deliver on societal expectations of a circular economy and by fulfilling the Company's environmental, social, and corporate governance ("**ESG**") values.

In delivering on its ESG values, EverGen:

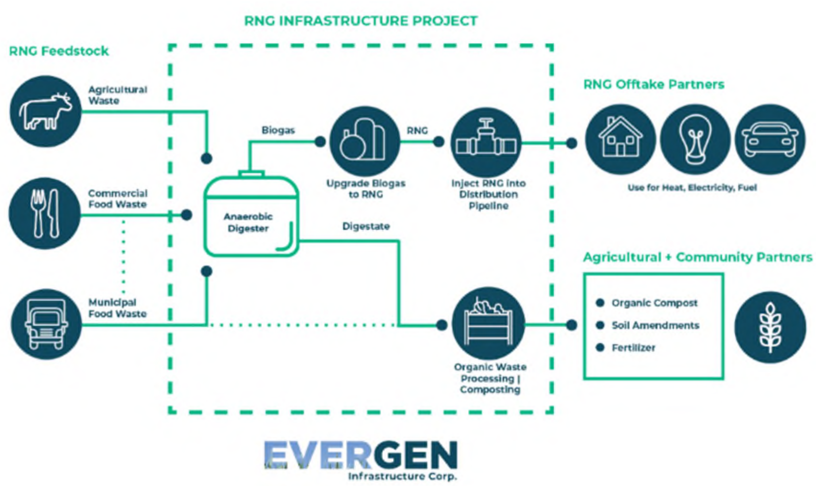
- **E** – recycles waste products, expects to produce renewable energy and reduces greenhouse gas emissions;

- **S** – operates as a community-focused business, receiving and recycling organic waste from local municipalities and businesses and focused on partnering with local First Nations including as hosts for its operations and as workforce participants; and

- **G** – is committed to strong governance practices in its current operations and in planned growth and development of RNG. EverGen is dedicated to developing a sustainable business platform through collaboration with stakeholders, communities, First Nations, employees and contractors, customers and investors and through responsible development, disciplined asset management, financial strength and resiliency and the capacity to operate and grow sustainably.

EverGen is proactively engaging with local businesses, such as restaurants and food and beverage producers and distributors, to advance socially conscious commerce, to create mutually beneficial and socially responsible alternatives to traditional waste disposal and to achieve a reduced carbon footprint. These relationships represent a significant area of growth and diversification from EverGen's existing customer base and provide the opportunity for market expansion while fulfilling expectations of directing organic waste for recycling and the production of renewable energy. EverGen expects to realize on the societal and local changes in policies, programs and demand for more waste recycling and RNG production.

EverGen is committed to maintaining meaningful and collaborative relationships in the communities in which it operates, with a key focus on working with First Nations groups, who are integral to its operations and who make up a significant percentage of the Company's workforce.



Note:

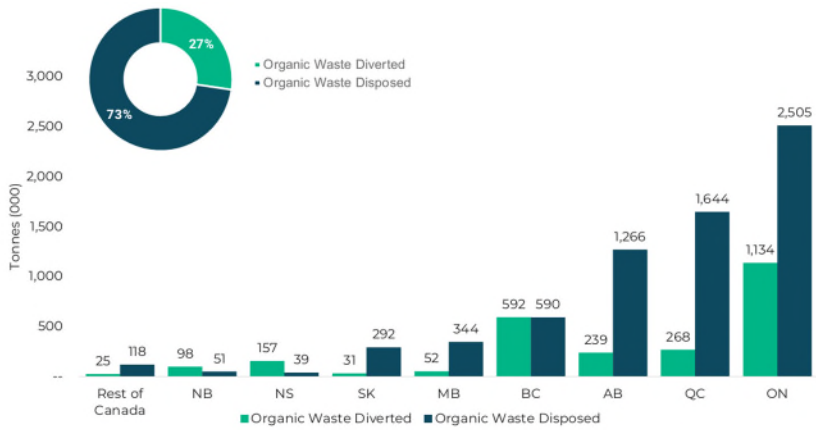
(1) Potential RNG Offtake Partners include FortisBC, Énergir, Enbridge Inc., Union Gas Limited, NW Natural, City of Toronto and Southern California Gas Company.

Market Opportunity

Gas utilities have increased their focus on decarbonization. For example, FortisBC's goal of 15% RNG deployment by 2030 (and 30% RNG deployment by 2050) provides a unique opportunity for EverGen to establish a world class RNG platform. FortisBC's program alone can provide potential contracted revenues of ~$16billion for infrastructure developers over 20 years via fixed price RNG contracts. Other North American utilities are setting up similar goals.

Concurrently, the diversion of organics from landfills has also accelerated, and there is an opportunity to help Canada divert organic waste from landfills and incinerators. Organic waste diversion rates are growing significantly in North America as municipalities adopt landfill bans for organic materials that emit harmful greenhouse gas emissions. While landfill gas represents a significant portion of the RNG generated in North America currently, the largest opportunity for new RNG generation is via organics diverted from landfills and incinerators into anaerobic digesters that can produce RNG with lower carbon intensities. Landfill diversion also allows composting operations to be co-located with anaerobic digesters to facility nutrient recovery. The organic fertilizer and soil amendments can be sold as co-products.

The quantity of organic waste deposited and diverted in Canada in 2016, by region, is depicted in the graph below.



Sources: FortisBC: A little less conversation, a little more (climate) action (August 2020); FortisBC: Clean growth pathway to 2050 (February 2019); Statistics Canada (2018); United States Environmental Protection Agency; and 2020 Environment and Climate Change Canada: National Waste Characterization Report – The Composition of Canadian Residual Municipal Solid Waste

Existing Infrastructure in Canada

With a transmission and distribution grid already in place in Canada, and well-established technologies to extract RNG, the implementation and use of RNG is expected to see an accelerated level of adoption when compared to other renewable fuel sources which require a substantial investment in infrastructure prior to being widely accepted.

Canadian RNG Advantages

Canadian gas utilities are leading North America into a low carbon future with RNG as a transition fuel, and EverGen believes that the Canadian RNG market provides with opportunities that are more favourable than those in the United States, including: (i) secure long term offtake arrangements at a fixed price with a single counterparty (i.e. FortisBC); (ii) strong markets for organic waste streams that supply and increase tipping fees; (iii) a competitive landscape that is less competition for the size of projects targeted by the Company; (iv) a positive Federal and Provincial regulatory environment that supports RNG projects; (v) favourable risk/return profiles; and (vi) growth potential including brown-field development or acquisitions of quality projects available. On the other hand, the United States, which provides less favourable opportunities, typically has more complex revenue structuring with multiple counterparties, larger more established RNG players with an increased level of competition for low-risk projects, uncertainty around low carbon fuel standards/renewable identification number systems, greater merchant pricing risk, and growth potential generally limited to greenfield projects only.

EverGen's Competitive Advantage

First Mover Platform: Building on an Existing Local Footprint

EverGen's platform approach to RNG means it can take on projects that are smaller than those traditionally sought after by large renewable infrastructure providers. The Company is technology agnostic, with a focus on risk adjusted cash-based returns. Unlike large wind and solar projects, each RNG project has its own unique attributes. By taking a platform approach, EverGen is able to diversify potential risks and maintain project returns that it believes will exceed other renewable projects. EverGen is able to leverage its experienced team and organic waste processing infrastructure to accelerate growth via brownfield project sites, existing relationships with municipal and commercial waste generators, and an established operational history with regulatory bodies.

Disciplined Execution & Operational RNG Expertise

EverGen brings an experienced team with relevant backgrounds in RNG project development, RNG operations, RNG technology, renewables and energy infrastructure, waste management and disciplined growth of businesses in Canada. The Company's infrastructure-based approach means it evaluates each project on the strengths of the offtake, feedstock, construction and operational certainties and timing aspects. With a disciplined approach, the Company draws upon the experience of its management team, who have worked on 60 RNG projects worldwide to assist in de-risking its technical assumptions, and its support team of experienced professionals with deep understanding of organics management and processing, operational experience of organic waste and anaerobic digestor facilities in Canada and expertise in environmental policy. The Company uses the waste management experience of its management team to understand and develop feedstock strategies, and its relationships to ensure EverGen is a quality partner for offtake agreements.

Positioned for Growth via Acquisitions & Partnerships

EverGen believes it has identified a strong pipeline of potential RNG projects and acquisition opportunities which includes a potential for conversions, optimization and new projects, all while pursuing vertical integration opportunities. The Company works collaboratively with smaller developers to deploy EverGen's technical RNG experience, offtake & feedstock relationships, and disciplined financial expertise to advance projects from early stage to shovel-ready.

EverGen's Strategy

It is EverGen's purpose to contribute to the circular economy, promoting socially conscious business models for waste recycling while providing superior, sustainable returns for the planet by using its platform of investments and its operational excellence to drive rapid RNG grid conversion in addition to:

- progressing the development and construction of existing portfolio of RNG expansion projects;
- optimization, diversification and expansion of existing organic waste processing capabilities (RNG feedstock);
- continuing the growth of its project portfolio via strategic acquisitions and consolidation opportunities; and
- developing strategic partnerships and advance RNG project pipeline.

ACCRETIVE ACQUIRERS	DISCIPLINED DEVELOPERS	SUSTAINABLE OPERATORS & OWNERS	PARTNERS
Aggregate fragmented assets to deliver accretive returns	Leverage our expertise and partnerships to execute high-potential, risk-managed development projects with discipline	Underpin with long-term contracts and proactive asset management to provide a stable base business	Continually source value-add relationships and funding sources to grow

Growth Plans

EverGen is advancing several projects, partnerships and acquisitions with a unique approach to support future growth, with a preference for brown-field developments or projects with existing EBITDA and expected internal rates of return of 15% or greater (project level) and 25% or greater (equity). As part of the Company's initial portfolio project pipeline, the Company has identified six projects anticipated to produce approximately 1,030,000 GJ/year by 2024, which include: (i) the Acquired Businesses, other than the SSS Project (expected production of ~340,000 GJ/year by 2022); (ii) one project for which the Company has signed a letter of intent (expected production of ~150,000 GJ/year by 2023); and (iii) three other projects currently under evaluation (expected production of ~540,000 GJ/year by 2024). Active discussions with various additional parties are ongoing to expand its asset base, with various other identified projects having the potential to unlock an additional 2,625,000 GJ/year. EverGen believes it is uniquely positioned to consolidate a portfolio of fragmented projects in the RNG sector across Canada and achieve scale on an accretive basis by applying its infrastructure approach. By 2023, EverGen expects to manage multiple operational RNG projects and maintain organic platform growth by applying a portfolio approach (to aggregate a diverse suite of anaerobic digestion/organics projects, landfill gas projects and municipal wastewater treatment plants) that focuses on multi-pronged targets (optimization, conversion and new infrastructure projects) with early, accretive cash flows. The Company is targeting approximately 2,822 GJ/day of RNG production across six projects by 2024.

Principal Operations

EverGen applies an infrastructure model that exercises financial discipline and seeks to minimize risk on a fully integrated basis, by targeting project returns that are in line with relative risk of the specific project. EverGen's infrastructure approach is based on (i) securing long term contracts with respect to its feedstock inputs (long-term municipal contracts) as well as RNG outputs (FortisBC offtake), (ii) proven AD technology which is commonly used in the European market, and (iii) executing on its development model through its network of strategic partnerships and committed stakeholders.

EverGen's strategy is to develop, own, and operate RNG projects using proven technologies and intends to supply RNG primarily into the gas grid through the operation of RNG projects. EverGen also develops, owns, and operates organics processing facilities which process municipal source separated organics and food waste under long term contracts. These organics are converted to soil products via composting and are intended to be converted to biogas via AD. The biogas would then be upgraded to RNG and sold to gas utilities under long term contracts. EverGen's projects are currently located in British Columbia, Canada and the Company plans to become the dominant supplier of RNG in the form of purified biomethane to FortisBC, the local gas utility, and expand its operations in North America, including actively pursuing the development of project clusters similar to the one in British Columbia in the provinces of Alberta, Ontario and Québec. The NZWA Project, a development stage RNG project based on food, green and agricultural waste commercial composting, is located in the City of Abbotsford, British Columbia, and the SSS Project, an operating organic waste commercial composting facility, is located in the Village of Pemberton, British Columbia. The FVB Project, an operating RNG facility, is located in Abbotsford, British Columbia.

SPECIALIZED SKILL AND KNOWLEDGE

The nature of the Company's business requires specialized skills, knowledge and technical expertise in the areas of compost and RNG development, construction and operations.

The EverGen management team has decades of combined experience in the development, design, construction and operation of biogas facilities that produce RNG and renewable electricity. The Company believes that its management team's proven track record and focus on development of RNG projects gives it a strategic advantage in continuing to grow the business profitably. The Company has targeted personnel with diverse experience and the integration of key technical, environmental, and administrative support functions support its ability to design and operate projects with sustained and predictable cash flows.

EverGen works with technology providers with proven track records in the applications required. EverGen also works with leading engineering companies to base project designs on the most suitable equipment and technology for the specific application, including materials handling, digestion and gas upgrading technologies. The Company is actively engaged in each project's development, construction management, start-up and operation. For the acquisition of existing projects, EverGen leads due diligence and works with experienced engineering and construction companies to estimate the economics and risk for project enhancements. This allows EverGen to develop a comprehensive understanding of each project's current operational performance and also determine the most attractive system improvements.

In addition to the specialized skills listed above, the Company also relies on staff members, contractors and consultants with specialized knowledge of logistics and operations. In order to attract and retain personnel with the specialized skills and knowledge required for the Company's operations, the Company maintains competitive remuneration and compensation packages. To date, the Company has been able to meet its staffing requirements.

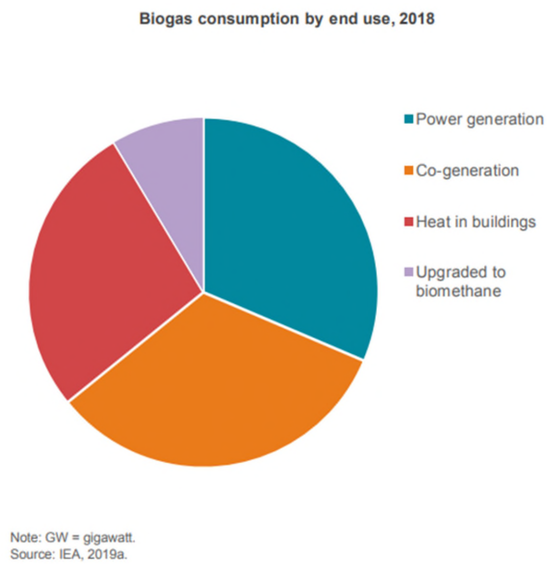
COMPETITIVE CONDITIONS

The renewable energy demand is significantly expanding outside of traditional electrical generation driven by a growing appreciation that efforts beyond electrification are needed to meet GHG objectives and with a push by many gas utilities to renewable sources. Currently, the gas grid in North America has a market share of renewables of less than 1% by volume, with many utilities looking to achieve a target of 5-15% renewables by volume and with some utilities having mandates to reach such targets within certain specified time periods. At the same time, circular economy expectations are growing with organic waste diversion rates growing significantly in North America as municipalities adopt landfill bans for organic materials that emit harmful greenhouse gas emissions.

Source: Waste 360, Informa Markets

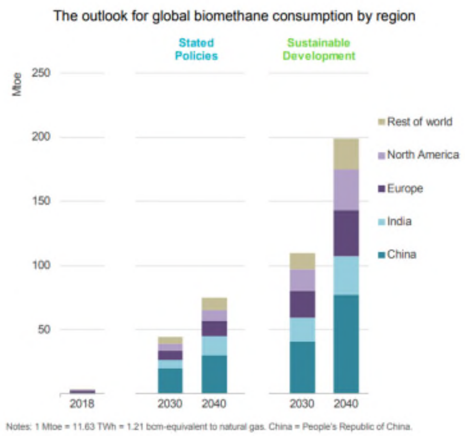
Uses of RNG

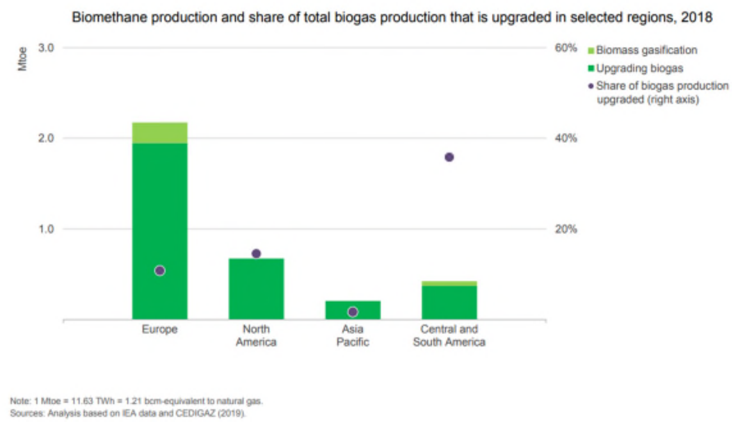
Based on estimates from the IEA, approximately two-thirds of biogas production in 2018 was used to generate electricity and heat (approximately evenly split between electricity and heat). Buildings, mainly in the residential sector for cooking and heating, consume approximately 30%, with the remainder upgraded to RNG and blended into the gas networks or used as a transport fuel. Currently, there is approximately 18 GW of installed power generation capacity running on biogas around the world, largely located in Germany, the United States and the United Kingdom, with capacity increasing on average 4% per year between 2010 and 2018. Looking ahead, United Sates gas utilities such as Southern California Gas Company and NW Natural have set a target of 20% by 2030 and 5% by 2025, respectively, of RNG blended into natural gas streams.



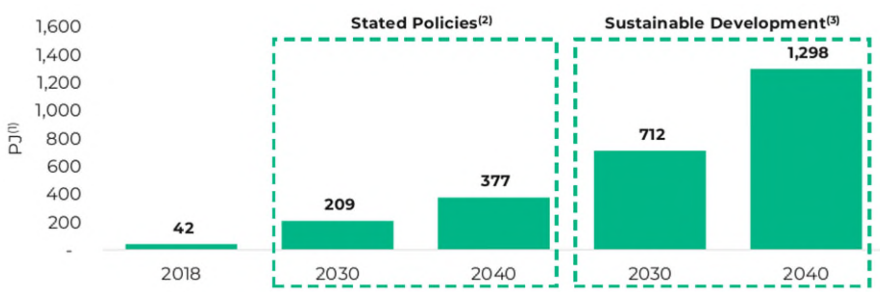
In Canada, the Canadian Gas Association has set a target of 5% renewable gas (RNG or hydrogen) blended into natural gas streams by 2025 and 10% by 2030. Canadian gas utilities such as FortisBC and Énergir have set similar targets, 15% by 2030 and 20% by 2030, respectively. For scale, domestic sales of natural gas totaled 3.438 trillion cubic feet in Canada in 2019 according to the Canadian Gas Association. Nationally, the increased renewable gas content would result in 14 MT of GHG emission reductions per year by 2030, equivalent to removing 3.1 million passenger cars from the road. RNG consumption is expected to increase from 3 Mtoe in 2018 to 75 Mtoe in 2040, a compound annual growth rate of 16%.

The rise of RNG is not isolated to Canada alone, with policy support and feedstock availability driving additional supply and demand globally. Furthermore, while the industry is currently in its early stages, the potential to deliver clean energy to a wide array of end users using existing infrastructure is particularly attractive. Despite, RNG development being uneven across the globe, given feedstock availability and policies, with Europe, China and North America accounting for ~90% of global production, consumption is expected to materially increase from low levels in 2018 to approximately 200 Mtoe by 2040 under the IEA's Sustainable Development Scenario, which models meeting in full the world's goals to tackle climate change, improve air quality and provide access to modern energy.





The North American outlook for global methane consumption under the IEA's Sustainable Development Scenario is set out in the graph below (in PJ).



Sources: Canadian Gas Association and International Energy Agency: Outlook for biogas and biomethane; Southern California Gas Company; and NW Natural

<u>FortisBC</u>

In March 2017, the Province of British Columbia amended the *Greenhouse Gas Reduction (Clean Energy) Regulation*, prescribed under the *Clean Energy Act*, to include a renewable portfolio allowance of up to 5% RNG on the natural gas system by 2025, creating a strong opportunity for RNG supply in British Columbia and assistance in reducing GHG emissions. Currently, FortisBC has set a target to reduce customers' GHG emissions 30% by 2030. RNG is expected to be a key component in achieving the GHG target with an aim to have 15% of FortisBC's natural gas supply be renewable by 2030 (and 30% RNG deployment by 2050). At the end of 2020, FortisBC achieved energy sales totalling approximately $1.4 billion or the equivalent of 219 PJ.

Sources: FortisBC: 30BY30 target; FortisBC: Clean growth pathway to 2050 (February 2019)

British Columbia RNG Projects

There are currently five operating RNG facilities in British Columbia with an additional six under development that the Company is aware of. The majority of capacity, 245,000 GJ, is from digester facilities, with an additional

81,000 GJ produced from landfill sites. The province's first wastewater treatment and gasification facilities are currently under development.

Set out below is a breakdown of such RNG facilities in British Columbia (current, in-development and proposed) and the energy produced or projected to be produced.

	Operational	In Development	Proposed
Upgraded Biogas			
Digester	235,000 GJ (3 facilities)(1)	110,000 GJ (1 facility)	N/A
Landfill	81,000 GJ (2 facilities)(2)	545,000 GJ (3 facilities)	N/A
Wastewater	N/A	120,000 GJ (1 facility)	N/A
Subtotal	**316,000 GJ (5 facilities)**	**775,000 GJ (5 facilities)**	**N/A**
Gasification	N/A	1,000,000 GJ (1 facility)	1 facility
Total	**316,000 GJ (5 facilities)**	**1, 775,000 GJ (6 facilities)**	**1 facility**

Notes:

(1) The three operational digester facilities are: (i) Fraser Valley Biogas, located in Abbotsford, British Columbia; (ii) Seabreeze Farms, located in Delta, British Columbia; and (iii) Surrey Biofuels, located in Surrey, British Columbia. The substrates at Fraser Valley Biogas and Seabreeze Farms are manure and biowaste, while the substrate at Surrey Biofuels is sewage sludge.

(2) The two operational landfill facilities are: (i) Salmon Arm Landfill, located in Salmon Arm, British Columbia; and (ii) Glenmore Landfill, located in Kelowna, British Columbia. The substrate at both Salmon Arm Landfill and Glenmore Landfill is landfill gas.

Sources: Canada Energy Regulator; Canadian Gas Association; and FortisBC.

Regulatory Frameworks

Increasingly, several jurisdictions in Canada both at a federal and provincial level are exploring and implementing favourable policies to incentivize the development of RNG in an effort to reach emission reduction targets. Additionally, utility companies such as FortisBC and Énergir are opting to implement their own voluntary plans to increase the use of RNG as part of their corporate strategies to reduce greenhouse gas emissions. As regulations and policies continue to evolve in an effort to reach emission reduction targets, the frameworks proposed and implemented are increasingly becoming favourable to the development of RNG projects.

Government of Canada

The Government of Canada has been working on a Clean Fuel Standard ("CFS") that would mandate solid, liquid, and gaseous fuel distributors to lower the emission intensity of their product. The CFS is intended to drive investment and growth in Canada's clean fuel sector by increasing incentives for the development and adoption of clean fuels and technologies and processes, with the aim to significantly reduce pollution. The CFS will require liquid fuel (gasoline, diesel and home heating oil) suppliers to gradually reduce the carbon intensity of the fuels they produce and sell for use in Canada over time, leading to a decrease of approximately 13% (below 2016 levels) in the carbon intensity of liquid fuels used in Canada by 2030.

Additionally, the Government of Canada established the Hydrogen Strategy for Canada in 2020 as part of an ambitions framework to reach net-zero emissions by 2050. The framework will focus on high potential projects and sites across the country including RNG facilities with the potential to mix hydrogen with RNG for injection into the natural gas networks. The federal government also established a $182.5 million program to fund alternative fuel infrastructure. The program intends to pay up to 50% of project costs to a maximum of $1 million for alternative fuel stations.

Sources: Government of Canada, the Hydrogen Strategy for Canada and the Electric Vehicle and Alternative Fuel Infrastructure Deployment Initiative.

Ontario

Following the repeal of the *Green Energy and Green Economy Act, 2009*, there has not been a clear legislative mandate or financial incentives supporting RNG projects. However, the Ontario government intends to develop and implement a regulation that bans the disposal of food and organic waste under the *Environmental Protection Act* (1990), preventing disposal into landfills and incineration facilities, which in turn should create new opportunities for resource recovery approaches and investments.

Separately, the City of Toronto has implemented strategies supportive of RNG use. The City of Toronto in partnership with Enbridge Inc. approved a strategy to produce approximately 3.3 million cubic meters of RNG from Toronto's green bin organic waste for injection into Enbridge Inc.'s natural gas network. Once in the network, the City will blend RNG with purchased natural gas to fuel city owned vehicles and heat buildings. This closed loop strategy is intended to fuel organic waste collection trucks with RNG from the organic waste collected while supporting the City's waste management and climate action strategies.

Sources: City of Toronto, Turning Waste into Renewable Natural Gas; QUEST, Canadian Gas Association, and TAF: Renewable Natural Gas (RNG) Handbook

British Columbia

On the back of modifications to the *Greenhouse Gas Reduction (Clean Energy) Regulation*, the British Columbia Utilities Commission has set out a voluntary program in which gas distributors may choose to include renewable energy in their portfolio with a cap of 5% RNG of the total natural gas system. Currently, FortisBC (the largest provider of gas in the province), has allowed customers the option to allocate 5% to 100% of their natural gas use as RNG. Additionally, the utility has been provided authority from the provincial regulator to pay up to $30/GJ for pipeline quality and purified biomethane with in-province projects prioritized for supply contracts. As mentioned previously, FortisBC has a target to achieve 15% of its total natural gas throughput in its piping network to be renewable low carbon sources by 2030 (and by 30% by 2050), in addition, FortisBC is also targeting a 30% reduction in GHG emissions by 2030. Given the demand for RNG in the province, the British Columbia Utilities Commission provided approval in 2020 to FortisBC to sign RNG supply agreements with suppliers in Alberta and Ontario. Under a new proposal put forward by FortisBC to the British Columbia Utilities

Commission every newly constructed home connecting to the gas system would automatically receive 100 per cent renewable gas1 for the lifespan of the building.

Sources: FortisBC: 30BY30 target; FortisBC: Clean growth pathway to 2050 (February 2019); and British Columbia Utilities Commission.

Québec

In its 2030 Energy Policy, the Québec Government has set targets to increase renewable energy production by 25%, through an increase of bioenergy production by 50%, including RNG, by 2030. Bill 106, *An Act to implement the 2030 Energy Policy and to amend various legislative provisions*, allows the province to implement its energy transition master plan. Among other things, Bill 106 amends the *Act respecting the Régie de l'énergie*, providing new measures regarding the distribution of RNG. In March 2019 the Québec government adopted the *Regulation respecting the quantity of renewable natural gas to be delivered by a distributor*, which sets the minimum quantity of RNG produced in Québec and to be injected by a natural gas distributor at 1% of the total quantity of natural gas the distributor distributes as of 2020, and progressively increases that quantity to set it at 5% of the total quantity of natural gas distributed as of 2025.

Furthermore, the province offers subsidies (up to 66% of the capital costs) for municipal RNG projects through the Processing Organic Matter Using Biomethanization and Composting (PTMOBC) program, which has been in place since 2009 and aims to reduce the organic materials in landfills and GHG emissions. In 2020, the Québec Government also established plans to spend $1.2 billion to better manage organic waste over the next 10 years with targets established to have 70% of organic waste composted by 2030.

Sources: Québec Government, Québec Residual Materials Management Policy; Énergir

Alberta

In 2016, the Alberta government announced the Bioenergy Producer Program (BPP) to allow producers to transition from bioenergy programs that were in place from 2006 to 2016. The program was subsequently extended from October 1, 2017, to March 31, 2020, with a revised scope and with the intention to reduce GHG emissions and create economic benefits. Currently, there have been no new updates regarding the program.

Source: Government of Alberta

NEW PRODUCTS

The Company has not publicly announced the introduction of any new products since the filing of its long form prospectus on July 26, 2021.

CYCLES

The Company's operations are cyclical in nature as agricultural and curbside collected organic waste is generally delivered to site in larger quantities in the Spring, Summer and Fall and tends to slow down in the winter months. Additionally, compost sales tend to pick up in the spring and summer months and tail off in the fall and winter.

ECONOMIC DEPENDENCE

The Company's business is largely reliant on its tipping fee contracts in place with the City of Abbotsford, the City of Chilliwack and the Municipality of Coquitlam, pursuant to which it will receive and process all of their organic waste.

Additionally, upon completion of the development of the Net Zero Waste Project, the Company will deliver a minimum of 130,000 GJ and up to 173,000 GJ of RNG per year to FortisBC pursuant to the NZWA Offtake Agreement entered into with FortisBC. The Company is also initiated in discussions with FortisBC to negotiate a revisedFVB Offtake Agreement.

CHANGES TO CONTRACTS

The Company has initiated discussions with FortisBC to negotiate an extension to the FVB Offtake Agreement following the initial term. The facility currently produces over 80,000 GJ of RNG annually (230 GJ/day) – enough to heat on average approximately more than 1,000 homes per year. EverGen plans to expand and enhance the project, with the intention to significantly boost RNG production by 2022 (up to an expected 155,000 GJ per annum).

EMPLOYEES

Consistent with EverGen's strategy to consolidate and integrate RNG facilities under a common lean operating platform, the Company directly employs five employees focused on management at the platform level and on realizing synergies in development and operations, and through and together with the employees of the Acquired Businesses, has a total of 35 employees. EverGen sustained no lost time incidents in the fiscal year ended December 31, 2020 and adheres to the highest health and safety standards.

BANKRUPTCY OR SIMILAR PROCEDURES

The Company, nor its subsidiary, has been involved in any bankruptcy, insolvency, receivership or any similar proceedings.

REORGANIZATIONS

The Company, nor its subsidiary, has been involved in any reorganizations.

SOCIAL/ENVIRONMENTAL POLICIES

EverGen was established for the purposes of contributing to a circular economy in waste recycling and waste to energy production through sourcing, operating and developing sustainable infrastructure, and fulfilling the Company's ESG values. The Company places great emphasis on providing a safe and secure working environment for all of its employees, contractors and consultants, and recognizes the importance of operating in a sustainable manner. On March 18, 2021 the Company adopted the Code of Business Conduct and Ethics of the Company (the "**Code**"), which sets out its purpose and the standards that guide the conduct of its business and the behaviour of its directors, officers, employees and consultants. All new employees must read and acknowledge that they will abide by the Code when hired. The Code, among other things, sets out standards in areas relating to the Company's commitment to safety and sustainability in its business operations and the identification, elimination or control of workplace hazards; promotion and provision of a work environment in which individuals are treated with respect, provided with equal opportunity and is free of all forms of discrimination and abusive and harassing conduct; and ethical business conduct and legal compliance.

EverGen's executive team places the highest priority on the health and safety of its staff and third parties at its sites, as well as the preservation of the environment. The Company's corporate culture is built around supporting these priorities, as reflected in its well-established practices and policies. EverGen's high safety standards include active monitoring of all field workers, performing environmental, health and safety ("**EHS**") audits and using technology throughout its safety processes from employee training in compliance with operational processes and procedures to emergency preparedness. By extension, the Company incorporates its EHS standards into its subcontractor selection qualifications to ensure that its commitment to high EHS standards is shared by its subcontractors and stakeholders.

The Board has also established a Safety and Sustainability Committee to assist the Board in fulfilling its oversight responsibilities relating to operating in a safe, environmentally and socially responsible (sustainable) manner and ensuring the integrity of policies and practices with respect to: workforce and public safety in Company activities and at its operating sites; and sustainability in Company activities with respect to people (wellbeing), planet (environmental) and prosperity (community and innovation) considerations. In particular, the Safety and Sustainability Committee is responsible for, among other things: reporting to the Board on matters and items related to the safety and sustainability program of the Company; ensuring that there are appropriate processes in place to facilitate identification of various safety and sustainability risks that may arise from the Company's operations and related mitigation and possible resulting consequential risks to the Company, its subsidiaries and directors, officers and employees; assessing whether the Company's safety and sustainability policies are effective, properly implemented and comply with applicable legislation and industry standards; reviewing corporate safety and sustainability activities and performance; reviewing the Company's method of communicating (internally and externally) safety and sustainability policies, practises and procedures; reviewing and assessing the sufficiency of resources to the Company's safety and sustainability program; ensuring that appropriate reporting procedures are established relating to safety and sustainability matters by management to ensure adequate reports are made to the chair of the Safety and Sustainability Committee on a regular basis; reviewing insurable risks related to safety and sustainability issues; evaluating adequacy of insurance coverage; and performing any other activities consistent with the Safety and Sustainability Committee's mandate and generally, covering laws as the Safety and Sustainability Committee or Board deems necessary or appropriate.

The Company has also adopted a whistleblower policy for individuals to report complaints and concerns regarding, among other things, accounting, internal accounting controls and auditing matters.

RISK FACTORS

Investors should carefully consider the risk factors set out below and consider all other information contained herein and, in the Company's, other public filings before making an investment decision. The risks below are not an exhaustive description of all the risks associated with the Company.

Operational Risks

Biogas produced by AD is composed of combustible gases which are unstable, flammable and corrosive. Conditions impacting biogas recovery are site-specific. Operational risks include fire, explosion and subsurface gas migration which can result in contact with groundwater. The costs of any of these incidents could have a material adverse effect on the Company's business, financial condition, results of operations, legal liability, cash flows or prospects.

Environmental Risks

Environmental legislation imposes, among other things, restrictions, liabilities and obligations in connection with the generation, handling, storage, transportation, treatment and disposal of hazardous substances and waste and in connection with spills, releases and emissions of various substances and gases to the environment. In addition, certain types of operations may require the submission and approval of environmental impact assessments. Compliance with environmental legislation can require significant expenditures and failure to comply with environmental legislation may result in the imposition of fines and penalties and liability for cleanup costs and damages. Changes in environmental legislation may require, among other things, reductions in emissions to the air from the Company's existing and future operations and result in increased capital expenditures. Future changes in environmental legislation could occur and result in stricter standards and enforcement, fines and liability, and increased capital expenditures and operating costs, which could have a material adverse effect on the operations of the Company.

There is no assurance that the Company has been or will at all times be in full compliance with all environmental laws and regulations or hold, and be in full compliance with, all required environmental and health and safety approvals and permits. The FVB Project which has recently been acquired by the Company operates its biogas facility under an Operational Certificate 103921 issued by the British Columbia Ministry of Environment, and in the course of the Company's due diligence, it was identified that FVB has been in non-compliance with various threshold limits related to the permitted methane and air contaminants discharge. While FVB has never received any notifications or fines from the Ministry of Environment with respect to its non-compliance, the Company is currently in the process of applying for an amended operational certificate (environmental permit) to address any non-compliance issues identified by the Company as part of the FVB Acquisition. The potential costs and delays associated with compliance with such laws, regulations, approvals and permits could prevent the Company from economically operating or cause increased capital expenditures or operating expenses. Delays in obtaining the necessary permits or meeting conditions to achieve such compliance have the potential of causing additional costs or delays to EverGen's operations, and any non-compliance with such laws, regulations, approvals and permits or delays necessary to achieve compliance or rectify non-compliance in a changing legal or regulatory landscape could result in a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Environmental hazards may also exist on the properties on which the Company holds interests whether known or unknown to the Company at present and that have been caused by previous or existing owners or operators of the properties and for which the Company may be liable for remediation. In the course of the Company's due diligence of FVB, the Company conducted soil sampling from the FVB Project area to test for any contamination in the ground. Through such testing, the Company encountered levels of contamination exceeding the recommended limits, but such contamination was limited to small areas. As part of the Company's expansion plans of the FVB Project, the Company will conduct remediation plans of the contaminated areas. Furthermore, the Company may experience unforeseen incidents in its operations, giving rise to spills, leaks, contamination, emissions releases, groundwater contact, or a wide variety of other environmental issues. The costs of such remediation, compensation, fines or penalties could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Regulatory Risks, Including Changes to National and Local Legislation

Renewable energy and RNG regulations are dynamic and subject to evolving interpretations which could require the Company to incur substantial costs associated with compliance or alter certain aspects of its business plan. It is also possible that regulations may be enacted in the future that will be directly applicable to certain aspects of the Company's operations. The Company cannot predict the nature of any future laws, regulations, interpretations or applications towards renewable energy policies, nor can it determine what effect additional governmental regulations or administrative policies and procedures, when and if promulgated, could have on the Company's business. Compliance with any such legislation may have a material adverse effect on the Company's business, financial condition, and results of operations. For example, regulatory approvals or permits may be required for the installation, maintenance, or use of renewable energy, RNG, waste to energy, and related infrastructure projects under federal, provincial and municipal regulations governing renewable energy. To the extent that there are delays in gaining regulatory approval, the Company's development and growth may be constrained.

In March 2017, the province of British Columbia announced the "Renewable Portfolio Allowance" for renewable natural gas. As part of this initiative, the Government of British Columbia amended the *Greenhouse Gas Reduction (Clean Energy) Regulation*, prescribed under the *Clean Energy Act*, to include a renewable portfolio allowance through which natural gas utilities are permitted to acquire up to 5% of their supply from RNG. The net effect of the changes in legislation was that the British Columbia utilities were able to purchase renewable natural gas for up to $30/GJ, a significant premium from prices paid prior to the change in legislation. Supportive government policy with respect to GHG emission reduction currently provides enhanced opportunities for suppliers to produce RNG in British Columbia, however all government policy, laws and regulations are subject to change without notice.

Management expects that the legislative and regulatory environment in the renewable energy industry in Canada will continue to positively develop but still be dynamic for the foreseeable future. The Company's business may suffer if environmental policies change and no longer encourage the development and growth of renewable energy solutions. Public opinion can also exert a significant influence over the regulation of the renewable energy industry. A negative shift in the public's perception in the feasibility of renewable energy could affect future legislation or regulations in Canada. There is no assurance that any future changes in environmental regulation will not adversely affect the Company's operations. Changes in government regulations have the potential to significantly increase compliance costs and thus reduce the profitability of current or future operations.

Reliance on Permits and Authorizations and Delays in Receiving Such Permits and Authorizations

Certain contemplated capital expenditures and installation of RNG, waste to energy, and related infrastructure projects may require the Company to seek approval of appropriate regulatory authorities. There is no guarantee that regulatory authorities will approve any contemplated installation, or expansion and/or renovation, which could adversely affect the business, financial condition and results of the Company's operations.

EverGen may need to obtain or modify numerous environmental and other regulatory permits, approvals and consents from federal, provincial and local governmental entities, including air permits, wastewater discharge permits, permits or consents related to the management of municipal source separated organics and food waste and permits and consents related to the management and disposal of waste. A number of these permits, approvals and consents must be obtained prior to the start of development of a project. Other permits, approvals and consents, including environmental permits, are required to be obtained at, or prior to, the time of first commercial operation or within prescribed time frames following commencement of commercial operations. Should the relevant authorities fail to issue the necessary permits or authorizations to the Company, the Company may be curtailed or prohibited from proceeding with its RNG, waste to energy, and related infrastructure projects as currently proposed and the business, financial condition and results of operations of the Company may be materially adversely affected.

In addition, once a permit, approval or consent has been issued or acquired for a project, the Company must take steps to comply with the conditions of each permit, approval or consent conditions, including conditions requiring timely development and commencement of the project. Failure to comply with certain conditions within a permit, approval or consent could result in revocation or suspension of such permit, approval or consent; the imposition of penalties; or other enforcement action by governmental entities. See "*Environmental Risks*" above.

The Company's Renewable Gas Infrastructure Platform May Fail to Performance Expectations

The performance of the Company's RNG, waste to energy and related infrastructure systems may encounter problems due to the failure of the technology of others, the failure to combine these technologies properly, operator error or the failure to maintain and service the systems properly. Although many of these risks are contracted to established system providers via engineering, procurement and construction contracts and the Company's supply contracts, there are liability limits within each contract. Many potential problems and delays are beyond the Company's control, such as COVID related factory closures and supply chain disruptions. Any problem or perceived problem with the renewable gas systems, whether originating from its technology, design, or installation, could hurt the Company's profitability. For example, the Company relies on high solids and tank digester systems, both of which are biological systems that require the right conditions to work effectively.

The Company's Commercial Success Depends on its Ability to Develop and Operate Individual Renewable Energy Projects

The Company's specific focus on the renewable energy sector exposes the Company to risks related to the supply of and demand for energy commodities, the cost of capital expenditures, government regulation, world and regional events and economic conditions, and the acceptance of alternative power sources. As a renewable energy producer, the Company may also be negatively affected by lower energy outputs resulting from variable inputs, mechanical breakdowns, technology design flaws or changes to policy or the laws and regulations that mandate the use of organics diversion and renewable energy.

The Company intends to develop or acquire waste to energy projects where biogas is generated from various organic, food, green and agricultural waste via anaerobic digestion and composting in a processing facility. Landfill gas is a viable source of biogas, which provides most of the potential for RNG generation British Columbia. Biogas is generated from AD systems and EverGen secures most of its feedstock supply through long-term "green bin" municipal contracts, in which it is paid "tipping fees" to convert residential organic waste to renewable energy and soil products. EverGen also will acquire feedstock from commercial and agricultural sources, which will be used to generate renewable natural gas via digestion and make an organic fertilizer. The Company's initial revenues are primarily derived from municipal contracts in the Lower Mainland of British Columbia. Although organics diversion rates and population growth are both increasing in the area, there is no assurance that long-term feedstock rights will be secured or retained, which the Company is dependent on as both its primary source of revenue and as feedstock supply for any future RNG production projects. Cash flow at the SSS Project was primarily generated through the Metro Vancouver Contract which expired on June 30, 2021. On April 16, 2021, EverGen was notified that the Metro Vancouver Contract (which had been the subject of a bid for proposal) had been awarded to another bidder. While EverGen has identified additional sources of organic waste tonnage through the Additional Agreements, a combination of long-term municipal contracts and shorter term merchant agreements, and expects to replace any lost revenue from the Metro Vancouver Contract, there is no assurance that such sources or other long term contracts will be secured on acceptable terms, or at all, which could have a material adverse effect on the Company and at the SSS Project. There is also no assurance that the Company will be successful in its plans to design, build, own, and operate facilities that convert the organics into RNG, soil products and fertilizer.

In addition, a number of other factors related to the development and operation of individual renewable energy projects could adversely affect the Company's business, including:

- regulatory changes that affect the demand for or supply of renewable gas and the prices thereof, which could have a significant effect on the financial performance of the Company's projects and the number of potential projects with attractive economics, including changes in government programs and incentives promoting renewable energy or GHG emission reductions;
- regulatory changes to agricultural and livestock management policies that could change the incentives and non-compliance penalties for organic waste, manure management and nutrient management rules, which incentivize farming operations to direct their waste to anaerobic digesters;

- changes in the broader waste collection industry, including changes affecting the waste collection and organics diversion, which could impede the waste to energy resource that the Company currently targets for its projects;
- changes in the permitting processes or rules in the regions where the Company operates or is developing new projects;
- changes in energy commodity prices, such as natural gas, diesel fuel, and wholesale electricity prices, which could have a significant effect on the Company's operating costs;
- a decrease in the availability, pricing and timeliness of delivery of raw materials and components necessary for the projects to function;
- the competitive landscape as an increased number of RNG production facilities become operational; and
- unexpected delays in the development and completion of renewable energy projects as well as unforeseen events giving rise to force majeure or unexpected delays once such projects are operational.

Any of these factors could prevent the Company from completing or operating its projects, or otherwise adversely affect its business, financial condition and results of operations.

Demand for Renewable Energy

The Company's services largely depend upon the increased use and widespread adoption of and demand for renewable energy. The timeline for when such widespread adoption will take place is uncertain, and may necessitate the Company to markedly change its financial projections. Many factors will influence the widespread adoption of renewable energy and demand for renewable energy projects, including:

- cost effectiveness of renewable energy technologies as compared with conventional and competitive technologies;
- performance and reliability of renewable energy products as compared with conventional and non-renewable products;
- fluctuations in economic and market conditions that impact the viability of conventional and competitive alternative energy sources;
- increases or decreases in the prices of oil, coal and natural gas;
- continued deregulation of the electric power industry and broader energy industry; and
- availability or effectiveness of government subsidies and incentives.

The Company's Renewable Energy Projects May Not Generate Expected Levels of Output

The renewable energy projects that the Company constructs and owns are subject to various operating risks that may cause them to generate less than expected amounts of RNG or biogas. These risks include a failure or wearing out of the Company's or its customers' or utilities' equipment; an inability to find suitable replacement equipment or parts; less than expected supply or quality of the project's source of biogas and faster than expected diminishment of such biogas supply; or volume disruption in the Company's fuel supply collection system. Any extended interruption and or volume disruption in the project's operation, or a failure of the project for any reason to generate the expected amount of output, could adversely affect the Company's business and operating results. The Company may in the future incur material asset impairment charges if any of its renewable energy projects incur operational issues that indicate the expected future cash flows from the project are less than the project's carrying value. Any such impairment charge could adversely affect the Company's operating results in the period in which the charge is recorded.

Dependence on Two Current Projects for Operating Revenue

The Company's only material projects are currently the NZWA Project and the SSS Project, both of which are organic waste commercial composting facilities located on leased lands in British Columbia and which the Company, prior to the recent FVB Acquisition, has been solely dependent on for revenue generation. Although the Company's strategy is to establish a renewable gas infrastructure platform by acquiring, developing, building, owning and operating a portfolio of RNG waste to energy, and related sustainable infrastructure projects in British Columbia, there is no assurance that the Company will be successful in achieving these objectives which are subject to the numerous other risk factors disclosed in this section. The development of an RNG platform will depend on the Company being able to successfully build out RNG infrastructure at the existing NZWA Project and SSS Project in order to convert soil products to biogas and then upgrade the biogas to RNG and by acquiring additional existing development or operational projects to supplement and build its project portfolio. However, there is no assurance that the Company will meet these objectives which would have a material adverse effect on its business strategy and objectives, financial condition, results of operations, cash flows and prospects.

Relationship with Customers/Suppliers

The Company has long-term compostable waste disposal agreements with a limited number of municipalities. Furthermore, each municipality is the sole source of residential compost disposal for the geographic area in which the municipality is situate. There are no assurances that the contracts the Company has entered into with various municipalities will be renewed or that there will be no interruption in performance or service in existing contracts. The Metro Vancouver Contract on which the SSS Project previously relied upon, expired on June 30, 2021 and on April 16, 2021, EverGen was notified that the Metro Vancouver Contract (which had been the subject of a bid for proposal) had been awarded to another bidder. EverGen has identified additional sources of organic waste tonnage through the Additional Agreements, a combination of long-term municipal contracts and shorter term merchant agreements, and expects to replace any lost revenue from the Metro Vancouver Contract, however there is no assurance that such Additional Agreement will be secured on acceptable terms or at all which could have a material adverse effect on the Company and at the SSS Project. Additionally, there may be a limited number of alternative sources of organic waste from which the Company can source its supply or generate revenues in the event that an issue arises or default or non-renewal occurs with one or more of its existing contracts. There is no assurance that existing or future contracts will be continued or maintained in good standing by the respective parties thereto. If any such issue were to occur, it could prevent the Company from producing RNG or supplying feedstock to other RNG producers and could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

The success of the Company's business also depends on its ability to develop and secure favourable contracts and sales pipelines to sell RNG generated from its projects. The Company's focus is to become the dominant supplier of RNG in the form of purified biomethane to FortisBC, the local gas utility in British Columbia, who offers long term (up to 20 years) fixed price RNG offtake agreements, with the largest single arrangement in place being in excess of 2,500 GJ/day. The Company through its subsidiaries, has entered into offtake agreements with FortisBC for the NZWA Project and FVB Project, however there is no assurance that the Company will be successful in maintaining such agreements in good standing or, in the case of the agreement with FVB, extending the FVB Project offtake agreement upon its initial term expiry on October 22, 2022. The FortisBC agreement in respect of the NZWA Project is still subject to various conditions precedent in favour of FortisBC, including FortisBC having obtained the approval of the British Columbia Utilities Commission, the Oil & Gas Commission and the Provincial Agricultural Land Commission and NZWA having obtained an executed grant of rights of way and access from the landlord of the NZWA lands in favour of FortisBC. There is no assurance that these conditions precedent will be satisfied and any failure to satisfy any such conditions will result in a termination of the agreement, which would have a material adverse effect on the Company. Upon the conditions precedent being satisfied or waived by FortisBC, there are several obligations that NZWA will be required to maintain, including, but not limited to, minimum monthly and annual biomethane delivery requirements in addition to a 24-month period in which to complete the construction and installation of support facilities on the NZWA lands for FortisBC's interconnection facilities to the gas distribution grid. A failure to meet any obligations, including any of the foregoing, will afford FortisBC with a right to terminate the agreement and impose on NZWA an obligation to make a termination payment equal to the costs of removing the interconnection facilities and the net book value of any FortisBC facilities that are required to be stranded (such obligations of which is guaranteed by EverGen). The FortisBC agreement with FVB also contains various obligations, including, but not limited to, minimum or base daily and monthly delivery requirements and in the event of a default, a termination payment is payable by FVB in an amount equal to the net present value of the remaining term of the contract and the depreciated costs to construct any of the FortisBC interconnection facilities that will be stranded. The foregoing termination payment may be significant and if payable will have a material adverse effect on the Company.

In the event the FortisBC agreements cannot be maintained or are terminated, there may be very limited opportunity for the Company or its subsidiaries to secure other long-term contracts at a similar competitive base rate and there is no assurance that it will be successful in securing other sales opportunities that are or become available, and any such failure would be expected to have a material adverse impact on the Company's business, financial condition, results of operations, cash flows and prospects.

Feedstock and Re-contracting Risk

The Company relies on obtaining long-term municipal contracts for the supply of feedstock materials such as source separated organics. There can be no assurance that the Company will be able to re-contract with any given municipality upon expiry of a given contract, nor is there any assurance that the Company would be able to replace lost feedstock as a result of a failure to renew an existing contract. SSS's contract with Metro Vancouver expired on June 30, 2021. On April 16, 2021, EverGen was notified that the Metro Vancouver Contract (which had been the subject of a bid for proposal) had been awarded to another bidder. SSS's cash flow was primarily generated through the Metro Vancouver Contract and the failure to renew or extend such contract could have a material adverse effect on the Company's business, financial condition, results of operations and cash flow. Although the Company intends to take steps to mitigate the impact of the failure to renew or extend the Metro Vancouver Contract by pursuing the Additional Agreements and other municipal long term contracts or other third parties for feedstock or otherwise, there is no assurance that the Company will be successful in negotiating and obtaining such contracts on a timely basis, or on acceptable terms, or at all, which could have a material adverse effect on the Company's business, financial condition, results of operations and cash flows.

The Company's Insurance Coverage May Be Inadequate to Cover Potential Losses

The Company's business is subject to a number of risks and hazards (as further described in this Annual Information Form). Although the Company maintains insurance and intends, upon completion of the Offering, to obtain certain additional insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its activities. The Company may also be unable to obtain or maintain insurance to cover its risks at economically feasible premiums, or at all. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of waste contamination, storage or processing may not be available to the Company on acceptable terms. The Company might also become subject to liability for pollution or other hazards which it is not currently insured against and/or in the future may not insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Maintaining Lease Agreements

The NZWA Project is located on leased lands pursuant to a lease agreement dated April 2, 2012, as assigned and amended by amending agreements dated November 8, 2012 and April 1, 2021. NZWA exclusively leases the lands underlying the NZWA Project for an initial term of ten (10) years that expires December 31, 2022. Provided that it is not in default of the lease agreement, NZWA has the option to renew the lease agreement for three (3) further terms of five (5) years each upon the same terms and conditions as the original lease agreement, other than the base rent, provided that it exercises such option not later than 180 days prior to the expiration of the initial term.

The SSS Project is located on leased lands pursuant to a license agreement dated May 1, 2019. SSS exclusively licences the lands underlying the SSS Project from Lil'wat Capital Assets Limited Partnership for an initial term that expires April 11, 2022. Provided that it is not in default of the license agreement, SSS has the option to renew the licence agreement for three (3) further terms of five (5) years each upon the same terms and conditions as the original licence agreement, other than the base rent, provided that it exercises such option not earlier than 270 days and not later than 180 days prior to the expiration of the initial term.

The Company's ability to continue operating its existing projects and its ability to develop RNG infrastructure on the leased lands will depend on its ability to maintain the lease and licence agreements in good standing and remain in compliance with terms, conditions and covenants contained therein, including compliance with procedures for the renewals thereof. Any failure to maintain the lease and licence agreements in good standing could have a material adverse effect on the NZWA Project, the SSS Project and the Company's business.

Managing Growth

In order to manage growth and changes in strategy effectively, the Company must: (a) maintain adequate facilities to meet customer demand and comply with contractual obligations; (b) expand sales and marketing capabilities; (c) develop a strategy to build, acquire or supply RNG facilities; (d) expand the skills and capabilities of its current management team; and (e) attract and retain qualified employees. The Company's expected growth depends on its ability to leverage its industry experience and relationships with customers and vendors to ensure the economic viability of pursued opportunities. While the Company intends to focus on managing its costs and expenses over the long term, it expects to invest to support its growth and may have additional unexpected costs. It may not be able to expand quickly enough to exploit potential market opportunities.

Retention and Acquisition of Skilled Personnel

The loss of any member of the Company's management team could have a material adverse effect on its business and results of operations. In addition, an inability to hire, or the increased costs of new personnel, including members of executive management, could have a material adverse effect on the Company's business and operating results. The expansion of the Company's operations may require the Company to find, hire and retain additional capable employees. New employees often require significant training and, in many cases, take significant time before they achieve full productivity. As a result, the Company may incur significant costs to attract and retain employees, including significant expenditures related to salaries and benefits and compensation expenses related to equity awards, and may lose new employees to its competitors or other companies before it realizes the benefit of its investment in recruiting and training them.

The Directors and Officers May Have Conflicts of Interest with the Company

Certain directors and officers of the Company are or may become associated with other RNG companies which may give rise to conflicts of interest. Directors who have a material interest in any person who is a party to a material contract or a proposed material contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve such a contract. In addition, directors and officers are required to act honestly and in good faith with a view to the best interests of the Company. Some of the directors and officers of the Company have either other full-time employment or other business or time restrictions placed on them and accordingly, the Company will not be the only business enterprise of these directors and officers. Further, any failure of the directors or officers of the Company to address these conflicts in an appropriate manner or to allocate opportunities that they become aware of to the Company could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Economic and Market Conditions

Financial and securities markets are influenced by the economic and market conditions, such as the developments in the global financial markets or the impact of COVID-19. An economic downturn or volatility could have a material adverse effect on the Company's business, financial condition and results of operations. A weakening of economic conditions could lead to reductions in demand for RNG, waste to energy, and related infrastructure projects.

Potential Acquisition and Investment Opportunities

In the normal course, the Company regularly evaluates and considers, and may be engaged in discussions and negotiations with respect to, potential acquisition and investment opportunities that it believes may assist it in achieving its business and growth plans, and in connection therewith it may at any time have outstanding non-binding letters of intent or conditional agreements which individually or together may be material. There can be no assurance that any such discussions, negotiations, non-binding letters of intent or conditional agreements will result in a definitive agreement with respect to an acquisition or investment, and, if they do, what the terms or timing of such would be or that such acquisition or investment will be completed by the Company. If the Company does complete any such transaction, it cannot assure investors that the transaction will ultimately strengthen EverGen's financial or operating results, prospects or competitive position or that it will not be viewed negatively by customers, securities analysts or investors. Such transactions may also involve significant commitments of the Company's financial and other resources including the completion of additional financings of equity or debt (which may be convertible into equity). Any such activity may not be successful in generating revenue, income or other returns to the Company, and the resources committed to such activities will not be available to the Company for other purposes.

Future Acquisitions May Require Significant Expenditures and May Result in Inadequate Returns

The Company may seek to expand through future acquisitions; however, there can be no assurance that the Company will locate attractive acquisition candidates, or that the Company will be able to acquire such candidates on economically acceptable terms, if at all, or that the Company will not be restricted from completing acquisitions pursuant to the terms and conditions from time to time of arrangements with third parties, such as the Company's creditors. Future acquisitions may require the Company to expend significant amounts of cash, resulting in the Company's inability to use these funds for other business or may involve significant issuances of equity or debt. below. Future acquisitions may also require substantial management time commitments, and the negotiation of potential acquisitions and the integration of acquired operations could disrupt the Company's business by diverting management and employees' attention away from day-to-day operations.

Any future acquisition involve potential risks, including, among other things: (i) the possibility that the Company, as a successor owner, may be legally and financially responsible for liabilities of prior owners; (ii) the possibility that the Company may pay more than the acquired company or assets are worth; (iii) the additional expenses associated with completing an acquisition and amortizing any acquired intangible assets; (iv) an inability to successfully integrate any operation the Company acquired or acquires, as applicable; (v) an inability to recruit, hire, train or retain qualified personnel to manage and operate the operations acquired; (vi) the potential disruption of the ongoing business and the distraction of management from its day-to-day operations; and (vii) the loss of key employees and/or key relationships at the acquired business. In addition, the Company competes with other RNG companies as well as traditional energy companies, which may have greater financial and other resources for new business. Future acquisition candidates may have liabilities or adverse operating issues that the Company failed or fails to discover through due diligence prior to the acquisition. If the Company consummates any future acquisitions with unanticipated liabilities or adverse operating issues, or if acquisition-related expectations are not met, the Company's business, results of operations, cash flows, financial condition or prospects may be materially adversely affected. The potential impairment or complete write-off of goodwill and other intangible assets related to any such acquisition may reduce the Company's overall earnings and could negatively affect the Company's balance sheet.

Issuance of Debt and Levels of Indebtedness

From time to time, the Company may enter into transactions to acquire assets or shares of other entities. These transactions may be financed in whole, or in part, with debt, which may increase the Company's debt levels above industry standards for renewable natural gas companies of similar size. Depending on future development plans, the Company may require additional debt financing that may not be available or, if available, may not be available on favourable terms. The Company's Articles do not limit the amount of indebtedness that the Company may incur. The level of the Company's indebtedness from time to time could impair the Company's ability to obtain additional financing on a timely basis to take advantage of business opportunities that may arise. The Company has currently drawn down on $7,000,000 pursuant to the Roynat Credit Facility (with approximately $6,400,000 currently outstanding), which is secured inter alia against all personal property assets of the Company, NZWA and SSS, a mortgage of lease over the leasehold property at the NZWA Project and a mortgage of license over certain portions of the lands at the SSS Project. The Roynat Credit Facility also contains restrictive covenants and other post-draw down conditions. The Company's failure to comply with those covenants or conditions could result in an event of default, which, if not cured or waived, could result in the acceleration of the Company's debt. The Company's ability to meet its payment obligations will depend on the Company's financial condition and operating performance, which are subject to prevailing economic and competitive conditions and certain financial, business, regulatory and other factors beyond its control. The Company may be unable to generate or maintain a level of sufficient cash flows to satisfy its debt obligations or to refinance its indebtedness on commercially reasonable terms, or at all, which would have a material adverse effect on the Company's financial condition and results of operations.

Estimates or Judgments Relating to Critical Accounting Policies

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The Company bases its estimates on historical experience and on various other assumptions that it believes to be reasonable under the circumstances, as provided in the notes to the financial statements for the financial year end December 31, 2020, the results of which form the basis for making judgments about the carrying value of assets, liabilities, equity, revenue and expenses that are not readily apparent from other sources. The Company's operating results may be adversely affected if the assumptions change or if actual circumstances differ from those in the assumptions, which could cause the Company's operating results to fall below the expectations of investors, resulting in a decline in the share price of the Company.

Cyberattacks May Cause Disruptions to the Company's Operations and Could Have a Material Effect on its Business

The Company is dependent on various information technologies to carry out multiple business activities such as, and not limited to, processing, transmitting, and storing electronic information and data used for the safe operation of its assets. A successful cyber intrusion, such as, and not limited to, unauthorized access, malicious software or other violations on the system that control generation and transmission at any of the Company's offices or facilities could severely disrupt or otherwise affect business operations or diminish competitive advantages. These attacks on the Company's information base systems through theft, alteration or destruction could lead to litigation, fines, other remedial action, heightened regulatory scrutiny and damage to its reputation. A breach of the Company's cyber/data security measures could have a material adverse effect on the Company's business, operations, financial condition and operating results.

The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, information technology systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation, results of operations, cash flows and financial condition.

Although to date the Company has not experienced any material losses relating to cyberattacks or other information security breaches, there can be no assurance that it will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cybersecurity and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Any of these factors could have a material adverse effect on the Company's results of operations, cash flows and financial position.

The Company May Be Subject to Costly Legal Proceedings

The Company may be subject to legal and regulatory proceedings, including matters involving governmental agencies, entities with whom it does business and other proceedings arising in the ordinary course of business. The Company will evaluate its exposure to these legal and regulatory proceedings and establish reserves for the estimated liabilities in accordance with generally accepted accounting principles. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in regulatory actions and litigation, the difficulty of predicting decisions of regulators, judges and juries and the possibility that decisions may be reversed on appeal. Defense and settlement costs of legal disputes can be substantial, even with claims that have no merit. Management is committed to conducting business in an ethical and responsible manner, which it believes will reduce the risk of legal disputes. However, if the Company is subject to legal disputes, there can be no assurances that these matters will not have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

The Company will Incur Increased Costs as a Result of Complying with the Reporting Requirements, Rules and Regulations Affecting Public Issuers

As a public issuer, the Company will be subject to the reporting requirements and rules and regulations under the applicable Canadian securities laws and rules of any stock exchange on which the Company's securities may be listed from time to time. Additional or new regulatory requirements may be adopted in the future. The requirements of existing and potential future rules and regulations will increase the Company's legal, accounting and financial compliance costs, make some activities more difficult, time-consuming or costly and may also place undue strain on its personnel, systems and resources, which could adversely affect its business and financial condition.

In particular, as a result of the Offering, the Company will become subject to reporting and other obligations under applicable Canadian securities laws, including National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*, which requires annual management assessment of the effectiveness of the Company's internal controls over financial reporting. Effective internal controls, including financial reporting and disclosure controls and procedures, are necessary for the Company to provide reliable financial reports, to effectively reduce the risk of fraud and to operate successfully as a public company. These reporting and other obligations will place significant demands on the Company as well as on the Company's management, administrative, operational and accounting resources.

COVID-19 May Further Disrupt the Business of the Company

Since December 2019, governments worldwide have been enacting emergency measures to combat the spread of disease caused by the novel coronavirus known as COVID-19. In response to the outbreak, which the World Health Organization declared a pandemic in March 2020, governmental authorities in Canada and internationally have introduced various recommendations and measures to try to limit the COVID-19 pandemic, which include the implementation of travel bans, quarantine periods and physical distancing, all of which have caused material disruption to business globally and resulted in an economic slowdown. As of the date of this Annual Information Form, the Company has experienced no material impact to its operations or revenues as a result of COVID-19. However, EverGen cannot estimate the duration and severity of the COVID-19 pandemic and its ultimate financial impact. Disruptions resulting from the ongoing pandemic may have a long-term adverse impact on the Company's results from operations. The ultimate extent of the impact of the COVID-19 pandemic on the Company's business, financial condition, results of operations, cash flows and prospects will depend on future developments, which are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of the COVID-19 pandemic and actions taken to contain or prevent its further spread, among others. Any of the foregoing events could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows, and prospects.

In addition, the continued impact of COVID-19 may have adverse impacts on the Company, including, among others:

- continued disruptions and volatility in the global capital markets, which may increase cost of capital and adversely impact access to capital;
- continued impacts on workforces throughout the regions in which COVID-19 is present, which may result in the Company's workforce being unable to work effectively;
- supply chain disruptions; and
- impacts that are currently unpredictable.

EverGen continues to work with stakeholders to responsibly address the impact of the global pandemic on operations. EverGen continues to monitor the situation, to assess possible implications to the business, and to take actions in an effort to mitigate adverse consequences.

Global Financial Conditions can Reduce the Price of the Common Shares

Following the onset of the credit crisis in 2008, global financial conditions were characterized by extreme volatility and several major financial institutions either went into bankruptcy or were rescued by governmental authorities. While global financial conditions subsequently stabilized, there remains considerable risk in the system given the extraordinary measures adopted by government authorities to achieve that stability. Global financial conditions could suddenly and rapidly destabilize in response to future economic shocks, as government authorities may have limited resources to respond to future crises. Future economic shocks may be precipitated by a number of causes, including a rise in the price of oil, geopolitical instability, natural disasters, pandemics, epidemics, or similar public health emergencies and other unforeseen events beyond the control of the Company and which may alter market behaviour. Any sudden or rapid destabilization of global economic conditions could impact the Company's ability to obtain equity or debt financing in the future on terms favourable to the Company. Additionally, any such occurrence could cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. Further, in such an event, the Company's operations and financial condition could be adversely impacted.

Furthermore, general market, political and economic conditions, including, for example, inflation, interest and currency exchange rates, global supply and demand for commodities, political developments, legislative or regulatory changes, social or labour unrest and stock market trends will affect the Company's operating environment and its operating costs, profit margins and share price. Any negative events in the global economy could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

It May be Difficult to Enforce Judgments and Effect Service of Process on a Certain Director

A director of the Company resides outside of Canada, therefore, it may not be possible for investors to collect or to enforce judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable Canadian securities laws against such person. Moreover, it may not be possible for investors to effect service of process within Canada upon such person.

Risks Related to the FVB Acquisition

General Risks Relating to the FVB Acquisition

Although EverGen conducted due diligence in connection with the FVB Acquisition, and the Vendors have provided a number of representations and warranties in favour of EverGen in connection with the FVB Acquisition, an unavoidable level of risk remains regarding any undisclosed or unknown liabilities of, or issues concerning, the acquired business. Following the closing of the FVB Acquisition, EverGen may discover that it has acquired substantial undisclosed liabilities or that certain of the representations made by the Vendors were untrue. There can be no assurance of recovery by EverGen from the Vendors for any breach of the representations, warranties or covenants provided, or to be provided, by the Vendors under the FVB Purchase Agreement because there can be no assurance that the amount and length of the indemnification obligations will be sufficient to satisfy such obligations, or that the Vendors will have any assets or continue to exist. EverGen's inability to claim for full indemnification from the Vendors could have a material and adverse effect on EverGen.

Integration of FVB's Business

Although management believes that the operations of FVB and EverGen can be successfully integrated, there can be no assurance that this will be the case. EverGen could face impediments in its ability to implement its integration strategy. The integration process may also require substantial attention from management and divert its focus and resources from other strategic opportunities and from operational matters.

Specifically, the successful integration and management of EverGen and FVB as a combined entity is subject to numerous risks that could adversely affect the Company's growth and profitability, including: (i) the risk that management may not be able to successfully manage FVB's operations; (ii) the risk that EverGen's operational, financial and management systems may be incompatible with, or inadequate to effectively integrate and manage systems acquired from FVB; (iii) the risk that the FVB Acquisition may require financial resources that could otherwise be used in the development of other aspects of EverGen's business; (iv) the risk that the integration process may result in the disruption of EverGen's and FVB's ongoing business and customer and employee relationships; (v) the risk that the integration process may result in operational problems, costs, expenses, liabilities, including loss of contracts and customers; and (vi) the risk that key management or employees of FVB may not be retained or may leave following the FVB Acquisition, which could have a significant impact on the combined entity's operations, specifically if such departures were to occur in positions or roles which require significant technical and operational knowledge and for which qualified replacement personnel is scarce. The successful integration of the FVB Acquisition will also require cooperation between the employees of EverGen and FVB and is subject to the risk that personnel from FVB's and EverGen's existing business may not be able to work together successfully, which could adversely impact the Company's business, financial condition and results of operations.

EverGen's future financial performance depends in part upon its ability to effectively combine the operations of the acquired business into its existing operations and achieve identified cost savings and other synergies. If it is unable to identify and correct operational or financial weaknesses in the acquired business or to achieve the projected cost savings, its operating results and cash flows could be negatively impacted. Failure to expand operational systems and controls or to integrate appropriate personnel at a pace consistent with its growth could also adversely affect its operating results.

Possible Failure to Realize Anticipated Benefits of the FVB Acquisition

The Company believes that the FVB Acquisition will provide certain benefits to the Company. Achieving the benefits of the FVB Acquisition will depend in part on the Company successfully consolidating functions and integrating operations, procedures and personnel in a timely and efficient manner, as well as on EverGen's ability to realize the opportunities from combining FVB's businesses and operations with those of EverGen. A variety of factors, including the risk factors set forth in this Annual Information Form may also adversely affect the likelihood of the anticipated benefits of the FVB Acquisition materializing for the Company or from occurring within the time periods anticipated by the Company. Moreover, even if EverGen is able to integrate FVB's business and operations successfully, this integration may not result in the realization of the full benefits that the Company currently expects within the anticipated time frame or at all.

Possible Failure to Achieve the Full Amount of Anticipated Cost Synergies

Although management anticipates some cost synergies to be achieved over a period of time following the FVB Acquisition, there can be no certainty the Company will achieve these cost synergies over time, or at all. In addition, expenses required to realize the synergies and the sources of the synergies could differ materially from management expectations and EverGen cannot assure investors that the Company will achieve any level of cost synergies.

FORWARD-LOOKING STATEMENTS AND INFORMATION MAY PROVE INACCURATE

Shareholders and prospective investors are cautioned not to place undue reliance on the Company's forward-looking statements and information. By its nature, forward-looking statements and information involve numerous assumptions, known and unknown risk and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Additional information on the risks, assumptions and uncertainties related to forward-looking statements and information are found under the heading "Forward-Looking Statements" in this AIF.

DESCRIPTION OF CAPITAL STRUCTURE

The following is a summary of the material attributes and characteristics of the securities of EverGen. The Company's authorized share capital consists of an unlimited number of Common Shares without par value, and an unlimited number of preferred shares without par value ("**Preferred Shares**").

Common Shares

All of the Common Shares rank equally as to voting rights, participation in a distribution of the assets of the Company on a liquidation, dissolution or winding-up of the Company and entitlement to any dividends declared by the Company. The holders of the Common Shares are entitled to receive notice of, and to attend and vote at, all meetings of shareholders (other than meetings at which only holders of another class or series of shares are entitled to vote). Each Common Share carries the right to one vote. In the event of the liquidation, dissolution or winding up of the Company or other distribution of assets of the Company among its shareholders for the purpose of winding-up its affairs or upon a reduction of capital, and after the holders of the Preferred Shares have received payment of the amounts to which they are entitled, the holders of the Common Shares will be entitled to receive equally on a per share basis, the amount paid up on the Common Shares together with any declared but unpaid dividends. Thereafter, the holders of the Common Shares will be entitled to share among themselves equally on a per share basis in any further distribution of the property or assets of the Company. The holders of Common Shares are entitled to receive dividends as and when declared by the Board in their absolute discretion in respect of the Common Shares. The Common Shares do not have pre-emptive rights, conversion rights or exchange rights and are not subject to redemption, retraction, purchase for cancellation or surrender provisions. There are no sinking or purchase fund provisions, no provisions permitting or restricting the issuance of additional securities or any other material restrictions, and there are no provisions which are capable of requiring a security holder to contribute additional capital.

Any alteration of the rights, privileges, restrictions and conditions attaching to the Common Shares under the Company's Articles must be approved by at least two-thirds of the Common Shares voted at a meeting of the Company's shareholders.

Preferred Shares

The holders of the Preferred Shares shall have no right to receive notice of or to be present at or vote either in person or proxy, at any general meeting of the Company by virtue of or in respect of their holding of Preferred Shares. There currently are no Preferred Shares issued and outstanding. The holders of Preferred Shares shall are eligible to receive dividends at the sole discretion of the Board. The Preferred Shares are also redeemable at the option of the Company.

Warrants

The following is a summary of the principal attributes of the Warrants and certain anticipated provisions of the Warrant Indenture. The summary does not purport to be complete and is qualified in its entirety by the detailed provisions of the Warrant Indenture. A copy of the Warrant Indenture may be obtained on request from the Company's corporate secretary and will be available electronically at www.sedar.com and reference should be made to the Warrant Indenture for the full text of the attributes of the Warrants.

Each Warrant will entitle the holder thereof to purchase, subject to adjustment in certain circumstances, one Common Share (a "**Warrant Share**") at a price of $10.50 at any time prior to 5:00 p.m. (Vancouver time) on August 4, 2023.

The Warrants are governed by the Warrant Indenture entered into between the Company and TSX Trust Company (the "**Warrant Agent**"). The Company designate the Warrant Agent, at its principal office in Vancouver, British Columbia, as agent for the Warrants.

The Warrant Indenture provides for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain events, including:

i. the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all or substantially all of the holders of Common Shares by way of a stock dividend or other distribution (other than a dividend paid in the ordinary course or a distribution of Common Shares upon the exercise of any outstanding warrants, options or other incentive securities of the Company);

ii. the subdivision, redivision or change of the Common Shares into a greater number of shares;

iii. the consolidation, reduction or combination of the Common Shares into a lesser number of shares;

iv. the issuance to all or substantially all of the holders of Common Shares of rights, options or warrants under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance, to subscribe for or purchase Common Shares, or securities exchangeable for or convertible into Common Shares, at a price per Common Share to the holder (or at an exchange or conversion price per share) of less than 95% of the "current market price", as defined in the Warrant Indenture, of Common Shares on such record date; and

v. the issuance or distribution to all or substantially all of the holders of Common Shares of securities, including rights, options or warrants to acquire shares of any class or securities exchangeable or convertible into any such shares or property or assets and including evidences of indebtedness, or any property or other assets.

The Warrant Indenture also provides for adjustment in the class and/or number of securities issuable upon the exercise of the Warrants and/or exercise price per security in the event of the following additional events:

i. the reclassification of the Common Shares;

ii. the amalgamation, arrangement or merger of the Company with or into any other corporation or other entity (other than an amalgamation, arrangement or merger which does not result in any reclassification of the Company's outstanding Common Shares or a change of the Common Shares into other shares); or

iii. the transfer of the Company's undertakings or assets as an entirety or substantially as an entirety to another corporation or other entity.

No adjustment in the exercise price of the Warrants or number of Warrant Shares will be required to be made unless the cumulative effect of such adjustment or adjustments would result in a change of at least 1% in the exercise price or a change in the number of Warrant Shares purchasable upon exercise by at least one one-hundredth (1/100th) of a Common Share, as the case may be.

The Company covenants in the Warrant Indenture that, during the period in which the Warrants are exercisable, the Company will give notice to Warrant holders of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants, at least 14 days prior to the record date or effective date, as the case may be, of such event.

No fraction of a Warrant Share will be issued upon the exercise of a Warrant and no cash payment will be made in lieu thereof. Warrant holders are not entitled to any voting rights or pre-emptive rights or any other rights conferred upon a person as a result of being a holder of Common Shares.

From time to time, the Company and the Warrant Agent, without the consent of the holders of Warrants, may amend or supplement the Warrant Indenture for certain purposes, including curing defects or inconsistencies or making any change that does not adversely affect the rights of any holder of Warrants. Any amendment or supplement to the Warrant Indenture that adversely affects the interests of the holders of the Warrants may only be made by "extraordinary resolution", which will be defined in the Warrant Indenture as a resolution either (1) passed at a meeting of the registered holders of Warrants at which there are holders of Warrants present in person or represented by proxy representing at least 25% of the aggregate number of the then outstanding Warrants and passed by the affirmative vote of registered holders of Warrants representing not less than 66⅔% of the aggregate number of Warrants represented at the meeting and voted on the poll upon such resolution, or (2) adopted by an instrument in writing signed by the registered holders of not less than 66⅔% of the aggregate number of all then outstanding Warrants.

The Warrants and the Warrant Shares have not been and will not be registered under the U.S. Securities Act or any applicable state securities laws, and the Warrants will not be exercisable by or on behalf of a person in the United States or a U.S. Person, nor will certificates representing the Warrant Shares be registered or delivered to an address in the United States, unless an exemption from registration under the U.S. Securities Act and any applicable state securities laws is available and the Company has received an opinion of counsel of recognized standing or other evidence to such effect in form and substance reasonably satisfactory to the Company; provided, however, that a holder who is a "qualified institutional buyer" (as defined in Rule 144A under the U.S. Securities Act) at the time of exercise of the Warrants who purchased Offered Units in the Offering to, or for the account or benefit of, persons in the United States or U.S. Persons will not be required to deliver an opinion of counsel or such other evidence in connection with the exercise of Warrants that are a part of those Offered Units.

Equity Incentive Plan Details

The Board adopted the Equity Incentive Plan on March 18, 2021, which provides for the grant of the following equity based compensation awards: (i) Options; (ii) RSUs and (iii) DSUs. A total of 600,000 PSUs have previously been granted under the PSU Plan on December 31, 2020. While the number of PSUs outstanding will count towards the maximum number of Common Shares reserved under the Equity Incentive Plan, no additional PSUs can be granted under the Equity Incentive Plan or the PSU Plan.

The purpose of the Equity Incentive Plan is to advance the interests of the Company by providing an incentive to the directors, officers, employees and consultants ("**Participants**") of the Company, and any of its subsidiaries (including the Acquired Businesses) and affiliates, if any, to align growth objectives of the Company and Participants, to associate a portion of the Participants' compensation with the Company's long term performance and to attract to and retain in the employment of the Company or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Company through the acquisition of Common Shares. A Participant under the Equity Incentive Plan or PSU Plan cannot include a person providing Investor Relations Activities to the Company.

The Equity Incentive Plan is summarized in the table below, and provided that the disclosure related to the PSUs below is derived from the PSU Plan, which does not form part of the Equity Incentive Plan.

Key Terms	Summary
Administration	The Equity Incentive Plan is administered by the Board or by a committee of directors designated by the Board from time to time.
Stock Exchange Rules	All previously granted PSUs, or any Options granted, RSUs awarded or DSUs awarded pursuant to the Equity Incentive Plan, are subject to applicable rules and policies of any stock exchange or exchanges on which the Common Shares are listed and any other regulatory body having jurisdiction.
Common Shares Subject to Plan	The number of authorized but unissued Common Shares that may be issued under the Equity Incentive Plan is 1,811,478. The Common Shares reserved for issuance includes all Common Shares that may be issued upon the exercise of Options granted under the Equity Incentive Plan, distribution of DSUs and payment of vested RSUs, which is equal to 20% of the issued and outstanding Common Shares (on a non-diluted basis) calculated as of the date the Company is listed on the TSXV in accordance with the requirements of the applicable TSXV rules, less the 600,000 PSUs previously granted under the PSU Plan. Unless otherwise approved by the TSXV, if applicable, and the shareholders of the Company, to the extent Options, RSUs, DSUs or PSUs expire without having been exercised or to the extent any Options, RSUs, DSUs or PSUs are terminated for any reason or are cancelled, the Common Shares subject to such Options, RSUs, DSUs or PSUs shall be added back to the number of Common Shares reserved for issuance under the Equity Incentive Plan and such Common Shares will again become available for Option grants, RSU grants and DSU grants under the Equity Incentive Plan.
Eligibility	The persons eligible to receive equity based compensation awards under the Equity Incentive Plan are *bona fide* directors, officers, employees and consultants of the Company, and any of its subsidiaries and affiliates, and employees of a person or company which provides consulting, technical, managerial or like services to the Company or its subsidiaries and affiliates. The persons eligible to participate in the DSU Plan (as defined in the Equity

Key Terms	Summary
	Incentive Plan) are individuals who are, at the relevant time, a member of the Board.
Limits on Options, RSUs and DSUs	The number of Options, RSUs or DSUs granted to any one person (including a company, any unincorporated entity, or an individual) and such person's associates, within any twelve (12) month period, under all equity based compensation arrangements including, without limitation, the Equity Incentive Plan, shall not exceed 5% of the issued and outstanding Common Shares at the time of the grant unless the Company has obtained disinterested shareholder approval in respect of such grant and meets applicable regulatory requirements. ***Insiders*** The number of Common Shares reserved for issuance under the Equity Incentive Plan granted to insiders (as a group), at any point in time shall not exceed 10% of the issued and outstanding Common Shares, unless the Company obtains disinterested shareholder approval prior to any such action becoming effective. The number of Options, RSUs or DSUs granted to insiders (as a group), within any twelve (12) month period, under all equity based compensation arrangements including, without limitation, the Equity Incentive Plan, shall not exceed 10% of the issued and outstanding Common Shares at the time of the grant, unless the Company obtains disinterested shareholder approval in respect of such grant. ***Consultants*** The aggregate number of Options or RSUs granted to any one consultant in any twelve (12) month period cannot exceed 2% of the issued and outstanding Common Shares calculated at the time of the grant, without the prior consent of the TSXV and the shareholders of the Company. ***Eligible Persons*** The aggregate number of Options granted to eligible persons (as set out above) conducting Investor Relations Activities in any 12-month period cannot exceed 2% of the issued and outstanding Common Shares, calculated at the time of grant, without the prior consent of the TSXV and the shareholders of the Company. ***Purchase of Common Shares for Cancellation*** Unless otherwise approved by the TSXV, if applicable, and the shareholders of the Company, if the acquisition of Common Shares by the Company for cancellation should result in any of the limits above no longer being met, this shall not constitute non-compliance with the Equity Incentive Plan for any Options, RSUs or DSUs outstanding prior to such purchase of Common Shares for cancellation.

Key Terms	Summary
Number of PSUs	The number of PSUs granted to any person (including a company, any unincorporated entity, or an individual) and such person's associates within any twelve (12) month period, under all security-based compensation arrangements including, without limitation, the Equity Incentive Plan, shall not exceed 5% of the issued and outstanding Common Shares at the time of the grant, unless otherwise approved by the TSXV, if applicable, and the shareholders of the Company. The number of Common Shares reserved for issuance under the Equity Incentive Plan as it relates to PSUs granted to insiders (as a group), at any point in time shall not exceed 10% of the issued and outstanding Common Shares. The number of PSUs granted to insiders (as a group), within any twelve (12) month period, under all security-based compensation arrangements including, without limitation, the Equity Incentive Plan, shall not exceed 10% of the issued and outstanding Common Shares at the time of the grant.
Exercise Price	***Options*** The exercise price of the Common Shares subject to each Option shall be determined by the Board, subject to approval by the regulators (if applicable), at the time any Option is granted, and cannot be less than the discounted market price (as defined by TSXV Policy 1.1 – *Interpretation*).

Key Terms	Summary
Vesting and Exercise Period and Payment	***Options*** Each Option and all rights thereunder shall expire on the date set out in an Option grant notice, provided that in no circumstances shall the duration of an Option exceed the maximum term permitted by the applicable regulators. ***RSUs*** RSUs shall vest on the Trigger Date (as defined in the Equity Incentive Plan) set by the Board upon the grant of the RSU, which shall be no later than the third anniversary of the grant date. The Board may determine other terms or conditions including, vesting conditions based on performance milestones or anniversary dates provided that: (i) no RSU will vest until the Trigger Date; and (ii) no RSU will remain outstanding for any period which exceeds December 31 of the calendar year in which the Trigger Date occurs of such RSU. RSUs that vest are payable on or subsequent to the Trigger Date, but no later than December 31 of the calendar year in which the Trigger Date of such RSU occurs, at the election of the Company as: (i) cash equal to the value of the RSU on the Trigger Date; (ii) one Common Share for each whole RSU; or (c) a combination of cash and Common Shares. ***DSUs*** DSUs will be fully vested upon being granted and credited to a Participant's account. ***PSUs*** PSUs shall vest on the first day immediately following the end of the applicable performance period, with the number of vested PSUs being equal to the PSU balance as at such date multiplied by a performance adjustment factor (as determined by the Board or a committee of directors designated by the Board) in accordance with the award agreement. In the event that the performance adjustment factor is equal to zero, no PSU will vest. PSUs granted to a Participant under an award agreement and by the authority of the Board (or a committee, as applicable) shall become vested PSUs only upon the Board's determination that the applicable performance criteria has been satisfied in accordance with the award agreement applicable to such PSUs, or that the performance criteria has been waived in accordance with the Equity Incentive Plan. Each PSU automatically terminates 10 years from the date it is granted.
Black-Out Periods	***Options*** If any Options expire during the Black-out Period (as defined in the Equity Incentive Plan), the expiry date of those Options will be extended to the date

Key Terms	Summary
	which is ten business days after the expiration of the Black-out Period without any further act or formality. ***RSUs*** Subject to the rules of the TSXV, notwithstanding any other provisions of the Equity Incentive Plan, if the date on which Common Shares are to be distributed in settlement of any vested RSU occurs during or within 10 business days following the end of a Black-out Period (as defined in the Equity Incentive Plan), such distribution date shall be extended for a period of 10 business days following the end of the Black-out Period (or such longer period as permitted by the TSXV). ***DSUs*** If Common Shares may not be issued pursuant to any DSUs due to any Black-out Period, such issuance shall occur seven business days following the end of the Black-out Period (or such longer period as permitted by applicable regulatory authorities and approved by the Board or a committee).
Cessation of Employment	***Options*** If a Participant ceases to be a director, officer, consultant or employee of the Company, or its subsidiaries and affiliates, or ceases to be a management company employee, for any reason (other than death), such Participant may exercise their Option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur within 30 days after the Participant ceases to be a director, officer, employee or consultant, or a management company employee, unless such Participant was engaged in Investor Relations Activities, in which case such exercise must occur within 30 days after the cessation of the Participant's services to the Company. ***RSUs*** If a Participant ceases to be an employee of the Company or an affiliate of the Company during a performance period as a result of (i) termination by the Company or an affiliate of the Company for any reason, or (ii) voluntarily terminating their employment with the Company or an affiliate of the Company, including due to retirement, no portion of the RSUs subject to such performance period shall vest and the Participant shall receive no payment or other compensation in respect of such RSUs or loss thereof, on account of damages or otherwise, unless the RSUs have been designated by the Board or a committee as payable in shares. If a Participant is terminated without just cause, or resigns based on a material reduction or material change in position, duties or remuneration within 12 months after the occurrence of a change of control event, the vesting of the

Key Terms	Summary
	RSUs will accelerate to cause a payout by means of cash, Common Shares or a combination thereof, within 10 days. ***DSUs*** If a Participant is no longer a member of the Board nor is otherwise employed by the Company, then within 90 days (or by such later date elected by the Participant before December 1st of the calendar year following the date the Participant ceases to be member of the Board or otherwise employed), the Company shall settle the DSUs by way of payment shares or cash payment. ***PSUs*** If a Participant ceases to be an employee of the Company or an affiliate of the Company during a performance period as a result of (i) termination by the Company or an affiliate of the Company for any reason, or (ii) voluntarily terminating her employment with the Company or an affiliate of the Company, including due to retirement, no portion of the PSUs subject to such performance period shall vest and the Participant shall receive no payment or other compensation in respect of such PSUs or loss thereof, on account of damages or otherwise, unless the PSUs have been designated by the Board or a committee as payable in shares.
Death or Disability of Participant	***Options*** In the event of the death of a Participant, any vested Option held by a Participant at the date of death will become exercisable by the Participant's lawful personal representative, heirs or executors until the earlier of one year after the date of death of such Participant and the date of expiration of the term otherwise applicable to such Options. ***RSUs*** In the event of the death or disability of a Participant, the vesting of the RSUs will accelerate to cause a payout by means of cash, Common Shares or a combination thereof, within 10 days. ***DSUs*** Upon the death of a Participant prior to the distribution of the DSUs credited to the account of such Participant, the DSUs will be paid by means of cash, Common Shares or a combination thereof, within 30 days of the Company being notified of the death of the Participant or on a later date elected by the Participant's estate in the form prescribed by the Company for such purposes and delivered to the Chief Financial Officer not later than 20 days after the Company is notified of the death of the Participant, provided that such elected date is no later than one year from the Participant's death.

Key Terms	Summary
	PSUs
	In the event of the death or disability of a Participant, the PSUs credited to the Participant's account as at December 31 of the year immediately preceding the Participant's date of death shall continue to be eligible to become vested PSUs in accordance with the Equity Incentive Plan. The Participant shall be entitled to receive in Common Shares, a payment relating to such vested PSUs determined in accordance with the Equity Incentive Plan.
	In the event of a Participant's period of absence during a performance period, except where such period of absence extends beyond the end of a performance period and the Participant fails to return to active full-time employment with the Company or an affiliate within one hundred and eighty (180) days following the end of such performance period, PSUs credited to the Participant's account immediately prior to such period of absence (and any related dividend equivalent PSUs) shall continue to be eligible to become vested, except the total number of such vested PSUs shall be adjusted for the time the Participant actively performed services for the Company or an affiliate of the Company during the performance period.
Effective Date of Plan	The Equity Incentive Plan has been adopted by the Board and is effective as of March 18, 2021, and the PSU Plan has been adopted by the Board and is effective as of December 30, 2020.

MARKET FOR SECURITIES

TRADING PRICE AND VOLUME

The Common Shares of the Company are currently listed for trading on the TSXV under the symbol "EVGN". However, for the Company's financial year ending December 31, 2020, none of the Company's securities were traded or quoted on a Canadian marketplace.

PRIOR SALES

The following table summarizes the issuances of Common Shares and securities that are convertible or exchangeable into Common Shares since the incorporation of the Company to the date of this Annual Information Form.

Issue Date	Type of Security	Number Issued	Issue Price	Exercise Price	Description of Issuance
May 19, 2020	Common Shares	3	$0.01	N/A	Incorporation
December 16, 2020	Common Shares	140,000	$0.001[(1)]	N/A	Private placement
December 16, 2020	Convertible Notes	1,260,000	N/A	$0.07936	Loan from founders
December 16, 2020	Common Shares	1,260,000	$0.07936	N/A	Conversion of convertible notes

Issue Date	Type of Security	Number Issued	Issue Price	Exercise Price	Description of Issuance
December 22, 2020	Subscription Receipts	4,617,000	$5.00	N/A	Private placement
December 22, 2020	Broker Compensation Options	277,020	N/A	$5.00	Issued as compensation for services in connection with the Subscription Receipt Financing(3)
December 30, 2020	Common Shares	1,407,976(2)	$5.00	N/A	Private placement
December 30, 2020	Finder Compensation Options	62,976	N/A	$5.00	Issued as compensation for services(4)
December 31, 2020	Common Shares	4,617,000	N/A	N/A	Conversion of Subscription Receipts(5)
December 31, 2020	Common Shares	777,777	$4.50	N/A	Issued as consideration for the NZWA Acquisition and SSS Acquisition
December 31, 2020	PSUs	600,000	N/A	N/A	Issued pursuant to the PSU Plan
January 12, 2021	Common Shares	254,000	$5.00	N/A	Private placement
January 26, 2021	Common Shares	50,000	$5.00	N/A	Issued as consideration for services(6)
January 26, 2021	Common Shares	5,000	$5.00	N/A	Private placement
February 23, 2021	Common Shares	5,000	$5.00	N/A	Private placement
March 18, 2021	Special Warrants	1,059,325	$8.00	N/A	Special Warrant Financing(7)
March 18, 2021	Broker Options	22,686	N/A	N/A	Issued as compensation for services in connection with the Special Warrant Financing(8)
March 18, 2021	Finder Compensation Options	6,750	N/A	$8.00	Issued as compensation for services in connection with the Special Warrant Financing(9)
March 18, 2021	Common Shares	13,500	$8.00	N/A	Issued as compensation for services in connection with the

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Issue Date	Type of Security	Number Issued	Issue Price	Exercise Price	Description of Issuance
					Special Warrant Financing[9]
March 18, 2021	Options	195,000	N/A	$6.50[10]	Issued pursuant to the Equity Incentive Plan
March 18, 2021	RSUs	17,500	N/A	N/A	Issued pursuant to the Equity Incentive Plan
March 18, 2021	DSUs	27,500	N/A	N/A	Issued pursuant to the Equity Incentive Plan
April 16, 2021	Common Shares	125,000	$8.00	N/A	Issued as consideration for the FVB Acquisition
April 27, 2021	Common Shares	111,111	$9.00	N/A	Private placement
June 22, 2021	Common Shares	461,700	N/A	N/A	Issued in connection with the rights attached to the Underlying Shares from the Subscription Receipt Financing.
June 29, 2021	RSUs	100,000	N/A	N/A	Issued pursuant to the Equity Incentive Plan
July 20, 2021	Common Shares	1,059,325	$8.00	N/A	Issued upon the exercise of the Special Warrants.
July 20, 2021	Broker Warrants	22,686	N/A	$8.00	Issued upon the exercise of the Broker Options.
Sept 8, 2021	RSUs	12,500	N/A	N/A	Issued pursuant to the Equity Incentive Plan
Sept 8, 2021	Options	25,000	N/A	$10.50	Issued pursuant to the Equity Incentive Plan

Notes:

(1) 70,000 Common Shares were issued to Mary Hemmingsen and 70,000 Common Shares were issued to Sean Mezei pursuant to an application for allotment to the Company.

(2) Includes 220,000 Common Shares issued to Principals (including 80,000 Common Shares issued to Kepis & Pobe Investment Inc., a holding company of Mr. Nicholson, as consideration for debt settlement) and 41,976 Common Shares issued to the Finder in connection with the December Non-Brokered Private Placement as the Finder's fee.

(3) In connection with the Subscription Receipt Financing, the Company issued 277,020 Broker Compensation Options, each exercisable to acquire one Common Share at an exercise price of $5.00 until December 30, 2022.

(4) In connection with the December Non-Brokered Private Placement, the Company paid certain finders a cash commission equal to $105,000, issued 41,976 Common Shares and issued 62,976 Finder Compensation Options. Each Finder Compensation Option is exercisable to acquire one Common Share at an exercise price of $5.00 until December 30, 2022.

(5) Upon the satisfaction of the escrow release conditions which were related to the completion of the NZWA Acquisition and SSS Acquisition (as set out in the Subscription Receipt Agreement), the Subscription Receipts issued on December 22, 2020 to each subscriber were converted into Common Shares on December 31, 2020.

(6) Issued to NZI (a company controlled by Mateo Ocejo, a shareholder of the Company) as the operator of the NZWA Project and SSS Project, as partial consideration upon execution of the NZI Consulting Agreement. Further issuances of shares to NZI pursuant to the NZI Consulting Agreement are to be issued at a deemed price of the maximum discounted market price permissible under the rules of the TSXV (calculated as at the date such shares are earned).

(7) Each Special Warrant entitled the holder to receive, upon exercise or deemed exercise, one Special Warrant Unit at no additional cost. Each Special Warrant Unit was comprised of one Special Warrant Unit Share and one-half of one Special Warrant Unit Warrant.".

(8) Issued to the Special Warrant Agents in connection with the Special Warrant Financing. Each Broker Option was automatically exchanged for one Broker Warrant on July 20, 2021. Each Broker Warrant is exercisable to acquire one Broker Unit at a price of $8.00 until July 20, 2022.
(9) Issued to the Finder in connection with the Non-Brokered Private Placement. Each Finder Compensation Option is exercisable to acquire one Common Share at a price of $8.00 until July 20, 2022.
(10) The exercise price for the Options is equivalent to the Offering Price.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

The securities that are subject to contractual restrictions on transfer, or are subject to escrow or contractual restrictions on transfer are shown in the following table:

Designation of Class	Total Number of securities held in escrow or that are subject to a contractual restriction on transfer(1)	Percentage of Class at the date of this Annual Information Form
Common Shares	2,094,685 (2)	15.%(3)
PSUs	450,000 (4)	75%
Options	180,000	81.8%
DSUs	12,175(5)	44.2%
RSUs	110,000	84.6%
Special Warrant Unit Warrants	73,279(6)	13.8%

Notes:

(1) 1,600,003 Common Shares, 600,000 PSUs and 14,500 DSUs were deposited with TSX Trust Company, as escrow agent, pursuant to NP 46-201 and while the securities are under escrow, they may not be transferred or otherwise dealt with, except in very limited circumstances.
(2) An aggregate of 1,620,003 Common Shares held by the directors and officers of the Company are/were subject to a combination of the escrow requirements, of which (i) 1,600,003 are subject to NP 46-201 escrow requirements and Offering Lock-Up Agreements (defined below) (ii) an additional 20,000 were subject to Offering Lock-Up Agreements and were released on January 31, 2022 (iii) 1,400,003 (which are also included in (i) above) are subject to December Lock-Up Agreements. 4,946,825 Common Shares were subject to Voluntary Lock-Up Agreements (defined below). 40% of the Common Shares subject to the Voluntary Lock-Up Agreements were released on the Listing Date and an additional 10% were released on each of September 4, 2021, October 4, 2021, November 4, 2021, December 4, 2021 and January 4, 2022. As of the date of this Annual Information Form there are now 494,682 Common Shares still subject to Voluntary Lock-Up Agreements.
(3) Based on 13,367,392 issued and outstanding Common Shares.
(4) 600,000 PSUs were deposited with TSX Trust Company, as escrow agent, pursuant to NP 46-201 and while the securities are under escrow, they may not be transferred or otherwise dealt with, except in very limited circumstances. On the Listing Date 25% or 150,000 of the PSUs were released from escrow.
(5) An aggregate of 27,500 DSUs are subject to a combination of the escrow requirements, of which (i) 14,500 are subject to NP 46-201 escrow requirements and (ii) 13,000 are subject to Voluntary Lock-Up Agreements. 25% or 3,625 of the DSUs subject to NP 46-201 escrow requirements were released on the Listing Date. 40% of the DSUs subject to the Voluntary Lock-Up Agreements were released from escrow on the Listing Date and an additional 10% were released on each of September 4, 2021, October 4, 2021, November 4, 2021, December 4, 2021 and January 4, 2022which resulted in the release of 11,700 DSUs subject to Voluntary Lock-Up Agreements.
(6) An aggregate of 529,662 Special Warrant Unit Warrants are subject to a combination of the escrow requirements, of which (i) 31,250 are subject to NP 46-201 escrow requirements and (ii) 498,412 are subject to Voluntary Lock-Up Agreements. 25% or 7,812 of the Special Warrant Unit Warrants subject to NP 46-201 escrow requirements were released on the Listing Date. 40% of the Special Warrant Unit Warrants subject to the Voluntary Lock-Up Agreements were released from escrow on the Listing Date and an additional 10% were released on each of September 4, 2021, October 4, 2021, November 4, 2021, December 4, 2021 and January 4, 2022 which resulted in the release of 448,571 Special Warrant Unit Warrants subject to Voluntary Lock-Up Agreements.

NP 46-201

Section 3.5 of NP 46-201 provides that all shares of a company owned or controlled by a Principal will be escrowed at the time of the Company’s initial listing, unless the shares held by the Principal or issuable to the

Principal upon conversion of convertible securities held by the Principal collectively represent less than 1% of the total issued and outstanding shares of the Company after giving effect to the initial public offering.

Uniform terms of automatic timed release apply to the escrowed securities of exchange listed issuers, differing only according to the classification of the issuer. The Company has been classified as an "established issuer". As such, the Company is subject to the following automatic timed releases which apply to the escrowed securities listed in the table above:

Date of Automatic Timed Release	Amount of Escrowed Securities Released
On the date the Company's securities are listed on a Canadian exchange	1/4 of the escrow securities
6 months after the Listing Date	1/3 of the remaining escrow securities
12 months after the Listing Date	1/2 of the remaining escrow securities
18 months after the Listing Date	The remaining escrow securities

Other Contractual Restrictions

Offering Lock-Up Agreements

In connection with the Offering, each of the Company's senior officers and directors, and, as applicable, associates and affiliates, are required to enter into lock-up agreements in favour of Desjardins, Clarus, Echelon Wealth Partners Inc., RBC Dominion Securities Inc., Haywood Securities Inc. and PI Financial Corp (collectively, the "**Underwriters**") (the "**Offering Lock-Up Agreements**"), pursuant to which each agreed not to, directly or indirectly, offer, issue, sell, grant, secure, pledge, or otherwise transfer, dispose of or monetize, or engage in any hedging transaction, or enter into any form of agreement or arrangement the consequence of which is to alter economic exposure to, or announce any intention to do so, in any manner whatsoever, any Common Shares or securities convertible into, exchangeable for, or otherwise exercisable to acquire Common Shares or other equity securities of the Company for a period of 180 days after the Closing Date, without the prior written consent of the Desjardins, Clarus, Echelon Wealth Partners Inc. and RBC Dominion Securities on behalf of the Underwriters, such consent not to be unreasonably withheld, or subject to certain other limited exceptions as contained in the lock-up agreements.

December Lock-Up Agreements

In connection with the Subscription Receipt Financing, 1,400,003 Common Shares are subject to lock-up agreements entered into on December 22, 2020 by Mr. Edgelow, Mr. Nicholson, Ms. Hemmingsen, Mr. Zajtmann and Mr. Mezei (the "**December Directors and Officers**") with Clarus, Desjardins and Canaccord Genuity Corp. (the "**December Lock-Up Agreements**"). Pursuant to the December Lock-Up Agreements, until December 22, 2023, the December Directors and Officers cannot, directly or indirectly, offer, sell, transfer, pledge, hypothecate, lend, assign, grant an option or right to purchase, make any short sale, enter into any swap, forward, hedge or any other agreement or arrangement to transfer the economic consequences of or alter the economic exposure to, or otherwise dispose of, monetize or deal with, or publicly announce any intention to do any of the foregoing, whether through the facilities of a stock exchange, by private transaction or otherwise, any of their 1,400,003 Common Shares, unless permitted under the December Lock-Up Agreement.

Special Warrant Financing Lock-Up Agreements

In connection with the Special Warrant Financing, each subscriber thereto has entered into lock-up agreements in favour of the Company and each of the Special Warrant Agents (the "**Voluntary Lock-Up Agreements**"). Pursuant to the Voluntary Lock-Up Agreements, each such subscriber of Special Warrants has agreed that it will not directly or indirectly, offer, sell or transfer (i) any Common Shares held on March 18, 2021 by the subscriber or an entity directly or indirectly under the control or direction of the subscriber, or (ii) any of the Special Warrant Unit Shares or Special Warrant Unit Warrants comprising the Special Warrant Units issued automatically or upon a voluntary exercise to the subscriber or an entity directly or indirectly under the control or direction of the subscriber, or any Special Warrant Shares subsequently acquired, for the period commencing from the Listing Date to the date that is 6 months following the Listing Date, subject to limited exceptions, without the prior written consent of the Special Warrant Agents, such consent not to be unreasonably withheld, or as permitted pursuant to the release schedule as set out below:

Release Date	Percentage of Releasable Applicable Securities
Listing Date	40%
1 month after the Listing Date	10%
2 months after the Listing Date	10%
3 months after the Listing Date	10%
4 months after the Listing Date	10%
5 months after the Listing Date	10%
6 months after the Listing Date	10%

On the Listing Date, 40% of the Common Shares subject to Voluntary Lock-Up Agreements were released from escrow. On September 4, 2021, October 4, 2021, November 4, 2021, December 4, 2021 and January 4, 2022 an additional 10% (each) of the Common Shares subject to Voluntary Lock-Up Agreements were released from escrow such that as of the date of this Annual Information Form, 10% of the Common Shares originally subject to the Voluntary Lock-Up Agreements are still subject to their terms and conditions.

Voluntary Hold Periods

As at the date of this Annual Information Form, certain securityholders as noted above have agreed to voluntary hold periods with the Company (the "**Voluntary Hold Periods**") pursuant to the Voluntary Lock-Up Agreements. The table below sets out the securities subject to Voluntary Hold Periods.

Basis for issuance	Number and Type of Securities Owned	Percentage of class
Private placement (brokered and non-brokered)	494,682 Common Shares	3.7%
	73,279 Special Warrant Unit Warrants	13.8%
	12,175 DSUs	44.2%

Forty (40%) percent of the Common Shares subject to the Voluntary Lock-Up Agreements were released on the Listing Date and an additional 10% were released on each of September 4, 2021, October 4, 2021, November 4, 2021, December 4, 2021 and January 4, 2022. As of the date of this Annual Information Form there are 494,682 Common Shares still subject to Voluntary Lock-Up Agreements.

25% or 7,812 of the Special Warrant Unit Warrants subject to NP 46-201 escrow requirements were released on the Listing Date. 40% of the Special Warrant Unit Warrants subject to the Voluntary Lock-Up Agreements were released from escrow on the Listing Date and an additional 10% were released on each of September 4, 2021, October 4, 2021, November 4, 2021, December 4, 2021 and January 4, 2022 which resulted in the release of 448,571 Special Warrant Unit Warrants subject to Voluntary Lock-Up Agreements.

25% or 3,625 of the DSUs subject to NP 46-201 escrow requirements were released on the Listing Date. 40% of the DSUs subject to the Voluntary Lock-Up Agreements were released from escrow on the Listing Date and an additional 10% were released on each of September 4, 2021, October 4, 2021, November 4, 2021, December

4, 2021 and January 4, 2022 which resulted in the release of 11,700 DSUs subject to Voluntary Lock-Up Agreements.

2,094,685 Common Shares, or 15.7% of the 13,367,392 Common Shares are subject to some form of escrow period or lock up period.

DIVIDENDS

The Company has not, since the date of its incorporation, declared or paid any dividends or other distributions on the Common Shares, and does not currently have a policy with respect to the payment of dividends or other distributions. The Company intends to retain any future earnings to fund the development and growth of its business and does not currently pay dividends and is not likely to pay dividends for an extended period of time. The declaration and payment of any dividends in the future will be at the discretion of the Board and will depend on a number of factors, including compliance with applicable laws, financial performance, financial conditions, current and anticipated working capital requirements of the Company and the Acquired Businesses, contractual restrictions, financing agreement covenants, solvency tests imposed by applicable corporate law and such other factors as its directors consider appropriate. Pursuant to the terms of the Roynat Credit Facility, the Company is restricted from paying dividends without the prior written consent of Roynat. There can be no assurance that the Company will pay dividends under any circumstances.

DIRECTORS AND OFFICERS

To the Company's knowledge as at the date of this Annual Information Form, its directors and executive officers as a group (excluding the purchase of any Offered Units by any directors and executive officers under the Offering) beneficially own, or control or direct, directly or indirectly, 1,620,003 Common Shares, representing approximately 12.1% of the outstanding Common Shares on a non-diluted basis.

Director and Executive Officer Profiles

The following table sets forth the name of each director and executive officer of the Company as at the date of this Annual Information Form, their province or state and country of residence, their position(s) and office(s) held with the Company, their principal occupation(s) during the preceding five years, the date they became a director of the Company, if applicable, and the number and percentage of Common Shares they beneficially own, or control or direct, directly or indirectly. Each director's term will expire immediately prior to the first annual meeting of shareholders of the Company.

Name and Residence	Position	Principal Occupation(s) During Past Five Years	Director Since	Number and Percentage of Common Shares Held
Chase Edgelow[5] British Columbia, Canada	CEO & Director	Strategy Advisor of Satisfai Health, Inc. since February 2020; and formerly Associate Director, Macquarie Group from 2009 to 2019.	May 13, 2020	**452,501 (3.4%)**
Ford Nicholson[1][2][3][6] British Columbia, Canada	Director	President of Kepis & Pobe Financial Group Inc. since February 2003; director of Satisfai Health, Inc. since 2000; formerly Chairman of Kolibri Global Energy Inc. (formerly, BNK Petroleum Inc.) until December 2020 (a Toronto Stock Exchange listed	May 13, 2020	**507,001 (3.8%)**

Name and Residence	Position	Principal Occupation(s) During Past Five Years	Director Since	Number and Percentage of Common Shares Held
		company); and formerly Deputy Chairman of InterOil Corporation (a previously NYSE listed company) from June 2014 to February 2017.		
Mary Hemmingsen(1)(2)(4) British Columbia, Canada	Director	Board Trustee of Graham Construction since October 2020; director of a number of privately held companies, including InstarAGF Asset Management Inc. (since October 2017) and The Crossing Group (since May 2020); and formerly director and audit committee member of two previously Toronto Stock Exchange listed companies, including Stuart Olson Inc. (from November 2018 to October 2020) until it was sold to another listed company and Bonavista Energy Corporation (from August 2019 to July 2020) until it was taken private.	December 16, 2020	**80,000 (0.6%)**
Djenane Cameron(1)(2)(3)(7) Ontario, Canada	Director	Chief Investment Officer at Reddick Wellington Investments Inc. since October 2019; and formerly Head of Mergers and Acquisitions at Lynx Equity Limited from January 2009 to September 2019.	January 21, 2021	**20,000 (0.1%)**(8)
Jon Ozturgut(3)(4) Washington, United States	Director	Managing Principal at ONS Superior Energy Outcomes since 2016; and formerly Chief Operating Officer and Chief Commercial Officer at InterOil Corporation (a previously NYSE listed company) from 2012 to May 2016.	March 18, 2021	**Nil**
Mischa Zajtmann British Columbia, Canada	President & Corporate Secretary	Partner at Kepis & Pobe Financial Group Inc. since January 2018; director of Earl Resources Ltd. since January 2021; formerly General Counsel at Red Eagle Mining Corporation from June 2016 to December 2017; and formerly General Counsel at Oxygen Capital Corp. from March 2014 to June 2016.	N/A(9)	**452,501 (3.4%)**
Natasha Monk Alberta, Canada	CFO	Partner with Affirm LLP since 2017; Senior Accountant at Black Swan Energy Ltd. from 2014 to 2017; Associate with KPMG LLP from 2010 to 2014.	N/A	**Nil**
Sean Mezei	COO	Principal at Dekany Consulting Inc. since February 2014.	N/A	**124,500**

Name and Residence	Position	Principal Occupation(s) During Past Five Years	Director Since	Number and Percentage of Common Shares Held
British Columbia, Canada				**(0.9%)**

Notes:

(1) Member of the Audit Committee.
(2) Member of the Corporate Governance and Nomination Committee
(3) Member of the Human Resources and Compensation Committee.
(4) Member of the Safety and Sustainability Committee.
(5) Includes 30,000 Common Shares owned by Mr. Edgelow's spouse, Stephanie Merkel, and 420,001 Common Shares owned directly by Mr. Edgelow.
(6) Includes 500,000 Common Shares owned by Kepis & Pobe Investments Inc., a company controlled by Mr. Nicholson, and 1 Common Share owned directly by Mr. Nicholson.
(7) Ms. Cameron was nominated by Reddick Wellington, pursuant to a side letter agreement dated December 22, 2020 between Reddick Wellington and the Company, whereby Reddick Wellington has a right to, among other things, nominate one member of the Board to be included in each slate of directors to be presented to the Shareholders of the Company at each annual general meeting where directors are to be elected, for so long as Reddick Wellington holds at least 5% of the issued and outstanding Common Shares of the Company.
(8) Common Shares owned by Djumbo Investments Corp., a company controlled by Ms. Cameron.
(9) Mr. Zajtmann served as a Board member from May 13, 2020 to March 18, 2021, when Mr. Zajtmann resigned as a director of the Company.
(10) Based on 13,367,392 Common Shares.

Committees of the Board

The Board has established the Audit Committee, the Human Resources and Compensation Committee, the Corporate Governance and Nomination Committee, and the Safety and Sustainability Committee.

Audit Committee

The Audit Committee is composed of Mary Hemmingsen (chair), Ford Nicholson and Djenane Cameron, two of whom are independent directors and all of whom are financially literate, in each case within the meaning of NI 52-110. Mary Hemmingsen and Djenane Cameron are independent directors of the Company. Ford Nicholson is a promoter of the Company. As such, Mr. Nicholson is not an independent director.

Human Resources and Compensation Committee

The Board has established the Human Resources and Compensation Committee, comprised of Ford Nicholson (chair), Djenane Cameron and Jon Ozturgut, two (2) of whom are independent directors within the meaning of NI 52-110.

Corporate Governance and Nomination Committee

The Board has established the Corporate Governance and Nomination Committee, comprised of Djenane Cameron (chair), Mary Hemmingsen and Ford Nicholson, two (2) of whom are independent directors within the meaning of NI 52-110.

Safety and Sustainability Committee

The Board has established the Safety and Sustainability Committee, comprised of Jon Ozturgut (chair), Mary Hemmingsen and Chase Edgelow, two of whom are independent directors within the meaning of NI 52-110.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

None of the Company's directors or executive officers is, as at the date hereof, or was within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company) that (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant issuer access to any exemption under securities legislation, that was in effect for a period or more than 30 consecutive days (an "**Order**") that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of such issuer, or (ii) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

None of the Company's directors or executive officers, nor, to its knowledge, any shareholder holding a sufficient number of its securities to affect materially the control of the Company (i) is, as at the date hereof, or has been within the 10 years before the date hereof, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (ii) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such director, executive officer or shareholder.

None of the Company's directors or executive officers, nor, to its knowledge, any shareholder holding a sufficient number of its securities to affect materially the control of the Company, has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

To the best of the Company's knowledge, there are no existing or potential material conflicts of interest between the Company and any of its directors or officers as of the date hereof. However, certain of the Company's directors and officers are, or may become, directors or officers of other companies with businesses which may conflict with its business. Accordingly, conflicts of interest may arise which could influence these individuals in evaluating possible acquisitions or in generally acting on the Company's behalf. See "*Risk Factors – Risks Related to the Company – The Directors and Officers May Have Conflicts of Interest with the Company*".

Pursuant to the BCBCA, directors and officers of the Company are required to act honestly and in good faith with a view to the best interests of the Company. As required under the BCBCA:

- a director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer of the Company, must promptly disclose the nature and extent of that conflict; and

- a director who holds a disclosable interest (as such term is defined under the BCBCA) in a contract or transaction into which the Company has entered or proposes to enter may generally not vote on any directors' resolution to approve such contract or transaction.

Generally, as a matter of practice, directors who have disclosed a material interest in any contract or transaction that the Board is considering will not take part in any Board discussion respecting that contract or transaction. If on occasion such directors do participate in the discussions, they will refrain from voting on any matters relating to matters in which they have disclosed a material interest. In appropriate cases, the Company will establish a special committee of independent directors to review a matter in which directors or officers may have a conflict.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

As of the date of this AIF, no director, executive officer or shareholder that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the issued Common Shares, or any of their respective associates or affiliates, has any material interest, direct or indirect, in any transaction since the incorporation of the Company which has materially affected or is reasonably expected to materially affect the Company or a subsidiary of the Company.

PROMOTERS

Mr. Chase Edgelow, the CEO and a director of EverGen, may be considered to be a promoter of the Company in that he took the initiative in organizing the business of the Company. The following table sets out the number and percentage of each class of voting securities and equity securities of EverGen beneficially owned, or controlled or directed, directly or indirectly by Mr. Edgelow.

Designation of Class	Number of Securities	Percentage of Class
Common Shares	452,501	3.4%(1)
PSUs	140,000	23.3%(2)
Options	45,000	20.5%(3)

Notes:
(1) Based on the total 13,367,392 Common Shares.
(2) Based on the total 600,000 PSUs issued and outstanding pursuant to the PSU Plan.
(3) Based on the total 220,000 Options issued and outstanding pursuant to the Equity Incentive Plan.

Mr. Mischa Zajtmann, the President and Corporate Secretary of EverGen, may be considered to be a promoter of the Company in that he took the initiative in organizing the business of the Company. The following table sets out the number and percentage of each class of voting securities and equity securities of EverGen beneficially owned, or controlled or directed, directly or indirectly by Mr. Zajtmann.

Designation of Class	Number of Securities	Percentage of Class
Common Shares	452,501	3.4%(1)
PSUs	80,000	13.3%(2)
Options	45,000	20.5%(3)

Notes:

(1) Based on the total 13,367,392 Common Shares.
(2) Based on the total 600,000 PSUs issued and outstanding pursuant to the PSU Plan.
(3) Based on the total 220,000 Options issued and outstanding pursuant to the Equity Incentive Plan.

Mr. Ford Nicholson, a director of EverGen, may be considered to be a promoter of the Company in that he took the initiative in organizing the business of the Company. The following table sets out the number and percentage of each class of voting securities and equity securities of EverGen beneficially owned, or controlled or directed, directly or indirectly by Mr. Nicholson.

Designation of Class	Number of Securities	Percentage of Class
Common Shares	507,001	3.8%(1)
PSUs	80,000	13.3%(2)
DSUs	6,500	23.6%(3)

Notes:

(1) Based on the total 13,367,392 Common Shares.
(2) Based on the total 600,000 PSUs issued and outstanding pursuant to the PSU Plan.
(3) Based on the total 27,500 DSUs issued and outstanding pursuant to the Equity Incentive Plan.

Other than as disclosed in this Annual Information Form, neither Mr. Edgelow, Mr. Zajtmann or Mr. Nicholson have received, directly or indirectly, anything of value, including money, property, contracts, options or rights of any kind from EverGen or the Acquired Businesses, and neither EverGen nor the Acquired Businesses have received any assets, services or other consideration from Mr. Edgelow, Mr. Zajtmann or Mr. Nicholson in return.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings or regulatory actions to which the Company is a party, or has been a party to, or of which any of its property is the subject matter of, or was the subject matter of, since its incorporation, and no such proceedings or actions are known by the Company to be contemplated.

There have been no penalties or sanctions imposed against the Company by a court or regulatory authority, and the Company has not entered into any settlement agreements before any court relating to provincial or territorial securities legislation or with any securities regulatory authority, since its incorporation.

AUDITOR, TRANSFER AGENT AND REGISTRAR

The Company's auditor is PricewaterhouseCoopers, Chartered Professional Accountants, having an address at Suncor Energy Centre, 111 5th Avenue SW, Suite 3100, East Tower, Calgary, Alberta T2P 5L3.

The transfer agent and registrar for the Common Shares is TSX Trust Company, having an office at 650 West Georgia Street, Suite 2700, Vancouver, British Columbia V6B 4N9.

MATERIAL CONTRACTS

Except for material contracts entered into in the ordinary course of business, set out below are material contracts to which the Company or any of the Acquired Businesses are a party entered into prior to or since the date of incorporation of the Company and which still remain in effect and are considered to be material to the Company. Copies of such material contracts will be filed with the Canadian securities regulatory authorities and will be available for review under the Company's profile on SEDAR at www.sedar.com.

- NZWA Purchase Agreement
- SSS Purchase Agreement
- FVB Purchase Agreement
- Roynat Credit Facility
- Special Warrant Indenture

- Warrant indenture dated March 18, 2021 between the Company and TSX Trust Company as warrant agent in respect of the Special Warrant Unit Warrants
- Agency Agreement

INTERESTS OF EXPERTS

PricewaterhouseCoopers, the auditor of EverGen, has advised the Company that it is independent of the Company in accordance with the Rules of Professional Conduct of the Chartered Professional Accountants of Alberta.

Certain legal matters related to the Offering will be passed upon on the Company's behalf by Borden Ladner Gervais LLP and on behalf of the Underwriters by Cassels Brock & Blackwell LLP. To the best of the Company's knowledge, after reasonable inquiry, as of the date hereof, the aforementioned partnerships (and their partners and associates) each beneficially own, directly or indirectly, in the aggregate, less than 1% of the outstanding Common Shares.

ADDITIONAL INFORMATION

Additional information pertaining to the Company, including directors' and officers' remuneration and indebtedness, and options to purchase securities is contained in the Company's Management Information Circular dated November 27, 2020, and is available on SEDAR at www.sedar.com. Additional financial information is included in the Company's comparative financial statements and MD&A for the year ended December 31, 2020, as filed with the applicable Canadian regulatory authorities. These documents are available on SEDAR at www.sedar.com and may also be obtained without charge by written request to the Company at Suite 141, 3553 - 31 Street N.W., Calgary, Alberta, Canada.

APPENDIX “A”

AUDIT COMMITTEE

The Audit Committee provides assistance to the Board in fulfilling its financial oversight responsibilities and in ensuring the integrity of financial reporting and accounting control policies and practices of the Company. The external auditors of the Company report directly to the Audit Committee. The Audit Committee’s primary duties and responsibilities include: (i) serving as an independent and objective party to oversee the Company’s accounting and financial reporting processes and internal control system including assessing the reasonableness of management accounting judgments and estimates; (ii) reviewing the Company’s financial statements; (iii) requesting such information and explanations in regard to the accounts of the Company as the Audit Committee may consider necessary and appropriate to carry out its duties and responsibilities; (iv) overseeing the audit of the Company’s financial statements; (v) overseeing, reviewing and appraising the qualifications, independence and the performance of the Company’s external auditors; (vi) overseeing the Company’s compliance with legal and regulatory requirements as they relate to accounting and financial controls and anti-corruption and bribery issues; (vii) providing an open avenue of communication among the Company’s auditors, senior management and the Board; (viii) considering any other matters which, in the opinion of the Audit Committee or at the request of the Board would assist the Company in risk management; and (ix) maintaining the Whistleblower Policy communication channel to the chair of the Audit Committee and whistleblower procedures for the receipt, retention, and treatment of complaints. The full text of the Audit Committee charter is attached to this Annual Information Form as Appendix “A”.

Composition of the Audit Committee

The Audit Committee is composed of Mary Hemmingsen (chair), Ford Nicholson and Djenane Cameron, two of whom are independent directors and all of whom are financially literate, in each case within the meaning of NI 52-110. Mary Hemmingsen and Djenane Cameron are independent directors of the Company. Ford Nicholson is a promoter of the Company. As such, Mr. Nicholson is not an independent director.

Relevant Education and Experience

Each of the members of the Audit Committee has extensive education and experience relevant to the performance of their responsibilities as members of the Audit Committee.

EVERGEN INFRASTRUCTURE CORP.
AUDIT COMMITTEE CHARTER

1. Mandate

The primary function of the audit committee (the “**Committee**”) is to assist the Board of Directors (the “**Board**”) in fulfilling its financial oversight responsibilities and in ensuring the integrity of financial reporting and accounting control policies and practices. The Committee approves, monitors, evaluates, advises and makes recommendation in accordance with these terms of reference by reviewing the financial reports and other financial information provided by the Senior Management of EverGen Infrastructure Corp. (the “**Company**”) to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting, and the Company’s auditing (including both internal, if any and external audits), accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels. The Committee’s primary duties and responsibilities are to:

(a) serve as an independent and objective party to oversee the Company's accounting and financial reporting processes and internal control system including assessing the reasonableness of management accounting judgements and estimates;

(b) review the Company's financial statements;

(c) request such information and explanations in regard to the accounts of the Company as the Committee may consider necessary and appropriate to carry out its duties and responsibilities;

(d) oversee the audit of the Company's financial statements;

(e) oversee, review and appraise the qualifications, independence and the performance of the Company's external auditors;

(f) oversee the Company's compliance with legal and regulatory requirements as they relate to accounting and financial controls and anti-corruption and bribery issues;

(g) provide an open avenue of communication among the Company's auditors, senior management and the Board;

(h) consider any other matters which, in the opinion of the Committee or at the request of the Board would assist the Company in risk management; and

(i) maintain the Whistleblower Policy communication channel to the chair of the Audit Committee (the "**Chair**") and whistleblower procedures for the receipt, retention, and treatment of complaints.

For greater clarity, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statement are complete, accurate and in accordance with Generally Accepted Accounting Principles.

2. Composition and Operation

The Committee is appointed by and shall be comprised of three or more directors as determined by the Board. Each member of the Committee shall be independent within the meaning of the provisions of National Instrument 52-110 – Audit Committees, as may be amended or replaced from time to time ("**NI 52-110**"). No member of the Committee is permitted to have participated in the preparation of the financial statements of the Company or any current subsidiary at any time during the past three years.

All members of the Committee shall be, in the determination of the Board, "financially literate", as that term is defined by NI 52-110. Each member of the Committee shall be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement.

The Committee members shall be appointed by the Board annually and the Board may at any time remove or replace any member of the Committee and may fill any vacancy with another Board member, as required.

The Board shall appoint the Chair from among the Committee members, preferably possessing a recognized professional accounting designation. If the Chair is not present at any meeting of the Committee, one of the other Committee members present at the meeting shall be chosen by the Committee to preside as the chairperson at the meeting.

Attendance by invitation at all of or a portion of Committee meetings is determined by the CEO or the Chair and would normally include the CEO and CFO of Company, representatives of the external auditors and such other officers or support staff as may be deemed appropriate.

The Committee shall meet a least quarterly.

A majority of members shall constitute a quorum for meetings of the Committee, present in person or via telephone or via other telecommunication device that permits all persons participating in the meeting to speak and hear one another.

The Committee shall fix its own procedures for meetings, keep records of its proceedings, and report to the Board routinely. These procedures will include delivery of notices, agendas, minutes and supporting materials to the Committee members at least (5) days prior to the meeting except in unusual circumstances.

The Committee may engage independent counsel and other advisors as may be deemed or considered necessary and determine the fees of such counsel and advisors.

The Committee shall hold regular in-camera sessions at each meeting, during which the members of the Committee shall meet in the absence of management.

The Committee may act by unanimous written consent of its members. A resolution approved in writing by the members of the Committee shall be valid and effective as if it had been passed at a duly called meeting.

No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present, or by a unanimous written consent.

Members shall be provided with a minimum of 48 hours' notice of meetings. The notice period may be waived by all members of the Committee.

3. Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

(a) *Documents/Reports Review*

(i) Review this Charter annually, and recommend to the Board any necessary amendments;

(ii) Review and recommend to the Board for approval the audited annual financial statements, with the report of the external auditor, and corresponding management's discussion and analysis prior to public dissemination and filing with securities regulatory authorities;

(iii) Review and approve, or recommend to the Board for approval, the quarterly financial statements of the Company and corresponding management's discussion and analysis prior to public dissemination and filing with securities regulatory authorities;

(iv) Review any other financial disclosure documents that contain material financial information about the Company requiring approval by the Board prior to public dissemination and/or filing with any governmental and/or regulatory authority, including, but not limited to press releases, annual reports, annual information forms, and prospectuses, offering memorandum, or registration statements;

(v) Review the Company's disclosure in the Management Information Circular and proxy materials including the Committee's composition and responsibilities and how they are discharged; and

(vi) Review and recommend any changes to the Company's Disclosure Policy.

(b) *External Auditors*

"External auditor" as used here shall mean any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. Each such external auditor shall report directly to the Committee. With respect to the external auditor, the Committee shall:

(i) Review annually the performance of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Company;

(ii) Review annually management's recommendations for the appointment or reappointment of the external auditor, the terms of the external auditors engagement, the appropriateness and reasonableness of the proposed audit fees and any unpaid fees;

(iii) Recommend to the Board the appointment, retention and replacement of the external auditors nominated annually for shareholder approval;

(iv) Where there is to be a change in the external auditor, review all issues related to the change, the planned steps for an orderly transition and present the Audit Committee's recommendation to the Board for approval;

(v) Review with management and the external auditors the audit plan for the year-end financial statements and execute the annual engagement letter with the external auditor and ensure there is a clear understanding between the Board, the Committee, the external auditor and management that the external auditor reported to shareholders and Board through the Committee. The terms of the annual audit plan should include, but not be limited to, the following:

- staffing
- objective and scope of the external audit work
- materiality limits
- audit and review reports required,
- areas of audit risk
- timetable and proposed fees;

(vi) Make recommendations to the Board with respect to the compensation of the external auditor, assess whether fees and any other compensation to be paid to the external auditor for audit or non-audit services are appropriate to enable an audit to be conducted and to maintain the independence of the external auditor;

(vii) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto and any non-audit services provided by the Company's external auditors. The pre-approval of non-audit services may be delegated to one or more Committee members so long as any such pre-approval decisions are presented to the full Committee at the next scheduled meeting;

(viii) At least annually, and before the auditors issue their report on the annual financial statements, the Committee shall obtain from the auditors a formal written statement describing all relationships between the auditors and the Company; discuss with the auditors any disclosed relationships or services that may affect the objectivity and independence of the auditors; and obtain written confirmation from the auditors that they are objective and independent within the meaning of the applicable Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of chartered accountants to which the auditors belong and other applicable requirements including being in good standing. The Committee shall take appropriate action to oversee the independence of the auditors and regarding audit partner rotation;

(ix) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;

(x) Take, or recommend that the full Board take, appropriate action to oversee the independence of the external auditors;

(xi) Oversee the work of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting;

(xii) Review with the external auditor the results of the annual audit and if applicable interim audits, including but not limited to the following:

- any difficulties encountered, or restrictions imposed by management, during the annual audit;
- any significant accounting or financial reporting issue;
- the auditor’s evaluation of Company’s internal controls over financial reporting and management evaluation thereon, including internal control deficiencies identified by the auditor contained in the management letter that have not been previously reported to the Audit Committee;
- the auditor’s evaluation of the selection and application of accounting principles and estimates and the presentation of disclosures;
- the post-audit or management letter or other material written communication contain any finding or recommendation of the external auditor including management response thereto and the subsequent follow up to any identified internal accounting control weaknesses; and
- any other matters which the external auditor should bring to the attention of the Committee;

(xiii) At each year-end audit meeting, consult with the external auditors, without the presence of management, about the quality of the Company’s accounting principles, internal controls and the completeness and accuracy of the Company’s financial statements;

(xiv) Review and approve the Company’s hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company; and

(xv) Review with management and the external auditor any correspondence with securities regulators or other regulatory or government agencies which raise material issues regarding the Company's financial reporting or accounting policies.

(c) *Financial Reporting Processes*

(i) In consultation with the external auditors, review with management the integrity (quality and acceptability) of the Company's financial reporting process, both internal and external; Such integrity assessment should encompass judgements about the appropriateness, aggressiveness or conservatism of estimates and elective accounting principles or methods and judgements about the clarity of disclosures;

(ii) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;

(iii) Review any new or pending developments in accounting and reporting standards that may affect the Company, consider the appropriateness of accounting policies and financial reporting practices including alternative treatments that are available for consideration and proposed changes and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management;

(iv) Review key estimates and significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments;

(v) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;

(vi) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements. Where there are significant unsettled issues, the Committee shall ensure that there is an agreed course of action for the resolution of such matters;

(vii) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;

(viii) Review certification process;

(ix) Establish "whistleblower" procedures for (a) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters. Any such complaints or concerns that are received shall be reviewed by the Committee and, if the Committee determines that the matter requires further investigation, it will direct the Chair of the Committee to engage outside advisors, as necessary or appropriate, to investigate the matter and will work with management and the general counsel to reach a satisfactory conclusion. Such procedures shall be reviewed annually by the Committee and any suggested changes shall be submitted to the Board for its approval;

(x) Review any related-party transactions;

(xi) Review with management on at least an annual basis, any material obligations that have been entered into including any off-balance sheet transactions, any litigation, claim or other contingency including tax assessments that could have a material effect upon the financial position or operating results or any compliance requirements and the manner in which they should be disclosed; and

(xii) Review appointment of the Chief Financial Officer and any key financial officers involved in the financial reporting process.

(d) *Internal Controls and Internal Audit*

(i) Review on a periodic basis the need for an internal audit function and assess the control systems in place that mitigate the need for an internal audit function;

(ii) Obtain reasonable assurance, by discussions with and reports from management and the external auditor that the accounting systems are reliable, the system and security for preparation of financial data reported is adequate and effective and that the system of internal controls over financial reporting is effectively designed and implemented;

(iii) Discuss and review with management, the policies and procedures designed to prevent, identify and detect fraud;

(iv) Receive reports from management on all significant internal control deficiencies and material weaknesses related to financial reporting as identified by management;

(v) Assess cybersecurity and address weaknesses and exposures; and

(vi) Review annually the approval policies and practices concerning the expenses of the Board.

(e) *Ethical and Legal Compliance and Risk Management*

(i) Review the integrity of the CEO and other senior management and that the CEO and other senior management strive to create a culture of integrity throughout the Company;

(ii) Review the adequacy, appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to insurance, accounting, information services and systems, financial controls and management reporting;

(iii) In conjunction with any other committee designated by the Board from time to time, review major financial, audit and accounting related risks and the policies, guidelines and mechanisms that management has put in place to govern the process of monitoring, controlling and reporting such risks;

(iv) Review and determine the disposition of any complaints received from any regulatory body; and

(v) Annually review with management, adequacy of insurance coverage including renewal, reasons for change or proposed change in insurance brokers, a list of significant business risks to the Company that are not or cannot be insured, such list will include a description of the risk, together with procedures or policies in place to manage the risk.

(f) *Anti-Bribery and Anti-Corruption*

(i) Review the principal anti-bribery and anti-corruption risks in the Company's business activities and provide oversight of appropriate systems to manage such risk as applicable to the Company;

(ii) Review and monitor the anti- bribery and anti-corruption policies and activities of the Company on behalf of the Board to ensure compliance with applicable laws, legislation and policies as they relate to anti- corruption and anti-bribery issues; and

(iii) In the event of the occurrence of a corruption or bribery incident, receive and review, without delay, a report from management detailing the nature of the incident. Such report is to be made to the Committee in its entirety, and the Committee will immediately inform the Board at large, which will review the incident and to determine the Company's disclosure obligations if any.

4. Authority

The Committee:

(a) Has the authority to communicate directly with officers and employees of the Company, its auditors, legal counsel and to such information respecting the Company as it considers necessary or advisable in order to perform its duties and responsibilities. This extends to the requiring the external auditor to report directly to the Committee;

(b) Has the authority to engage independent counsel and other advisors as it deems necessary to carry out its duties and the Committee will set the compensation for such advisors; and

(c) Shall be provided appropriate funding from the Company, as determined by the Committee, for payment of compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit review or attest services for the Company, to any advisors employed by the Committee, and for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee shall also have such other powers and duties as delegated to it by the Board.

5. Accountability

The Committee Chair has the responsibility to report to the Board, as requested, on accounting and financial matters relative to the Company.

The Committee shall report its discussions to the Board by maintaining minutes of its meetings and providing an oral report at the next Board meeting.

The Committee shall review this Charter at least annually and recommend any proposed changes to the Board for approval.

The Committee shall conduct an annual evaluation of the performance of its duties under this Charter and shall present the results of the evaluation to the Board. The Committee shall conduct this evaluation in such manner as it deems appropriate.