

EverGen Infrastructure Reports Q4 & Year End 2022 Results and Provides Quarterly Update

Q4 2022 Key Milestones Achieved & Highlights:

- Executed definitive agreement for \$31 Million senior term loan facility with Roynat Capital (“Roynat”) and Export Development Canada (“EDC”) providing funding for EverGen's core expansion projects and de-risks near-term growth.
- Sea to Sky Soils executed multiple organic waste processing contracts, which provides for over 10,000 tonnes per year.
- Completed commissioning of Phase I of GrowTEC RNG expansion
- FVB RNG Expansion Project ~60% complete
- Settled certain flood-related insurance claims and subsequently received \$1.6 million of proceeds.

VANCOUVER, British Columbia--(BUSINESS WIRE)--April 12, 2023--EverGen Infrastructure Corp. (“EverGen” or the “Company”) (TSXV: EVGN) (OTCQX: EVGIF), today reported audited financial results as at and for the fourth quarter and year ended December 31, 2022, and filed its Annual Information Form. All amounts are in Canadian dollars unless otherwise stated and have been prepared in accordance with IFRS.

Financial Highlights

- **Cash and cash equivalents of \$8.9 million** as at December 31, 2022, compared to \$19.6 million as at December 31, 2021, decreased due to \$11.0 million of investments made into our expansion and development projects. The remaining cash and cash equivalents, combined with the \$31 million term loan facility and expected future operating cash flows, fully funds EverGen’s core RNG expansion projects.
- **Revenues of \$1.7 million and \$7.5 million** for Q4 and fiscal year 2022, respectively, decreased from \$2.7 million and \$9.6 million in Q4 and fiscal year 2021, relative to the fourth quarter of 2021 when there were increased volumes of organic waste at both of EverGen’s organic waste and composting facilities as a result of post-flood processing.
- **Net loss of \$1.5 million and \$4.1 million** for Q4 and fiscal year 2022, respectively, increased from \$1.1 million and \$2.0 million in Q4 and fiscal year 2021. The increases are mainly due to a decrease in revenues, as described above, an increase in non-recurring flood-related direct operating costs and the absence of a contingent consideration gain, partially offset by a decrease in general and administrative expenses and the recognition of insurance proceeds.
- **Adjusted EBITDA of \$0.3 million and \$2.0 million** for Q4 and fiscal year 2022, respectively. Adjusted EBITDA for Q4 2022 increased, compared to \$nil in Q4 2021, primarily due to insurance proceeds recognized from previously incurred flood-related costs and a decrease in direct operating and general and administrative costs, partially offset by a decrease in revenue, as described above. Adjusted EBITDA for fiscal year

2022 decreased, compared to \$2.8 million in fiscal year 2021, primarily due to a decrease in revenues, as described above, and an increase in non-recurring flood-related direct operating costs partially offset by a decrease in general and administrative costs and insurance proceeds recognized.

"It is an exciting time for EverGen as 2022 set a strong foundation for the company's success in 2023. We are pleased with the milestones we have achieved at our core RNG expansion projects, including execution of construction at our recently acquired GrowTEC facility, and progress across our BC portfolio including construction at FVB and securing of additional feedstock contracts at Sea to Sky Soils." said Chase Edgelow, CEO. "Additionally, the company's \$31 million Senior Term Loan with Roynat and EDC de-risks and fully funds the growth of our core expansion projects and positions EverGen for a strong 2023."

Company Operational Highlights for Q4 2022

GrowTEC

In July 2022, EverGen completed the acquisition of a 67% interest in GrowTEC and subsequently entered into construction on the first phase of a core RNG expansion project in Alberta designed to produce ~80,000 gigajoules of RNG per year. Construction and commissioning on this project was completed by EverGen in Q1 2023. Following the production of RNG into FortisBC's network, which is expected during Q2 2023, the facility will then move into the second phase of the project, which is expected to produce a total of ~140,000 gigajoules of RNG per year.

Fraser Valley Biogas

Construction at the Fraser Valley Biogas core RNG expansion project commenced in Q3 2022, with the initial construction focused on an additional anaerobic digester and improvements to the feedstock processing system, followed by replacement of the RNG upgrader in order to double the expected production capacity of the facility to ~160,000 gigajoules of RNG per year. As at December 31, 2022, EverGen has invested approximately \$3 million into this project. Completion is scheduled for Q2 2023 for a total anticipated cost of \$11-\$12 million. Upon completion, EverGen will assess the need for investment into additional digestate storage for an anticipated cost of \$2-\$3 million, which if required would be constructed during 2024.

Financing

In January 2023, EverGen announced that it had signed a definitive agreement with its existing lender, Roynat and EDC for a \$31 million syndicated senior term loan (the "Facility"). Roynat and EDC are each providing for 50% of the proceeds from the Facility. The Facility will be used to support the upgrade and construction of EverGen's RNG facilities and provides for \$15 million for refinancing of existing debt and construction at Fraser Valley Biogas and \$16 million at Pacific Coast Renewables.

Insurance

In December 2022, EverGen was successful in settling certain outstanding insurance claims relating to the flooding events in the Abbotsford and Sumas Prairie regions in late-2021. As at December 31, 2022, EverGen had \$1.8 million of insurance proceeds recorded in accounts receivable, of which \$1.5 million was received during the first quarter of 2023.

Financial and Operational Summary

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

In thousands of Canadian Dollars	Three months ended		Year ended	
	Dec 31, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021
FINANCIAL				
Revenue	1,716	2,693	7,459	9,564
Net loss	(1,526)	(1,113)	(4,110)	(1,953)
Net loss per share (\$), basic and diluted	(0.11)	(0.08)	(0.30)	(0.18)
EBITDA ⁽¹⁾	(914)	(512)	(1,067)	836
Adjusted EBITDA ⁽¹⁾	274	(18)	1,986	2,839
Capital expenditures ⁽²⁾	3,723	1,004	10,973	12,234
Total assets	85,956	80,610	85,956	80,610
Total long-term liabilities	17,463	14,764	17,463	14,764
Cash and cash equivalents	8,852	19,597	8,852	19,597
Working capital surplus ⁽¹⁾	6,125	20,545	6,125	20,545
OPERATING				
Incoming organic feedstock (tonnes)	16,972	26,110	76,730	94,206
Organic compost and soil sales (yards)	6,575	5,119	33,972	61,790
RNG (gigajoules) ⁽³⁾	10,847	12,682	51,848	55,380
Electricity (MWh)	572	-	1,270	-

⁽¹⁾ Please refer to "Non-IFRS Measures".

⁽²⁾ Capital expenditures for the year ended December 31, 2022, includes a \$2,054 investment in GrowTEC and \$1,250 investment in an equity-accounted investment (Project Radius).

⁽³⁾ RNG production was reduced as a result of the flooding events that occurred in Q4 2021. Pro-forma RNG volumes, taking into account insurance proceeds received from lost revenue at Fraser Valley Biogas, was 86,285 gigajoules for the year ended December 31, 2022.

For further information on the results, as well as the Company's Annual information Form dated April 12, 2023, please see the Company's Audited Consolidated Financial Statements and Management's Discussion and Analysis filed on SEDAR at www.sedar.com and on EverGen's website at www.evergeninfra.com.

EverGen will hold a results and corporate update conference call at 12:30 p.m. eastern time on Thursday, April 13 2023, hosted by Chief Executive Officer, Chase Edgelow.

Conference call details are as follows:

Date: Thursday, April 13, 2023

Time: 12:30 pm ET

Zoom Link: https://us02web.zoom.us/webinar/register/WN_q8Nzh7D0RPWnZhpg3Zek9w

Find the latest Corporate Presentation in the Investor Center:

<https://www.evergeninfra.com/investor-center>

About EverGen Infrastructure Corp.

EverGen, Canada's Renewable Natural Gas Infrastructure Platform, is combating climate change and helping communities contribute to a sustainable future. Headquartered on the West Coast of Canada, EverGen is an established independent renewable energy producer which acquires, develops, builds, owns and operates a portfolio of Renewable Natural Gas, waste to energy, and related infrastructure projects. EverGen is focused on Canada, with continued growth expected across other regions in North America and beyond.

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

Non-IFRS Measures

EverGen uses certain financial measures referred to in this press release to quantify its results that are not prescribed by IFRS. The terms EBITDA, adjusted EBITDA and working capital are not recognized measures under IFRS and may not be comparable to that reported by other companies. EverGen believes that, in addition to measures prepared in accordance with IFRS, the non-IFRS measurement provide useful information to evaluate the Company's performance and ability to generate cash, profitability and meet financial commitments. These non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for other measures of performance prepared in accordance with IFRS. EBITDA is defined as net income (loss) before interest, tax and depreciation and amortization. Adjusted EBITDA is EBITDA adjusted for share-based payment expenses, unusual or non-recurring items and non-controlling interests in adjusted EBITDA. Working capital is calculated as current assets less current liabilities.

Forward-Looking Information

This news release contains forward-looking statements and/or forward-looking information (collectively, "forward looking statements") within the meaning of applicable securities laws. When used in this release, such words as "would", "will", "anticipates", "believes", "explores", "expects" and similar expressions, as they relate to EverGen, or its management, are intended to identify such forward-looking statements. Such forward-looking statements reflect the current views of EverGen with respect to future events, and are subject to certain risks, uncertainties and assumptions. Many factors could cause EverGen's actual results, performance or achievements to be materially different from any expected future results, performance or achievement that may be expressed or implied by such forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what benefits EverGen will derive therefrom. These forward-looking statements are subject to numerous risks and uncertainties, including but not limited to: the impact of general economic conditions in Canada, including the current inflationary environment ; industry conditions including changes in laws and regulations and/or adoption of new

environmental laws and regulations and changes in how they are interpreted and enforced, in Canada; volatility of prices for energy commodities; change in demand for clean energy to be offered by EverGen; competition; lack of availability of qualified personnel; obtaining required approvals of regulatory authorities, in Canada; ability to access sufficient capital from internal and external sources; optimization and expansion of organic waste processing facilities and RNG feedstock; the realization of cost savings through synergies and efficiencies expected to be realized from the Company's completed acquisitions; the sufficiency of EverGen's liquidity to fund operations and to comply with covenants under its credit facility; continued growth through strategic acquisitions and consolidation opportunities; continued growth of the feedstock opportunity from municipal and commercial sources, and the factors discussed under "Risk Factors" in the Company's Annual Information Form dated April [xx], 2023, many of which are beyond the control of EverGen. Forward-looking statements included in this news release should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such forward looking statements. The forward-looking statements contained in this release are made as of the date of this release, and except as may be expressly required by law, EverGen disclaims any intent, obligation or undertaking to publicly release any updates or revisions to any forward-looking statements contained herein whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws. This news release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction.

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