



*Bridging differences in sustainability*

# **EARTHWORKS INDUSTRIES INC. Environmental/Material Management**

## **Corporate Presentation Q2 2021**

## **FORWARD LOOKING STATEMENT**

Certain statements in this disclosure may constitute “forward-looking” statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

When used in this disclosure, such statements use such words as “may”, “would”, “could”, “will”, “intend”, “expect”, “believe”, “plan”, “anticipate”, “estimate”, and other similar terminology. These statements reflect the Corporation’s current expectations regarding future events and operating performance and speak only as of the date of this disclosure. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed below.

For example, disclosures may contain forward-looking statements pertaining to the following subject matter: capital expenditure programs; supply and demand for the Corporation’s products and services and industry activity levels; commodity prices; income tax considerations; and, treatments under governmental regulatory regimes.

No securities commission or other similar regulatory authority has passed on the merits of the securities described herein. Nor has any securities commission or similar regulatory authority reviewed this presentation and any representation to the contrary is an offense.

All dollar figures are in American currency unless otherwise stated.

# About Us

- Earthworks is a Canadian publicly traded company on the TSX Venture Exchange under the Symbol “EWK”.
- The company’s primary development project is managed through its wholly owned U.S. subsidiary, Cortina Integrated Waste Management, Inc. ("CIWM") which is led by experienced industry executives.
- Management maintains a strong working relationships with regional waste management companies in California.

# Meeting the Growing Demands

**Changes in recycling regulations and the plummeting scrap value of recyclables have significantly changed the waste industry and in conjunction with recent fires in Western United States have created a surge in debris reducing the lifetime of existing landfills.<sup>1</sup> Materials once destined for overseas processing are now being landfilled. This change has increased disposal demand and decreased the operational life of existing landfill sites.**

- The last landfill opened in California was in 2001, the Cortina site will be the first in almost 20 years.<sup>2</sup>
- California landfill waste has grown by 5.22% annually since 2012.<sup>3</sup>
- There are only 176 operational landfills in California with 35 of those scheduled to be closed by 2030.<sup>2</sup>

“Today, 21 of the state's 58 counties, having 41 percent of the population, will exhaust their disposal capacity within 15 years. Of these, 17 have 8 years or less capacity.”

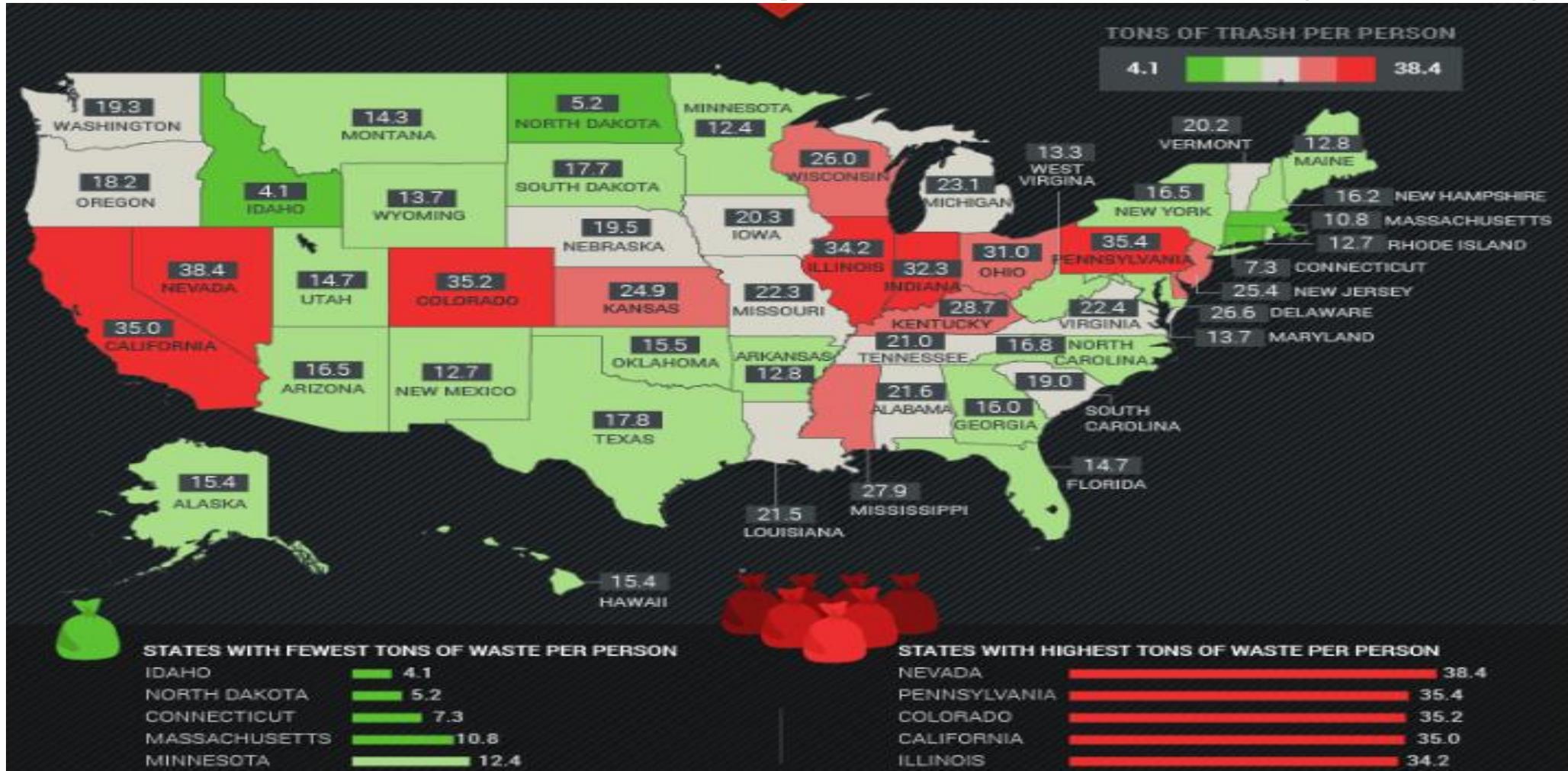
-California Department of Resources Recycling and Recovery (2018)<sup>3</sup>

[1] <https://www.redding.com>

[2] [//www.epa.gov](https://www.epa.gov)

[3] <https://www2.calrecycle.ca.gov>

# California has fourth highest in Waste per Capita



Sourced: <https://www.saveonenergy.com/land-of-waste/>

# CORTINA

will set the standard for future landfill development

The site of Earthworks' wholly owned California Subsidiary, Cortina Integrated Waste Management Inc., has unique advantages such as:

1. Located in the Sacramento valley, 60 miles from Sacramento and 85 miles from San Francisco/Oakland.
2. Leased Site: 443 acres.
3. Disposal Site: 200 acres
4. Current Disposal Capacity : 16 million cubic yards
5. Initial Disposal Rate : 600 Ton Per Day (TPD)
6. Current Disposal Permit cap: 1500 TPD
7. Current Lease to 2032 with extension to 2057.



# Federal Approval Process

Working with Federal, Tribal, State and County agencies, Cortina will be the culmination of more than a decade of regulatory, legal and environmental precedent. It will serve as a model facility, under Tribal and Federal regulations. Lease approved by the United States Department of the Interior/Bureau of Indian Affairs for: solid waste landfill, composting facility, material recovery facility and bio-remediation.

- **UNITED STATES DEPARTMENT OF THE INTERIOR / BUREAU OF INDIAN AFFAIRS**

- **UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**

- **UNITED STATES ARMY CORPS OF ENGINEERS**



# Community Benefits

- Jobs created in county to stimulate economy including infrastructure improvements and waste benefit.
- Enrich local tribe and the community with direct benefits and job creation.
- Will showcase the community as a leader in waste management and processing.
- Plans to establish a fund which will communicate and coordinate with environmental charities.

# Earthworks Management and Board

## **David Atkinson, Director/President/ CEO (Member of Audit Committee, Director of Cortina)**

- David founded Earthworks and is responsible for the financial and strategic planning requirements of both Earthworks and its wholly owned U.S. subsidiary, Cortina Integrated Waste Management, Inc. Mr. Atkinson was instrumental in the successful negotiation of a 25-year lease, renewable for 25 years, for the Cortina Project and he has spent several years working within the regulatory framework for development of the First Nations in North America and has a wealth of experience in that regard.

## **David Russell, Director/ CFO**

- David Russell is a graduate of Queen's University school of Business and has been involved in business consulting, accounting and management for 40 years. Mr. Russell has been responsible for the accounting and reporting functions for Earthworks since 2010 and has been its Chief Financial Officer for over 6 years. Mr. Russell continues as CFO of Earthworks.

## **David F. Andrews, Director (Chairman of Audit Committee, Director of Cortina)**

- David is a graduate of the University of Edinburgh and he has been a professional engineer for 40 years. Mr. Andrews initially practiced in the field of marine, coastal and offshore engineering and for the past 15 years he has been involved in the private hydro-electric energy industry in B.C. as a founder of Cloudworks Energy Inc., an independent power developer and is now a principal of Clean Balance Energy.

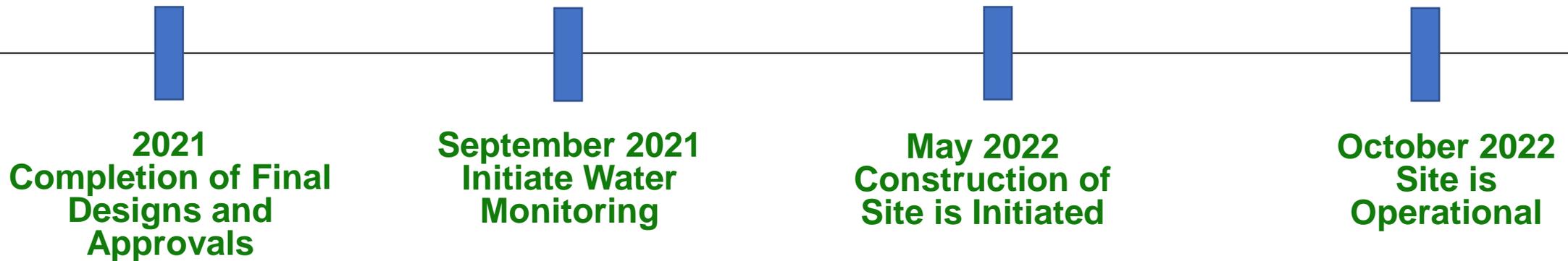
## **Calvin Woroniak, Director (Member of Audit committee)**

- Calvin sits as an independent director and member of the audit committee. Mr. Woroniak brings with him 33 years of entrepreneurship and independent business experience including organic farming, construction/real estate and retail. Mr. Woroniak has owned, operated and managed large farming operations in western Canada. The latest, Freedom Farm Ltd., is an organic farming operation located in the Comox Valley on Vancouver Island. The farm was sold in 2014, however he continued to manage the operation until May of 2018. Along with the practical experience, he has completed an Agricultural Business Management course.

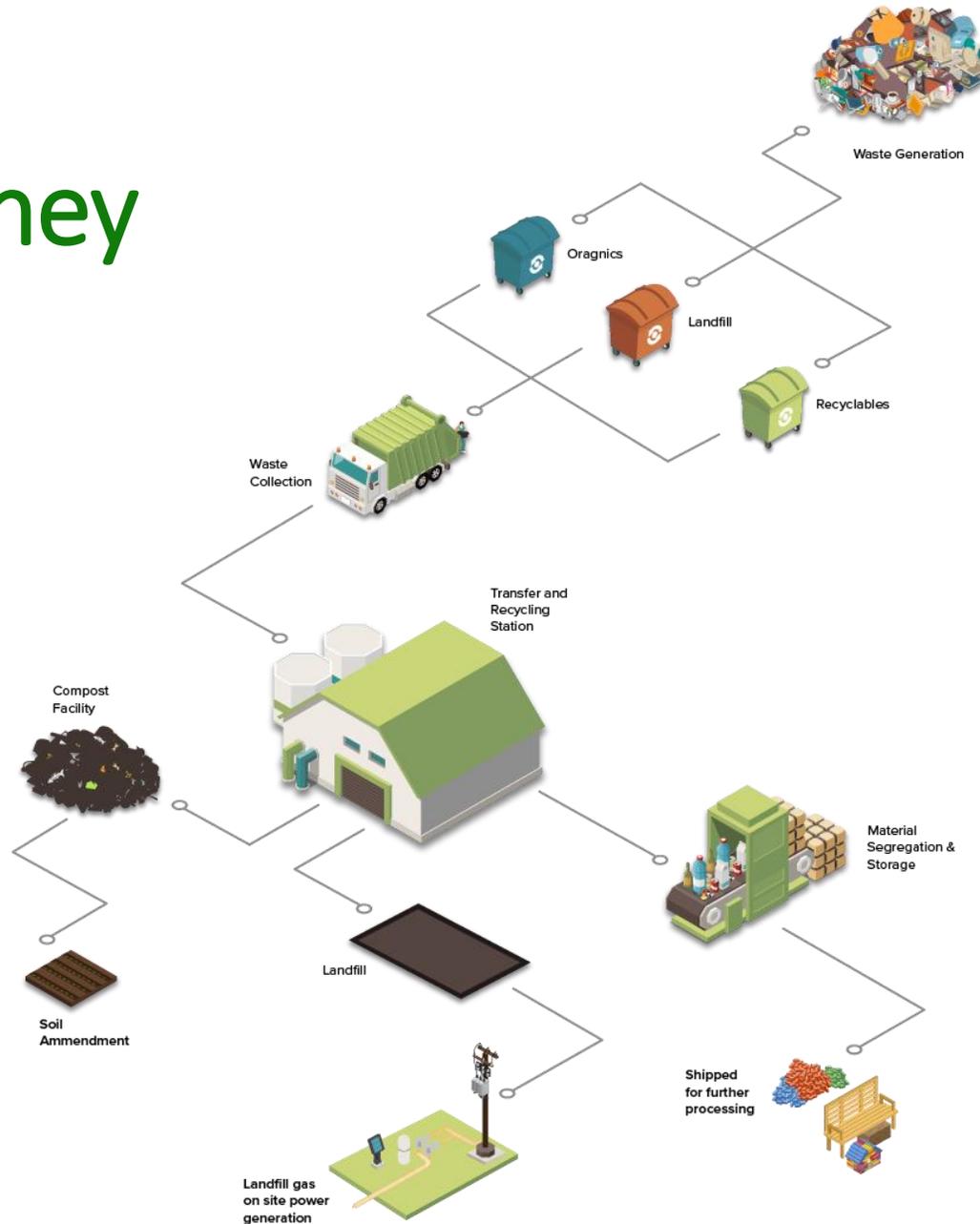
## **Richard Powell, Director (Cortina Project Manager, Director of Cortina)**

- Richard (Rick) Powell joins Earthworks Board with 30 years experience in all aspects of management and operations of a municipal waste management company. Rick has held General Manager positions with California companies Mill Valley Refuse, Stockton Recycling, Eel River Disposal and currently The Ratto Group. Rick has permitted, designed, built and run day to day operations of multiple transfer, C&D and recycling processing facilities.

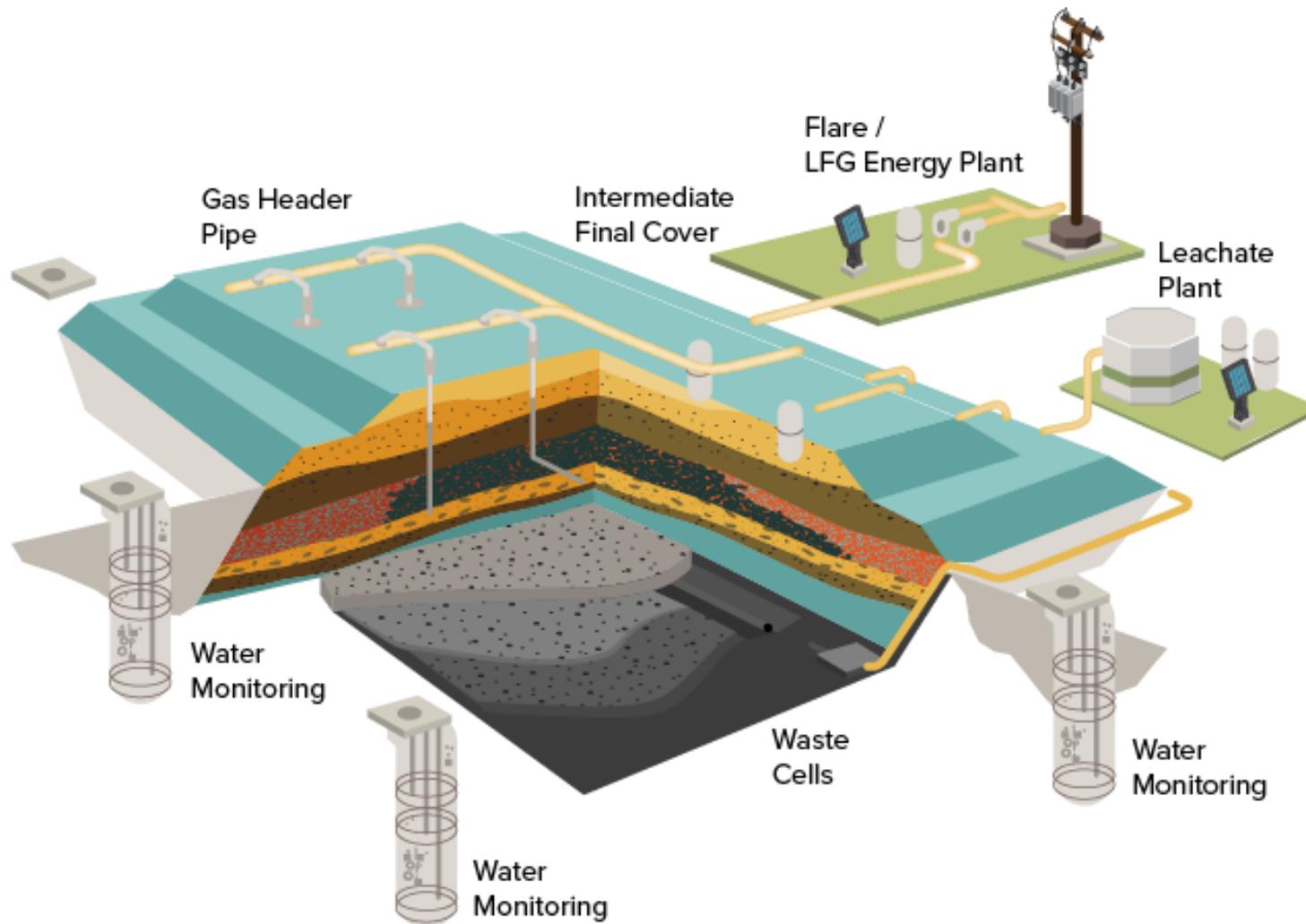
# Target Operational and Financial Milestones



# Waste Journey



# Landfill Infrastructure



# Initial Development / Operations

Cortina plans to start by accepting 600 TPD of solid waste material to the landfill to build up to the current permit limit of 1500 TPD.

Cortina will also build incremental revenue through other operations related to :

- Compost
- Organic waste treatment
- Material recovery
- Onsite gas production

These operations will generate additional revenue and preserve disposal capacity. A material recovery operation will be added as onsite activities expand.

# Summary

- Cortina has been in development for over a decade with an investment approaching \$25 million.
- Additional Capex to operational site: approximately \$20 million in a project financing.
- Site could be operational and cash flow positive within 18 – 24 months after complying with all regulatory requirements.
- Strong direct market growth, high barriers to entry and an experienced management team to execute, Earthworks is an opportunity to invest into a waste handling company at a significant inflection point in its development.

Project compliant with federal, tribal and state under current applicable regulations

## Share Structure

Ticker: EWK-TSX.V

52 Week High/Low

\$0.38 / \$0.045

Shares Issued & Outstanding

86,790,832

Options

6.80M \$0.10

Warrants

3,494,500 \$0.30

Total Shares Fully Diluted

94.6M

Market Capitalization (Cdn \$)

\$23.6

Insider Ownership (fully diluted)

20%

2020 return (1 year)

200%

2020

## Contact Information

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