



Recycling that Fuels the Energy Transition

Corporate Presentation: October 31, 2024

**Our Goal: 21 / 6**

Eliminating half a million tonnes  
of greenhouse gases within 6 years.



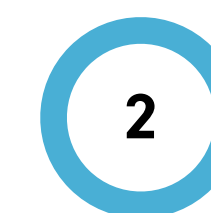
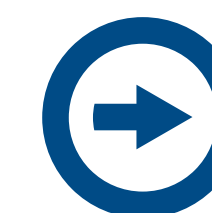


# Notice to Reader

► All figures presented in US Dollars unless otherwise denoted.

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# Ready to Deploy

**Recycling used motor oil to reduce greenhouse gases while producing a lower carbon-intensive marine fuel**



**Tremendous Global Opportunity:** Targeting the growing 17 billion litres of Used Motor Oil (UMO) that is currently not recycled but is burnt or dumped.



**Targeting North America:** 1.7 billion litres of collected UMO is being burnt in the US.



**Localized Solution:** Smaller footprint and lower CAPEX (~5%) enables regional recycling of the disseminated problem to “bring the solution to the problem”.



**Proven and Validated:** 1.6 million litres processed with patented technology and 1.2 million litres sold to provide market validation.



**Marine Fuel Market:** Substantive and growing market with increasingly stringent fuel requirements. Our fuel is 8-14% less carbon intensive and a low sulphur content.



**Compelling Solution:** Addresses significant environmental issues while delivering strong economic returns (IRR: 51%) and reducing GHG emissions (est. 16,000 tonnes/recycling plant).



**Delivering:** Near-term growth catalysts with a focused and robust deployment plan.





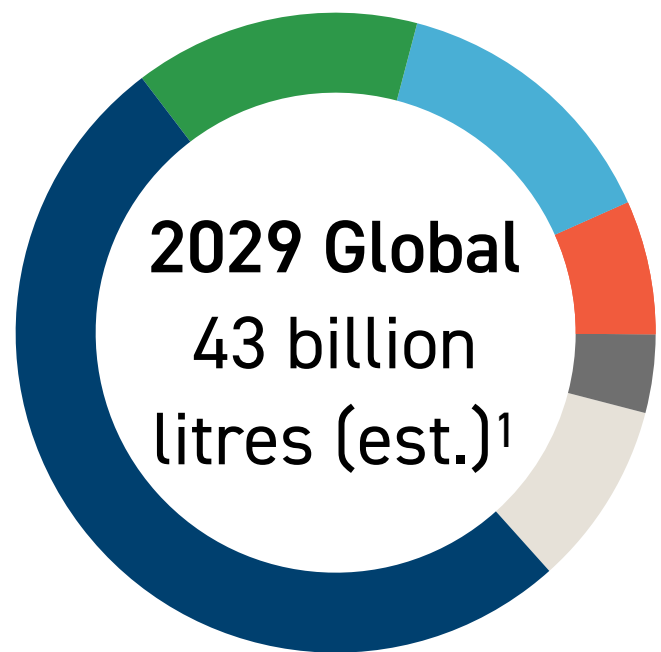
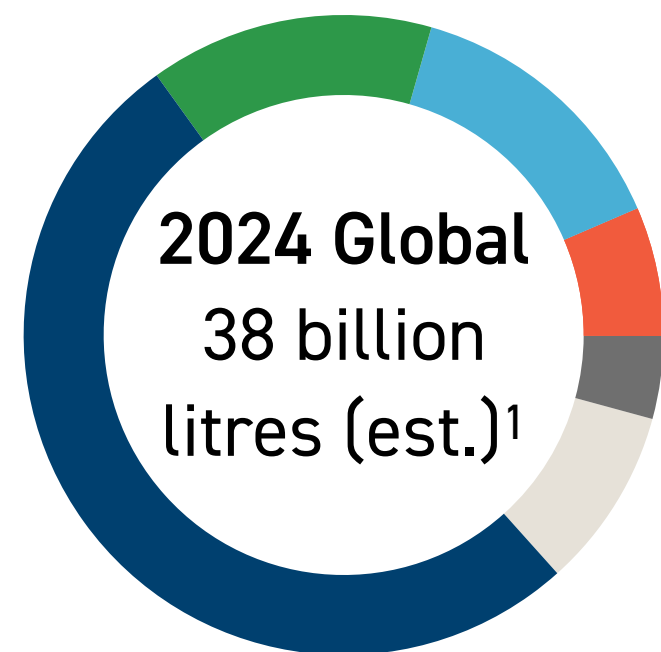


# Tremendous Global Opportunity

Used Motor Oil (UMO) is a waste product generated by the global lubricants market.

## Global Lubricants Market

Forecasted to continue to grow.



- Engine Oil
- Transmission & Gear Oils
- Metalworking Fluids
- Hydraulic Fluids
- Greases
- Other Product Types

## Estimated Global UMO

30-44% of lubricants will be “lost-in-use”.

UMO is petroleum-based or synthetic lubricating oil that cannot be used for its original purpose due to contamination and is a globally disseminated problem.

2024 Global UMO  
24 billion litres (est.)<sup>2</sup>

2029 Global UMO  
27 billion litres (est.)<sup>2</sup>

## Where Does it Go?

Most preferred option



**Recycled:** UMO doesn't wear out - it just gets contaminated and can be recycled into re-refined lubricants or other petroleum products.<sup>3</sup>

Improper handling and burning raises environmental and health concerns due to release of hazardous emissions.<sup>3</sup>



**Burnt:** UMO includes additives, metals, and various other compounds, which are combusted and released into the air.<sup>4</sup>

2024 Global<sup>4</sup>  
17 billion litres

Least preferred option



**Dumped:** One litre can contaminate up to 1,000,000 litres of fresh water.

2029 Global<sup>4</sup>  
19 billion litres

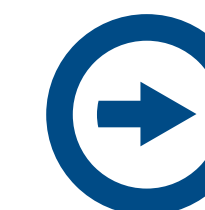
<sup>1</sup> Mordor Intelligence, Global Lubricants Market (Study Period: 2016–2029) used to forecast underlying driver of market to understand macro-trends.

<sup>2</sup> Actual loss in use numbers are difficult to quantify given a lack of quantitative data such as vehicle motor oil loss and consumption rates and variation by geographic region.

US Department of Energy (DOE) estimated 44% in its 2020 Report.

<sup>3</sup> December 2020 US DOE Report to Congress: Used Oil Management and Beneficial Reuse Options

<sup>4</sup> No aggregated dumped or burnt UMO data exists and practices are likely to vary significantly between jurisdictions. Figures provided are internal company estimates to illustrate the size of the potential issue and the tremendous opportunity that exists. Burning UMO releases more hazardous compounds than burning cleaner energy sources.





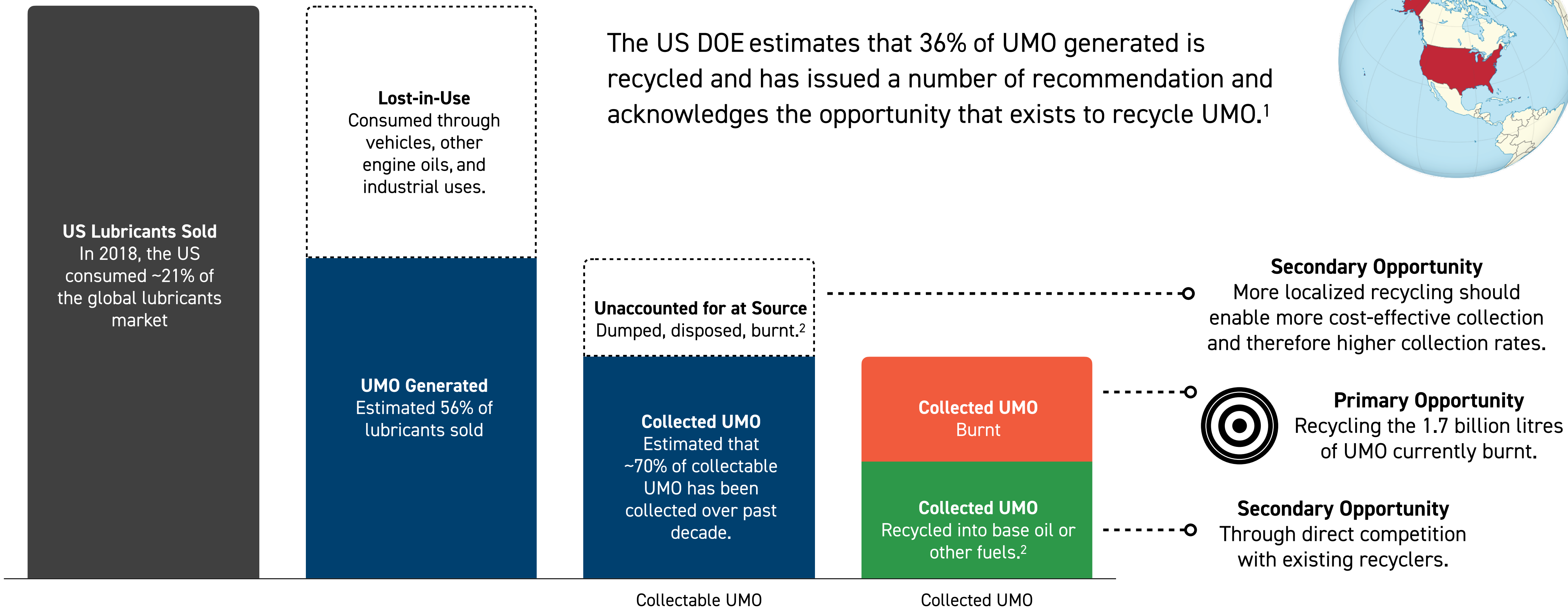


# Targeting North America

The improper disposal of UMO is a growing North American and global issue.



The US DOE estimates that 36% of UMO generated is recycled and has issued a number of recommendation and acknowledges the opportunity that exists to recycle UMO.<sup>1</sup>



<sup>1</sup> US Congress commissioned the comprehensive report, December 2020 US DOE Report: Used Oil Management and Beneficial Reuse Options which evaluated and made a number of recommendations in respect of UMO in the US.

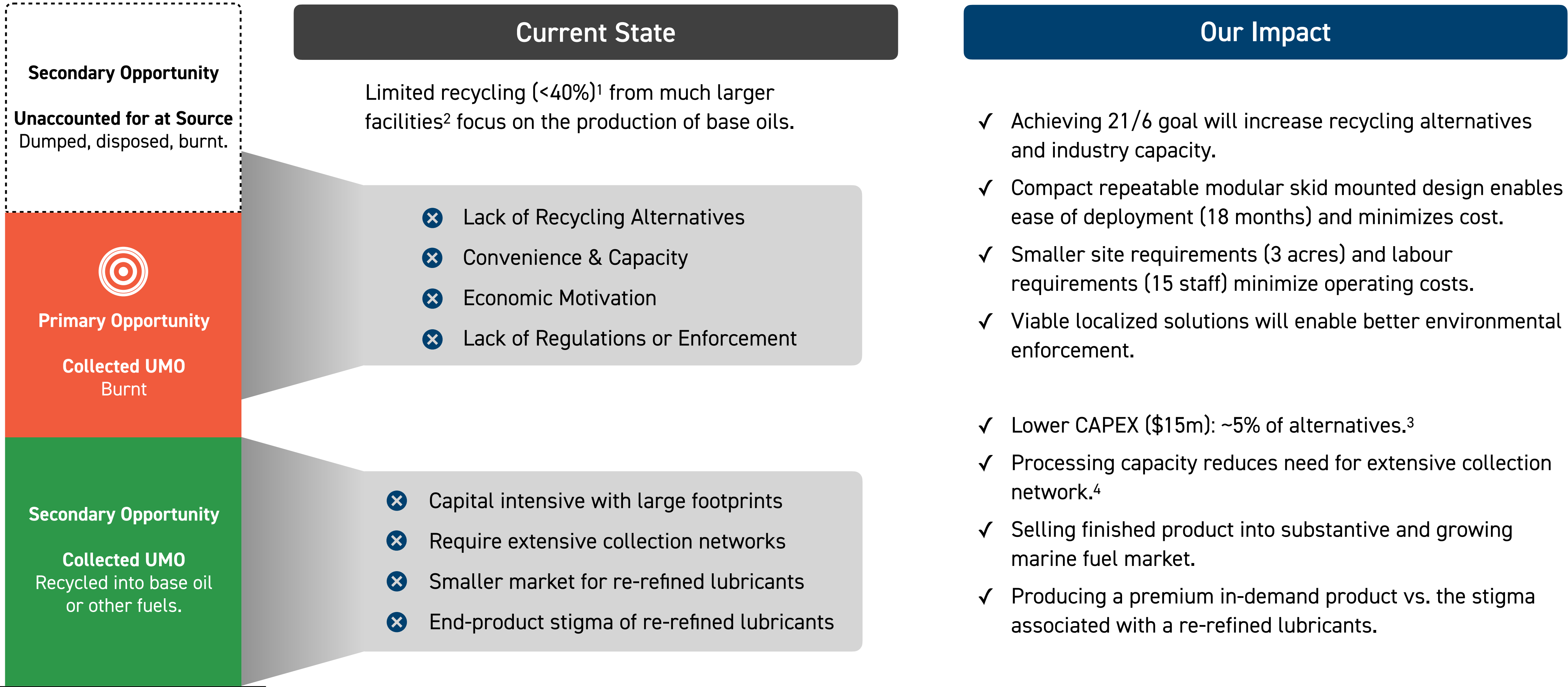
<sup>2</sup> In 2018, the DOE estimated that 18% of lubricants sold (31% of UMO) were unaccounted for at source (e.g. burned in generators, recycled onsite, or disposed of in landfills or dumped into storm sewers).





# We Bring the Solution to the Problem

While delivering a premium product with a localized solution.

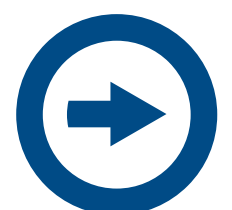


<sup>1</sup> Recycling rates vary by region and depending on loss-in-use estimates, could be as low as 20%.

<sup>2</sup> Clean Harbors, Heritage-Crystal Clean, etc. are focused on production of base oils.

<sup>3</sup> Competitor solution: \$293m per plant

<sup>4</sup> 31.5m litres/198k barrels annually







# Proven & Validated

Through UMO recycling at pilot plant and fuel sold to Maersk Shipping.

1.6m litres processed<sup>1</sup>



Manitoba Pilot Plant

**MISSION COMPLETE**

1.2m litres sold<sup>2</sup>  
 MAERSK

Drop-in fuel that blends seamlessly with existing marine fuels; requiring zero operational changes.

43% scale of full commercial plant<sup>3</sup> and exceeded expectations in terms of validating the technology, operating processes, and market demand.

## UMO Feedstock

With less contaminants than crude oil.

### Pretreat

UMO is treated and prepared for thermal cracking.

### Crack

Thermal cracking breaks the purified UMO into smaller hydrocarbon molecules.

### Distill

Distillation separates the fuel streams that meet the specifications for sale as marine grade fuel.

## Marine Fuel

With 8-14% Lower Carbon Intensity<sup>4</sup>

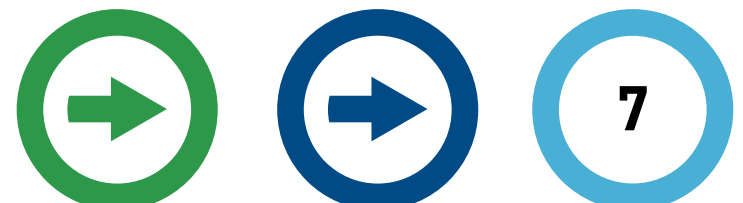
Patented UMO recycling process via a refinery, using technology and processes deployed in the petroleum industry for over a century, with 16 patents in key strategic markets around the world.

<sup>1</sup> Equivalent of 0.4m gallons/10,000 barrels

<sup>2</sup> Equivalent of 0.33m gallons/7,800 barrels; sold via Elbow River Marketing, a subsidiary of Parkland, primarily to Maersk, the world's largest container shipping company.

<sup>3</sup> Processing capacity of Manitoba Pilot Plant was 1,700L/hr, full scale commercial plant is 4,000L/hr.

<sup>4</sup> Third-party report estimates 8-14% lower carbon intensity.



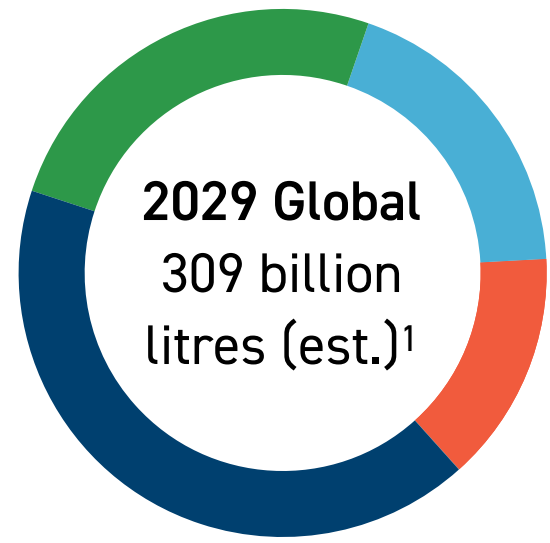
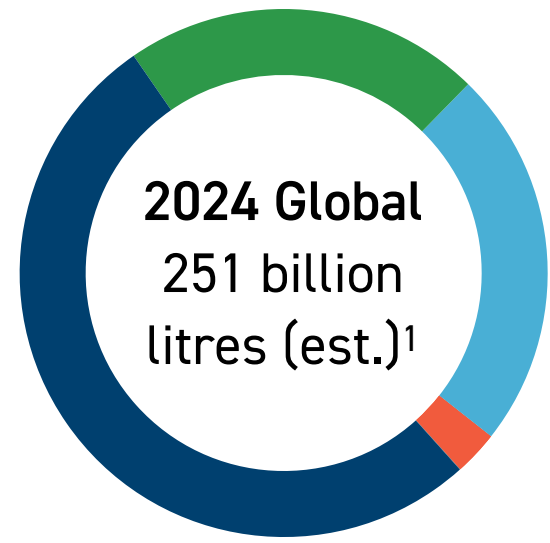




# Marine Fuel Market

Growing global demand while exceeding more stringent requirements

## Marine Fuel Market



- High Sulphur Fuel Oil (HSFO)
- Marine Gasoil (MGO)
- Other
- Very Low Sulphur Fuel Oil (VLSFO)
- Liquid Natural Gas (LNG)

### Energy Density

Marine fuels are approximately 20 times as energy dense as advanced Tesla batteries.<sup>2</sup>

### Projected Global Market Share

21/6 Goal	0.2%
48/10	0.5%
10% of UMO Market (76 plants)	0.7%

## Growing & Evolving Market

### International Maritime Organization (IMO) Looking for Cleaner Solutions.

Legislation is driving change in the industry.<sup>3</sup>

IMO mandates max. sulphur content: 0.5% (international) and 0.1%. (inter-coastal)<sup>4</sup>

IMO strategy to reduce carbon intensity.<sup>5</sup>

IMO 2030 target to reduce GHG emissions by 40%.<sup>5</sup>

## Our Solution

Our MGO and VLSFO meets and exceeds the IMO's Stringent New Requirements.

### Sulphur Content <0.1%

Exceeds ultra-low sulphur oil marine fuel standards including ISO 8217.<sup>6</sup>

### 8-14% Less Carbon Intensive

Reduces GHG emissions by 16,000 tonnes annually.

### Higher Cetane Value & Lower Ash Content

Delivers cleaner burning fuel with increased fuel economy.

<sup>1</sup> Mordor Intelligence, Global Marine (Bunker) Fuel Market (2024-2029) <sup>2</sup> <https://cleantechnica.com/2023/05/24/what-do-battery-energy-density-improvements-really-mean-for-trucks-ships-planes/> <sup>3</sup> EU Emissions Trading System set up with the aim of reducing GHG emissions within EU - starting effective April 1, 2024. <sup>4</sup> [imo.org/en/MediaCentre/PressBriefings/pages/02-IMO-2020.aspx](https://www.imo.org/en/MediaCentre/PressBriefings/pages/02-IMO-2020.aspx). <sup>5</sup> 2023 IMO Strategy on Reduction of GHG Emissions from Ships - Annex 15. <sup>6</sup> Based on third-party fuel test results. <sup>7</sup> Third-party report estimates 8-14% lower carbon intensity.







# Compelling Annual Impacts

Addressing environmental need with strong economic returns

## Initial Goal: 21/6

Eliminating half a million tonnes of GHGs within 6 years.

10% of Global UMO Market (76 plants) <sup>2</sup>

2,403m litres (15.1m barrels) UMO processed annually  
2,210m litres (13.9m barrels) of marine fuel produced annually

GHGs 1,221k Tonnes

Op. Cash Flow \$505m

EBITDA \$574m

Sales \$1,494m

48 plants/10 years<sup>1</sup>

1,391m litres (8.7m barrels) UMO processed annually  
1,280m litres (8.0m barrels) of marine fuel produced annually

GHGs 707k Tonnes

Op. Cash Flow \$292m

EBITDA \$332m

Sales \$865m

21 plants/6 years<sup>1</sup>

533m litres (3.3m barrels) UMO processed annually

490m litres (3.1m barrels) of marine fuel produced annually

GHGs 270k Tonnes<sup>3</sup>

Op. Cash Flow \$83m

EBITDA \$113m

Sales \$308m

Excludes monetizing any carbon credits and recycling credits.

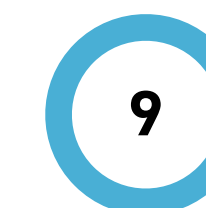
Each Recycling Plant is estimated to remove 16,000 tonnes of GHG emissions annually.<sup>4</sup>

<sup>1</sup> Figures derived from EP 10yr Financial Model based on build out plan. Annual impact of operating all 21 and 48 recycling plants would be 336k and 768k, respectively.

<sup>2</sup> Indicative estimate based on extrapolation of financial models.

<sup>3</sup> Cumulative removal of half a million tonnes of GHGs.

<sup>4</sup> GHG emissions extrapolated from a third party report by Life Cycle Associates (LCA) to current design size. Update to GHG Emission and Carbon Intensity Study expected in Q3 2024.







# Strong Economic Returns

## Understanding the Key Financial Drivers

Sales  
\$308  
Million

EBITDA  
\$133  
Million

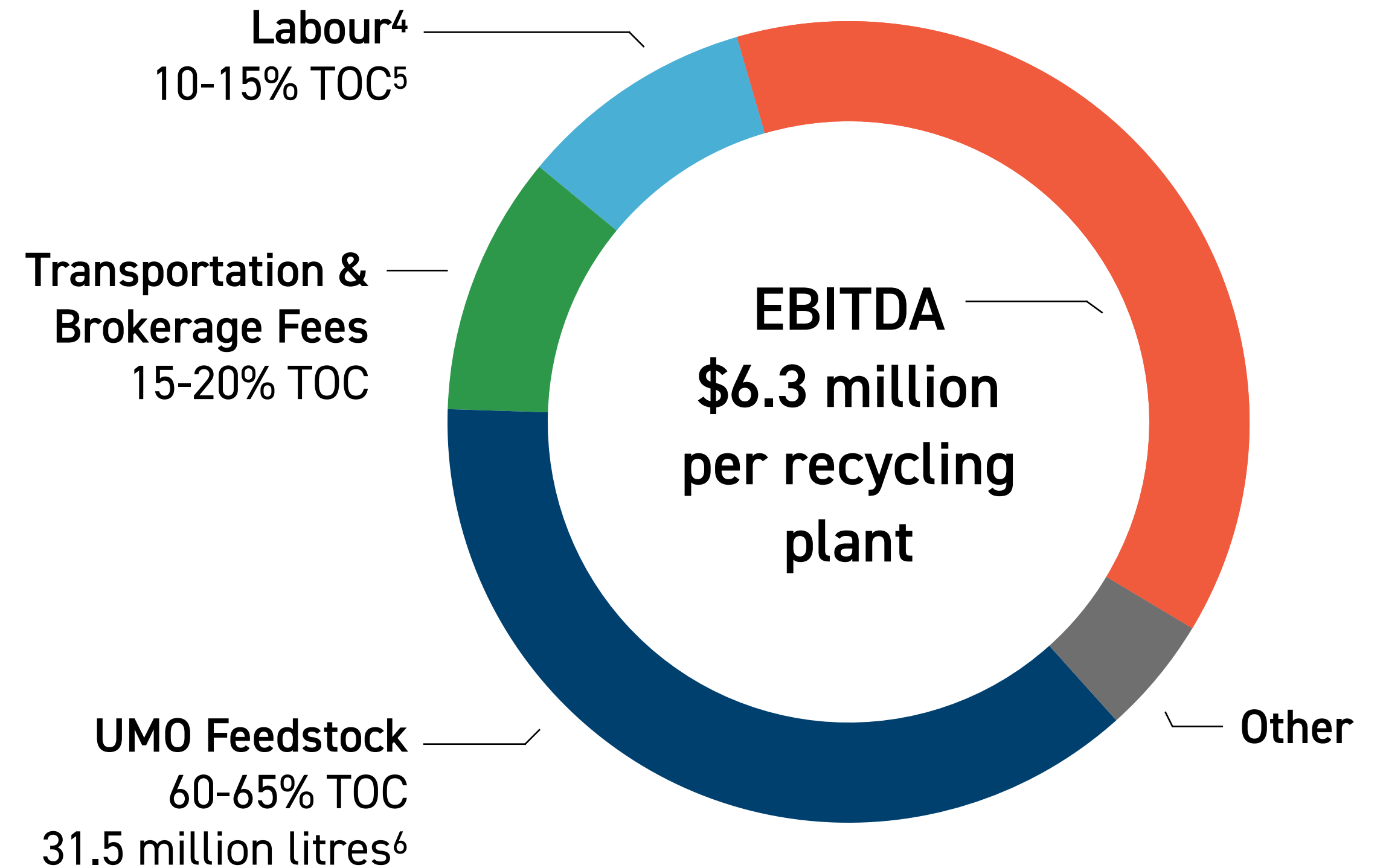
Based on 21 plants  
in 6 years (21/6)

### Recycling Plant Economics<sup>1</sup>

- ▶ CAPEX: \$15m (per daily flowing barrel: \$29,400)
- ▶ Payback: Less than 2.5 years
- ▶ IRR: 51%
- ▶ Gross Revenue from 29m<sup>2</sup> litres: \$15.6m<sup>3</sup>
- ▶ EBITDA: \$6.3m
- ▶ Industry leading 92% conversion rate
- ▶ Cost of Conversion: 6.0 cents per UMO litre

### Fully Loaded First Commercial Plant Economics

- ▶ Fully loaded CAPEX: \$21m<sup>4</sup>, Payback: 3.3 years, IRR: 36%



Securing a dependable and consistent supply of feedstock will be key in any site selection criteria.<sup>7</sup> Recycling plants have been specifically sized to reduce permitting timelines. UMO prices have historically correlated with energy prices.

<sup>1</sup> Based on pre-tax Alberta project economics.

<sup>2</sup> Equivalent to 8.3m gallons/198k barrels

<sup>3</sup> Based on \$80 per barrel (Excludes monetizing any carbon credits and recycling credits.)

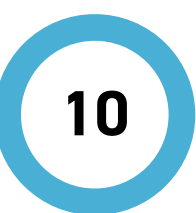
<sup>4</sup> Includes initial one-off engineering costs

<sup>5</sup> Based on continuous operation with 4 shifts of 3 operators.

<sup>5</sup> Total Operating Cost

<sup>6</sup> Equivalent to 7.7m gallons/182k barrels

<sup>7</sup> For example, Alberta collected approximately 90 million litres of UMO in 2023/24. Our







# Deployment Schedule - 21/6

Design, locate, build, and operate 21 recycling plants in 6 years.

 **Design**

 **Locate**

 **Build**

 **Operate**



Compact and Repeatable Modular Design<sup>2</sup>

**Phase I:  
Alberta Plant**

**Phase II:  
2027 & 2028  
Plants**

**Phase III:  
to 2033**

Updated Commercial Design Near Completion<sup>2</sup>

Use of Standardized Design from Alberta Plant

Use of Standardized Design from Alberta Plant

On-going site identification and selection for next plants: Jan 2025 onwards

Finance: Dec 2024  
Construction Engineering: Q1 2025  
Fabrication & Construction: Q2 2025

Start of Commercial Plant Operations: Q4 2026

Finance: Q4 2026  
Fabrication & Construction: Q2 2027 onwards

Start of Phase II Operations: Q4 2028 onwards  
4 operating plants by end of 2028

On-going Fabrication & Construction from Phase II

21 operating plants by end of 2030  
48 operating plants by end of 2033

<sup>1</sup> The Pilot Plant was designed for testing and proofing of the technology; processed 1.6m UMO litres, primary end customer has been Maersk.

<sup>2</sup> EnerPure is updating the process engineering package for its 4,000 litres per hour (31.5m litres of UMO processed annually) recycling plant which will be the common design across all future sites with only minor site specific engineering work required, which is included within the capital estimates included on slide 10.

<sup>3</sup> Letters of Intent (LOIs) in place for UMO feedstock and Alberta site.

<sup>4</sup> Elbow River Marketing (off-taker for Manitoba Pilot Plant) continues to express interest for off-take arrangements.







# Experienced Executive Management Team

With a proven track record of execution.

EnerPure has been able to attract, retain and will continue to engage the right individuals to drive the business forward with the right mix of leadership, industry knowledge and past startup experience.



## Todd Habicht

*CEO & Board Chair*

Founder of EnerPure.  
Successfully started & sold multiple businesses in various industries.



## Doug Kroeker, P.Eng

*President & COO*

Over 30 years of petroleum and energy experience in North America, Middle East, and Africa.



## Damian Towns, CPA

*CFO & Corporate Secretary*

Over 25 years of experience in progressive and rapid-growth companies, spending over 15 years leading organizations at the executive level.

Our Executive team has over 80+ years of relevant experience in both the energy industry and growth stage enterprises including 30+ years in the UMO recycling industry. This extensive experience includes technology development, permitting, design & engineering, project development, financing, construction and operation around the globe.



**Design:** Leading all facets of engineering, design and development of capital-intensive projects



**Locate:** International experience in the Americas, Europe, the Middle East, and Africa



**Build:** Significant project construction experience and commissioning



**Operate:** Management and financial oversight and leadership of production and operations







# Company Overview

## Share Structure, Ownership, and Financings



### Share Structure (CAD\$ millions)<sup>1</sup>

Common Shares Outstanding 147.5

Dilutive Securities<sup>2</sup> 24.0

Fully Diluted Common Shares 171.5

Last Unit Offering Price \$0.55

**Implied Market Capitalization at 2023 Financing<sup>3</sup> \$81**

Cash<sup>4</sup> \$1.1

Total Cash Raised to Date<sup>5</sup> \$36

### Latest Financings

C\$7.4 million at \$0.55 per unit (Nov 2023)

C\$2.4 million at \$0.40 per unit (Mar 2022)

SDTC Grant: C\$3.5 million (2019)

### Ownership<sup>1</sup>

Management & Insiders 36%

<sup>1</sup> As of September 30, 2024 <sup>2</sup> Warrants, Options, and Restricted Stock Units (RSUs) <sup>3</sup> Using last financing price and current outstanding shares; does not consider post-financing growth catalysts achieved on Slide 14. <sup>4</sup> As of September 30, 2024 <sup>5</sup> Includes \$31 million in equity and \$5 million in non-repayable government funding.





# Growth Catalysts

## Upcoming milestones fuelling our growth

- ✓ Completion of oversubscribed C\$5 million equity offering - Nov 2023<sup>1</sup>
- ✓ Final engineering underway for upsized repeatable recycling plant design (4,000 litre per hour) - Nov 2023
- ✓ Conversion Efficiency Increase (88% to 92%) - Mar 2024
- ✓ Product Mix Optimization - Q3 2024
- ✓ Commence site permitting for Alberta - Q3 2024
- Update to GHG Emission and Carbon Intensity Study - Q4 2024
- Third-Party Capital Cost Estimate - Q4 2024
- Financing terms and structure for Phase I: Alberta Plant - Q4 2024
- Completion of Process Engineering Package - Q4 2024

<sup>1</sup> Raised C\$7.4 million







# Investment Thesis

**Our Goal: 21/6**

**Eliminating half a million tonnes of GHGs within 6 years.**



Lack of recycling represents a tremendous market opportunity.



Focused on 1.7 billion litres of collected UMO that is being burnt in US.



Localized solution enables regional recycling of the disseminated UMO problem.



Validated strong customer demand with 1.6 million litres processed and 1.2 million litres sold.



Selling marine fuel into substantive and growing market with increasingly stringent fuel requirements. Our fuel is 8-14% less carbon intensive and has a lower sulphur content.



Providing a compelling solution by addressing a significant environmental issue with strong economic returns (51% IRR and less than 2.5 year payback) while reducing GHG emissions (16,000 tonnes per recycling plant).



Delivering into near-term growth catalysts with a focused and robust deployment plan.

## Recycling that Will Fuel the Energy Transition.







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