



**NORTHSTAR**  
CLEAN TECHNOLOGIES

## **NORTHSTAR REPORTS FIRST QUARTER 2022 FINANCIAL RESULTS AND ANNOUNCES DETAILS OF VIRTUAL INVESTOR WEBCAST**

### ***Highlights***

- ***\$3.9 million in cash as of March 31, 2022***
- ***Working capital surplus of \$3.7 million as of March 31, 2022 compared to a working capital surplus of \$5.5 million as of December 31, 2021***
- ***Completed Calgary FEED study results: total capital cost estimate of \$11.75 million which includes a \$2.0 million contingency***
- ***Announced project economics including \$7.6 million in estimated annual revenue per facility<sup>(1)</sup>, \$4.9 million in estimated annual gross profit per facility<sup>(1)</sup>, and \$4.0 million in potential annual EBITDA per facility<sup>(1)(2)</sup> and identified six areas of potential upside***

VANCOUVER, British Columbia – May 30, 2022 – Northstar Clean Technologies Inc. (TSXV: ROOF, OTCQB: ROOOF) (“Northstar” or the “Company”) is pleased to announce that today it has filed its first quarter 2022 financial statements and management’s discussion and analysis (“MD&A”) on SEDAR for the 3 months ended March 31, 2022. These documents are also available on the Company’s website at [www.northstarcleantech.com](http://www.northstarcleantech.com). The Company has scheduled a virtual investor webcast to discuss these financial results and to provide a business update to the investment community on Tuesday, May 31, 2022 at 5:30 am PST / 8:30 am EST. Details are provided below.

Mr. Aidan Mills, President & CEO of Northstar, commented, “The first quarter was a pivotal one for Northstar as it demonstrated that the company has the potential to deliver the steps needed for an ESG business to succeed: 1) a technology that works; 2) the ability to scale up that technology; and 3) a clear commercialization strategy.”

“The achievement of steady state production and the delivery of specification product at the Empower Pilot Facility in Delta B.C. clearly demonstrates step 1. These products have undergone rigorous testing by several potential customers across the Company’s target market sectors, and we continue to believe that liquid asphalt produced by Northstar is suitable in paving, shingle manufacturing and roofing system (“flat roof”) manufacturing. In parallel with the customer testing, we have added in-house and independent third-party testing to our capabilities,” Mr. Mills stated. “Stringent quality control procedures are now in place for softening point, penetration, and flash point specifications which are a key customer requirement and now an integral part of our steady state production processes. Both steady state production and customer feedback has enabled

us to identify areas of plant improvement – both for the Empower Pilot Facility in Delta B.C. and to be incorporated into the next detailed design phase for the Calgary scale-up facility (“Empower Calgary Facility”).”

“The selection of Calgary as our first scale-up location, combined with our announcement of the successful completion of the front-end engineering design (“FEED”) for our Empower Calgary Facility means we are on a clear pathway to step 2. The FEED design outlined a total capital cost estimate of \$11.75 million for the Calgary Empower Facility, which includes \$9.75 million in direct and indirect costs, plus an additional \$2.0 million contingency. The recently announced life-cycle analysis, based on the FEED design, seeks to demonstrate that the Empower Calgary Facility that has a 60% lower carbon emissions footprint versus the base case of sending shingles to landfill and replacing the asphalt content with virgin production,” continued Mr. Mills.

“Lastly, our announced project economics includes \$7.6 million in estimated annual revenue per facility<sup>(1)</sup>, \$4.9 million in estimated annual gross profit per facility<sup>(1)</sup>, and \$4.0 million in potential annual EBITDA per facility<sup>(1)(2)</sup>. Additionally, we believe there is clear achievable targets identified for asphalt pricing, which recently eclipsed \$1,000 per tonne, sustainability or ‘green’ premium, operational performance, carbon credit revenue, tipping fee revenue, and operating assumptions. This detailed analysis of the economics for our facilities, combined with the strong potential customer feedback from their detailed asphalt testing programs hopes to show that step 3 is achievable.”

“In summary, we have a highly cost-effective, low carbon production asset running a technology capable of producing high quality products in demand by material customers and delivering strong economic performance. 2022 is shaping up to be an exciting year for our Company,” concluded Mr. Mills.

Based on these results, the Company believes that its technology works, which is shown through the steady state production at the Empower Pilot Facility, it is commercially viable and environmentally impactful.

### **Q1 2022 Highlights**

- **January 2022** - Northstar’s common shares commenced trading in the United States on the OTCQB under the symbol ‘ROOOF’.
- **February 2022** - Appointed Ms. Kellie Johnston as Chief Sustainability Officer and General Counsel.
- **February 2022** - Initiated steady state production at the Empower Pilot Facility in Delta, B.C., processing discarded shingles into “green asphalt”, fiber, and aggregate, confirming that these products can enter the circular economy while diverting waste from landfills.

- **March 2022** - Validated two of its outputs, high quality liquid asphalt and aggregate, through positive third-party test results. The testing confirmed that the Company's products meet its product specification objectives and can be used in a variety of applications.
- **March 2022** - Selected Calgary, Alberta as the location for its expanded-capacity Empower Calgary Facility.
- **March 2022** - Secured grant funding from Alberta Innovates for the engineering costs of the Empower Calgary Facility. This application to Alberta Innovates was Northstar's first of a broad range of government funding applications Northstar is progressing related to the Calgary Empower Facility.
- **March 2022** - Received the FEED design from BBA Inc., Northstar's engineering consultant, for the Empower Calgary Facility. The FEED study outlined a total capital cost estimate of \$11.75 million for the Calgary Empower Facility, which includes \$9.75 million in direct and indirect costs, plus an additional \$2.0 million contingency.

### **Significant Events Subsequent to the Quarter Ended March 31, 2022**

- **April 2022** - Announced project economics for the Calgary Empower Facility based on the FEED design and detailed internal management-prepared financial analysis of the planned facility. Highlights include \$7.6 million in estimated annual revenue per facility<sup>(1)</sup>, \$4.9 million in estimated annual gross profit per facility<sup>(1)</sup>, and \$4.0 million in potential annual EBITDA per facility<sup>(1)(2)</sup>. Identified achievable targets for asphalt pricing, which recently eclipsed \$1,000 per tonne, sustainability or 'green' premium, operational performance, carbon credit revenue, tipping fee revenue, and operating assumptions.
- **May 2022** - Announced life cycle analysis for the Calgary Empower Facility demonstrating a 60% reduction in carbon dioxide equivalent emissions versus the base case of landfill and replacement with virgin production, based on the FEED design and detailed internal management-prepared financial analysis of the planned facility.

### **Virtual Investor Webcast Details**

**Topic:** Northstar Clean Technologies Q1 2022 Financial Results Webcast

**Date:** May 31, 2022

**Time:** 05:30 am PST / 08:30 am EST

**Webcast URL:**

[https://us06web.zoom.us/webinar/register/9016497132073/WN\\_rliCj\\_o4SQiFJp\\_a8ySRzQ](https://us06web.zoom.us/webinar/register/9016497132073/WN_rliCj_o4SQiFJp_a8ySRzQ)

Approximately two hours after the Q&A session has ended, an archived version of the webcast will be available via the webcast URL above.

Notes:

- (1) Based on anticipated first full operational year.
- (2) Earnings before interest, taxes, depreciation and amortization (“EBITDA”) is a Non-GAAP financial measure and refers to earnings determined in accordance with IFRS, before depreciation and amortization, interest expense (finance costs) and income tax expense. EBITDA should not be construed as alternatives to net income/loss determined in accordance with International Financial Reporting Standards (“IFRS”). EBITDA does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The Company believes that EBITDA is a meaningful financial metric as it measures cash generated from operations which the Company can use to fund working capital requirements, service future interest and principal debt repayments and fund future growth initiatives.

## **About Northstar**

Northstar Clean Technologies Inc. is a Vancouver-based clean technology company focused on the sustainable recovery and reprocessing of asphalt shingles. Northstar has developed a proprietary design process for taking discarded asphalt shingles, otherwise destined for already over-crowded landfills, and extracting the liquid asphalt, aggregate and fiber for usage in new hot mix asphalt, construction products and other industrial applications. Focused on the circular economy, Northstar plans to reprocess used or defective asphalt shingle waste back into its three primary components for reuse/resale at its Empower Pilot Facility in Delta, British Columbia. As an emerging innovator in sustainable processing, Northstar’s mission is to be the leader in the recovery and reprocessing of asphalt shingles in North America, extracting the recovered components from asphalt shingles that would otherwise be sent to landfill.

For further information about Northstar, please visit [www.northstarcleantech.com](http://www.northstarcleantech.com).

## **On Behalf of the Board of Directors,**

Aidan Mills

President & CEO, Director

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## **Cautionary Statement on Forward-Looking Information**

*Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release. The TSXV has neither approved nor disapproved the contents of this press release.*

*This press release may contain forward-looking information within the meaning of applicable securities legislation, which forward-looking information reflects the Company's current expectations regarding future events. Forward-looking statements are often identified by the words "may", "would", "could", "should", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" or similar expressions. Forward-looking statements in this press release include statements concerning any projections or anticipated financial results of the Company, the scheduled virtual investor webcast, its confidence that it will play a pivotal role in the circular economy of the asphalt industry, its belief that the FEED design can be deployed across expansion facilities, its belief that its products can enter the circular economy while diverting waste from landfills, the Company's ability to generate future revenue from carbon credits, tipping fees and from the sale of its end-use products, and its projected project economics for its proposed Calgary Empower Facility. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements, including risks related to factors beyond the control of the Company as well as those risks and uncertainties which are more fully described under the heading "Risk Factors" in the final prospectus of the Company dated June 18, 2021 and in the Company's annual and quarterly management's discussion and analysis and other filings with the Canadian securities regulatory authorities under the Company's profile on SEDAR. The novel strain of coronavirus, COVID-19, and ongoing dispute between the sovereign state of Ukraine and Russia also pose risks that are currently indescribable and immeasurable. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. The Company does not undertake any obligation to update such forward-looking information whether because of new information, future events or otherwise, except as expressly required by applicable law.*

*Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended and such changes could be material. The Company does not intend, and do not assume any obligation, to update the forward-looking statements except as otherwise required by applicable law.*