



EnerPure Update: April 2023

I am pleased to provide the following shareholder update on behalf of EnerPure.

EnerPure launched a capital raise last fall to provide the growth capital required for this next phase for EnerPure. The efforts of this capital raise attracted the attention of several large private equity firms that expressed interest in making significant investments in EnerPure as well as multiple IIROC (“Investment Industry Regulatory Organization of Canada”) firms agreeing to co-lead a go-public process. It was prudent to follow through with each of these inquiries.

Ultimately, after careful consideration and review of the ‘stay-private’ path with private equity vs a ‘go-public’ path, EnerPure negotiated a term sheet for a pre-public listing raise to be followed by a ‘go-public’ transaction. These pre-public listing capital raise efforts are being co-led by a major Canadian IIROC firm and a major US-based IIROC firm with support from Ascenta Finance and Moneta. Two other major Canadian IIROC firms are participating in this capital raise effort. This capital raise will set EnerPure on a path to being a public company within 12 months of closing on these funds. We anticipate closing this capital raise within the next 60 to 90 days.

As EnerPure takes steps towards becoming a public company, we have needed to evolve how we communicate information to shareholders. The communication approach we must adopt now largely needs to mirror that of a public company, where information is either publicly available or considered confidential to internal operations and therefore not to be disclosed publicly. This will mean that management and directors of the company will no longer be able to share information as freely and openly as we have in the past as the regulations governing public companies place restrictions on the sharing of information. This approach will cause future updates and announcements to come largely via news releases. We will commit to emailing a copy of each news release out to shareholders who maintain an active email address with the company to ensure timely delivery of the information.

EnerPure's Southern Manitoba facility ("Barney 1") has processed over two million litres of used oil into high-quality distillate fuel. The regular successful operation of this facility has been invaluable in demonstrating and proving the technology. Based on the operating results achieved, the opportunity and technical questions related to future deployments of the technology have been effectively addressed during the due diligence efforts from the various private equity and go-public finance firms. Interested parties view the technology as a well-proven new technology.

The knowledge gained from the operation of Barney 1 has been an invaluable

contribution to the engineering efforts for Barney 2 and beyond. We are continuing to progress with the engineering for Barney 2, which will generate approved for construction drawings to be used in all subsequent deployments. This design work has been undertaken by InServ out of Tulsa, Oklahoma and Ascent Engineering out of Houston, Texas. These firms have extensive experience in the Oil & Gas industry. We intend to make the additions/modifications to Barney 1 that will allow this facility to operate in a continuous commercial operation adopting the design parameters and process that have been included in the Barney 2 design.

We had previously shared that we have signed an MOU with Gold Fuels for the deployment of a regeneration unit in Alberta. We are continuing to advance the development of this project. We have identified a site location and have agreed on the principal terms for this site. We are currently finalizing the site lease documents. Our project development efforts also include working through the process of securing used oil feedstock.

We are also planning for the deployment of regeneration units in Quebec and Texas. We have selected a site for a Texas facility and are working through negotiations on this site. Our Texas efforts include securing used oil feedstock. We are continuing to work on site selection and used oil supply volumes for Quebec. We are looking forward to sharing more information about these projects through press releases as these efforts progress.

We are proud of the milestones we have achieved. The level and quality of interest we continue to receive from the capital markets are reflective of these achievements. We look forward to capitalizing on the exciting opportunities we are developing.

Kind regards,

Todd Habicht
Founder & CEO
EnerPure Inc.