This "Management's Discussion and Analysis" ("MD&A") has been prepared as of August 26, 2021, and should be read in conjunction with the interim condensed audited consolidated financial statements of Environmental Waste International Inc. ("Company", "EWI") for the three and six months ended June 30, 2021 and 2020. The Company's interim condensed consolidated financial statements and the notes thereto have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are reported in Canadian dollars unless otherwise stated. All financial analysis, data and information set out in this MD&A are unaudited.

This Management discussion and analysis has been authorized for issuance by the Board of Directors on August 26, 2021.

FORWARD-LOOKING STATEMENTS

This MD&A includes certain forward-looking statements that are based upon the Company's current expectations which involve risks and uncertainties associated with the Company's business and the economic environment in which the business operates. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements, which are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. Forward-looking statements contained in this MD&A are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including the matters discussed in the section "Risks and Uncertainties" below.

Specifically, this MD&A includes, but is not limited to, forward-looking statements regarding: the Company's goal of creating shareholder value; ability to fund future operating costs, and timing for future research and development of the Company's current and future technologies, including the costs and potential impact of complying with existing and proposed laws and environmental regulations; management's outlook regarding commercialization of its tire recycling system and generation of revenues; sensitivity analysis on financial instruments that may vary from amounts disclosed; prices and price volatility of the Company's products; and general business and economic conditions.

Readers are cautioned that the above factors are not exhaustive. Although the Company has attempted to identify important factors that could cause actual events and results to differ materially from those described in the forward-looking information, there may be other factors that cause events or results to differ from those intended, anticipated or estimated.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information.

The Company believes the expectations reflected in the forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and readers are cautioned not to place undue reliance on forward-looking information contained in this MD&A.

The forward-looking information contained in this MD&A is provided as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as otherwise required by law. All of the forward-looking information contained in this MD&A is expressly qualified by this cautionary statement.

OVERVIEW OF BUSINESS

EWI currently develops environmentally friendly products for waste treatment and disposal. Its predominant focus is on recycling waste rubber, primarily tires, into valuable by-products which can be sold and reused.

The Company researches, designs, develops, sells, and maintains technologically advanced systems based on the patented Reverse Polymerization™ process ("RP") and patented delivery systems.

Governments and industries worldwide recognize the need for technology to deal with the processing, treatment and eventual disposal or recycling of tires and other waste rubber products in an environmentally safe manner. EWI provides unique and effective solutions to these challenges.

The Company built a full-scale Pilot Plant Tire System which breaks the molecular bonds in tires and other rubber products, reducing them to their base components of carbon black, steel and hydrocarbon vapors. An off-gas system processes the vapors to recover the oil, and then scrubs the remaining gas for use as fuel in the power generation system that runs the plant. The valuable carbon black, oil and steel are collected and sold into many product streams. After successfully running for five years as a research and development pilot facility the Plant had an environmental review by the Ontario Ministry of Environment, which resulted in approval to run it commercially.

In addition to tires, EWI has designed solutions for the safe disposal, recycling and/or recapture of useable by-products for the following waste streams:

- Liquid Biological Waste Systems;
- Food Waste;
- Medical Waste and Animal Waste.
- The Company is currently focused on the commercialization of its technology for the recycling and recapture of used tire and other rubber waste. The Company's RPProcess reduces waste tires into basic commodities in an environmentally safe manner. Rubber is the last major commodity for which there is no meaningful recycling method, (unless burning them for fuel is deemed "recycling"), and waste tires are a growing worldwide problem. The RP process breaks the molecular bonds in a tire and other rubber products, reducing them to their base components: carbon black, oil, steel and hydrocarbon vapours. The carbon black is recycled for tires, rubber compounding weather stripping colour concentrates and plastics, among other applications. The syngas can provide a significant percentage of the power required to run the plant or be sold to the power grid. The oil and steel are sold as commodities.

During fiscal 2020 and the first half of 2021 the Company achieved several significant milestones for the year set out below:

- Completed the process of obtaining permanent environmental permits;
- Secured both short-term and started planning for long-term financing;
- Arranged for the Company's plant in Sault Ste. Marie to be upgraded to a full-scale commercial facility;
- Signed a partnership agreement to develop waste tire recycling plants in Europe leveraging EWI's technology, with the first project planned for Denmark;
- Filed additional patents; and

OUTLOOK AND GROWTH STRATEGY

Tire stockpiles and landfills, many of which are massive, exist all over the world since rubber, including tires, is the last major commodity without a meaningful recycling option. Once established, landfills are permanent since rubber is not biodegradable. Approximately 1.5 billion used tires become available worldwide annually. Developed world markets are growing at 1%-2% annually, while the Chinese market is growing at a rate over 10% per year.

EWI has a patented technology that can recycle tires in an environmentally safe manner.

Carbon Black is a commodity with a huge market. More than 13.5 million tonnes of carbon black are sold every year and demand is growing. Currently, demand slightly exceeds supply and prices are continuing to rise. The Company has a number of significant relationships in various parts of the world including Asia. Excluding Japan, Asia will be the fastest-growing region in the world, followed by Central and Eastern Europe. The virgin Carbon Black industry is coming under increased pressure from governments and environmental groups, as production of the product is a significant greenhouse gas emitter.

Commodity Sales

Carbon black, the major raw material in tires, is a specialty product. Stringent environmental laws are forcing the closure of older inefficient carbon black plants, causing pressure on supply. Recycled carbon black, especially if it is produced in a sustainable manner is expected to become an important part of the carbon black market. The growing market for carbon black puts EWI in an excellent position as it enters the commercialization phase. EWI Recycled Carbon Black has now been tested and accepted by a number of companies.

EWI has also developed a process to refine the oil created during its RP process. The refined oil has been successfully tested as a compounding oil by two users and has performed better than the oil they are currently using.

Plant Sales

EWI's strategy is to sell systems at reduced gross margins to accelerate market penetration, while receiving a service fee on all revenues achieved by third party systems. While this will limit profits in the earlier years, it will develop a growing base of high margin, high value recurring profits in later years. There is intense government pressure around the world to deal with waste tires in a way that protects the environment. EWI has completed an agreement with a group in Denmark and is currently working on a number of plant sales with both public and private entities in Canada, Australia, the UK, Nepal, India, and Italy.

Owned and Operated Plants

Most rubber manufacturers have a significant issue with their production waste. In many cases, landfill or incineration are the only options for thousands of tons of this waste. EWI believes it has the only technology that can deal with this difficult scrap, especially where raw rubber is intermingled with steel. The Company is seeing interest from rubber manufacturers to deal with their production waste and recycle it. The ideal relationship for EWI with the tire manufacturers would be for them to provide their scrap rubber to EWI and for EWI to sell them the resulting carbon black and oil, while the steel would be sold as scrap. Where these manufacturers provide long-term off-take agreements for the carbon black, EWI might retain ownership of the plant, utilizing the ability to finance the facility because of the guaranteed revenue stream.

HIGHLIGHTS AND SUMMARY

The following summarizes key events during the three months ended June 30, 2021, and up to the date of this MD&A:

Operating Highlights

Capacity of plant in Sault Ste Marie doubled by regulators

On August 4, 2021, the Ministry of the Environment, Conservation and Parks ("MECP") approved the Company's proposal to increase the maximum amount of tire waste that can be treated at its Sault Ste. Marie ("SSM") facility to 20 tonnes per day, double the 10 tonnes per day it had previously approved. The commercialization of the SSM facility being undertaken by EWS' will be increased to 20 tonnes per day, increasing its profit potential. EWS had successfully run the SSM plant as a demonstration and R&D facility for five years prior to the Company's submission to the MECP.

Annual general meeting

At the annual general meeting held on July 7, 2021, the shareholders approved all matters put forth for approval. The shareholders re-elected Sam Geist, Emanuel Gerard, Bob MacBean, Glenn Myers, Paul Orlin and Robert Savage to the board of directors (the "Board") and re-appointed MNP LLP to be the auditors of the Company. The shareholders also re-approved the Company's 10% rolling stock option plan, reapproved the authorization of the Board to potentially consolidate the common shares of the Corporation on the basis of (1) new common share for up to twenty (20) old common shares and approved EWI Investors, LLC, becoming a "control person" of the Corporation as such term is defined under the policies of the TSX Venture Exchange, as part of the previously announced debt conversions on May 25, 2021.

The Company also granted an aggregate of 3,870,000 incentive stock options to certain officers, directors, employees and consultants of the Company under its Stock Option Plan. All options are exercisable at $0.19 per common share vesting over three years with an expiry date of July 7, 2021.

Addition of key staff

As of June 1, 2021, the Company added two key team members to enhance the Company's capabilities as it moves into the execution phase of previously announced commercial projects. Shafique Chowdhury P.Eng., PMP has joined EWS. As Project Manager he will be responsible for the execution of EWS projects in Canada and Europe. Shafique has over 18 years of experience in a variety of engineering and project management roles at manufacturing, heavy industry and mining facilities in Asia, Europe and North America. He has a Master of Engineering (M.Eng.) degree in Manufacturing, Design & Management from the University of Toronto and a master's certificate in Project Management from the Schulich School of Business, York University, ON Canada. Caleb Cond P.Eng., joined EWS as the Company's senior Electrical Engineer. He will be responsible for the electrical systems design in all of the Company's plants going forward. Caleb has over 18 years of experience in similar environments and has assisted the Company from time to time over the last 10 years at its full-scale pilot plant in Sault Ste. Marie Ontario and at the Company's facility at the US Department of Agriculture. Caleb has a B.A. Sc., Electrical Engineering (Honours) from the University of Ottawa with a specialist focus on Systems Engineering.

Financial Highlights

Deferral of term loan repayments

On June 1, 2021 a fifth amendment to the NOHFC term loan agreement was signed with new repayment terms as follows:

- Previously accrued and unpaid interest, and additional interest accruing up to and including August 31, 2021, is to be paid in full no later than August 31, 2021;
- Interest from August 31, 2021 until May 31, 2022 shall accrue and be paid in full no later than May 31, 2022,
- Blended payments based on a 5-year amortization will commence on June 1, 2022, and
- NOHFC obtained a corporate guarantee and postponement of claim, supported by a general security agreement from Ellsin.

Settlement of debt

On May 24, 2021 the Company entered into two debt conversion agreements with related parties to settle the promissory note payable and a portion of the deferred compensation liability. These debt conversions provide for an aggregate of $1,264,275 of the Company's outstanding debts to be settled through the issuance of an aggregate of common shares.

$162,500 of deferred compensation liability was converted into 677,083 at $0.24 per share in June 2021.

On July 7, 2021, 4,590,729 common shares were issued upon conversion of $1,101,775 promissory note payable. Following this debt Conversion, EWI Investors, a related party, beneficially owns 53,477,266 common shares, representing approximately 20.7% of the issued and outstanding shares of EWS. EWI Investors also owns 3,712,500 warrants and 425,000 options in the capital stock of the Company. Prior to the Debt Settlement, EWI owned 48,886,537 common shares, 3,712,500 Warrants and 425,000 options, representing 19.4% of the issued and outstanding common shares of the Company on a fully diluted basis.

The common shares issued pursuant to the debt conversions will be subject to a statutory hold period of four months and a day from the date of issuance.

$1.2 million Private Placement

On April 23, 2021, the Company completed a non-brokered private placement for proceeds of $1,233,000 through the issuance of 4,110,000 common shares at $0.30 per share representing approximately 20.7% of the issued and outstanding shares of EWS. EWI Investors also owns 3,712,500 warrants and 425,000 options in the capital stock of the Company. Prior to the Debt Settlement, EWI owned 48,886,537 common shares, 3,712,500 Warrants and 425,000 options, representing 19.4% of the issued and outstanding common shares of the Company on a fully diluted basis.

$10 million Joint Venture

On March 22, 2021 the Company entered into an agreement with a private Ontario corporation, Torreco Inc. ("Torreco"), whereby it will invest $7,000,000 to convert the pilot plant of the Company's subsidiary Ellsin Environmental Ltd. ("Ellsin") in Sault Ste. Marie into a commercial scale recycling plant utilizing the Company's patented microwave technology. Following the receipt of all the committed financing, the Company, will retain a 30% ownership interest in Ellsin, and will receive a 6% royalty in perpetuity from Ellsin based on total revenue generated by Ellsin. The investment is being made via common share subscriptions in Ellsin, which owns the Company's waste tire facility in Sault. Ste Marie including land, building and equipment. The financing will be used to expand and modernize the plant utilizing the Company's latest technology. In exchange for the investment in Ellsin, the Company will grant the third party the right to build three additional waste tire facilities in Ontario over the next five years if it meets certain conditions.

The first two tranches of share purchases in Ellsin totalling $1 million were completed In March and April 2021. The third party is committed to invest an additional $6 million. After investing $7 million, Torreco will own 70% of Ellsin.

SELECTED FINANCIAL INFORMATION

The following table sets out selected information for the three and six months ended June 30, 2021 and June 30, 2020 and have been prepared in accordance with IFRS.

(Unaudited)	**Three months ended June 30**		**Six months ended June 30**	
	2021	**2020**	**2021**	**2020**
	$	$	$	$
Revenues	**36,153**	23,873	**59,971**	65,695
Operating loss	**(662,511)**	(349,967)	**(878,036)**	(643,832)
Net income (loss) from continuing operations	**(202,285)**	(615,369)	**(745,888)**	181,554
Net loss from discontinued operations	**(162,807)**	(58,730)	**(258,228)**	(148,767)
Net loss per share from continuing operations - basic	**(0.001)**	(0.003)	**(0.003)**	0.001
Net loss per share from discontinued operations - basic	**(0.001)**	0.000	**(0.001)**	(0.001)
Weighted average number of shares outstanding - basic	**251,645,964**	214,424,076	**249,620,090**	214,390,362
Total assets	**3,455,732**	2,087,688	**3,455,732**	2,087,688
Total shareholders' deficiency	**(2,157,509)**	(5,015,019)	**(2,157,509)**	(5,015,019)

The following table summarizes the Company's operating results for the three and six months ended June 30, 2021 and 2020.

(Unaudited)	Three months ended June 30		Six months ended June 30	
	2021	2020	2021	2020
	$	$	$	$
Revenues	**36,153**	**23,873**	**59,971**	**65,695**
Technology development	417,832	163,826	484,442	241,131
Selling, marketing and administration	235,144	159,552	363,482	373,366
Stock based compensation	36,540	41,301	72,389	76,707
Depreciation and amortization	9,148	9,161	17,694	18,323
Total expenses	698,664	373,840	938,007	709,527
Operating loss	**(662,511)**	**(349,967)**	**(878,036)**	**(643,832)**
Gain on recognition of interest free loans	-	-	6,254	-
Finance costs	(44,629)	(92,659)	(95,777)	(206,449)
Foreign exchange gain(loss)	(27,911)	49,787	(28,008)	28,545
Gain (loss) on change in fair value of derivative	532,767	(222,530)	249,679	1,003,290
Net income (loss) from continuing operations	**(202,284)**	**(615,369)**	**(745,888)**	**181,554**
Net loss from discontinued operations	**(162,807)**	**(58,730)**	**(258,228)**	**(148,767)**

DISCUSSION OF RESULTS

Results for the six months ended June 30, 2021

During the six months ended June 30, 2021 the Company reported a total net loss of ($1,004,116) compared with net income of $32,787 during the six months ended June 30, 2020. Included in these results is a non-cash accounting gain for the change in valuation of a derivative liability of $249,679 in 2021 and $1,003,290 in 2020. Without this non-cash item, the loss for the period in 2021 is ($1,253,795) compared to a loss of ($970,503) in 2020. The higher loss in 2021 is due to more expenses incurred on both external and internal engineering costs as the Company commences its commercialization phase and upgrades the plant in Sault Ste. Marie.

With the signing of the agreement with Torreco on March 22, 2021 and with the receipt of all of the committed Torreco funds, Torreco will own 70% of Ellsin. As a result of the Company having committed to an agreement and plan involving loss of control of Ellsin, the operating results and assets and liabilities of Ellsin have been presented in the unaudited interim condensed consolidated financial statements as a discontinued operation. The loss for the six months ended June 30, 2021 includes the continuing loss from operations of ($745,888) and a loss from discontinued operations of ($258,228) compared to income from continuing operations of $181,554 and loss from discontinued operations of ($148,767) in 2020.

The Company's working capital deficiency at June 30, 2021 was ($2,099,354) compared to ($3,827,527) at December 31, 2020. Included in this deficiency is $1,101,775 promissory note payable which was converted to common shares of the Company on July 7, 2021, subsequent to the quarter end.

During the six months ended June 30, 2021, the Company used $1,592,825 of cash for operating activities, as compared to $465,663 in the same period in 2020, and spent $15,121 on property and equipment for its new office premises in Whitby.

Financing activities provided $1,201,148 during the six months ended June 30, 2021 compared to $452,144 in 2020. The Company received $1,000,000 proceeds from the investment by Torreco in Ellsin representing 10% interest in Ellsin. The Company raised $40,000 proceeds from additional CEBA loans at the beginning of 2021. $140,348 was received from the exercise of stock options and $50,000 from the exercise of warrants during the period. In 2020 the Company received $80,000 proceed from CEBA loans and $394,107 proceeds from the exercise of stock options.

The commercialization of the Company's core technology is at the early stage and the Company has not yet achieved positive cash flows. The Company needs to continue to obtain additional financing to enable it to continue operations.

In the absence of additional financing, the Company is not expected to have sufficient funds to meet its obligations. Management continues to monitor cash needs and believes it has access to additional financing. There can be no assurances that the Company will be able to secure the necessary on-going financing to enable it to continue as a going concern.

Three months ended June 30, 2021 and 2020

The Company receives **revenues** from a maintenance contract and an extended warranty contract with a client in the US. During the three months ended June 30, 2021, revenues of $36,153 compared to $23,873 in Q2, 2020. The increase of $12,280 is due the inclusion of some other revenues resulting from the sale of scrap metal. The remaining revenues represent warranty fees as no maintenance work was completed Q2 2021 or 2020 due to travel restrictions imposed by the government as a result of the COVID-19 pandemic.

Technology development expenses of $417,832 in Q2 2021 compared to $163,826 in Q2 2020. Technology development costs include all costs associated with all design and engineering and maintenance activities including compensation and people costs, contractor fees, third party engineering consulting fees, development costs and travel costs associated with the maintenance and warranty contract revenues. This increase of $254,006 is due to more engineering activities including both third party and internal fees for work on future projects. The Company hired two new engineers on June 1, 2021 contributing to the higher costs in 2021.

Selling, marketing and administration expenses include compensation and people costs, consulting fees, travel and any other expenses in support of selling and marketing efforts, and administration costs including payroll costs, legal and accounting fees, regulatory costs, head office rent and telecommunications, business insurance, and office supplies. Expenses of $235,144 in Q2 2021 were higher than $159,552 in Q2, 2020. This increase of $75,592 is primarily due to higher legal fees to support the business, higher investor relations costs, and selling and travel costs incurred in Q2 2021 but not Q2 2020 due to COVID 19 restrictions.

Operating loss of ($662,511) in the three months ended June 30, 2021 compares to an operating loss of ($349,967) during the same period in 2020. The higher operating loss in Q2 2021 vs Q2 2020 of $312,544 is due to higher operating expenses in both functions of the Company (e.g., technology development, and selling, marketing and administration) as explained above, partially offset by higher revenues in Q2, 2021 compared to Q2, 2020 also explained above.

Stock-based compensation expense of $36,540 in Q2 2021 was slightly lower than $41,301 in Q2 2020, due to timing of expense which is recorded based on the vesting schedules of the stock options granted.

Depreciation and amortization totaling $9,148 in Q1 2021 was comparable to $9,161 in Q2 2020. The Company records depreciation on its office furniture and fixtures and equipment, as well as amortization of the right-of-use lease asset. Depreciation for the property and equipment pertaining to the plant in Sault Ste Marie is included in net loss from discontinued operations.

Finance costs in Q2 2021 of $44,629 were lower than $92,659 in Q2 2020 primarily due to a reduction in interest and accretion expense on the convertible loan which was converted into shares on September 11, 2020.

Foreign exchange loss of ($27,911) in Q2 2021 compared to a gain of $49,787 in Q2 2020. Foreign exchange is based on the conversion of $US cash to $CAD cash at a rate on the date of conversion and the loss in Q2 2021 can be explained by the impact of the rising Canadian dollar on conversion of US denominated funds to Canadian dollars.

Gain (loss) on fair value of derivative of $532,767 gain in Q2, 2021 compared to a loss of ($222,530) in Q2 2020. The gain in Q2 2021 represents the revaluing of the warrants at June 30, 2021 and is explained by the decrease in stock price from Dec 31, 2020 to June 30, 2021 compared to the exercise price. The loss of $222,530 in Q2 2020 resulted from the change in value of both the convertible loan which was still outstanding as well as the warrants at June 30, 2020 and resulted due to the increase in stock price at June 30, 2020 compared to December 31, 2019 in relation to the exercise price and the value conferred on the holder of the debt and warrants.

Net loss from continuing operations of ($202,285) in Q2, 2021 compared to net loss of ($615,369) in Q2, 2020. Included in Q2 2021 was a non-cash loss of $532,767 compared to a loss of ($222,540) in Q2 2020 resulting from the change in fair value of derivative liability. Without this non-cash item, net loss in Q2 2021 would be ($735,051) compared to a loss of ($392,839) in Q2 2020. The $342,212 higher loss in Q2 2021 is explained by $254,006 of higher technology development costs and $75,592 higher selling, general and administration costs as well as a loss on foreign exchange in Q2 2021 compared to a gain in Q2 2020. These increases were partially offset by lower finance costs in 2021 compared to 2020.

Net loss from discontinued operations stem from the agreement with Ellsin and Torreco whereby Torreco will own 70% of Ellsin's plant operations in Sault Ste Marie, accordingly this category includes the former Plant operations which reported a net loss of ($162,807) in Q2 2021 compared to ($58,730) in Q2 2020. Plant operations include all operating costs associated with running the plant in Sault Ste. Marie including compensation and people costs, occupancy costs, insurance, repairs and maintenance and any associated costs related to the Ministry of Environment. The increase of $104,077 quarter over quarter can be explained by the inclusion of a non-cash charge for the loss on modification of term loan in the amount of $82,472 as well as slightly higher operating costs.

Six months ended June 30, 2021 and 2020

The Company receives **revenues** from a maintenance contract and an extended warranty contract with a client in the US. During the six months ended June 30, 2021, revenues of $59,971 compared to $65,695 in Q2, 2020. The decrease of $5,724 is explained by approximately $18,000 of maintenance work completed in Q1 2020 prior to the pandemic outbreak. This amount was partially offset by approximately $12,000 of other revenues recorded through the sale of scrap metal in Q2, 2021.

Technology development expenses of $484,442 in the first six months of June 30, 2021 compared to $241,131 in the same period of 2020. Technology development costs include all costs associated with all design and engineering and maintenance activities including compensation and people costs, contractor fees, third party engineering consulting fees, development costs and travel costs associated with the maintenance and warranty contract revenues. This increase of $243,311 is attributable to both third party and internal engineering costs for the design and development of future projects. The Company hired two new engineers on June 1, 2021 to meet the demands of the project work available.

Selling, marketing and administration expenses include compensation and people costs, consulting fees, travel and any other expenses in support of selling and marketing efforts, and administration costs including payroll costs, legal and accounting fees, regulatory costs, head office rent and telecommunications, business insurance, and office supplies. Expenses of $363,482 in the six months ended June 30, 2021 were slightly lower than $373,366 in the six months ended June 30, 2020. This decrease of $9,884 is due to the receipt of both CEWS government subsidies reduced from payroll expenses as well as CERS government rent subsidies that are reduced from rent expense in 2021.

Operating loss of ($878,036) in the six months ended June 30, 2021 compares to an operating loss of ($643,832) during the same period in 2020. The higher operating loss in 2021 of $234,204 is primarily due to higher technology development costs and lower revenues partially offset by slightly lower selling, marketing and administration costs as explained above.

Stock-based compensation expense of $72,389 in the first half of 2021 was slightly lower than $76,707 in the first half of 2020. Stock compensation is recorded based on the vesting schedules of the stock options granted.

Depreciation and amortization totaling $17,694 in the first half of 2021 was slightly lower than $18,323 in 2020. The Company records depreciation on its office furniture and equipment, as well as amortization of the right-of-use lease asset.

Gain on recognition of interest-free loan of $6,254 in the period ended June 30, 2021 relates the additional $20,000 received by each of EWI and EWIR for CEBA government loans and represents the difference between the fair value of $33,746 and $40,000 of proceeds received, reflecting the interest-free nature of these loans.

Finance costs in the first half of 2021 of $95,777 were lower than $206,449 in the first half 2020 primarily due to a reduction in interest and accretion expense on the convertible loan which was converted into shares on September 11, 2020.

Foreign exchange loss of ($28,008) in the first half of 2021 compared to a gain of $28,545 in the same period in 2020. Foreign exchange is based on the conversion of $US cash to $CAD cash at a rate on the date of conversion and the loss in 2021 is a result of the strengthening Cdn dollar.

Gain on fair value of derivative of $249,679 during the period ended June 30, 2021, represents the revaluing of the warrants that were attached to the convertible loan which were still outstanding and revalued at December 31, 2020 and then again at June 30, 2021. A gain in 2021 resulted due to the decrease in stock price at June 30, 2021 compared to December 31, 2020 in relation to the exercise price. In the first six months of 2020, the gain of $1,003,290 related to the change in value of both the convertible loan which was still outstanding at the time as well as the warrants, and resulted in a gain due to a reduction in stock price.

Net loss from continuing operations of ($745,888) in the six months ended June 30, 2021 compared to net income of $181,554 in the same period in 2020. Included in 2021 was a non-cash gain of $249,679 compared to a gain of $1,003,290 2020 resulting from the change in fair value of derivative liability. Without this non-cash item, net loss in 2021 would be ($995,567) compared to a loss of ($821,736) in 2020. The $173,831 higher loss in 2021 can be explained by higher operating costs driven by technology development expenses incurred as the Company commercializes, partially offset by lower finance costs.

Net loss from discontinued operations stem from the agreement with Ellsin and Torreco whereby Torreco will own 70% of Ellsin's plant operations in Sault Ste Marie, accordingly this category includes the former Plant operations which incurred expenses of ($258,228) in the six months ended June 30, 2021 compared to ($148,767) in 2020. Plant operations include all operating costs associated with running the plant in Sault Ste. Marie including compensation and people costs, occupancy costs, insurance, repairs and maintenance and any associated costs related to the Ministry of Environment. The increase of $109,461 can be explained by the inclusion of a non-cash charge for the loss on modification of term loan in the amount of $82,472 as well as higher operating costs.

QUARTERLY FINANCIAL INFORMATION

The following table sets out the quarterly results for the most recently completed eight quarters:

	June 30, 2021	Mar 31, 2021	Dec 31, 2020	Sept 30, 2020	June 30, 2020	Mar 31, 2020	Dec 31, 2019	Sept 30, 2019
Net income (loss) $	(365,092)	(639,024)	(358,714)	(2,091,277)	(674,099)	706,886	(1,565,018)	(488,199)
Income (loss) per share $	(0.001)	(0.002)	(0.001)	(0.009)	(0.003)	0.003	(0.007)	(0.003)
Weighted average number of common shares outstanding (000s)	251,646	247,572	246,434	225,987	214,424	214,356	214,356	173,293

LIQUIDITY AND CAPITAL RESOURCES

As outlined in the outlook and growth strategy discussion, the Company has been successful at raising financing as needed through private placements as well as the issuance of new debt in prior years. Management has also repaid old debt and restructured debt terms as well as converted debt into common shares, based on cashflow needs.

During the six months ended June 30, 2021, and to the date of this MDA:

- The Company received $40,000 of additional proceeds from the CEBA loan program;
- The Company benefited from $64,504 in COVID-19 subsidies from the Canada Emergency Wage Subsidy (CEWS) program and $55,228 in the Canada Emergency Rent Subsidy (CERS) program
- Ellsin received $1,000,000 of the committed $7,000,000 of financing associated with the Joint Venture announced on March 22, 2021;
- Proceeds of $140,348 were received through the exercise of stock potions by employees, directors and consultants; and $50,000 through the exercise of warrant, and additional proceeds of $11,583 were received

after June 30, 2021 through a further 181,653 exercises of stock options;

- On April 23, 2021, the Company raised gross proceeds of $1,233,000 through a non-brokered private placement;
- On May 24, 2021, $1,264,275 of total debt was agreed to be converted into common shares of the Company.
- On June 22, 2021 the Company filed a preliminary short form base shelf prospectus with the securities regulatory authorities in each of the provinces and territories of Canada. The base shelf prospectus, when final, will qualify the distribution of up to $20,000,000 of common shares, warrants, subscription receipts, debt securities, and units or any combination thereof (collectively, the "Securities"), during the 25-month period that the base shelf prospectus is effective. The specific terms of any offering under the base shelf prospectus will be set forth in a prospectus supplement, which will be filed with the applicable Canadian securities regulatory authorities in connection with any such offering. The Securities may be offered in amounts, at prices and on terms to be determined at the time of sale and, subject to applicable regulations, may include "at-the-market" transactions, public offerings or strategic investments.

Change in cash flow during the six months ended June 30, 2021

The Company had cash of $375,423 at June 30, 2021, compared to $619,721 at December 31, 2020. An additional $1,042,540 of cash in Ellsin, including the $1,000,000 received from Torreco was included in assets held for sale as part of discontinued operations. The company used $875,297of cash in continuing operating activities during the six months ended June 30, 2021, $15,121 for furniture and office equipment and raised a total of $378,648 through financing activities, including $40,000 from CEBA loan proceeds, and $140,348 through the exercise of stock options and $50,000 proceeds through the exercise of warrants.

Total working capital deficiency was ($2,099,354) at June 30, 2021 compared to working capital deficiency of ($3,827,527) at December 31, 2020. In addition, included in working capital deficiency is $1,101,775 of a promissory note that was converted to common shares of the Company after the quarter end on July 7, 2021. The $2,000,000 NOHFC term loan which was renegotiated and payment terms deferred in Q2, 2021. $430,000 of deferred compensation at December 31, 2020 included in working capital deficit was also renegotiated with a portion or $162,500 being converted to shares of the Company in Q2, 2021. All of these efforts by Management will improve the balance sheet and working capital of the Company significantly on a go forward basis.

The Company's financial liquidity has been financed through sales of equity, issuance of new debt and government loans, subsidies and tax credits. The Company has been in the development stage and is not cash flow positive. The Company's ongoing ability to remain liquid will depend on a number of factors including EWI's successful commercialization of its TR900 tire recycling project, and the Company's ability to raise capital to fund this project until commercialization. (See "Risks and Uncertainties").

PROVISIONS, COMMITMENTS AND CONTINGENCIES

Except as noted below, the Company does not have any material commitments as at June 30, 2021, or the date of this MD&A.

Under its by-laws, the Company indemnifies its directors/officers, former directors/officers and individuals who have acted at the Company's request to be a director/officer of an entity in which the Company is a shareholder, to the extent permitted by law, against any and all charges, costs, expenses, amounts paid in settlement and damages incurred by the directors and officers as a result of any lawsuit or any judicial, administrative or investigative proceeding in which the directors and officers are sued as a result of their service. Indemnification claims will be subject to any statutory or other legal limitation period. There are no indemnification claims known to the Company at this time. The Company has purchased directors' and officers' liability insurance. No amount has been accrued in these consolidated financial statements with respect to any indemnifications.

During the ordinary course of business activities, the Company may be party to claims and may be contingently liable for litigation. Management believes that adequate provisions have been made in the accounts where required. Although it is not possible to estimate the extent of potential costs and losses, if any, management believes that the ultimate resolution of such contingencies will not have a material adverse effect on the consolidated financial position of the Company.

Partnership to enter the European Market

On August 25, 2020, the Company announced that is signed an agreement with a European development and investment company to enter into a partnership to develop waste tire recycling plants across Europe. The first project of this partnership will be a 100 ton per day tire recycling plant in Nyborg, Denmark which utilizes the Company's reverse polymerization technology. Subject to certain conditions, exclusions and performance criteria, the Company granted to its partner exclusive rights to its technology across Europe. In exchange for these exclusive rights, its partner is required to meet performance criteria such as the timely purchase and construction of the Nyborg plant, and must order and build additional plants within the first five years of the partnership to retain their exclusive rights to this technology in Europe.

MANAGEMENT OF CAPITAL

The Company's objective when managing capital is to maintain its ability to continue as a going concern for the benefit of shareholders and other stakeholders by balancing cash conservation and prudent investment in its operations in order to further its business objectives. The Company includes equity in its definition of capital. Equity is comprised of share capital, contributed surplus, and deficit. The Company's approach to raising equity has been to raise sufficient capital to fund operating activities, with an objective of minimizing dilution for shareholders. To secure additional capital to pursue its objectives, the Company may raise additional funds through the issuance of equity. The Company's ability to raise equity capital is a function of many factors, including the state of the capital markets, and there is no assurance that capital will be available to the Company when required or on acceptable terms.

There have been no changes with respect to the overall capital management strategy during the six months ended June 30, 2021.

RELATED PARTY TRANSACTIONS

During the six months ended June 30, 2021, the Company engaged in transactions in the normal course of operations with the following related parties.

Transactions with related parties other than key management personnel

During the six months ended June 30, 2021, the Company engaged in transactions in the normal course of operations with the following related parties. All of these transactions have been accounted for at the amount agreed to by the transacting parties as follows:

The Company recognized an expense during the six months ended June 30, 2021 for interest on loans to a director of $23,870 [2020 – $40,588].

The Company recognized an expense during the six months ended June 30, 2021 for shared-based compensation to directors in the amount of $16,866.

Transactions with key management personnel

The Company recorded compensation expense during the six months ended June 30, 2021 in the amount of $160,700 [2020 – $133,100] and share-based compensation in the amount of $24,798 [2020 – $30,573] to key management personnel.

The Company recognized an expense of $11,004 [2020 – $12,000] during the six months ended June 30, 2021 for interest on deferred compensation to a key member of management who is also a director.

Accounts payable as at June 30, 2021, includes $63,431 [December 31, 2020 – $113,591] related to compensation of a key member of management who is also a director.

FINANCIAL INSTRUMENTS

The Company's principal financial liabilities comprise accounts payable and accrued liabilities and various loans and borrowings. The main purpose of these financial liabilities is to finance the Company's operations. The Company's accounts receivable arose from its operations.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities [primarily for trade accounts receivable] and from its financing activities, including deposits with banks and financial institutions. Customer credit risk is managed subject to the Company's established policies, procedures and controls relating to customer credit risk management. The requirement for an impairment is analyzed at each reporting date on an individual basis. The maximum exposure to credit risk at the reporting date is the carrying value of trade accounts receivable and cash. One customer (2019 – one) accounted for 100% (2019 – 100%) of trade receivables at year end.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its obligations under its various loans and borrowings. The Company is exposed to liquidity risk from its financing activities, primarily for its various loans and borrowings and accounts payable and accrued liabilities. The Company monitors its risk to a shortage of funds regularly. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined

CRITICAL ACCOUNTING ESTIMATES AND POLICIES

The Company's audited consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS"). Management has made certain estimates and assumptions that affect the reported amount of assets and liabilities. Significant areas requiring the use of management estimates relate to amounts recorded as accrued liabilities, provisions, valuation of stock options and warrants, impairment assessment of intangible assets, measurement of deferred tax assets and the fair value of financial instruments. The significant area requiring the use of management judgment relates to the assessment of going concern uncertainties.

Stock options

As at June 30, 2021, the Company had 10,173,804 stock options outstanding after 1,436,638 options with a price ranging from $0.06 to $0.11 were exercised during the period for proceeds of $140,348. On June 1, 2021 400,000 options were granted to two new employees at a price of $0.26.

On June 30, 2020, the Company granted 3,905,000 stock options to directors, officers, employees and consultants with an exercise price of $0.05 which vest over three years and expire in five years. During the year ended December 31, 2020, 3,935,000 options with an exercise price of $0.10 expired. In addition, a total of 1,548,308 stock options were exercised at a price ranging from $0.06 to $0.11 for total proceeds of $147,832 in 2020.

The following chart summarizes the stock option activity duering the six months ended June 30, 2021 and year ended December 31, 2020.

	June 30, 2021		**December 31, 2020**	
	Number of options	**Weighted average exercise price**	**Number of options**	**Weighted average exercise price**
	#	$	#	$
Balance - beginning of period	**11,210,442**	**0.08**	12,788,750	0.10
Granted	**400,000**	**0.26**	3,905,000	0.05
Expired	-	**-**	(3,935,000)	(0.10)
Exercised	**(1,436,638)**	**(0.10)**	(1,548,308)	(0.10)
Outstanding - end of period	**10,173,804**	**0.08**	11,210,442	0.08
Exercisable - end of period	**4,842,729**	**0.09**	4,359,080	0.08

Warrants

In 2017, pursuant to the issuance of the convertible loan, the Company issued 3,712,500 common share purchase warrants that entitle the holder to receive one common share at a price of $0.11 for a period of five years. The value of these warrants has been accounted for as a derivative liability.

On June 30, 2020, pursuant to a financing completed, the Company issued 6,153,846 common share purchase warrants that entitle the holder to receive one common share at a price of $0.18 for a period of five years. The

Pursuant to the financings on April 30, 2019 and September 16, 2019, the Company issued 4,750,000 and 11,850,000 common share purchase warrants that entitle the holder to receive one common share at a price of $0.20 for a period of three years.

During the six months ended June 30, 2021 250,000 warrants were exercised at a price of $0.20 for $50,000.

A summary of the status of the Company's warrants at June 30, 2021 are as follows:

	Number of warrants	**Remaining contractual life**	**Weighted average exercise price**
	#	[years]	$
Balance January 1, 2020	20,312,500	1.55	0.17
Issued June 30, 2020	6,153,846	4.50	0.18
Balance - December 31, 2020	26,466,346	2.24	0.18
Exercised March 17, 2021	(250,000)	-	(0.20)
Balance - June 30, 2021	**26,216,346**	**1.52**	**0.18**

NEW AND AMENDED STANDARDS AND INTERPRETATIONS

Amendments to IFRS 3: Definition of a Business

The amendment to IFRS 3 *Business Combinations* clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the consolidated financial statements of the Company, but may impact future periods should the company enter into any business combinations.

Amendments to IFRS 16 COVID-19 Related Rent Concessions – amendment to IFRS 16 Leases

On 28 May 2020, the IASB issued *COVID-19-Related Rent Concessions - amendment to IFRS 16 Leases*. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment applies to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted. This amendment had no impact on the consolidated financial statements of the Company.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure controls and procedures within the Company have been designed to provide reasonable assurance that all relevant information is identified to its Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") and its Audit Committee to ensure appropriate and timely decisions are made regarding public disclosure.

Internal controls over financial reporting have been designed by management, under the supervision of, and with the participation of the Company's CEO and CFO to provide reasonable assurance regarding the reliability of the Company's financial reporting and its preparation of financial statements for external purposes in accordance with IFRS.

The Company will file certifications, signed by the Company's CEO and CFO, with the TSX Venture Exchange. In those filings, the Company's CEO will certify, as required by National Instrument 52-109, the appropriateness of the financial disclosure, the design and effectiveness of the Company's disclosure controls and procedures and the design and effectiveness of internal controls over financial reporting. The Company's CEO and CFO will also certify the appropriateness of the financial disclosures in the Company's interim filings with securities regulators. In those interim filings, the Company's CEO and CFO will also certify the design of the Company's disclosure controls and procedures and the design of internal controls over financial reporting.

The Company's Audit Committee reviewed this MD&A and the consolidated financial statements and the Company's Board of Directors approved these documents prior to their release.

Management's Report

Management, under the supervision of and with the participation of the Company's CEO and CFO, evaluated the effectiveness of the Company's disclosure controls and procedures (as defined under National Instrument 52-109) and the Company's internal controls over financial reporting (as defined under National Instrument 52-109). Based on that evaluation, management and the CEO and CFO have concluded that, as at June 30, 2021, the Company's internal controls were adequate.

Management Responsibility for Financial Reporting

The Company's June 30, 2021 interim, condensed consolidated financial statements have been prepared by management in accordance with IFRS, and have been approved by the Board of Directors. The integrity and objectivity of these consolidated financial statements are the responsibility of management. In addition, management is responsible for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated financial statements.

EWI maintains a system of internal accounting and administrative controls to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the Company's assets are appropriately accounted for and adequately safeguarded. The consolidated financial statements may contain certain amounts based on estimates and judgments.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Board carries out this responsibility principally through its Audit Committee. The Audit

Committee has at least one financial expert, and none of its members are involved in the daily operations of the Company. The Audit Committee meets periodically with management and the external auditor to discuss internal controls over financial reporting and auditing matters.

The Audit Committee reports to the Board for approval of the consolidated financial statements as well as to shareholders for the reappointment of the external auditors.

For reference purposes, please refer to the June 30, 2021 interim condensed consolidated financial statements.

RISKS AND UNCERTAINTIES

An investment in the Company should be considered highly speculative due to the nature of the Company's activities and its early stage of development. These risk factors and uncertainties could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking statements contained herein relating to the Company.

Lack of Revenues; History of Operating Losses

The Company has a limited operational history. The Company has never paid dividends and has no present intention to pay dividends. The Company is in the early commercialization stage of its business and therefore will be subject to the risks associated with early stage companies, including uncertainty of revenues, markets and profitability and the need to raise additional funding. The Company will be committing, and for the foreseeable future will continue to commit, significant financial resources to marketing and product development. The Company's business and prospects must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stage of development. Such risks include the evolving and unpredictable nature of the Company's business, the Company's ability to anticipate and adapt to a developing market, acceptance by consumers of the Company's products and the ability to identify, attract and retain qualified personnel. There can be no assurance that the Company will be successful in doing what is necessary to address these risks.

Sales Cycle

Sales cycles for some of EWI's patented RP Process and delivery systems involve unusually lengthy periods of time that can have a direct effect on the profitability of sales through changes in component costs, market conditions, exchange rates, and other costs outside the Company's control.

Additional Financing Requirements and Access to Capital

In order to launch the Company's technology on a commercial level, it will need to raise additional funds from lenders and equity markets in the future. There can be no assurance that the Company will be able to raise additional capital on commercially reasonable terms to finance its objectives. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of common shares from the treasury of the Company, control of the Company may change and shareholders may suffer additional dilution.

Protection of Intellectual Property

Although the Company does not believe that its products infringe the proprietary rights of any third parties, there can be no assurance that infringement or invalidity claims (or claims for indemnification resulting from infringement claims) will not be asserted or prosecuted against the Company or that any such assertions or prosecutions will not materially adversely affect the Company's business, financial condition or results of operations. Irrespective of the validity or the successful assertion of such claims, the Company could incur significant costs and diversion of resources with respect to the defense thereof which could have a material adverse effect on the Company's business, financial condition or results of operations. The Company's performance and ability to compete are dependent to a significant degree on its proprietary technology.

While the Company will endeavor to protect its intellectual property, there can be no assurance that the steps taken by the Company will prevent misappropriation of its technology or that agreements entered into for that purpose will be enforceable. The laws of other countries may afford the Company little or no effective protection of its intellectual property. While the Company's technology is developed and owned by the Company, it may in the future also rely on technology licenses from third parties. There can be no assurance that these third party licenses will be, or will continue to be, available to the Company on commercially reasonable terms. The loss of, or inability of the Company to maintain, any of these technology licenses could result in delays in completing its product enhancements and new developments until equivalent technology could be identified, licensed, or developed and integrated. Any such delays would materially adversely affect the Company's business, results of operations and financial condition.

Competition

The Company may not be able to compete successfully against current and future competitors, and the competitive pressures the Company could face could harm its business and prospects. The reverse polymerization of tires is a technology that is new to the market. New technologies and the expansion of existing technologies may increase competitive pressures on the Company. Increased competition may result in reduced operating margins as well as loss of potential market share. This could result in decreased usage of the Company's technology and may have a material adverse effect on the Company's business, financial condition and results of operations.

Partnerships for Development and Commercialization of Technology

The Company may need, but be unable to obtain partners to support the commercialization of its technology. Equity financings alone may not be sufficient to fund the cost of developing products, and we may need to rely on our ability to reach partnering arrangements to provide financial support for these efforts.

Negative Cash Flow and Absence of Profits

The Company has not earned any profits to date and there is no assurance that it will earn any profits in the future, or that profitability, if achieved, will be sustained. A significant portion of the Company's financial resources in the short term will be to support the efforts to commercialize the TR900 System. The success of the Company will ultimately depend on its ability to generate revenues from its sales of the TR900 and other systems such that the business development and marketing activities may be financed by revenues from operations instead of external financing. There is no assurance that future revenues will be sufficient to generate the required funds to continue such business development and marketing activities.

Conflicts of Interest

Certain proposed directors and officers of the Company may become associated with other reporting issuers or other corporations which may give rise to conflicts of interest. In accordance with the Canada Business Corporations Act, directors who have a material interest or any person who is a party to a material contract or a proposed material contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors are required to act honestly and in good faith with a view to the best interests of the Company, as the case may be. Certain of the directors have either other employment or other business or time restrictions placed on them and accordingly, these directors will only be able to devote part of their time to the affairs of the Company.

Share Price Volatility

A number of factors could influence the volatility in the trading price of the common shares of the Company including changes in the economy or in the financial markets, industry related developments, and the impact of changes in our operations. Each of these factors could lead to increased volatility in the market price of common shares.

COVID-19 Global Pandemic

In March 2020, there was a global outbreak of COVID-19 (coronavirus), which has had an impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and social distancing/quarantine guidelines. We anticipate this outbreak will not have significant impact on the Company with the exception of potentially lower maintenance revenues in fiscal 2021 due to the current travel restrictions to the Unites States. Certain Sales of TR systems that are currently being negotiated may be delayed due to travel restrictions. Management feels confident that it can continue to obtain additional financing through private placements or debt, as it has in the past, in order to meet its ongoing cashflow needs.

Dilution

There may be future dilution due to additional future equity financing events by the Company. If outstanding options and warrants of the Company are exercised into common shares, there will be additional dilution.

SUBSEQUENT EVENTS

[a] Stock options

On July 7, 2021 3,870,000 stock options were granted to employees, officers, directors and consultants at an exercise price of $0.19.

During the period from July 1, 2021 to August 26, 2021 a total of 181,653 stock options were exercised for total proceeds of $11,583 by employees, officers and consultants of the Company.

[b] Debt conversion

On May 24, 2021 the Company entered into a debt conversion agreement to settle the promissory note payable owing under the promissory note dated April 12, 2017. The parties agreed to settle the total amount principal and interest owing of $1,101,775 by way of issuance of 4,590,729 common shares of the Company at $0.24. Pursuant to the TSX Venture Exchange ("TSXV"), this debt settlement required the approval of disinterested shareholders of the Company because the holder of this note, a Company owned by a director, will become a new control person of the Company since it will own over 20% of the Company's common stock. The Company obtained shareholder approval for this debt settlement at its annual and special shareholders' meeting held July 7, 2021. This transaction constitutes a related party transaction, as the promissory note is held by company owned by a director of the Company.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

During fiscal 2020, the six months ended June 30, 2021 and to date, the Company progressed significantly towards commercialization of the TR Series System with the announcement of two transactions that will generate future revenues.

The Company has switched focus from a technology company to a marketing company with the main focus being the commercialization and sales of its TR Series tire recycling project. This project represents an economically viable solution to a large environmental problem. EWI has a sales funnel that includes opportunities to sell plants to third parties that include ongoing royalty payments and maintenance agreements, as well as selling the plant by-products including carbon black, oil, steel and syngas.

SHARE DATA

The following table outlines all outstanding voting or equity securities including options and warrants of the Company which are convertible into, or exercisable or exchangeable for, voting or equity securities as of August 26, 2021:

Common shares at August 26, 2021	**258,418,943**
Issuable under stock options	13,862,151
Issuable under warrants	26,216,346
Total	**298,497,440**

Features of the options and warrants are described in Note 10 to the condensed interim consolidated financial statements for the six months ended June 30, 2021.

ADDITIONAL INFORMATION

Additional information relating to the Company can be found on SEDAR at www.sedar.com and at the Company's website www.Ewi.ca.