ENVIRONMENTAL WASTE INTERNATIONAL

ENVIRONMENTAL WASTE INTERNATIONAL INC.

Management's Discussion and Analysis

For the nine months ended

September 30, 2022

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") of Environmental Waste International Inc. and its subsidiaries (collectively referred as to the "Company" or "EWI") is dated November 22, 2022, and provides information concerning the Company's financial condition and results of operations. This discussion contains forward-looking statements that involve risks and uncertainties. The Company's actual results, performance and achievements could differ materially from those implied by these forward-looking statements as a result of various factors, see section "Caution Regarding Forward-Looking Statements".

This MD&A should be read in conjunction with the interim condensed unaudited consolidated financial statements and accompanying notes for the nine months ended September 30, 2022, and 2021, which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All amounts are in Canadian dollars unless otherwise specified.

This interim MD&A has been prepared by reference to the MD&A disclosure requirements established under National Instrument 51-102 Continuous Disclosure Obligations (NI 51-102) of the Canadian Securities Administrators. Additional information regarding EWI is available on its website at (www.ewi.ca) and all previous public filings, are available through SEDAR (www.sedar.com).

CAUTION REGARDING 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.

COMPANY OVERVIEW

Since 1992, EWI has been making advancements in the environmental industry. EWI currently develops environmentally friendly products for waste treatment and disposal. Its predominant focus is on recycling End-of-Life ("EOL") 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 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.

In addition to tires, EWI has designed solutions for the safe disposal, recycling and/or recapture of useable by-products for Liquid Biological Waste Systems; Food Waste; Medical Waste and Animal Waste.

Reverse Polymerization Technology

Reverse Polymerization (RP) is the reduction of organic material through the application of microwave energy in an oxygen-depleted (nitrogen-rich) atmosphere. Microwave energy is absorbed by the organic material, causing rotation of inter-molecular bonds, leading to the generation and emission of narrowband infrared energy. The narrow band infrared energy is re-absorbed by surrounding material, increasing the amount of energy in the bonds until the bonds break. The breaking of the bonds results in the conversion of complex organic compounds into simpler compounds of lower molecular weight without undergoing oxidation.

RP process involves the direct application of high-energy microwaves to organic waste to break down the materials into simpler chemical components. The RP Process is unique and can be differentiated from other processes based on three key characteristics:

1. Application of microwaves occurs in a nitrogen-rich environment (oxygen depleted). Therefore, oxidation of the waste does not occur.
2. Reaction occurs at relatively low chamber temperatures of 150º C to 450º C, depending on the application.
3. Control of the process is more precise as the microwave energy is focused and the energy input is variable, allowing the desired amount of energy input per unit mass of waste to be applied.

Reverse Polymerization is <u>not incineration</u>, which is an oxidation process that occurs at higher temperatures. Oxidation of organic waste materials can lead to the formation of undesirable by-products such as dioxins or furans. Reverse Polymerization is <u>not pyrolysis</u>, which is generally conducted at higher temperatures and heats the organic material from the outside in (i.e: uneven heating).

Incineration and pyrolysis cannot be precisely controlled in the same manner as Reverse Polymerization. These processes, incineration and pyrolysis, have less control of their reactions compared to the RP process and therefore lack the ability to control the composition and quality of the end-products. This has major implications in the EOL tire application and is one of the reasons that EWI's RP process creates such high-quality byproducts from tires.

Corporate Mission

The Company's mission is to provide sustainable solutions for the rubber and plastic compounding industries by processing EOL tires and scrap rubber in a way that dramatically reduces greenhouse gas, while producing a high return on investment without the need for a tipping fee or carbon tax.

The Company is currently focused on the commercialization of its technology for the recycling of EOLtires and other rubber waste. The Company's RP process reduces EOL 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 EOL 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: recovered carbon black (rCB), oil, steel and hydrocarbon vapours. The rCB is recycled back into rubber compounding for tire production, weather stripping and other rubber products. In addition, rCB is used as a colour concentrate in pigments, coating and paint as well as plastics, among many 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.

Environmental – Social – Governance ("ESG") initiatives and projects have become a focus for corporations, governments, regulators and investors in 2022. EWI is well positioned as it integrates ESG in its business practices. The Company's tire recycling technology provides a practical solution to one of the world's biggest environmental challenges, and our corporate strategy of building and selling plants provides an opportunity to make a difference in the fight against climate change. As worldwide ESG commitments evolve into action, EWI is prepared for the significant changes the economy is undergoing. Management and directors of the Company have a fiduciary responsibility to its shareholders to contribute towards a more sustainable world and protect our future and the environment, not only because it is the right thing to do, but because it is also good business.

The Company has protected its intellectual property. It has patented its Reverse Polymerization™ Process and has filed additional patents for a Hybrid Reverse Polymerization™ Process. In addition to these patents, the Company has a great deal of technical and management expertise in its engineering team.

Tire Plant in Sault Ste. Marie

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 processed the vapors to recover the oil, and then scrubs the remaining gas for use as fuel in the power generation system that provides electricity to 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 and received approval to operate the tire plant commercially. The plant is now being upgraded to run commercially.

MARKET OVERVIEW

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. Over 4.1 million tires are scrapped each day. 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.

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. Recovered carbon black ("rCB"), 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's rCB has now been tested and accepted by a number of companies. Bridgestone and Michelin both committed to dramatically increasing their use of recovered carbon black in their manufacture of new tires.

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 and receive a service fee on all revenues from these systems. This will develop a growing base of high margin, high value recurring revenue. There is intense government pressure around the world to deal with waste tires in a way that protects the environment. EWI is currently working on a number of plant sales. The most active ones are with entities in Canada, Denmark, Australia, and the UK.

ESG Driven Demand

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 waste stream, especially where raw rubber is intermingled with steel. The Company is seeing interest from rubber manufacturers to deal with their sustainability issues. Bridgestone and Michelin made a joint announcement in November 2021 indicating a need for large quantities of rCB to meet their stated sustainability goals by 2030.

KEY DEVELOPMENTS

From January 1, 2022, to September 30, 2022 and up to the date of this MDA the Company continued to move forward and focus on the following significant developments:

- Secured short-term financing
- Continued upgrading the Company's plant in Sault Ste. Marie toward a full-scale commercial facility
- Progressed towards obtaining long-term financing
- Filed additional patents

OPERATING HIGHLIGHTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

The Company continued to focus its efforts on upgrading its plant in Sault Ste. Marie Ontario to a commercial facility.

On April 27, 2022, Bob MacBean, the CEO and a director of the Company agreed to extend the repayment date on funds totaling $286,223 owing to him to January 15, 2024. This amount is comprised of accrued salary and business expenses.

On June 30, 2022, the company held its Annual General Meeting, and the shareholders approved all matters put forth for approval. The shareholders re-elected Sam Geist, Emanuel Gerard, Bob MacBean, Paul Orlin and Robert Savage to the board of directors and re-appointed MNP LLP as auditors. The shareholders also approved the authorization of the Board to consolidate the common shares of the Corporation on the basis of 1 new common share for up to 20 old common shares; the board has no current plans to consolidate the Company's common shares.

The shareholders also approved the Company's new 10% omnibus incentive plan following a recent TSX Venture approval of additional compensation alternatives, the EWI Board concluded that it was advisable to replace its Option Plan, with a New Omnibus Plan providing for the grant of not just stock options, but also restricted share units, performance share units and deferred share units. The New Omnibus Plan remains a "rolling" plan in that, subject to the adjustment provisions provided for therein, the aggregate maximum number of common shares that may be reserved for issuance, at any time, shall not exceed ten percent (10%) of the Company's issued and outstanding shares at that time.

On June 30, 2022 the Company granted an aggregate of 2,660,000 incentive stock options to certain officers, directors, employees and consultants of the Company under its New Omnibus Plan. All options are exercisable at $0.05 per common share vesting over three years with an expiry date of June 30, 2027.

FINANCIAL HIGHLIGHTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

On April 13, 2022, the Company announced that it has raised $825,000 in a $0.10 per unit private placement financing.. Each unit consists of one common share and one share purchase warrant. Each warrant expires two years from the closing and has an exercise price of $0.15. Five members of the EWI Board of Directors and a senior member of management of the Company participated in the purchase of units in the offering. Certain members of Windspace A/S, the Danish company that is currently working on securing financing for a 100 tonne per day plant in Nyborg, Denmark utilizing EWI technology, also participated in the placement.

In July and September 2022, certain board members loaned the Company an aggregate of $357,365 (US$ 275,000) and promissory notes were issued. The promissory notes bear interest at a rate of 6% per annum, which shall accrue and become payable along with the principal amounts on the maturity date of September 30, 2024.

During the three and nine months ended September 30, 2022, the Company reported a total net loss of ($680,317) and ($1,725,457) respectively, compared with net loss of ($56,025) and ($1,060,142) during the same periods in 2021. Included in these results in Q3 2021 were two non-cash accounting gains including gain on settlement of debt for $249,848and gain due to the change in valuation of a derivative liability for $322,362. Without these two non-cash items, the loss for the three months ended September 30, 2022 is ($680,317) compared to a loss of ($628,235) in Q3 2021, representing a $52,082 higher loss in 2022. For the nine months ended September 30, 2022 after adjusting for non-cash gains there was a loss of ($1,815,671) for the nine months ended September 30, 2022 compared to ($1,882,031) for the nine months ended September 30, 2021, representing a $66,360 lower loss in 2022.

CASHFLOW FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

The Company had $19,970 cash on hand at September 30, 2022. Subsequent to September 30, 2022, additional proceeds of $136,802 (US$100,000) were received from the issuance of promissory notes to certain Directors.

Working capital deficiency was ($2,985,738) at September 30, 2022 compared to working capital deficiency of ($2,803,045) at December 31, 2021. Included in current liabilities is $2,435,808 term loan to NOHFC for which terms are currently being renegotiated by Management and the NOHFC, but is classified as short term. Without this item, actual working capital is as follows:

Working capital per balance sheet	($2,985,738)
Less: NOHFC loan classified as current	$2,435,808
Actual working capital deficit	$ ($549,930)

During the nine months ended September 30, 2022, the Company used $1,021,393 of cash for operating activities, compared to $1,804,867 in the nine months ended September 30, 2021. This decrease in cash used of $783,474 can be explained by the receipt of trade receivables and government remittances during the nine months ended September 30, 2022 as well as higher accounts payables and accrued liabilities. The company used $376,541 in construction in progress costs relating to the plant upgrade in Sault Ste. Marie in the nine months ended September 30, 2022 compared to $548,549 in the same period in 2021. In the first nine months of 2021 the Company incurred $15,121 for the purchase of furniture and equipment for its new office premises in Whitby compared to $6,435 spent in the same period in 2022.

Financing activities generated $825,000 proceeds from the private placement that closed in April 2022 less $4,209 issue costs, as well as proceeds of $357,365 from the issuance of promissory notes. Total cash received from financing activities of $1,178,156 was partially offset by a total of $51,152 of mortgage and lease payments generating net $1,127,104 cash. In the same period of 2021, the Company received $1,000,000 proceeds from the investment by Torreco in Ellsin representing 4% interest in Ellsin, $1,233,000 proceeds from a private placement less $17,363 issue costs and additional $40,000 proceeds from CEBA loans. $151,930 was received from the exercise of stock options and $50,000 from the exercise of warrants. This was partially offset by a total of $41,852 of mortgage and lease payments generating net cash of $2,415,715 in the first nine months of 2021.

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.

SELECTED FINANCIAL INFORMATION

The following table sets out selected information for the three and nine months ended September 30, 2022 and September 30, 2021 and have been prepared in accordance with IFRS.

(Unaudited)	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
	$	$	$	$
Revenues	-	22,518	-	82,489
Operating loss	(625,165)	(586,352)	(1,669,245)	(1,696,622)
Net loss	(680,317)	(56,025)	(1,725,457)	(1,060,142)
Net loss per share	(0.003)	0.000	(0.007)	(0.004)
Weighted average number of shares outstanding - basic	266,668,943	258,046,181	263,586,525	252,459,652
Total assets	2,619,523	2,866,299	2,619,523	2,866,299
Total shareholders' deficiency	(1,880,816)	(1,222,497)	(1,880,816)	(1,222,497)

DISCUSSION OF RESULTS

The following table summarizes the Company's operating results for the three and nine months ended September 30, 2022 and 2021.

(Unaudited)	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
	$	$	$	$
Revenues	-	22,518	-	82,489
Technology development	117,071	120,802	325,578	605,245
Plant operations	18,572	125,633	77,951	340,295
Selling, marketing and administration	360,034	222,224	818,874	585,706
Stock based compensation	100,740	130,691	360,865	203,080
Depreciation and amortization	28,748	9,520	85,977	44,785
Total expenses	625,165	608,870	1,669,245	1,779,111
Operating loss	(625,165)	(586,352)	(1,669,245)	(1,696,622)
Gain on recognition of interest free loans	-	-	-	6,254
Finance costs	(50,682)	(44,450)	(142,616)	(166,222)
Foreign exchange gain (loss)	(4,470)	2,567	(3,810)	(25,441)
Gain on settlement of debt	-	249,848	-	249,848
Gain (loss) on change in fair value of derivative	-	322,362	90,214	572,041
Net loss	(680,317)	(56,025)	(1,725,457)	(1,060,142)

Three months ended September 30, 2022 and 2021

The Company received **revenues** from a maintenance contract and an extended warranty contract with a client in the US which accounted for the majority of the $22,518 of revenues in Q3, 2021. This contract expired in August 2021, explaining why there are no revenues in Q3, 2022.

Technology development expenses of $117,071 in Q3 2022 compared to $120,802 in Q3 2021 representing a minimal decrease of $3,731. Technology development costs include 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.

Plant Operations expenses in Q3, 2022 of $18,572 compared to Q3, 2021 $125,633. The decrease of $107,061 can be explained by lower costs due to less activity as well as the higher capitalization of costs to construction in process in Q3 2022 pertaining to the upgrade of the Sault Ste. Marie plant.

Selling, marketing and administration expenses include compensation and people costs, consulting and professional fees, travel, selling and marketing costs, payroll costs, legal and accounting fees, regulatory costs, business insurance, and office supplies. Expenses of $360,034 in Q3 2022 were higher than $222,224 in Q3, 2021. This increase of $137,810 is due to the inclusion of third-party firm fees for investor relations and marketing services in Q3, 2022.

Operating loss of ($625,165) in the three months ended September 30, 2022 compares to an operating loss of ($586,325) during the same period in 2021. The higher operating loss in Q3 2022 vs Q3 2021 of $38,840 is due to lower revenues, higher selling, marketing and administration expenses and depreciation and amortization partially offset by lower plant costs and stock compensation expense.

Stock-based compensation expense of $100,740 in Q3 2022 was lower than $130,691 in Q3 2021 due to the timing of expense which is recorded based on vesting. On a year-to-date basis, stock compensation expense in 2022 is higher than 2021.

Depreciation and amortization totaling $28,748 in Q3 2022 was lower than $9,520 in Q3 2021 by $19,228. This is due to the fact that in Q3, 2021, the Company recorded the Ellsin plant operations as discontinued operations with the assets held for sale and no depreciation was recorded in Q3 2021. At December 31, 2021, the classification of discontinued operations was reversed and an adjustment was made in Q4, 2021 to record catch up depreciation relating to Q3 2021. Depreciation is not yet recorded on construction in process as the Sault Ste. Marie plant is not yet in use.

Finance costs in Q3 2022 of $50,682 were higher than $44,450 in Q3 2021 primarily due to interest on the new promissory notes issued in Q3 2022.

Foreign exchange loss of $4,470 in Q3 2022 compared to a gain of $2,567 in Q3 2021. Foreign exchange is based on the conversion of $US cash to $CAD cash at a rate on the date of conversion and the higher loss in Q3 2022 can be explained by the decrease in value in the $CAD during 2022.

Gain on change in fair value of derivative of $nil in Q3, 2022 compared to a gain of $322,362 in Q3 2021. The gain in Q3 2022 represents the revaluing of the warrants that were attached to a convertible debt instrument. These warrants expired on May 4, 2022, and therefore there was no impact in Q3, 2022.

Net loss of ($680,317) in Q3, 2022 compared to net loss of ($56,025) in Q3, 2021. Included in Q3 2021 were two non cash items including a gain of $249,878 on settlement of debt and $322,362 gain resulting from the change in fair value of derivative liability. Without these non-cash items, net loss in Q3 2021 would be ($628,265) compared to a loss of ($680,317) in Q3 2022.

Nine months ended September 30, 2022 and 2021

The Company received **revenues** from a maintenance contract and an extended warranty contract with a client in the US which accounts for the majority of the $82,489 of revenues in the nine months ended September 30, 2021. This contract expired in August 2021, explaining why there are no revenues in 2022.

Technology development expenses of $325,578 in the nine months ended September 30, 2022 compared to $605,245 in the same period in 2021. Technology development costs include 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. The decrease of $279,667 is due to lower third-party spending on third party engineering costs in 2022.

Plant Operations expenses in the nine months ended September 30, 2022 of $77,951 compared to 2021 $340,295. The decrease of $262,344 can be explained by decreased activity and travel costs in 2022 compared to 2021 where efforts were made to refurbish the plant to ready it for the upgrade to a commercial plant.

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 $818,874 in the nine months ended September 30, 2022 were higher than $585,706 in 2021. This increase of $233,168 is primarily due to increased spending and focus on investor relations and marketing activities in 2022 and the receipt of COVID 19 government subsidies in 2021 reducing costs in that year.

Operating loss of ($1,669,245) in the nine months ended September 30, 2022 compares to an operating loss of ($1,696,622) during the same period in 2021. The slightly lower operating loss of $27,377 in 2022 vs 2021 is primarily due to lower technology expenses and plant operations costs as explained above, as well as lower revenues in 2022 compared to 2021 also explained above, partially offset by higher selling, marketing and administration expenses, stock compensation expense and depreciation and amortization.

Stock-based compensation expense of $360,865 in the nine months ended September 30, 2022 was higher than $203,080 in 2021 due to the granting of options in 2021 at a higher price resulting in a higher value to expense over the vesting period versus the options granted at a lower price the prior year.

Depreciation and amortization totaling $85,977 in the nine months ended September 30, 2022 was lower than $44,785 in 2021 by $41,192. This is due to the fact that effective March 22,2021, the Company recorded the Ellsin plant operations as discontinued operations with the assets held for sale and no depreciation recorded in Q2 and Q3 2021. At December 31, 2021, the classification of discontinued operations was reversed and an adjustment was made in Q4, 2021 to record catch up depreciation relating to Q2 and Q3 2021. Depreciation is not yet recorded on construction in process as the Sault Ste. Marie plant is not yet in use.

Gain on recognition of interest-free loan of $6,254 in the nine months ended September 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 nine months ended September 30, 2022 of $142,616 were lower than $166,222 in 2021 primarily due to no interest on the promissory note which was converted in 2021.

Foreign exchange loss of $3,810 in the nine months ended September 30, 2022 compared to a loss of $25,441 in 2021 which is due to holding higher US cash balances in 2021 compared to 2022.

Gain on change in fair value of derivative of $90,214 in the nine months ended September 30, 2022 represents the revaluing of the warrants that were attached to the convertible loan on their expiry date May 4, 2022. A gain of $572,041 in the nine months ended September 30, 2021 resulted due to the decrease in stock price at September 30, 2021 compared to December 31, 2020 in relation to the exercise price and the value conferred on the holder of the warrants.

Net loss of ($1,725,457) in the nine months ended September 30, 2022 compared to net loss of ($1,060,142) in the same period in 2021. Included in 2022 was a non-cash gain of $90,214 compared to two non-cash gains in the same period in 2021 including a gain of $572,041 from the change in fair value of derivative liability and $249,848 for a gain on settlement of debt. Without these non-cash items, net loss in the nine months ended September 30, 2022 would be ($1,815,671) compared to a loss of ($1,882,031) in 2021 representing a lower loss by $66,360.

QUARTERLY FINANCIAL INFORMATION

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

(Unaudited)	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020
Net loss $	(680,317)	(571,929)	(473,212)	(254,780)	(56,025)	(365,092)	(639,024)	(358,714)
Loss per share $	(0.003)	(0.002)	(0.002)	(0.001)	0.000	(0.001)	(0.002)	(0.001)
Weighted average number of common shares outstanding (000s)	266,668	265,738	258,419	258,419	258,046	251,646	247,572	246,434

PARTNERSHIPS AND MINORITY INTEREST

Partnership to enter the European Market

On August 25, 2020, the Company announced that it signed an agreement with a European development and investment company, WindSpace through its subsidiary Elysium Nordic (Elysium) to enter into a partnership to develop waste tire recycling plants across Europe. That original agreement has now expired, and Elysium's rights are now limited to financing and building a TR100 in Nyborg Denmark with plans to build a second TR100 on the same site.

WindSpace and/or some of its principals have participated in the June 30, 2020, April 22, 2021 and the April 13, 2022 private placements.

Torreco investment in Ellsin

On March 22, 2021, the Company announced an agreement with Torreco, Inc. for an investment of $7,000,000 in Ellsin, EWI's subsidiary which owns its plant in Sault Ste. Marie, Ontario. Torreco has funded $1 million to date, and now owns a minority interest of 10% in Ellsin. Torreco is currently in breach of this agreement by not having advanced the remaining funds. The Company continues to move forward with the upgrade and commercialization of the Sault Ste. Marie plant and is actively seeking alternate financing solutions to fund this project which would substantially dilute Torreco's interest.

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 nine months ended September 30, 2022.

RELATED PARTY TRANSACTIONS

During the nine months ended September 30, 2022, 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 nine months ended September 30, 2022, 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:

In July and September 2022, the Company issued promissory notes totaling $357,365 (US$ 275,000) to certain directors of the Company. In October, 2022 additional promissory notes were issued totaling $136,802 ($100,000).

The Company recognized an expense during the nine months ended September 30, 2022, for interest on loans to a director $nil (2021 – $23,870).

The Company recognized an expense during the nine months ended September 30, 2022, for shared-based compensation to directors in the amount of $99,015 (2021 – $54,282).

Transactions with key management personnel

The Company recorded compensation expense during the nine months ended September 30, 2022, in the amount of $186,150 (2021 – $242,050) and share-based compensation in the amount of $123,647 (2021 – $68,534) to key management personnel.

The Company recognized an expense of $10,692 (2021 – $14,568) during the nine months ended September 30, 2022, for interest on deferred compensation to a key member of management who is also a director.

Accounts payable as at September 30, 2022, includes $19,765 (December 31, 2021 – $12,772) 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.

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 and from its financing activities, including deposits with banks and financial institutions. 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.

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

NEW AND AMENDED STANDARDS AND INTERPRETATIONS

The Company applied for the first-time certain standards and amendments, which are effective for annual years beginning on or after January 1, 2022.

IAS 16 – Property, Plant and Equipment ("IAS 16") was amended. The amendments introduce new guidance about the proceeds from selling items before the related property, plant and equipment is available for its intended use. The amendments are effective for annual periods beginning on January 1, 2022.

IAS 37 – Provisions, Contingent Liabilities, and Contingent Assets ("IAS 37") was amended. The amendments clarify which costs should be included in determining the cost of fulfilling a contract when assessing whether a contract is onerous. The amendments are effective for annual periods beginning on January 1, 2022.

The following amendments to standards issued by the IASB have not yet been adopted by the Company:

IAS 1 – Presentation of Financial Statements ("IAS 1") - These amendments require that entities disclose material accounting policies, as defined, instead of significant accounting policies. We are currently assessing the impact of these amendments on the disclosure of our accounting policies. Effective for annual reporting periods beginning on or after January 1, 2023.

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 interim condensed 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 September 30, 2022, the Company's internal controls were adequate.

Management Responsibility for Financial Reporting

The Company's September 30, 2022, 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 September 30, 2022, interim condensed consolidated financial statements.

RISKS AND UNCERTAINTIES

A comprehensive list and description of risk factors relating to the Company can be found in the annual MD&A for the year ended December 31, 2021.

SUBSEQUENT EVENT

Loan Financing

In October 2022, the Company received proceeds of $136,802 (US$100,000) from the issuance of additional promissory notes to certain directors of the Company.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

During fiscal 2021 and throughout the nine months ended September 30, 2022, and to date, the Company continued to progress towards commercialization of the TR Series System and upgrade of their plant in Sault Ste. Marie.

EWI continued to develop technology with its main focus on the commercialization of the TR technology. 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 November 22, 2022:

Common shares at November 22, 2022	**266,668,943**
Issuable under stock options	15,657,150
Issuable under warrants	14,403,846
Total	**296,729,939**

Features of the options and warrants are described in Note 9 to the condensed interim consolidated financial statements for the nine months ended September 30, 2022.