



Dear Shareholder:

May 4, 2011

Environmental Waste International (EWS) recently completed the most significant year in its history. Our focus was on moving the showcase TR900 waste tire recycling pilot system forward in order to confirm the viability of the patented Reverse Polymerization™ process for waste tires. We made dramatic progress during the year.

In late 2009 we began the engineering challenge of designing the plant. This system embodies all of the advancements and improvements that have been identified over the years as well as several new modifications. We believe the TR900 will set a new standard in tire recycling. By April 2010 we completed the design and fabrication of the in-feed portion of the system and were preparing for the fabrication of the balance of the system. At the same time, Ellsin Environmental Ltd. (Ellsin) received Ministry of Environment approvals for the TR900 facility in Sault Ste. Marie (SSM), which cleared the way for the construction of the TR900 building. EWS completed fabrication of the main tunnel in October and by November began shipping components to SSM.

In early November EWS offered to acquire 100% of Ellsin for stock, which was accepted in December and closed in January of this year. We now control all tire processing rights to the TR systems worldwide. Following the acquisition, EWS raised \$1,750,000 to finish the building in SSM and among other things, complete the purchase of the gas engine for power generation. As of the writing of this letter, the building is virtually finished, the main tunnel and all of the ancillary systems have been installed and the operational programming of the system is well underway.

We anticipate issues as we get the system fully functional, but we believe they will be overcome. We have been contacted by local and foreign groups eager to visit SSM to see the TR900 in operation and expect to be able to accommodate them in the near future. Subsequently, we hope to build a significant business in waste tire processing systems.

Earlier this year EWS was notified that it had been selected as one of the top 50 companies out of the over 2,200 listed on the TSXV Exchange. It was a great start to the year, but indications are that it was just the beginning of what will be a seminal year for EWS, which remains at the forefront of the "green revolution". We hope and expect that the patience of our shareholders will finally begin to be significantly rewarded in 2011.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen D.", followed by a horizontal flourish.

President