

“Difficult times bring out the best in people...”

Dear Shareholders,

We have completed a fiscal year like none other in history, and one that clearly demonstrates the resilience of both our business and our people. This past year saw many breakthroughs and successes, but admittedly we also saw our share of frustrations and disappointments.

This past year has demonstrated what I’ve always known: our people are extraordinary. From the start of the pandemic in 2019, they quickly adapted and tackled many unforeseen issues while remaining focused on the Company’s goals. I am proud of each member of our team for facing every challenge with confidence, determination, and innovation. This past year not only tested our toughness but also highlighted our people’s tenacity, strength, and ability to execute.

The safety and well-being of our people have always been our top priorities. We adapted quickly to ensure a safe environment for our office, lab, support and production staff as we pursue the broad adoption of our sustainable and eco-friendly solutions.

PCBA (E-Waste) Division

While the world slowly recovers and adapts to the COVID-19 crisis, many unprecedented challenges adversely affected our PCBA division, including industry shutdowns, border closures, labor shortages, disruptions in feedstock supply, and global shipping and logistics complications, all of which, gave rise to reductions in available feedstock and processing delays.

In July 2021, we used delays in receiving feedstock as an opportunity to upgrade our PCBA facility to improve process efficiencies, increase material throughput and reduce process and maintenance costs. The improvements and enhancements included the addition of specialized grinding circuits and streamlining material transfer methods. Despite supplier and COVID related, we anticipate the facility will again be fully operational in November 2021.

Our PCBA team is currently focused on the further development and expansion of our North American supply chain to reduce the supply and logistics risks associated with international sources. We are engaged in discussions with numerous major companies and governments globally for potential collaborations, partnerships, and the licensing of our technologies.

Market research predicts the global E-Waste/PCBA sector will continue to flourish and grow at increasing levels due to the sustained growth in electrification and as ESG and sustainability initiatives continue to gain momentum.

Gold Mining Division

We continue to develop and refine our formulas and processes for use in gold mining and are forging strong relationships within the industry. Since 2019 the Company has recovered over 1,000 ounces of gold from a variety of gold concentrates using its proprietary hydrometallurgical process. In September 2021 we completed the construction of our second-generation, 1,000-litre capacity pilot-scale processing plant for gold ores and concentrates which incorporates our patented electrochemical regeneration

technologies. This proprietary technology significantly lowers reagent costs, improves recoveries, and eliminates effluent due to the unique treatment of rinse water.

The benefits of the EnviroMetal Technologies processes for the gold miners are extensive and include low costs, low emissions, broad applicability, low water consumption, reduced environmental impact, and decreased reliance on smelters. Our primary objective is to become the new industry standard by offering the most cost-effective, eco-friendly, and sustainable gold recovery process in the mining industry.

Our mining team has initiated an aggressive marketing campaign to introduce our breakthrough technology to the global gold mining industry. This focused campaign has already generated numerous, progressive discussions with mining companies and gold concentrate brokers, resulting in several lab-scale and pilot-scale tests. These tests have consistently confirmed the high recovery and positive economics of the EnviroMetal process.

In-Situ Gold Recovery

We continue to advance research on a potential and exciting new application of our technology, in-situ recovery (ISR) for gold. ISR technology has been proven and used by the uranium sector for over 40 years. ISR eliminates the need for miners to develop extensive and costly underground infrastructure to access ore. The potential use of ISR for gold mining involves the injection of our solution directly into the ore body for in-place dissolution of gold which is followed by pumping the gold rich solution back to the surface for extraction. ISR of gold could be the most sustainable, transformative, and disruptive new technology in the history of gold mining and has the potential to unlock the value of thousands of smaller gold deposits worldwide. ISR could literally change the way the world mines gold, and this may only be possible due to the unique characteristics of our formula and processes.

We continue to invest in sustainable research with the financial support of the National Research Council under the NRC-IRAP program. We also actively support university-based research programs and are planning a collaboration with a major Canadian university to research the potential for incorporating byproducts from PCBA processing in various construction materials including concrete.

Finally, I want to thank our shareholders, Board of Directors, and stakeholders for their continued support and patience during our research and development phase. I look forward to the coming year and sharing in the commercialization and inevitable broad adoption of our disruptive and important technologies.

Regards,

A handwritten signature in black ink, appearing to read "Duane Nelson", with a long, sweeping horizontal line extending to the right.

Duane Nelson
President & CEO
EnviroMetal Technologies, Inc.