

CANARY BIOFUELS INC.

MANAGING VOLATILITY



SCALING-UP™

November 8, 2022

Disclaimer



This presentation contains "forward looking information" and "forward looking statements" within the meaning of applicable securities legislation, including, without limitation, statements about: the Company's corporate strategy, including becoming a leader in next-generation biofuels; the terms and expected impacts of government programs and funding as it relates to carbon and decarbonization; future debt financing and equity financing, all financial analysis, including future production levels, margins and cash flow and access to the California market; our ability to generate expanded margins and minimize volatility; the successful application of technology potential future acquisitions, including the conversion of existing plants/refineries and ability to expand the business estimates of future production; the successful implementation of the base business, phase 1 expansion, expansion of Canary 2 Stockton terminal and Canary 1 Lethbridge facility expansion and other investment projects and the related economics; and shareholder returns, the assumptions upon which estimates are based and related sensitivity analyses and other expectations, beliefs, plans, objectives, assumptions or statements about future events or performance (typically identified by words such as "anticipate", "believe", "estimate", "expect", "forecast", "intend", "likely", "plan", "project", "target", "goal" and similar words suggesting future outcomes or statements regarding an outlook).

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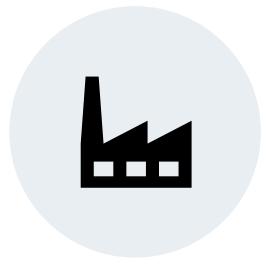
Canary 1.0 The Strategy

VISION:

- Reduce emissions at scale through sustainable production of biofuels.
- Abate 1,000,000 T/CO_{2eq} per year

STRATEGY:

- Brownfield development
- Upgrading facilities to be multi-feedstock, lower CI, higher spec products
- Feedstock Integration

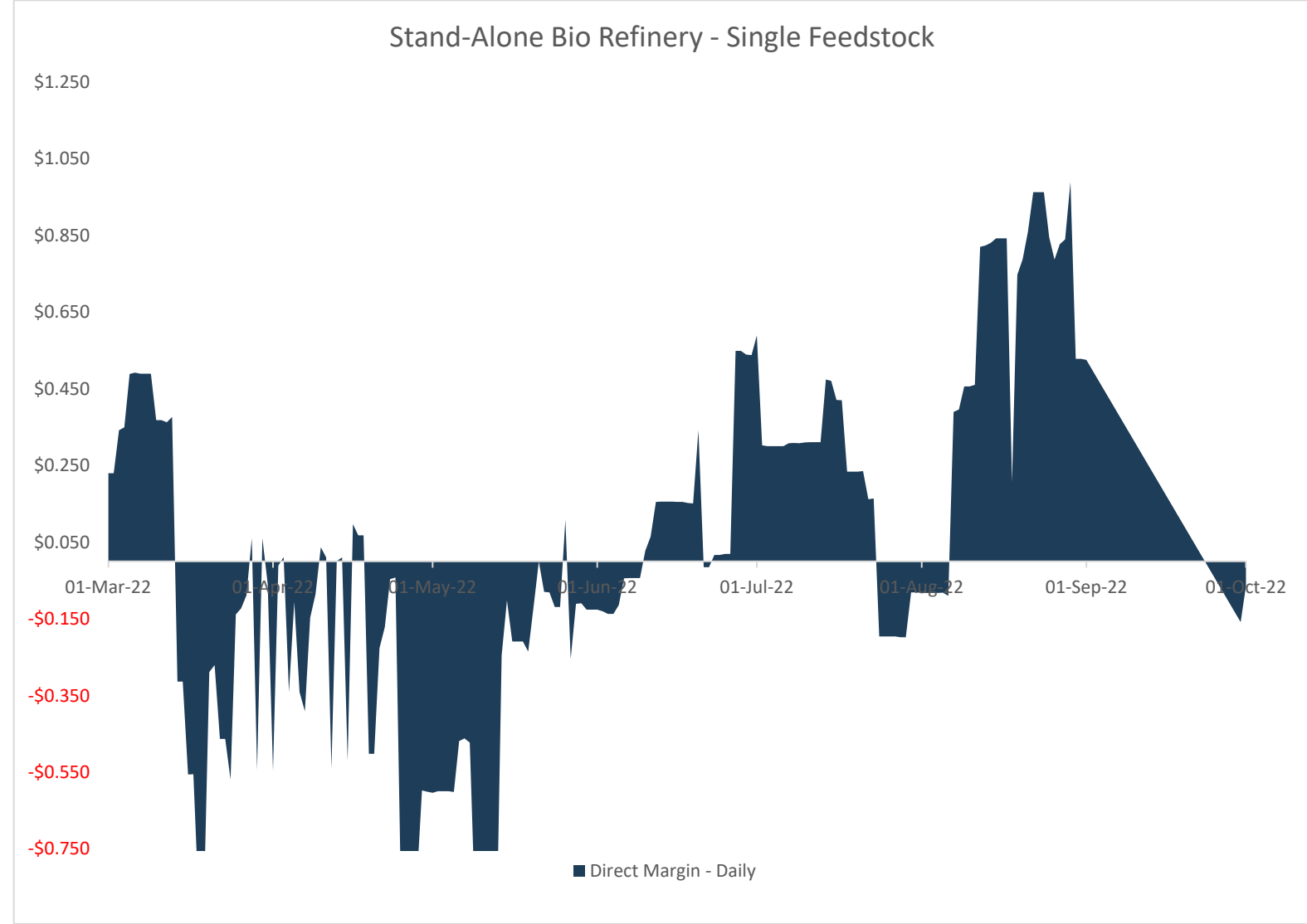
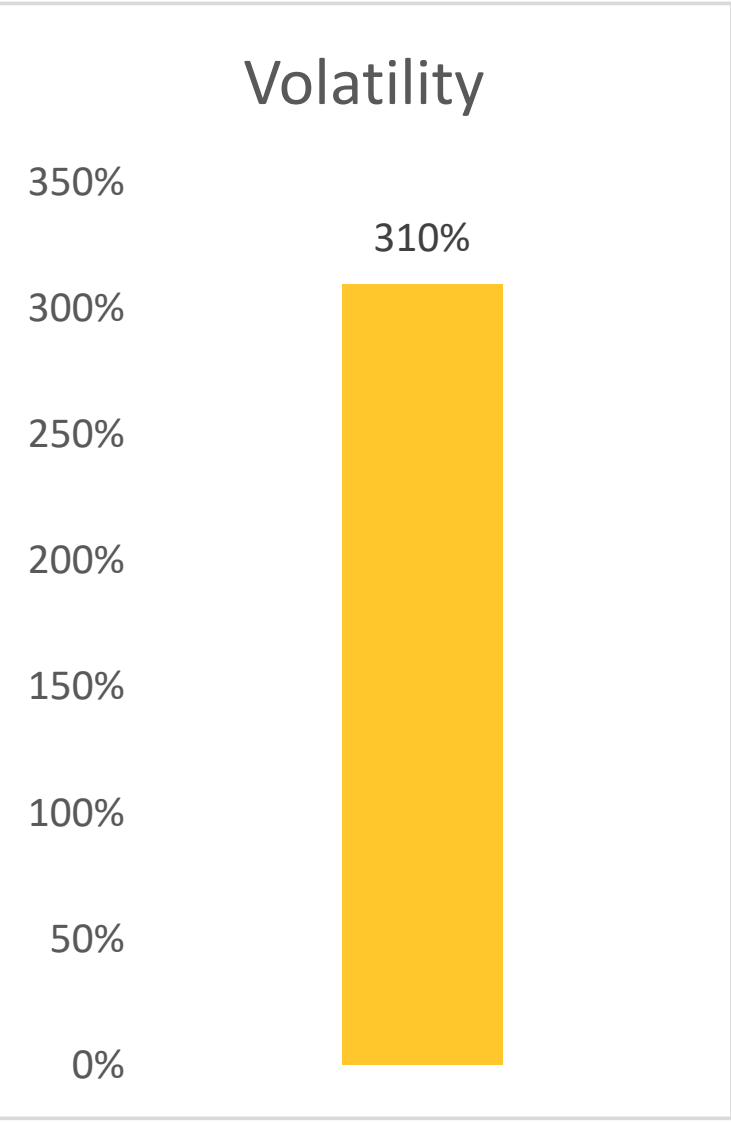


THE BEGINING (2021)

- Canary purchased a “shuttered”, single feedstock, non-distilled, non-operating biodiesel facility



Bio Refinery Commodity Volatility



Canary 2.0 Vertical Integration



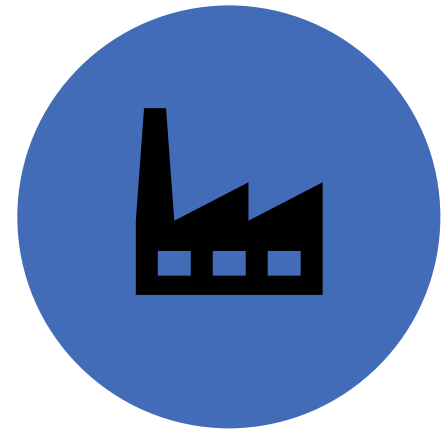
FEEDSTOCK SOURCES

FEEDSTOCK SUPPLY AND PROCESSING

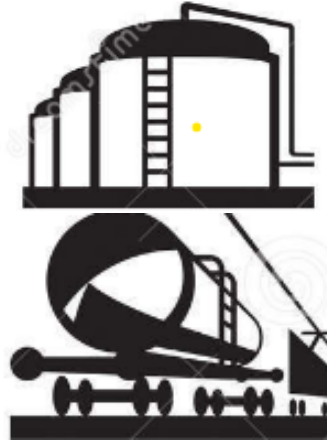
BIO REFINING

TERMINAL DISTRIBUTION

RETAIL

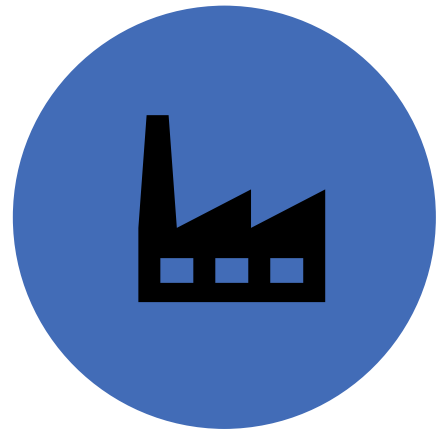


Refinery 1 (LTH, AB)
Acquired Mar/2021
Operating



Oil Seed Supply Partnerships Formed
Commerciality, 2024

Canary Oil seed processing
Operating Q1, 2023

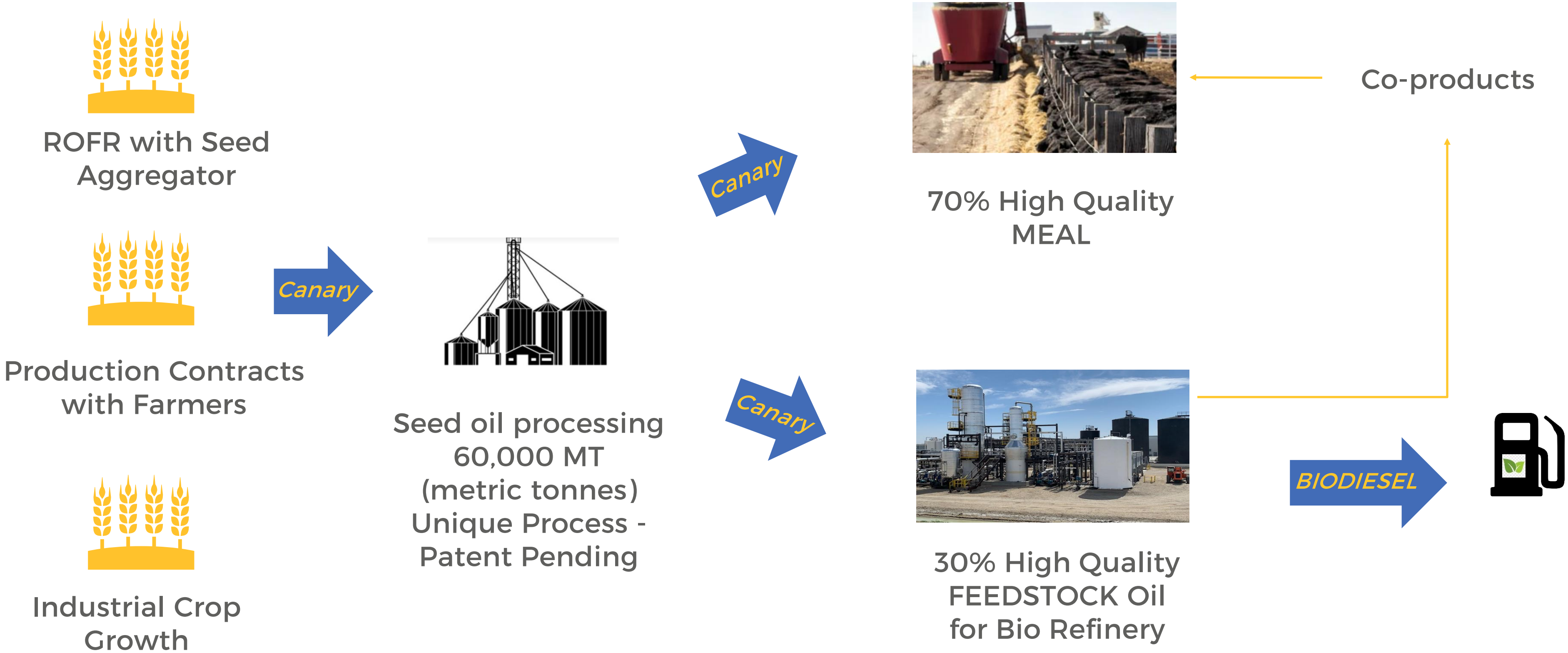


Refinery 2 (STK, CA)
Acquired May/2022
Operating Q2, 2023

Canary STK Terminal
Acquired May/2022
Operating Q4, 2022
Retail Partner

VERTICAL INTEGRATION SECURES FEEDSTOCK SUPPLY, ENHANCES MARGINS AND REDUCES VOLATILITY

Feedstock Integration

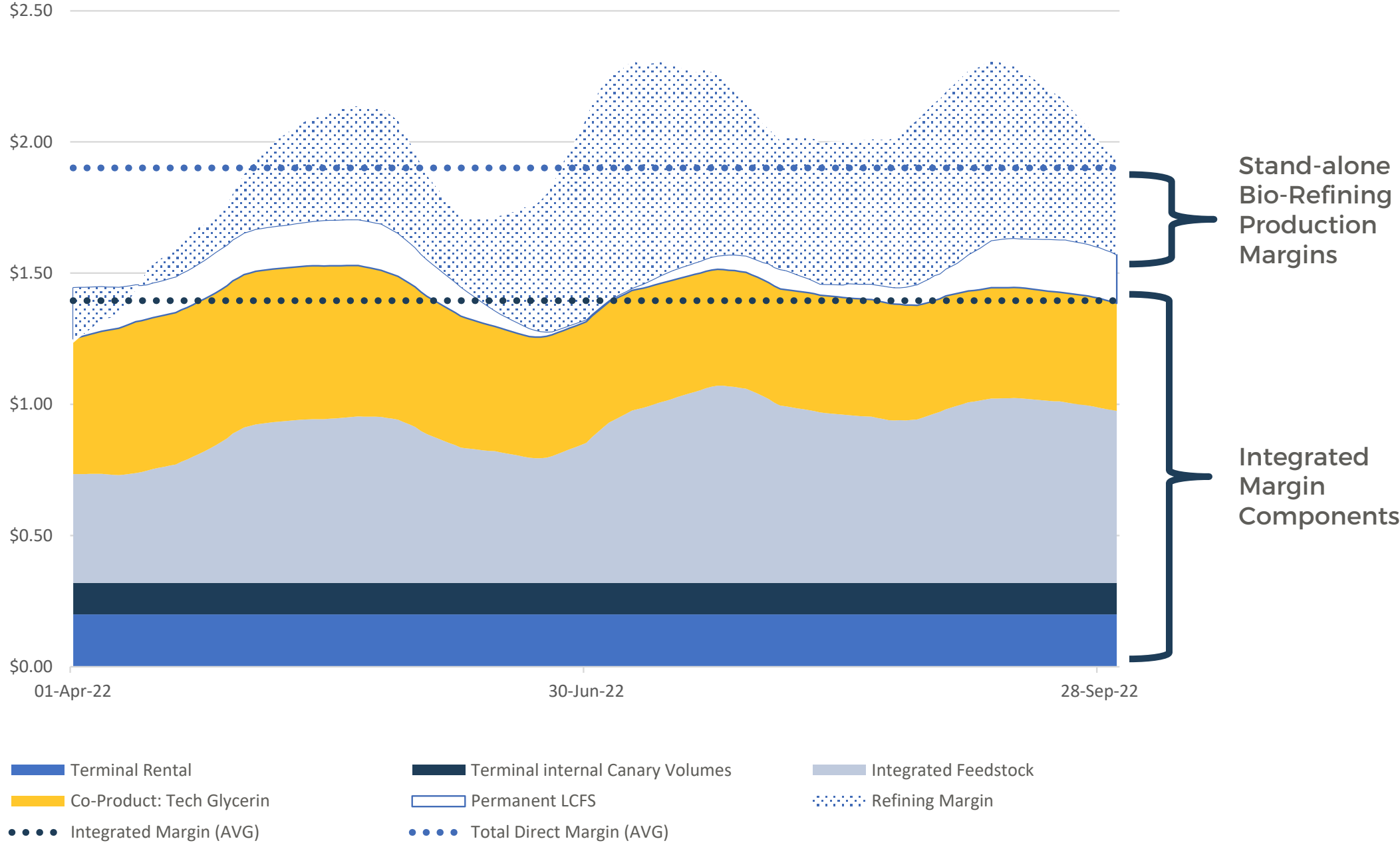


CANARY TO INTERNALLY SUPPLY ITS FEEDSTOCK REQUIREMENTS

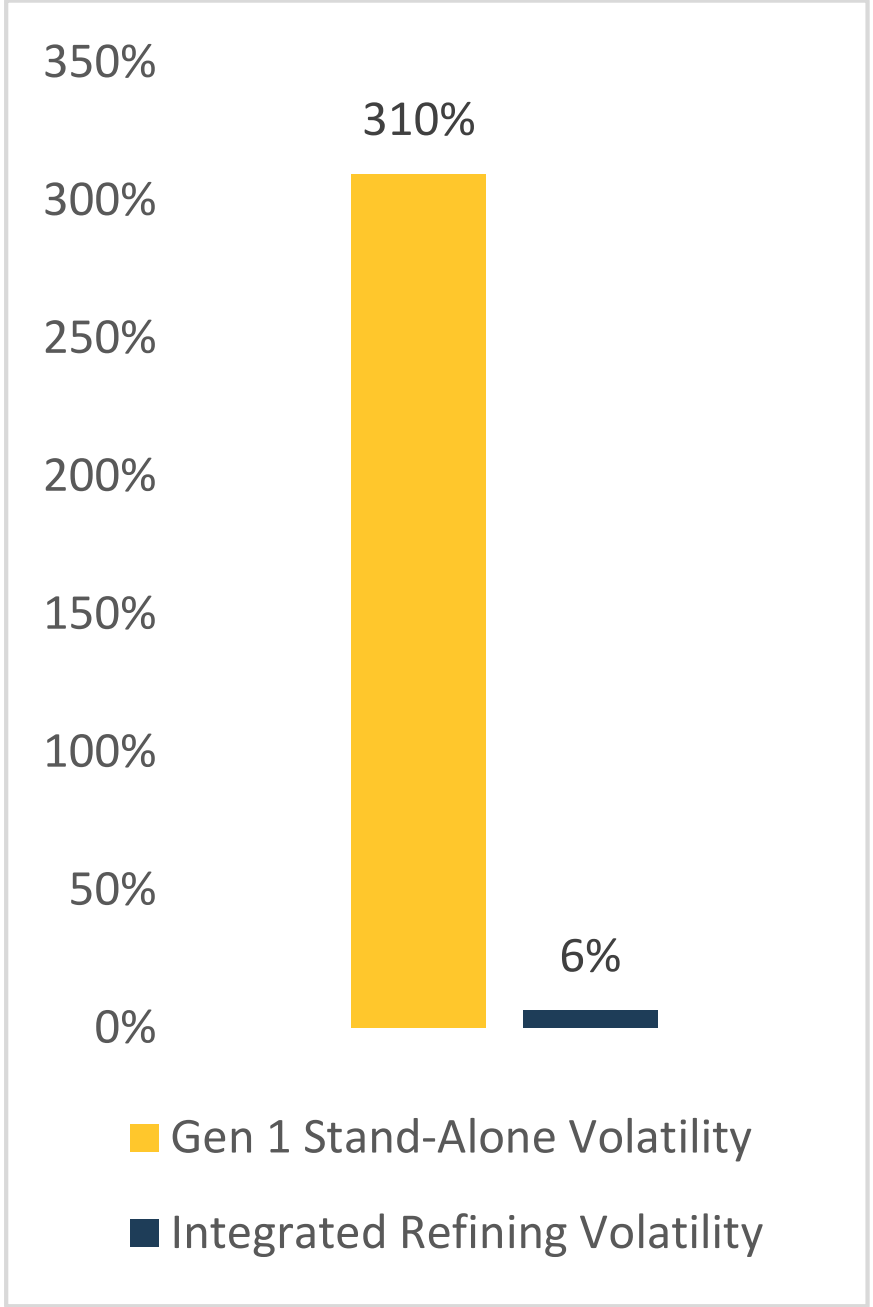
Margin Expansion & Reduced Volatility



Canary Integrated Bio Refining Business



Business Model - Volatility Reduction



Notes:
 (1) 30 day Estimated Trailing Margins
 (2) Source is based on 3rd party quotes, estimated plant yields, 3rd party market data and internal estimates
 (3) USD/G Direct Margins

VERTICAL INTEGRATION INCREASES MARGINS AND REDUCES VOLATILITY COMPARED TO STAND-ALONE BIO-FUEL REFINING



2nd Generation Biodiesel Producer Vertically Integrated to Capture More of the Value Chain

- U.S. biodiesel demand is forecasted to grow by 3.0 billion gallons over the next 10 years
- Agricultural waste feedstocks create highest LCFS value and allow Canary to reduce carbon emissions at scale



Locations Near High-Value End-User Markets and Feedstock Producing Regions

- Proximity to markets with existing LCFS programs in place (California, Oregon, Washington, B.C.)
- Multiple locations allow for diversified sources of waste feedstock



Repeatable Formula Creates Leading Capital Efficiencies, Meaningful Shareholder Returns & Carbon Credit Generation

- Target underutilized, undercapitalized assets within advantageous markets and optimize operations
- Brownfield strategy leads to capital efficient credit generation and higher risk-adjusted returns



Differentiated Operation Competes Favorably with Other Biodiesel and Renewable Diesel Facilities

- Co-products generates revenues and acts as an embedded hedge to feedstock prices
- Integrated feedstock crushing, and Terminal capabilities are a key factor to robust and stable margins



Experienced Management Team with a Strong Entrepreneurial Track Record

- Technically-focused, hands-on management team with a track record of value creation
- Multi-disciplinary expertise in biotech, agriculture and energy marketing will be a differentiating factor



Positioned to Deliver Meaningful Cashflow and Growth

- Our plan is to abate 1,000,000 tonnes of CO₂e/year within 5 years
- High-quality organic and M&A opportunities to achieve these goals
- On track for delivering meaningful cashflow in the near term

