ENVIRONMENTAL
WASTE INTERNATIONAL

……because the environment matters

MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") of the financial condition and results of operation of Environmental Waste International Inc (the "Company" or "EWI") should be read in conjunction with EWI's audited consolidated financial statements and notes thereto as at and for the years ended December 31, 2022, and 2021. The Company's audited consolidated financial statements and the financial information contained in the MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee.

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34. Interim Financial Reporting. Accordingly, certain disclosures normally included in annual financial statements prepared in accordance with International Financial reporting Standards ("IFRS") may have been omitted or condensed. These unaudited consolidated Interim financial statements were prepared using the same accounting policies and methods as those used in the audited consolidated financial statements of the Company for the year ended December 31, 2022, unless otherwise indicated, and they should be read in conjunction with those financial statements.

Results are reported in Canadian dollars, unless otherwise noted.

Information contained herein is presented as of December 5, 2023, unless otherwise indicated. These unaudited consolidated interim financial statements were approved for issuance by the Board of Directors on December 5, 2023. For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity. Further information about the Company and its operations can be obtained from the offices of the Company or on SEDAR at www.sedar.com.

OUR BUSINESS

EWI is a cleantech company developing systems, specializing in the application of its patented microwave processes. Its predominant focus is transforming End-of-Life tires ("EOL") into valuable by-products which are sustainable and are part of the circular economy.

The Company researches, designs, develops, sells, and maintains efficient advanced systems based on its patented processes: Reverse Polymerization™ ; Microwave Delivery System and Hybrid Microwave Process.

Governments and industries worldwide recognize the need for cleantech companies to provide a sustainable process for the treatment or recycling of tires and other waste rubber products in an eco-efficient manner.

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

The Company is listed on the TSX Venture Exchange ('TSXV") trading under the symbol EWS.V. The Company's head office address is 1751 Wentworth Street, Unit 1, Whitby Ontario, L1N 8R6.

OUR TECHNOLOGY

Reverse Polymerization (RP) is the basis for EWI's processes, it is the reduction of organic material through the application of microwave energy in an oxygen-depleted 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.

The RP process involves the direct application of high-energy microwave energy, utilizing its patented Microwave Delivery System (MDS), to break down materials into simpler chemical components. It is unique and can be differentiated from other processes based on three key characteristics:

1. Application of microwave energy occurs in an oxygen depleted environment, preventing oxidation of the waste.
2. Reaction occurs at low chamber temperatures of 150º C to 450º C, depending on the application.
3. Control of the process is 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.

Through research, EWI has been able to improve the RP process with the addition of radiant heating. This is known as the Hybrid Microwave Process (HMP). HMP uses the syn gas produced by the process to preheat the infeed and maintain the process tunnel temperature. It also heats the solid materials exiting the process and prevents the absorption of process gases on this material. Reverse Polymerization, and HMP are not incineration. Incineration 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.

Incineration and pyrolysis cannot be precisely controlled in the same manner as Reverse Polymerization and HMP. These processes, incineration and pyrolysis, have less control of their reactions compared to the RP and HMP 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 HMP creates such high-quality products from tires. These products can be used to make new tires, and other rubber products completing the circular economy.

CORPORATE MISSION

The Company's mission is to provide sustainable solutions for the rubber and plastic industries by processing EOL tires and scrap rubber in a way that dramatically reduces greenhouse gas, while producing a high return on invested capital 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 EOL tires and other rubber waste. The Company's HMP process reduces EOL tires into basic commodities in an environmentally safe manner: 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. It is estimated by 2030 the major tire manufacturers will require over 1 million tonnes of rCB to meet their target of 50% sustainable products in tires. In addition, rCB is used as a colour concentrate in plastics, pigments, coatings and paints, among many other applications. Syngas provides a significant percentage of the power required to run the plant or can be sold to the power grid. Oil and steel are sold as commodities. All the products are sustainable and are part of the circular economy.

Our Market

Tire stockpiles and landfills, many of which are massive, exist all over the world. Rubber, including tires, is one of the last major commodities without a meaningful recycling option. Once established, these landfills are long term since rubber biodegrades very slowly. Almost 5.5 million tires are scrapped each day. Approximately 2 billion EOL tires become available worldwide annually and this number continues to grow.

Reclaimed Carbon Black (rCB) represents 40% of each EOL tire recycled by EWI. rCB can be used as a supplement or partial replacement for virgin carbon black (vCB) in rubber, plastic, and many other products. Virgin (vCB) 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 Canada, the EU, Australia and Asia. The vCB industry is coming under increased pressure from governments and environmental groups, as production of the product is a significant greenhouse gas emitter.

Currently the large tire manufacturers are targeting 50% sustainability in new tires by 2030, they will require over one million tonnes of rCB to attain this goal. Their long-term targets are 100% sustainability by 2050, which would require a minimum of over two million tonnes of rCB. Currently production of rCB is estimated to be roughly 100,000 tonnes.

Environment, Social and Governance ("ESG")

Most rubber manufacturers have a significant issue with their production waste. In many cases, landfill or incineration are the only options for thousands of tonnes 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 2022 indicating a need for large quantities of rCB to meet their stated sustainability goals by 2030.

ESG initiatives and projects have become a focus for corporations, governments, regulators, and investors. 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 Microwave Process. In addition to these patents, the Company has a great deal of technical and management expertise in its engineering team.

MANGEMENT OBJECTIVES AND RECENT DEVELOPMENTS

Upgrade the Company's plant in Sault Ste. Marie toward a full-scale commercial facility

Our commercial facility is designed to initially process 20 tonnes of EOL tires /day, producing rCB, syngas, oil and steel. The rCB will be combined with recycled plastic producing plastic black masterbatch that will be marketed throughout North America. Black masterbatch is the base component in all black plastic products, from garbage bags to planters to car dashboards. The Company has begun the engineering necessary to complete the upgrade of its full-scale pilot plant and has dismantled the current microwave line to make way for the new line. Operational data and testing from EWI's full-scale pilot plant has led to positive developments in the process, increasing throughput, improving product quality and reducing energy consumption. The commissioning of the plant in Sault Ste. Marie is still more than a year away.

Improve quality of by-products

EWI has improved the quality of products extracted from its tire process and continues to work with end users to develop products that meet their requirements.

File additional patents

Additional patents have been filed for the Microwave Hybrid Process (MHP) in the US, Canada, Europe and China. The feedback from the patent offices has indicated that we can file divisional patents once the original patent has been granted. We will follow our patent lawyer's advice.

Progress towards obtaining long-term financing

Long-term financing for the upgrade to the commercial facility and operational funds is ongoing. To date we have had discussions with several groups who have shown interest. Discussions are continuing.

New Chief Executive Officer

On August 18, 2023, Ms. Kelli Harrington was appointed President and CEO of the Company and issued 1,000,000 restricted stock units ("RSUs") under the Company's omnibus incentive plan. The RSUs vest over 3 years in accordance with the plan.

SELECTED QUARTERLY FINANCIAL INFORMATION

(Canadian $)	Three months ended September 30 2023	Three months ended September 30 2022	Nine months ended September 30 2023	Nine months ended September 30 2022
Operating loss	(378,926)	(625,165)	(1,288,574)	(1,696,622)
Net loss	(463,840)	(680,317)	(1,504,580)	(1,060,142)
Net loss per share - basic and diluted	(0.002)	(0.003)	(0.005)	(0.004)
(Canadian $)	At September 30 2023	At September 30 2022	At September 30 2023	At September 30 2022
Total assets	2,960,117	2,672,152	2,960,117	2,672,152
Total liabilities	5,385,000	3,973,391	5,385,000	3,973,391
Total shareholders deficiency	(2,424,883)	(2,242,754)	(2,424,883)	(2,242,754)

During the period ended September 30, 2023, the Company continued to focus on commercial opportunities to deploy its reverse polymerization process. Management has successfully raised short-term financing through both equity and debt for working capital purposes and continues to work towards its long-term financing goals.

Operating loss includes expenses pertaining to engineering design, expenses for technology development, costs of maintaining the plant in Sault Ste Marie, compensation and people costs, office expenses for the Whitby location, professional and consulting fees and public company costs to maintain our listing on the Toronto Venture Stock Exchange.

Net loss includes finance costs, foreign exchange gains or losses as well as a non-cash accounting item in 2022 for gain on revaluation of derivative liability of $90,214 during the nine months ended September 30, 2022.

GOING CONCERN ASSUMPTION

The financial information contained in this MD&A are derived from the interim condensed consolidated financial statements which have been prepared on a basis that assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. These financial statements do not reflect any adjustments that may be necessary should the Company be unable to continue as a going concern. The Company incurred a net loss during the nine months ended September 30, 2023, of $1,504,580 (Year ended December 31, 2022 - $2,291,291) and, as at that date, had working capital deficiency for of $4,414,326 (December 31, 2022 – $4,034,579) and a cumulative deficit of $70,053,540 (December 31, 2022 – $68,572,139).

Recurring sources of revenue have not yet proven to be sufficient as the commercialization of the Company’s core technology is at an early stage and the Company has not yet achieved a level of profitability and positive cash flows. While the Company has been successful in raising additional financing and extending the repayment terms for deferred compensation, it will require 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 is considering various alternatives to raise additional financing. There can be no assurances that the Company will be able to secure the necessary financing to enable it to continue as a going concern. The factors noted above indicate the existence of a material uncertainty that may cast significant doubt on the ability of the Company to continue as a going concern. If the going concern basis is not appropriate, material adjustments may be necessary to the carrying amounts and/or classification of assets and liabilities.

DISCUSSION OF RESULTS

(Canadian $)	Third Quarter 2023	Third Quarter 2022	Nine months ended September 30 2023	2022
Expenses				
Technology development	116,326	117,071	356,081	325,578
Plant operations	18,980	18,572	60,239	77,951
Selling, marketing and administration	174,073	360,034	615,687	818,874
Stock based compensation	41,263	100,740	171,966	360,865
Depreciation and amortization	28,284	28,748	84,601	85,977
Total expenses	**378,926**	**625,165**	**1,288,574**	**1,669,245**
Operating loss	**(378,926)**	**(625,165)**	**(1,288,574)**	**(1,669,245)**
Other income (expenses)				
Finance costs	(61,809)	(50,682)	(202,587)	(142,616)
Foreign exchange gain (loss)	(30,829)	(4,470)	(13,419)	(3,810)
Change in fair value of derivative	-	-	-	90,214
Net loss	**(471,564)**	**(680,317)**	**(1,504,580)**	**(1,725,457)**

Expenses

The Company classifies its operating expenses into three functions to reflect how it currently manages its business, technology development, plant operations and general and administration. Technology costs include costs associated with all design and engineering and maintenance activities including compensation and people costs, contractor fees, third party engineering consulting fees, and development costs. Operating costs include all costs associated with the plant in Sault Ste Marie such as utility, insurance, property taxes, repairs and maintenance and plant manager salary. General and administration costs include all head office expenses relating to the location in Whitby, Ontario, people and compensation and people costs, professional fees, consulting fees and public company costs to maintain our listing on the TSXV.

The Company has started upgrading the plant in Sault Ste Marie to a commercial production facility. All expenses relating to the upgrade are classified as assets under construction as part of property and equipment on the statement of financial position. These costs include both third party fees and internal engineering salaries allocated to the Sault Ste Marie project. For the nine months ended September 30, 2023, a total of $366,906 was capitalized to construction in progress compared to $382,976 in the same period last year.

Nine months ended September 30, 2023

Technology development

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, and development costs. In the nine months ended September 30, 2023 technology development costs of $356,081 were slightly higher than the same period in 2022 with costs of $325,578. The increase of $30,503 is primarily due to lower capitalization of costs to the Sault Ste Marie upgrade project as activities were deferred to preserve cash.

Plant operations

Plant operations costs include all costs associated with the plant in Sault Ste Marie such as utility, insurance, property taxes, repairs and maintenance and plant manager salary. Plant operations costs of $60,239 in the nine months ended September 30, 2023 were lower than $77,951 in the same period of 2022 by $17,712 primarily due lower insurance costs.

Selling, marketing and administration

Selling, marketing and administration costs during the nine months ended September 30, 2023, were $615,687 compared to $818,874 in the same period in 2022. The primary reason for the decrease of $203,187 in 2023 compared to 2022 is due to lower consulting fees incurred this year with the goal of preserving cash as management focuses on long term financing options. In 2022, the Company spent money on investor relations consultants and financial advisory consultants which were not incurred this year. In addition, sales and marketing costs were lower in 2023 as travel was limited compared to this time last year.

Stock-based compensation

$171,966 in the nine months ended September 30, 2023, was lower than $30,865 in 2022 due to the vesting of options awarded at a lower price in 2022 vesting in 2023 compared to options awarded at a higher price in 2021 vesting in the first half 2022.

Depreciation and amortization

$84,601 in the nine months ended September 30, 2023, was consistent with $85,977 in 2022. Depreciation is on property and equipment while amortization is on the right of use lease asset. Depreciation is not yet recorded on assets under construction representing the capitalized costs associated with the upgrade of the Sault Ste. Marie plant as it is not yet in use.

Finance costs

$202,587 in the nine months ended September 30, 2023, was higher than $142,616 in 2022 primarily due to interest on promissory notes issued during the second half of fiscal 2022 and in the first half of 2023.

Foreign exchange loss

$13,419 loss in the nine months ended September 30, 2023, compared to $3,810 in 2022 which is due to the continued weak Canadian dollar compared to the US dollar which results from holding US cash balances in both 2023 and 2022 as well as debt in US dollars.

Gain on change in fair value of a derivative

The $90,214 gain in the nine months ended September 30, 2022 represents the revaluing of a derivative liability at May 4, 2022 from December 31, 2021. This derivative liability related to warrants that were attached to a convertible loan, which expired on May 4, 2022.

Net loss

Net loss of ($1,504,580) in the nine months ended September 30, 2023 compared to net loss of ($1,725,457) in the same period in 2022. The net loss in 2023 is $220,877 lower than in 2022. This lower loss can be explained by lower operating expenses in plant operations and SG&A and lower stock compensation expense, partially offset by higher financings costs.

LIQUIDITY AND CAPITAL RESOURCES

The Company had $2,246 cash on hand at September 30, 2023.

Working capital

(Canadian $)	Sept 30 2023	December 31 2022
Current assets	106,917	213,205
Current liabilities	4,521,243	4,247,784
Working capital deficit (1)	(4,414,326)	(4,034,579)
Less: Northern Ontario Heritage Fund term loan classified as current liability	2,536,921	2,460,702
Cash working capital deficit	**(1,877,405)**	**(1,573,877)**

(1) *this item is not defined under IFRS.*

The working capital deficit was ($4,414,326) at September 30, 2023 compared to the working capital deficit of ($4,034,579) at December 31, 2022. Included in current liabilities is a $2,536,921 at September 30, 2023 and $2,460,702 at December 31, 2022 term loan payable to the NOHFC for which terms are currently being renegotiated by management and the NOHFC but is classified as short term for financial statement purposes. The Company has a long-standing relationship with the NOHFC and has amended the terms of their agreement with them to better match the cashflows of the Company in the past. Without classifying the NOHFC term loan as a current liability the real cash working capital deficit is ($1,877,405) at the end of September 30, 2023, compared to ($1,573,877) at the end of 2022. The increase in the deficit is due to a decrease in cash and an increase in accounts payable during the period.

Cashflow

`	Nine months ended Sept 30 2023	2022
Cash used in operating activities	(824,909)	(1,021,393)
Cash used in investing activities	(366,906)	(382,976)
Cash provided by financing activities	1,140,269	1,127,104
Net decrease cash	**(51,546)**	**(277,264)**

During the nine months ended September 30, 2023, the Company used $824,909 of cash for operating activities, compared with $1,021,393 in the same period in 2022. The decrease in use of cash is due to the lower operating loss in the nine months ended September 30, 2023.

The company used $366,906 for construction in progress costs relating to the plant upgrade in Sault Ste. Marie during the nine months ended September 30, 2023, compared to $382,976 in the same period in 2022 which is included in cash used for investing activities. The slight decrease can be explained by the suspension of activities for the preservation of cash.

Financing activities generated total proceeds of $1,140,269 during the nine months ended September 30, 2023. $662,047 was received from the completion of a private placement, and $530,634 from additional advances under the promissory notes from directors. These cash inflows were partially offset by a total of $52,412 of mortgage and lease payments generating net $1,140,269 cash from financing activities.

Financing activities

On May 9, 2023, the Company completed a private placement and issued 13,240,943 units for gross proceeds of $662,047. Each unit included one common share at a price of $0.05 and one warrant with an exercise price of $0.10 expiring May 9, 2025.

During the nine months ended September 30, 2023, three directors of the Company made additional advances pursuant to a promissory note in the amount of $530,634.

On June 30, 2023, all directors but one, converted $572,638 of these promissory notes into 16,361,125 common shares of the Company at $0.035 per share.

On March 30, 2023, Bob MacBean, the former CEO, and a director of the Company agreed to extend the repayment date on funds owing to him, the deferred compensation, from January to January 15, 2024, to January 15, 2025. On June 30, 2023, $50,000 of this debt was converted into 1,428,571 common shares of the Company at $0.035 per common share.

Capital Resources

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.

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 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 the 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 period ended September 30, 2023.

Debt

(Canadian $)	**Sept 30 2023**	**December 31 2022**
CEBA loans	117,453	110,130
NOHFC term loan	2,536,921	2,460,702
Promissory notes	722,127	706,938
Mortgage	556,015	538,241
Deferred Compensation	259,830	299,888
Total debt	**4,192,346**	**4,115,899**

Details of all the terms of debt can be found in note 8 to the interim condensed consolidated financial statements for September 30, 2023. The Company has traditionally financed its operations through private placements as well as debt.

OFF BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

QUARTERLY FINANCIAL INFORMATION

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

(Unaudited)	Sept 30 2023	June 30 2023	March 31 2023	December 31 2022	September 30 2022	June 30 2022	March 31 2022	December 31 2021
Net loss $	(471,564)	(541,471)	(507,232)	(565,834)	(680,317)	(571,929)	(473,212)	(254,780)
Loss per share $	(0.002)	(0.002)	(0.002)	(0.002)	(0.003)	(0.002)	(0.002)	(0.001)
Weighted average common shares outstanding (000s)	297,699	270,571	266,668	264,911	263,586	263,020	258,419	258,419

THIRD QUARTER

(Canadian $)	Third Quarter 2023	Third Quarter 2022
Expenses		
Technology development	116,326	117,071
Plant operations	18,980	18,572
Selling, marketing and administration	174,073	360,034
Stock based compensation	41,263	100,740
Depreciation and amortization	28,284	28,748
Total expenses	**378,926**	**625,165**
Operating loss	**(378,926)**	**(625,165)**
Other income (expenses)		
Finance costs	(61,809)	(50,682)
Foreign exchange gain (loss)	(30,829)	(4,470)
Change in fair value of derivative	-	-
Net loss	**(471,564)**	**(680,317)**

Expenses

The Company classifies its operating expenses into three functions to reflect how it currently manages its business, technology development, plant operations and general and administration. General and administration costs include all head office expenses relating to the location in Whitby, Ontario, people and compensation and people costs, professional fees, consulting fees and public company costs.

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, and development costs. In Q3 2023 technology development costs of $116,326 were only minimally lower than Q3 2022 costs of $117,071 by $745.

Plant operations costs include all costs associated with the plant in Sault Ste Marie such as utility, insurance, property taxes, repairs and maintenance and plant manager salary. Plant operations costs of $18,980 in Q3 2023 were consistent with Q2 2022 costs of $18,572, showing a minimal increase of $480.

Selling, marketing and administration costs include all head office expenses relating to the location in Whitby, Ontario, compensation and people costs, professional fees, consulting fees and public company costs. Selling, marketing and administration costs of $174,073 in Q3 2023 were lower than costs of $360,034 in Q3 2022 primarily due to lower consulting fees on investor relations and financial advisory services spent in 2023 compared to 2022 as well as less travel costs included in promotion and marketing expenses.

Stock-based compensation expense of $41,263 in Q3 2023 was lower than $100,740 in Q3 2022 by $59,477 due to the vesting of higher prices options in 2022 compared to 2023.

Depreciation and amortization of $28,284 in Q3 2023 was consistent with Q3 2022 expense of $28,748. This represents depreciation of property, plant and equipment and amortization of right of uses asset.

Finance costs

Finance costs of $68,109 in Q3 2023 compared to $50,682 in Q3 2022. The increase is due to interest on the promissory notes issued at the end of fiscal 2022 and during fiscal 2023.

Foreign exchange loss

The foreign exchange loss of $30,829 in Q3 2023 was higher than the foreign exchange loss of $4,470 in Q3 2022 due to more US funds from promissory note advances from directors being received and converted to Canadian dollars in 2023 with a weak foreign exchange rate.

Net loss

Net loss of ($471,564) in Q3 2023 compared to net loss of ($680,317) in Q3 2022. The lower loss of $208,753 is due to the lower SG&A costs and stock compensation expense explained above partially offset by higher finance costs and foreign exchange loss.

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, Elysium Nordic (Elysium) to enter 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.

Some of its principals in the project have participated in the June 30, 2020, April 22, 2021, and the April 13, 2022, private placements.

Torreco investment in Ellsin

An agreement with Torreco, Inc. for an investment of $7,000,000 in Ellsin Environmental, EWI's subsidiary which owns its plant in Sault Ste. Marie, Ontario funded $1 million of this obligation 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. On March 28, 2023, Torreco was informed by letter that the agreement between Torreco Inc. and the Company is cancelled.

The Company continues to move forward with the upgrade and commercialization of the Sault Ste. Marie plant and is actively seeking alternative financing solutions to fund this plant upgrade which would substantially dilute Torreco's interest.

RELATED PARTY TRANSACTIONS

During the nine months ended September 30, 2023, the Company engaged in transactions in the normal course of operations with the following related parties.

(Canadian $)	Sept 30 2023	Sept 30 2022
Salaries and benefits and consulting fees	323,169	186,150
Share-based compensation	64,867	116,227
Interest on deferred compensation	8,754	9,504
Total Management Personnel	396,790	311,881

Deferred compensation of $259,830 (December 31, 2022 - $299,888) and an amount owing of $118,185 (December 31, 2022 – $54,019) included in accounts payable at September 30, 2023, represents compensation owing to a member of management who is also a director.

(Canadian $)	Sept 30 2023	Sept 30 2022
Share-based compensation	43,244	99,015
Interest on promissory notes	57,194	-
Total Directors	100,438	99,015

In 2022, certain board members loaned the Company an aggregate of $689,239 (US$ 508,000) and an additional $530,634 in 2023 by way of promissory notes which are due on demand. Interest accrues at 10% per annum.

On June 30, 2023, a debt settlement agreement with a director of the Company converted $572,638 of promissory notes plus interest to common stock by issuing 16,361,125 common shares at $0.035 per share.

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.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not hold interest bearing liabilities which are subject to changes in interest rates.

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. As at September 30, 2023 the Company had cash on hand of $2,246 and current liabilities of $4,414,236 of which $2,536,921 represents the term loan outstanding with NOHFC currently being renegotiated to defer payment terms, and $117,453 CEBA loans which can be deferred as well.

SUBSEQUENT EVENT

Subsequent to September 30, 2023, a director of the Company made additional advances under a promissory note totaling $58,359 (US $43,400).

SHARE DATA

(Canadian $)	
Common shares outstanding at November 27, 2023	297,699,582
Securities convertible into comon shares:	
Stock options	16,895,483
Warrants	27,644,789
RSUs	1,000,000
Total Securities	**343,239,854**

Features of the options and warrants are described in Note 10 to the interim consolidated financial statements for the NINE months ended September 30, 2023, and 2022.

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, 2022.

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.

Specifically, this MD&A includes, but is not limited to, forward-looking statements regarding: the Company's goal of creating 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.

DISCLOSURE OF INTERNAL CONTROLS

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 and Chief Financial Officer and its Audit Committee to ensure appropriate and timely decisions are made regarding public disclosure. Internal controls over financial reporting have been designed 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.

Management has evaluated the effectiveness of the Company's disclosure controls and procedures and the Company's internal controls over financial reporting as defined under National Instrument 52-109. Based on that evaluation, management has concluded that at September 30, 2023, the Company's internal controls were adequate.

The Board of Directors oversees management's responsibilities for financial reporting and internal control systems through the Audit Committee. This committee meets periodically with management and annually with the independent auditors to review the scope and results of the annual audit and to review the financial statements and related financial reporting and internal control matters before the financial statements are approved by the Board of Directors. The Board of Directors of EWI has approved the financial statements and the disclosure contained in the MD&A. A copy of the MD&A will be provided to anyone who requests it.

HEAD OFFICE
1751 Wentworth Street, Unit 1
Whitby, ON,
L1N 8R6

1-800-399-2366

ewi.ca