Memorandum

To: NextUse Recycling Ltd.
From: Bruce Anderson, Chairman
Re: Survey Results

On behalf of NextUse Recycling Ltd. ("NextUse"), Abacus Data completed a study of public opinion about waste management options for the Greater Vancouver area (the “Metro Vancouver Regional District”). Fieldwork for this study was conducted online, with a sample of 1021 residents of the region, during the period June 16-20, 2014.

The findings of the survey show that most people react with enthusiasm to the idea of increasing the amount of waste recycling that is accomplished and decreasing the amount of garbage that is burned or buried. They are especially supportive when they learn that a material recovery facility can be constructed with no cost to taxpayers (private industry would assume the risk).

Based on a belief that adding material recovery to the waste management solutions of the region would reduce environmental impacts and be neutral for taxpayers, roughly 90% of respondents would like to see Metro Vancouver Regional District approve the proposed facility. At a minimum, they would like to see the Board defer a decision to build a new $500 Million incinerator using public funds until the benefits of material recovery are fully evaluated.

According to Abacus Data Chairman Bruce Anderson,

“For years, people have been uncomfortable with the amount of garbage that is produced and ends up being buried or burned.

When presented with a zero risk way to reduce that aspect of their environmental footprint, it is not surprising at all that people want to see their governments explore and embrace such solutions.

For residents of the Metro Vancouver area, material recovery is a solution that also feels like it is more consistent with the values of the community, and it’s clear they expect their public officials to give serious consideration to this idea. For the average voter, the fact that it hasn’t been done before in this region is an argument for trying it now, not ruling it out.”

For additional information on the survey, contact banderson@abacusdata.ca.
Survey Methodology

The survey was conducted online with 1,021 eligible voters aged 18 and over living in Metro Vancouver/Lower Mainland, British Columbia.

A random sample of panelists was invited to complete the survey from a large representative panel of Canadians, recruited and managed by Research Now, one of the world’s leading provider of online research samples. The survey was conducted from June 16 to 20, 2014.

The Marketing Research and Intelligence Association policy limits statements about margins of sampling error for most online surveys. The margin of error for a comparable probability-based random sample of the same size is +/- 3.1%, 19 times out of 20.

The data were weighted according to census data to ensure that the sample matched Metro Vancouver’s population according to age, gender, educational attainment, and municipality. Totals may not add up to 100 due to rounding.

Survey Highlights

Opinions about Waste Management Options

Respondents were informed of Metro Vancouver Regional District estimates that even after efforts by householders and businesses to separate out recyclables, almost half of the region’s garbage sent to disposal (incineration or landfilling) is actually recyclable.

Given this context, the large majority show enthusiasm for the idea of taking the waste to a facility where additional effort to recover recyclables is made. This is considerably more popular than either trucking unsorted waste to an incinerator and burying the ash in landfill, or trucking it to landfills and burying it.

Material Recovery Proposal

Relatively few people (6% a great deal, 25% a little bit) have heard about the proposal by Belkorp/NextUse to build a material recovery facility. When asked for their views of the concept reactions are quite positive: 40% say it sounds like a very good idea, 24% a good idea and 30% acceptable. Only 5% reject the idea.

Enthusiasm is equally high among men and women and across different parts of the political spectrum. Those who consider themselves highly environmentally conscious are considerably more enthusiastic than average.

When informed that a proposal to build this facility has been submitted to the Metro Vancouver Regional District, 91% say they believe that the District should support the application.

The basis for this support is a belief that material recovery is better than current landflling and incineration practices: 81% say introducing material recovery would be better in terms of impact on the environment, 76% better for the region’s reputation, 67% better for public health, 59% better in terms of economic costs and
benefits and 50% say it would be better from a taxpayer cost standpoint (only 12% say it would be worse).

Conclusions

The results of this survey reveal that:

• Many are unsure of exactly how garbage is handled today, including how much is landfilled and incinerated.

• When informed that current efforts to recycle still result in a large amount of material with value being either burned or buried, the large majority would prefer to see material recovery introduced.

• The idea that a facility can be built with no public money is welcome and residents see a combination of environmental, public health, economic and regional image benefits, compared to landflling and incineration.

• The vast majority feels that the Regional government should support the application.

• Three quarters of those polled would like to see incinerator plans delayed for two years in order to explore this MRF concept
Waste Management in Metro Vancouver

After households, businesses and other institutions separate out recyclables to their best ability, there are different ways in which garbage can be dealt with. Even after voluntary sorting efforts, Metro Vancouver Regional Council today estimates that almost half of what is today ‘garbage’ is actually recyclable. Please indicate if each of the different methods described below seem to you one of the better ways or one of the worse ways for this waste to be dealt with in the Lower Mainland.

<table>
<thead>
<tr>
<th>Method</th>
<th>Better Ways</th>
<th>Worse Ways</th>
<th>Unsure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trucking waste to facilities which use technology to sort to sort garbage to recover and recycle that which can be used in some way</td>
<td>79%</td>
<td>10%</td>
<td>11%</td>
</tr>
<tr>
<td>Having waste collection and disposal operated by government</td>
<td>37%</td>
<td>25%</td>
<td>38%</td>
</tr>
<tr>
<td>Contracting waste collection and disposal out to private companies</td>
<td>33%</td>
<td>27%</td>
<td>40%</td>
</tr>
<tr>
<td>Trucking waste to incinerators and burning it, then trucking the ash to landfill</td>
<td>32%</td>
<td>39%</td>
<td>28%</td>
</tr>
<tr>
<td>Trucking waste to landfill sites and burying it</td>
<td>17%</td>
<td>66%</td>
<td>17%</td>
</tr>
</tbody>
</table>

Base n = 1021
Initial Reaction to Material Recovery Facility Proposal

In general do you think this proposal to build a material recovery facility sounds like a very good idea, a good idea, an acceptable idea, a poor idea or a very poor idea?

- A very poor idea: 1%
- A poor idea: 4%
- An acceptable idea: 24%
- A good idea: 30%
- A very good idea: 40%

Base n = 1021
Public Position on Application to Build Material Recovery Facility

The proposal to build this facility has been submitted to Metro Vancouver Regional District for their approval. In your view, should the board of Metro Vancouver Regional District strongly support, support, oppose or strongly oppose this application?

- Strongly oppose: 1%
- Oppose: 8%
- Support: 39%
- Strongly support: 52%

Base n = 1021
New Technology Support

Do you strongly agree, agree, disagree or strongly disagree that our region should be exploring new technologies like Material Recovery Facilities?

- Strongly disagree: 1%
- Disagree: 8%
- Agree: 39%
- Strongly agree: 52%

Base n = 1021
Exploration Support

Would you strongly support, support, oppose, or strongly oppose a decision by the District to suspend work towards a $500 Million taxpayer-funded incinerator for 2 years in order to explore the potential of this new concept?

- Strongly oppose: 41%
- Oppose: 19%
- Support: 33%
- Strongly support: 7%

Base n = 1021