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ADVANCED MATERIAL RECOVERY AND RECYCLING FACILITY TO BE BUILT IN COQUITLAM

Facility will create up to 80 new jobs and increase recycling and recovery of useable material

COQUITLAM (BC), January 20, 2014 — Belkorp Environmental Services Inc. ("Belkorp") today announced that it plans to invest approximately \$30 million to develop a 260,000 tonne capacity advanced material recovery and recycling facility in Coquitlam.

The advanced material recovery facility ("MRF") will create up to 80 new green economy jobs, and ensure that more than 80% of customers' unsorted waste is diverted from disposal. The proposed facility is to be built in south Coquitlam, at no cost to municipal residents. It received support from the Coquitlam Council on January 20, 2014 and is now pending license approval from Metro Vancouver.

"This is an exciting project for our company and reflects Belkorp's long-term commitment to sustainable waste management in British Columbia," said Russ Black, Vice President, Corporate Development, Belkorp Environmental Services Inc. "With this project we will move into a new area of waste management, focusing on technologies and processes which maximize recycling and material recovery, and which provide new opportunities to local remanufacturers and other members of the green economy. We have a project design and site in place, and look forward to continuing our long history of business in the City of Coquitlam as we implement these proven clean technologies in the lower mainland."

"We're all committed in this region to diverting as much of our recyclables as possible out of the waste stream," said Mayor Richard Stewart. "This proposal brings advanced waste-separation technologies that will help the Tri-Cities and Metro Vancouver maintain real leadership in waste diversion and recycling."

"This technologically-advanced facility will offer a long-term waste management solution for the region, helping communities maximize the recycling and reuse of materials, and ensuring we exceed Metro Vancouver's targets for diverting waste from landfills—at no additional cost to residents," said Peter Steblin, City Manager for the City of Coquitlam. "By focusing on the recovery and recycling of material

that enters the waste stream, the facility will also create new jobs in the local green economy, and continue Coquitlam's reputation as a leader in environmental sustainability. Advanced material recovery is a proven model globally, and we are pleased to offer our support to Belkorp on a project that represents a smart, progressive approach to solid waste management."

Belkorp's facility will have the capacity to handle approximately 26% of Metro Vancouver's municipal solid waste, using advanced technology to 'break open the garbage bag' and separate all useable, recyclable and compostable material from the waste stream and ensure that these valuable materials are available for use and not sent to incinerators or landfills. The MRF model is based on proven technology in use in green jurisdictions around the world, including Europe as well as the US Pacific Northwest and in California where the world's largest MRF has been operating successfully since 2012.

Project Details

Belkorp will be responsible for all construction and operating costs for the facility to be built on land it owns on United Boulevard south of Highway 1. The MRF will be the latest development in Belkorp's long-time commitment to recycling initiatives as it will be built on land which was originally home to Newstech, a Belkorp company which was the first newspaper de-inking facility in Western Canada, filling a vital role in the newspaper recycling process.

The City of Coquitlam and its residents will bear no new or additional waste management costs or fees as a result of the proposed MRF, and may realize reduced waste management fees in the future as more waste material is recycled rather than shipped to incinerator or landfill.

The new, green economy jobs created by the project will involve long-term, ongoing employment as part of the facility's operation. The company plans to partner with a not-for-profit agency providing employment services for at-risk youth and other British Columbians.

The City of Coquitlam has provided a letter of support to Belkorp's application for a license from Metro Vancouver, the administrative body responsible for granting licenses for recycling activity within the regional district. Belkorp expects to submit its license application in late January. Belkorp expects that the facility would be operational within two years following receipt of a license from Metro Vancouver.

In addition to the project in Coquitlam, Belkorp is examining potential opportunities to build another advanced MRF in the Fraser Valley Regional District ("FVRD"), following the FVRD's release of a draft solid waste management plan which prioritizes material resource recovery. These two facilities, combined with another proposed MRF which has been substantially constructed in the city of Vancouver, would have the capacity to process more than 600,000 tonnes of municipal solid waste, dramatically increasing recycling levels and reuse opportunities across the lower mainland.

Belkorp also owns a landfill in Cache Creek, BC. With its MRF initiatives, Belkorp is proposing to move into a higher-technology area of waste management, increase recycling and minimizing residual waste that according to Metro Vancouver's Integrated Solid Waste and Resource Management Plan must be landfilled.

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Note to editors: Images of the initial design of the proposed facility are available for download at CNW or by contacting Belkorp Environmental Services Inc.

About Belkorp Environmental Services Inc. and the Belkorp Group Inc.

The Belkorp Group Inc., primarily through Belkorp Environmental Services Inc., is currently involved in recycling and waste disposal services in Greater Vancouver and in the Thompson Nicola Regional District, and actively supports the adoption of a zero waste philosophy in the province. One of the Belkorp Group's other subsidiary companies is AtSource Recycling Systems Corporation, a leading supplier of waste and recycling equipment across Canada, including a large selection of organic digesters, balers and compactors. The Belkorp Group also designed and built one of the first cardboard recycling facilities of its kind in BC, as well as the first newsprint de-inking and recycling facility in western Canada, owned and operated a used oil recycling plant in North Vancouver, and was part owner of an organics composting facility that was eventually bought by the Village of Whistler and relocated in Whistler.

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