



TERVITA
CORPORATION

TSX:TEV

**2020 ANNUAL MEETING
OF SHAREHOLDERS**

May 11, 2020

FORMAL BUSINESS OF THE MEETING



Grant Billing

Chair of the Board

MANAGEMENT'S PRESENTATION



John Cooper

*President & Chief Executive
Officer*

DISCLAIMER

This Management Presentation contains certain statements that may be “forward-looking statements” or “forward-looking information” within the meaning of applicable securities laws. Forward looking statements are statements that are not historical facts and are often, but not always, identified using words or phrases such as “expects”, “plans”, “anticipates”, “intends”, “estimates”, “estimated”, “projects”, “potential” and similar expressions, or stating that certain actions, events or conditions “will”, “would”, “may”, “might”, “could” or “should” occur or be achieved or other similar terminology. In particular, but without limiting the foregoing, this Management Presentation contains forward-looking statements or information pertaining to all statements regarding our 2020 capital budget, our expectations that the majority of the benefits from our 2019 capital spending program will accrue in 2020, our expectations regarding our continued ability to reduce costs, improve efficiencies and generate positive cash flows, our expectations regarding our ability to access the government assistance programs and the fund to accelerate orphan and inactive well abandonment, our expectations and beliefs regarding our ability to act and respond to the current economic and operating conditions and our business strategies and objectives,. By their nature, forward-looking statements and information involve known and unknown opportunities, costs, risks and uncertainties that may cause actual results to differ materially from those anticipated. Risks and uncertainties that may affect actual results include, without limitation, the current economic and operation conditions, including commodity prices, interest rates and environmental and regulatory matters, the ability of our customers to recover from the current economic and operation conditions, our ability to access government assistance programs and the fund to accelerate orphan and inactive well abandonment, our ability to identify and execute on its cost saving measures, our ability to execute on our business continuity plan in connection with the COVID-19 pandemic, our ability to maintain sufficient liquidity in the current ever-changing economic and operating conditions, decreases in exploration, drilling and production activity levels in the markets where we offer our services, customers may decide to no longer outsource their waste management and other environmental service activities, risks related to non-compliance with environmental laws or delays resulting from such non-compliance, legislative and regulatory initiatives that impact our business, competition, fluctuations in commodity prices and exchange rates and volatility in global financial conditions. For a more detailed discussion of risks relating to Tervita, see our most recent Annual Information Form and our Q1 2020 MD&A. With respect to the forward-looking statements and information contained in this Investor Presentation, Tervita has made assumptions regarding, among other things: our ability to execute and act on our business continuity plan and opportunities for cost savings in connection with the current economic and operating conditions, the stability of the industries in which we operate, the creditworthiness of our customers, commodity prices, no material changes in the legislative and operating framework our business, our ability to access capital, our ability to successfully market our business in the areas in which we operate, conditions of the oil and gas industry in our current and proposed markets, general economic, business and market conditions, our future debt levels and the impact of increasing competition. Although Tervita believes the expectations expressed in such forward-looking statements and information are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward-looking statements. The forward-looking statements and information included in this Management Presentation are expressly qualified in their entirety by this cautionary statement. Tervita cautions that the foregoing list of assumptions, risks and uncertainties is not exhaustive. The forward-looking statements and information contained in this Management Presentation are based on the beliefs, estimates and opinions of Tervita’s management on the date the statements are made, and Tervita does not undertake any obligation to update publicly or to revise any of the included forward-looking statements or information, whether as a result of new information, change in management’s estimates or opinions, future circumstances or events or otherwise, except as expressly required by applicable securities law. Any financial outlook or future oriented financial information in this document, as defined by applicable securities legislation has been approved by management of Tervita. Such financial outlook or future oriented financial information is provided for the purpose of providing information about management’s current expectations and management’s plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes.

Non-GAAP Financial Measures

Certain financial measures in this Management Presentation are not prescribed by IFRS. All non-IFRS measures presented herein do not have any standardized meaning and therefore are unlikely to be comparable to similar measures presented by other companies. Therefore, these non-IFRS measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. All non-IFRS measures are included because management uses the information to analyze operating performance and results, and therefore may be considered useful information by investors.

Adjusted EBITDA, Adjusted EBITDA Margin and Discretionary free cash flow, , , presented in this presentation are not measurements of financial performance under IFRS and should not be considered as an alternative to income or other performance measures derived in accordance with IFRS, or as an alternative to cash provided by (used in) operating activities as a measure of liquidity. In addition, non-IFRS measures do not have a standardized meaning prescribed by IFRS and, as such, our method of calculating Adjusted EBITDA, Adjusted EBITDA Margin, Discretionary free cash flow, may vary from the methods used by other companies and, as a result, may not be comparable to similarly titled measures, ratios or credit statistics disclosed by other companies. In respect of our method of calculating Adjusted EBITDA, in Q1 2020 our non-recurring severance costs for prior periods have been reclassified to restructuring costs, which had no impact on the prior periods’ Adjusted EBITDA. Additional information on this and the definitions of each non-IFRS measure used herein and reconciliations to GAAP measures can found in the “Non-GAAP Measures” section of the Q1 2020 MD&A available at www.tervita.com.



Tervita Works.

Through all conditions, with resiliency and perseverance, Tervita Works. We work to build value for our shareholders. We work to be a trusted long-term partner for our customers. We work to be a place where our people can learn, develop and grow; and we work to build positive relationships in the communities where we operate. We know that to thrive in an ever-changing environment, we need to keep our sights on working hard for all our stakeholders.

This is how **Tervita Works.**

2019 WAS A STRONG YEAR



2019 KEY ACCOMPLISHMENTS

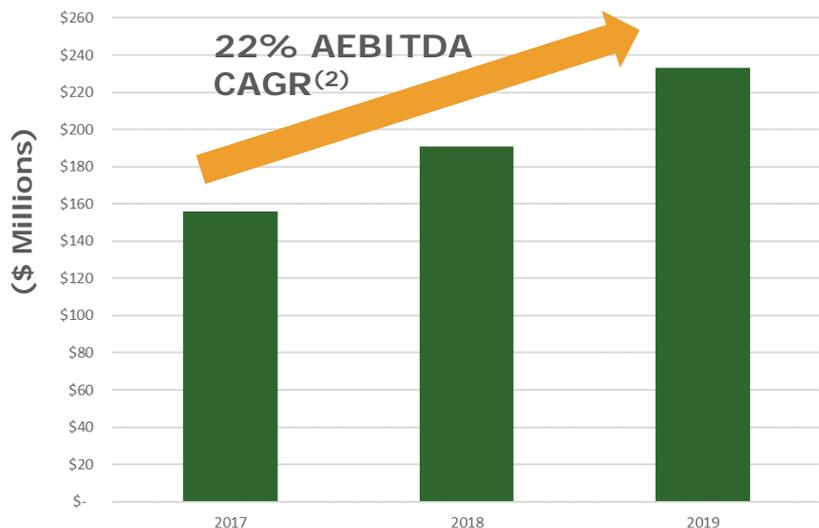
- Generated revenue (excluding energy marketing) of \$716 million, 12% higher than 2018
- Grew Adjusted EBITDA⁽¹⁾ by 22% compared to 2018, with Adjusted EBITDA margin of 33%
- Generated Discretionary Free Cash Flow of \$90 million, 14% higher than 2018, and a 7% increase on a per share basis
- Achieved annualized synergies of \$46 million, ahead of schedule
- Continued core focus on safety with improvements in Total Recordable Injury Frequency (TRIF)
- Executed \$106 million of growth and expansion capital investments focused on strong returns and cash flow per share growth



(1) Adjusted EBITDA and Adjusted EBITDA margin are Non-GAAP measures. Reconciliations to GAAP measures can be found in the "Non-GAAP Measures" section of the Q1 2020 MD&A available at www.tervita.com.

2019 FINANCIAL PERFORMANCE HIGHLIGHTS

Adjusted EBITDA⁽¹⁾



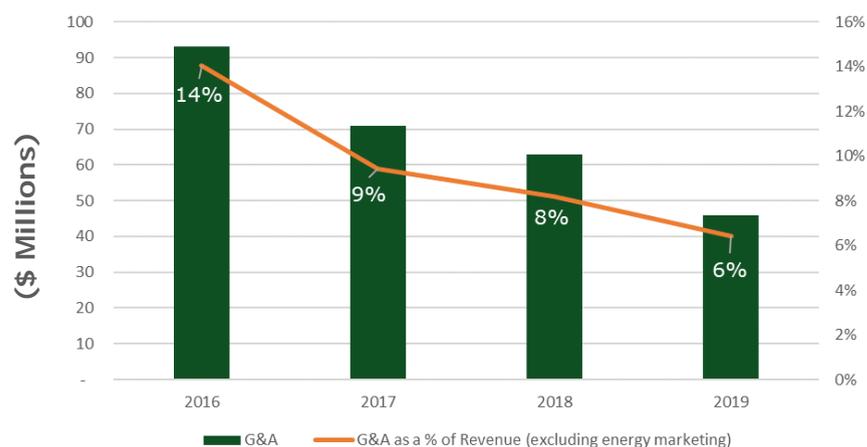
Adjusted EBITDA growth

- Over 20% growth in 2019 compared to 2018 AEBITDA
- ~2/3 of Energy Services' revenue production-related and stable

Capital Spend

- 2019 total growth & expansion capital spend of \$106 million - we have begun to realize benefits of this spending program in 2020
 - Development of a customer dedicated water disposal facility comprised of three pipeline-connected disposal wells in the Montney play
 - Expansion of our storage and blending capacity at five TRD facilities
 - Completion and tie-in of additional water disposal wells at active TRD facilities in the Montney and heavy oil areas of operations

G&A Expense⁽³⁾



- Capital projects provide attractive economics of >20% IRR and 3-5 year paybacks and are less impacted by volatility in commodity prices
- Low maintenance capital requirements of ~\$30 million

Cost structure

- 2019 G&A of \$46 million in 2019, down ~50% since 2016
- Continued focus on efficiencies
 - Field Services integration
 - Increased supply chain leverage with combined businesses
 - Additional commercial synergy opportunities

(1) Adjusted EBITDA and Adjusted EBITDA margin are Non-GAAP measures. AEBITDA is the last twelve months as at December 31 of each year. Reconciliations to GAAP measures can be found in the "Non-GAAP Measures" section of the Q4 2019 MD&A available at www.tervita.com.

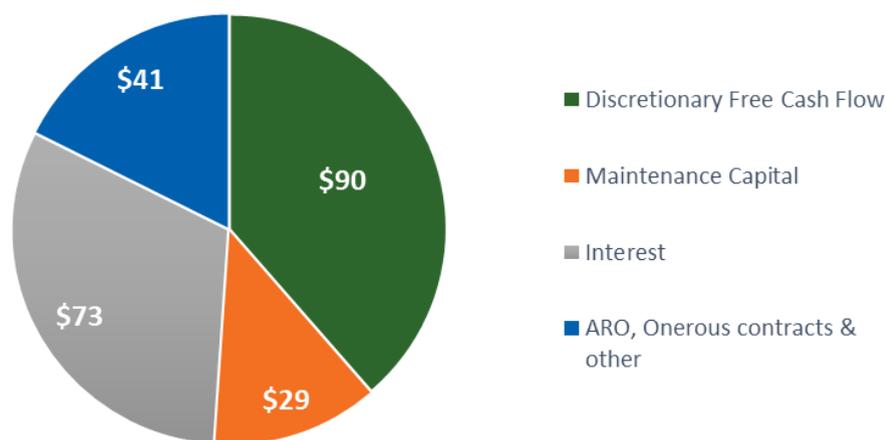
(2) CAGR is the 2019 Adjusted EBITDA Compound Annual Growth Rate 2017 – 2019.

(3) 2016-2018 pro forma balances including Newalta.

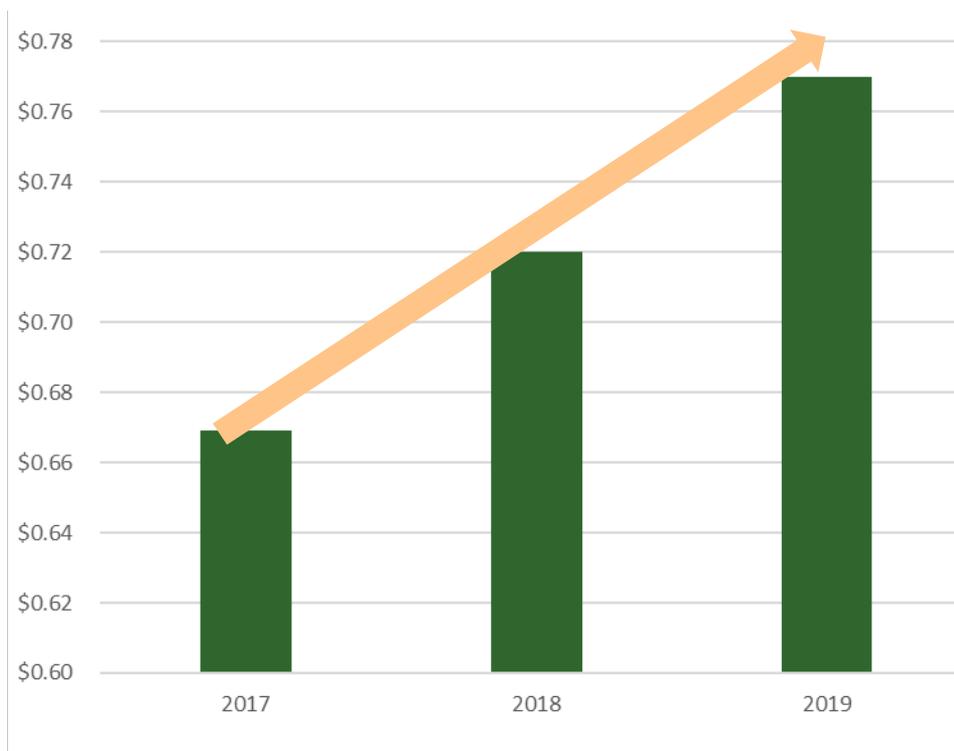


DISCRETIONARY FREE CASH FLOW⁽¹⁾ GENERATION

2019 Adjusted EBITDA⁽¹⁾:
\$233 million



Discretionary Free Cash Flow
Per Share⁽²⁾



- 39% of Adjusted EBITDA was converted to Discretionary Free Cash Flow



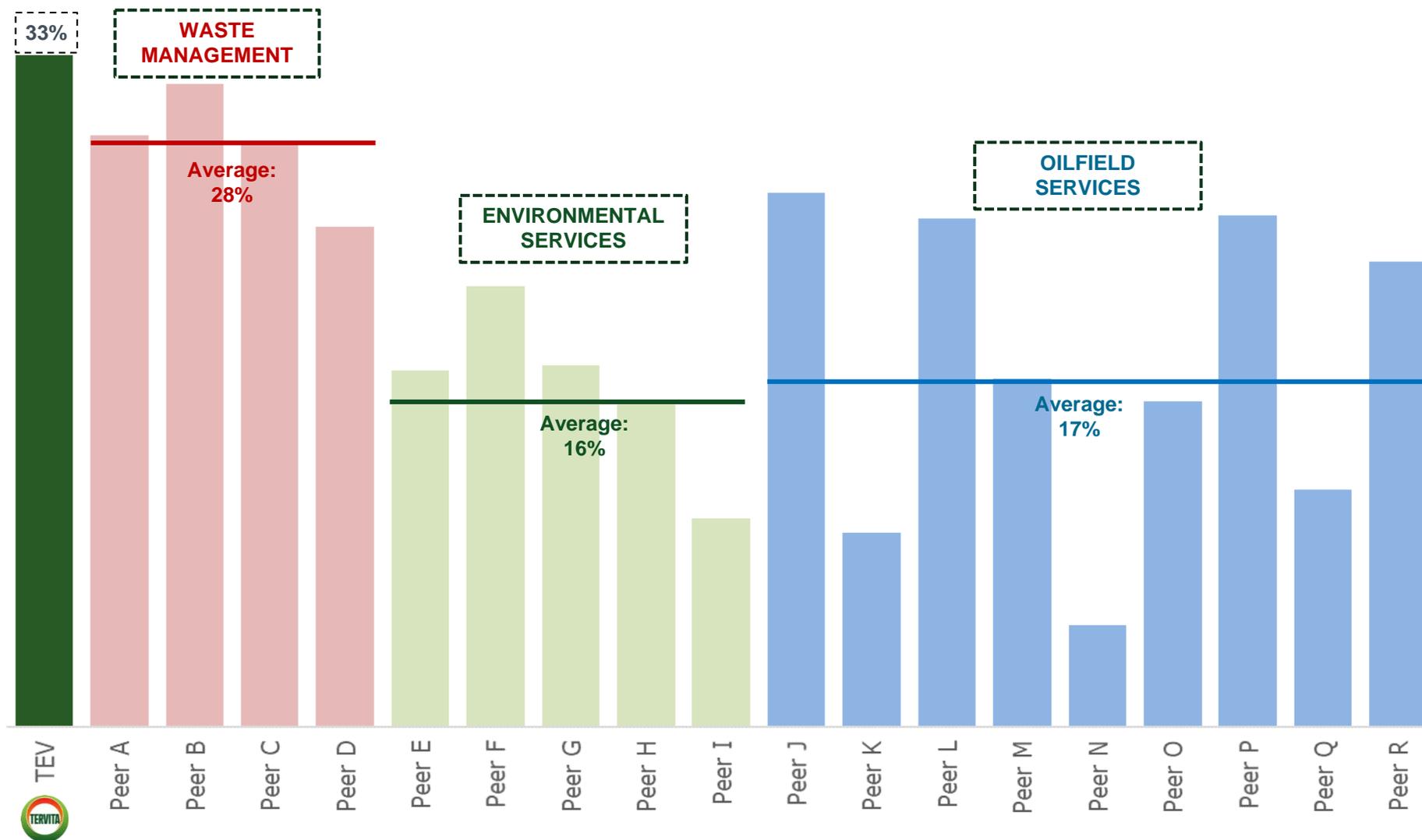
(1) 2019 Adjusted EBITDA and Discretionary Free Cash Flow are unaudited. Adjusted EBITDA and Discretionary Free Cash Flow are non-IFRS measures. Reconciliations to GAAP measures can be found in the "Non-GAAP Measures" section of the Q4 2019 MD&A available at www.tervita.com.

(2) Discretionary Free Cash Flow Per Share is based on the weighted average shares outstanding for each year.

CORPORATE ADJUSTED EBITDA MARGINS

HIGH ADJUSTED EBITDA MARGINS⁽¹⁾⁽²⁾ CLOSELY ALIGNED TO WASTE MANAGEMENT PEERS

LTM At December 31, 2019



(1) Source: FactSet. Includes Waste Management companies: Waste Management, Waste Connections, Republic Services, and Advanced Waste Disposal; Environmental Services: Covanta, US Ecology, Stericycle, Clean Harbors, and Heritage Crystal Clean; and Oilfield Services: Precision Drilling, Calfrac Well Services, Ensign Energy Services, Enerflex Ltd., Trican Well Service, Mullen Group, Secure Energy, CES Energy Solutions, and Badger Daylighting.
 (2) LTM Adjusted EBITDA is a non-IFRS measure. Adjusted EBITDA margins calculated using net energy marketing revenues. Reconciliations to GAAP measures can be found in the "Non-GAAP Measures" section of the Q4 2019 MD&A available at www.tervita.com.



ENVIRONMENTAL, SOCIAL & GOVERNANCE

We are a dedicated sustainability partner to our customers, and strive for excellence in sustainability performance at our own operations. The work we do is designed to minimize the environmental impact associated with development activities, while maximizing the value of the resources recovered through our values-driven safety culture.

Our 2019 accomplishments include:



SAFETY

- Excellent safety record
- **Total Recordable Injury Frequency (TRIF)** of 0.76
- Continued our successful **Safety Absolutes** program – a key tool to ensure safe decisions are made every day



PEOPLE

- Provided **Engaging Manager** training program on management skills
- Established a **Culture Advisory Committee** to facilitate the gathering of employee feedback and input on our progress
- Conducted a thorough **Employee Engagement Survey** the results of which are driving 12 targeted action items



COMMUNITY

- 30-plus year partnership with the United Way of Calgary, and part of the United Way Corporate Million Dollar Roundtable indicating we have donated **more than one million dollars since 2008**
- 25-year partnership with STARS and have donated **over \$500,000** including support of STARS mission operations and Vision Critical Campaign



ENVIRONMENT

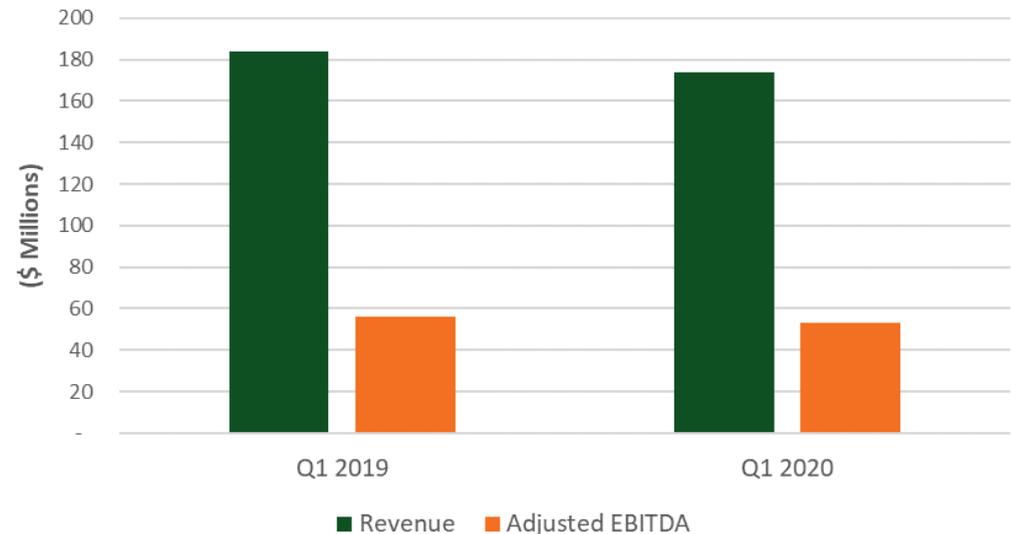
- Recycled over **100,000 net tonnes** of scrap metal through our Metals Recycling services
- Safely received over **3 million tonnes** of oilfield solids into our engineered landfills
- **Over 2 million tonnes of soil remediated for reuse** through our environmental services since emergence



Q1 2020 HIGHLIGHTS

- Adjusted EBITDA of \$53 million was moderately down by 5% from 2019 as **increased volumes** into our waste facilities from newly commissioned facilities, **stable production-based** volumes and increased drilling activity, were more than offset by a decline in event-based project activity within Industrial Services' and lower commodity prices
- Adjusted EBITDA Margin remained **strong and stable** to prior year at 30%
- Successfully commissioned** and are fully operational at our Montney water disposal facility, which is backed by a senior producer with a minimum five-year commitment
- We retain \$234 million of available liquidity from cash on hand and available credit facility capacity

Q1 2020 REVENUE & ADJUSTED EBITDA⁽¹⁾



(1) Adjusted EBITDA is a Non-GAAP measure. Reconciliations to GAAP measures can be found in the "Non-GAAP Measures" section of the Q1 2020 MD&A available at www.tervita.com.

RESPONSE TO THE CURRENT CHALLENGING ENVIRONMENT

PROACTIVELY TAKING STEPS IN RESPONSE TO COVID-19 AND THE STEEP DECLINE IN COMMODITY PRICES

Safety

- Health and safety of our people, our customers and the communities we operate in is our **top priority**
- Implemented our **business continuity plan** in response to COVID-19

Cost Reductions

- Tervita has taken **significant steps** to reduce fixed costs by an estimated \$30 to \$34 million on an annualized basis
- Reduced 2020 capital budget to \$60 million, a **56% reduction** from 2019 capital expenditures
- We continue to look for and **execute opportunities** to reduce costs, **improve efficiencies** and ensure all open and operating facilities are generating positive cash flows

Government Programs

- **Actively monitoring** Government programs including:
 - Canada Emergency Wage Subsidy (“CEWS”), which we have applied for in April
 - \$1.7 billion fund to accelerate orphan and inactive well abandonment, which we believe will provide **many opportunities** for Tervita, including work through the Orphan Well Association, in which Tervita is a prime contractor

Liquidity

- Focused on financial discipline and protecting liquidity
- Positioned the company with ample liquidity of \$234 million of cash and unutilized capacity on our credit facility
- Tervita’s US\$590 million senior notes are not due until the fourth quarter 2021

Through this challenging environment our priorities remain the health and safety of our people as well as providing a valuable service to our customers. We continue to monitor our external environment and are well prepared to take any further action required throughout the year.



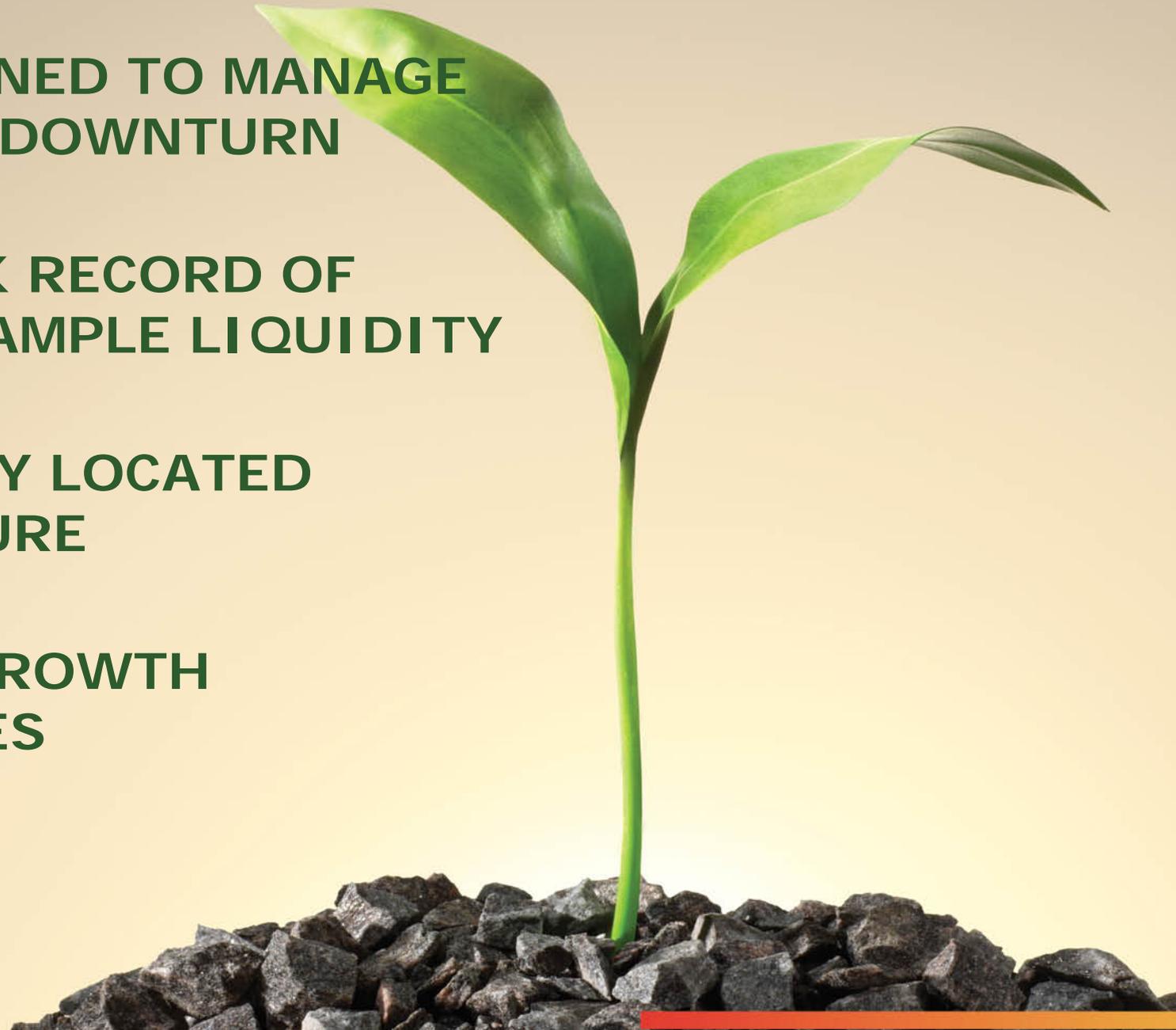
INVESTMENT HIGHLIGHTS

WELL POSITIONED TO MANAGE
THROUGH THE DOWNTURN

PROVEN TRACK RECORD OF
RESULTS AND AMPLE LIQUIDITY

STRATEGICALLY LOCATED
INFRASTRUCTURE

PIPELINE OF GROWTH
OPPORTUNITIES





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EARTH MATTERS