

November 6, 2018

Dear Shareholder,

We are pleased to provide this monthly update to our shareholders.

### **Plan to Sell the Company Late 2019**

After careful evaluation of the strategic options available to Ecovatec, we have decided to sell the company in late 2019 or early 2020. We have engaged Strategic Exits Corp. ([www.Exits.com](http://www.Exits.com)) to design and execute the transaction.

### **Phosvitin Breakthrough**

Your company has developed a patent pending breakthrough in egg yolk separation technology that produces the first commercially available phosvitin protein and phosvitin protein peptides. These rare, highly bioactive proteins provide a dramatic increase in the bioavailability of iron, calcium and other nutrients and will revolutionize a US \$10 billion market to eliminate iron deficiency and increase bone density.

The current market price for phosvitin is over US\$3 million per kilogram. Ecovatec's facility can produce phosvitin in commercial volumes and take it to market at US\$40,000 per kilogram. We believe this creates an explosive market opportunity in the nutraceutical and supplements market.

### **Last Round Financing**

To maximize our exit valuation, we need to complete one final round of equity financing of C\$2.5 million. We appreciate your support over the past 3 years, and we encourage you to participate in this final round. We will present our corporate plan to potential strategic partners and angel investors at the Nutrition Capital Network event on November 7 in Las Vegas. One-on-one strategic partner meetings have already been scheduled during this trip. Our exit timeline is aggressive, and we are exposed to a greater corporate risk now that we've applied for patents. To safeguard our timeline and milestones, it's imperative that we meet our cash objective quickly. This will allow us to focus on the business and the exit process. To that end, our preference is to complete this round entirely from existing shareholders.

### **Annual General Meeting and Investor Update Presentation**

Our next Annual General Meeting will be on Dec. 18 at 2:00 PM. This will be an important meeting to agree on several critical decisions necessary to complete our plan.

In anticipation of our exit transaction we also need to ensure we have your current contact information so we can get your signatures on all of the required documents. Please confirm receipt of this email.



Upon returning from the NCN meetings, we will be presenting the same corporate presentation to all interested shareholders via remote screen share. You will receive an update shortly with times and dates.

From the entire team at Ecovatec, we would like to thank you for your continued support, and we look forward to an exciting year ahead of us.

A handwritten signature in black ink that reads "Drew Perrin". The signature is fluid and cursive, with a prominent initial "D" and a long, sweeping tail on the "n".

Drew Perrin

President & Chief Executive Officer