CORPOPRATE NEWS & EVENTS

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ATLANTIC POWER & INFRASTRUCTURE

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Inside this Issue

"The world of great opportunity is available now, as it has always been, only for those with great vision."

-Andrew Carnegie

STCP™
SCRAP TIRE CONSTRUCTION PRODUCTS

From Vision to Reality:

The Roadmap of Flexible Porous Paving

Prelude

In the late Fall of 2001, K. B. Industries Inc. was formed with a single mission: To create a high tonnage market using recycled scrap tire granules for infrastructure and paving. It was K.B. Industries that pioneered the first flexible porous paving, worldwide.

Initially, the most daunting challenge was acceptance from the Engineering community, and after exhaustive and rigorous testing, we have met that challenge, thus creating a product that is widely used across the domestic United States and abroad.

These successes ultimately signify the creation of a new industry, new employment, as well as new contributions to various State GDPs, but moreover, we have created capitalist opportunities for new companies to develop within that space, further enhancing the credibility and demand of the market. In other words, competition is an opportunity- not a threat.

Our proprietary product, KBI Flexi®- Pave, is created from an increasing waste stream from increasing urbanization and population density. As population density increases, infrastructure and stormwater management continue to be a mounting management issue. The increased solid waste (i.e. scrap tires) is helping to solve that problem and now, at the forefront of K.B. Industries Inc., carries the hard-earned pedigree that is now 23-years old.

Next Steps

K.B. I. is vertically integrating the company to ensure quality control of the scrap tire granule. Unfortunately, the scrap tire industry is infamous for its deficiency in quality control for various reasons. This movement is a necessary innovation that must take place to meet quality control standards of the recycled scrap tire granule.

To state that “water is our next oil” is not merely jest. We, as a species and as a company, must look at how we convey our most finite resource- water- to where it needs to be. We know there are restrictions within flexible porous paving that prohibit use for main highways, but the benefits for all other ancillary flat surfaces are tremendous.

Porosity Rate:
~3,000 gal per hour per sq ft

Paradigm Shift

More than 14 years ago, KBI commissioned independent, third-party testing of KBI Flexi® - Pave. The results were astonishing and proved passive nutrient removal as water traverses through the material. In other words, KBI Flexi®- Pave is the only product of its kind in the world to remove up to 83% dissolved nitrates and up to 88% orthophosphates before it reaches open water body supplies through the flexible dynamic pore space within its matrix.

It was this paradigm shift that connected us to the agricultural industry, as we gained a better understanding of what this product could do for water quality and ground water recharge. This ultimately opened the envelope for water conservation in increased urbanized areas, based on population density, which - again- utilizes the increased scrap tire problem, creating a valuable solution to resolve stormwater management infrastructure. We have taken the increasing tire waste problem to be part of the stormwater management solution.

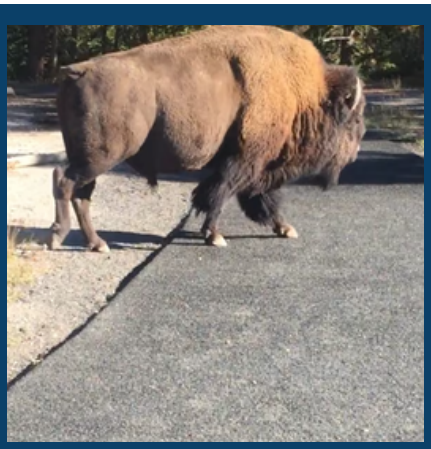
Currently, the Tire Derived Fuel (TDF) market is under massive scrutiny due to the carbon release into the atmosphere. TDFs are sought to augment burning fuels for various industries, including cement kilns etc., due to the high BTU release upon combustion. This has created a demand for alternative recycled scrap tire products and why vertical integration is necessary for the success of a growing industry by satisfying the demand while maintaining exceptional quality control standards.

Case Studies

STCP™
SCRAP TIRE CONSTRUCTION PRODUCTS

KBI
Flexi®-Pave

Humber Estuary
North England, United Kingdom



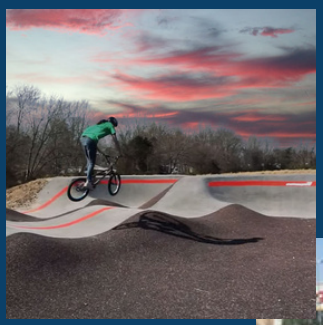
Yellowstone Nation Park

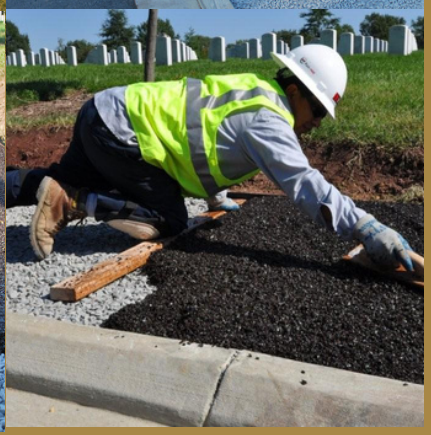
Golf Applications
New York State

Case Studies continued...

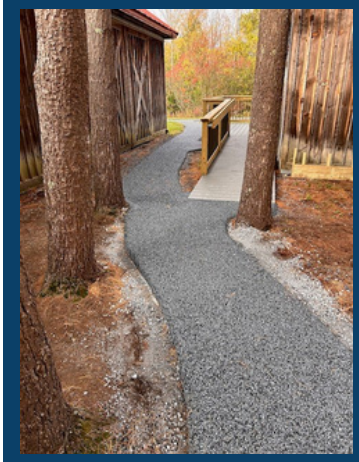
STCP™ SCRAP TIRE CONSTRUCTION PRODUCTS

KBI Flexi®-Pave

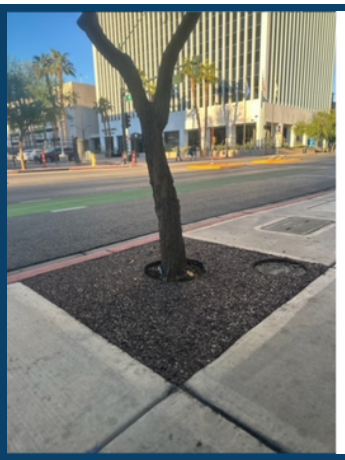


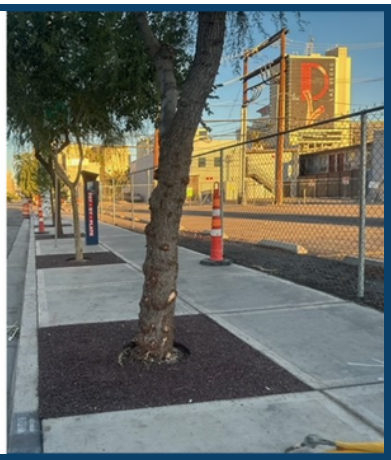


Arlington National Cemetary
Arlington, Virginia



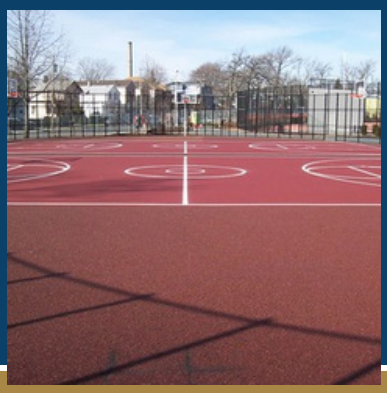
Lake Champlain Maritime Museum
Vergennes, Vermont





Las Vegas, Nevada

From parks and recreation to natural conservatories and everything in between, our Scrap Tire Construction Products Division (STCP™) provide proven, sustainable solutions to solid waste disposal, stormwater management, erosion control, groundwater recharge and water conservation efforts while contributing to both economic and community development initiatives, ultimately promoting the next generation of the circular economy .



Schmul Rec Park

Hollywood, Florida

Industry Outlook

Scrap Tire Recycling

According to the U.S. Tire Manufacturers Association (USTMA), “End-of-life tires remain one of the most recycled and reclaimed consumer products with 79% going to beneficial end use markets with a 10.5% increase in overall utilization, outpacing other recyclable materials such as metal, glass, aluminum, plastic, and paper.” Furthermore,, “ground rubber has become the second largest market for end-of-life tires, increasing 29% since 2019 and consuming about 28% of end-of-life tires in 2023.”

Driven by advocacy and legislative support as well as collaboration across the tire recycling value chain in parallel with ongoing advancements in recycling technologies and expanding end-use markets, the industry is optimistic about achieving higher recycling rates in the coming years. These factors collectively contribute to the expansion of the tire recycling market and the development of sustainable solutions for managing tire waste. Moreover, this means that the US Tires Recycling Market Is expected to reach a revenue of approximately 3.7 billion USD by 2034.

From the Chairman’s Desk

Kevin Bagnall, CEO & Chairman
Atlantic Power & Infrastructure, Corp.

It was always my objective to create a high tonnage takeout of recycled scrap tire granule, which is now starting to take place. Competition is recognition of the global market which, indirectly, has come about from K.B. Industries over the last 23 years. The creation of competition endorces the success of this technology, and I see this as confirmation that the vision I had so long ago has come to fruition: that there is a high-volume industry that has global potential.

I am immensely proud of our team, both domestically and abroad. I would like to personally recognize Graham Pell, Managing Director of KBI UK Ltd, and Jamie Cabral, Chief Operating Officer of K.B. Industries Inc. (U.S.A.), who have done a superior job serving in their respective roles. I would also like to recognize Paul Goddard, who has been with the company since its inception, both training and certifying KBI Flexi®- Pave installers worldwide, which continues to contribute to the company’s overall success by maintaining superior standards of the finished product. At AP&I Corp., we truly believe that our employees are our greatest assets, and I sincerely appreciate the remarkable team I both lead and serve.

As AP&I Corp. and its subsidiaries continue to bring to market proven, sustainable solutions to address the problems that arise from an increasing global population, we look forward to the rising tide of this next generation of the circular economy through sustainable profit. Stay tuned for more developments, as they are coming soon!