

PANEL PRESENTATION ON FUELS OF THE FUTURE 25<sup>TH</sup> BC TOWBOAT CONFERENCE AND TRADE SHOW VICTORIA, BC MAY 31, 2024

#### PRESENTATION TOPICS

 OUR EXPECTATION OF CUSTOMER DEMAND FOR RENEWABLE DIESEL ON THE COAST

 WHAT NORTH ARM IS DOING TO INCORPORATE RENEWABLE DIESEL INTO ITS MARINE OPERATIONS

 WHAT NORTH ARM IS DOING TO INCORPORATE RENEWABLE DIESEL INTO ITS SHORE BASED OPERATIONS



### EXPECTATION OF CUSTOMER DEMAND FOR RENEWABLE DIESEL

 TWO KEY AREAS WHERE WE EXPECT TO SEE CUSTOMER DEMAND FOR RENEWABLE DIESEL:

- SCHEDULED FUEL AND FREIGHT DELIVERY SERVICE WHERE CUSTOMERS WILL WANT TO RECEIVE RENEWABLE DIESEL FOR USE IN THEIR OPERATIONS AND FOR RESALE
- SHORT SEA SHIPPING WHERE CUSTOMERS WANT TO SEE A REDUCTION IN GREENHOUSE GAS EMISSIONS AND CARBON INTENSITY OF SERVICE



### SCHEDULED FUEL AND FREIGHT DELIVERY SERVICE

OUR CUSTOMER BASE CONSISTS OF:

- FIRST NATIONS AND OTHER COASTAL COMMUNITIES
- REMOTE POWER GENERATION, AND
- COASTAL FORESTRY, MINING, FISHING LODGE AND PROJECT OPERATIONS



### FIRST NATIONS AND OTHER COASTAL COMMUNITIES

ALL OF THE NATIONS WE WORK WITH WANT TO SEE:

- MOVEMENT TOWARDS THE USE OF CLEAN RENEWABLE ENERGY
- USE OF FUEL WITH LOWER CARBON INTENSITY AND GREENHOUSE GAS EMISSIONS
- USE OF FUEL THAT HAS LESS POTENTIAL TO CAUSE DAMAGE IN THE EVENT OF RELEASE INTO THE ENVIRONMENT



# FIRST NATIONS AND OTHER COASTAL COMMUNITIES (CONTINUED)

 THE TIMING OF CHANGE AND MOVEMENT TOWARDS USE OF CLEAN RENEWABLE ENERGY WILL VARY DEPENDING UPON LOCATION

 WE SEE THE USE OF RENEWABLE DIESEL AS A BRIDGE, AS WELL AS A POTENTIAL LONG-TERM SOLUTION

• INFORMATION AND STUDIES RELATED TO THE AQUATIC TOXICITY OF RENEWABLE DIESEL ARE CURRENTLY LIMITED BUT THERE IS OPTIMISM THAT IT WILL HAVE LESS IMPACT ON THE ENVIRONMENT, AND CREATURES LIVING IN IT, IN THE EVENT OF RELEASE INTO THE WATER



# FIRST NATIONS AND OTHER COASTAL COMMUNITIES (CONTINUED)

 NORTH ARM'S PARTICIPATION IN THE HEILTSUK CLIMATE ACTION TEAM'S RENEWABLE DIESEL TRIAL IN BELLA BELLA









#### REMOTE POWER GENERATION

- THERE IS A PLAN TO REDUCE GREENHOUSE GAS EMISSIONS AND THE CARBON INTENSITY OF POWER GENERATION IN BRITISH COLUMBIA THROUGH INITIATIVES WHICH INCLUDE THE CLEANBC PLAN. THIS INCLUDES TAKING STEPS TO SEE REDUCTIONS AT EXISTING DIESEL POWER GENERATING STATIONS ON THE COAST
- WHERE ENVIRONMENTAL CONDITIONS ARE SUITABLE, WE BELIEVE RENEWABLE DIESEL WILL BE UTILIZED IN CONJUNCTION WITH OTHER SOURCES OF CLEAN RENEWABLE ENERGY OR STANDALONE WHERE ALTERNATIVES ARE NOT AVAILABLE TO MEET ESTABLISHED TARGETS AND GOALS



### COASTAL FORESTRY, MINING, FISHING LODGE AND PROJECT OPERATIONS

 ENVIRONMENTAL, AS WELL AS SOCIAL AND GOVERNANCE FACTORS HAVE AN INCREASING IMPACT ON ALL OF OUR OPERATIONS AND WHEN STEPS CAN BE TAKEN THAT ENACT POSITIVE CHANGE, PARTICULARLY WHEN THEY DON'T RESULT IN MATERIAL COST INCREASES, WE BELIEVE THEY SHOULD BE CONSIDERED

 WE ANTICIPATE THIS WILL RESULT IN REQUESTS FOR AN INCREASE IN SUPPLY OF RENEWABLE FUELS FROM OUR CUSTOMERS OPERATING IN THESE AREAS



#### SHORT SEA SHIPPING

 WE HAVE BEEN WORKING WITH DP WORLD CANADA FOR OVER TWELVE YEARS PROVIDING SHORT SEA CONTAINER BARGE SERVICE WHICH STARTED WITH MOVEMENTS BETWEEN CENTERM AND DUKE POINT

 THE DP WORLD MANDATE IS TO EXPAND OPERATIONS WHILE REDUCING THEIR CARBON FOOTPRINT



### INCORPORATING RENEWABLE DIESEL INTO NORTH ARM'S MARINE OPERATIONS

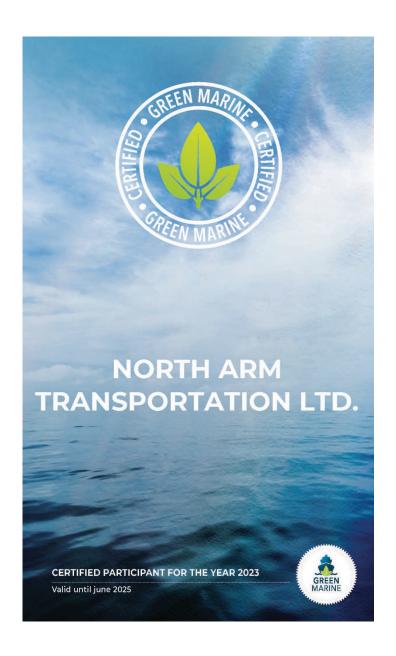
- WE SEE THE INCORPORATION OF RENEWABLE DIESEL IN OUR MARINE OPERATIONS AS A WAY TO IMPROVE OUR ENVIRONMENTAL PERFORMANCE IMMEDIATELY WITHOUT MAJOR INVESTMENT IN NEW EQUIPMENT OR INFRASTRUCUTRE
- NORTH ARM HAS BEEN A GREEN MARINE MEMBER FOR TEN YEARS AND RECIPIENT OF THE PORT OF VANCOUVER'S BLUE CIRCLE AWARD FOR PARTICIPATION IN THE ECO ACTION PROGRAM FOR THE LAST SIX YEARS
- A GREEN MARINE REQUIREMENT IS MEMBER COMMITMENT TO CONTINUAL IMPROVEMENT OF ENVIRONMENTAL PERFORMANCE

# INCORPORATING RENEWABLE DIESEL INTO NORTH ARM'S MARINE OPERATIONS (CONTINUED)

 OUR FIRST STEP TO CONSIDER USE OF RENEWABLE DIESEL WITHIN OUR OPERATIONS WAS TO CONFIRM ITS USE IS ACCEPTED BY OUR ENGINE MANUFACTURERS

 OUR SECOND STEP WAS TO DEVELOP A PLAN TO START USING IT IN ONE OR MORE OF OUR TUGS. WE ARE CURRENTLY IN THE SECOND ITERATION OF THE PLAN AND AIM TO START USING THE PRODUCT IN THE NEAR FUTURE







### INCORPORATING RENEWABLE DIESEL INTO NORTH ARM'S SHORE BASED OPERATIONS

 WE RECENTLY STARTED USING RENEWABLE DIESEL IN OUR SHORE BASED EQUIPMENT

 REGISTRATION OF NON-ROAD DIESEL ENGINES WITH METRO VANCOUVER AND INCENTIVES TO USE RENEWABLE DIESEL







