

Reclaiming Canada's Past to Build an Enduring Future.

PRESS RELEASE

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Emissions Reduction Alberta Invests in Backroads Reclamation to Build Canada's First Industrial-Scale Wood Recovery Infrastructure

\$2 Million Advanced Materials Challenge funding accelerates development of circular construction systems as housing boom drives material and waste crisis

EDMONTON, AB – July 28, 2025 – Emissions Reduction Alberta (ERA) announced last week a \$1.98 million investment in Backroads Reclamation Ltd. through its Advanced Materials Challenge—one of only 18 projects selected through ERA's competitive process. The investment recognizes the company's industrial-scale approach to transforming construction and demolition waste into specification-grade building materials, addressing a critical infrastructure gap as Canada races to build 3.87 million new homes while simultaneously destroying the irreplaceable materials those homes need.

"While Canada accelerates housing construction, we're landfilling centuries-old timber that new homes desperately need for flooring, millwork, and finishing," said Jay Sanderson, President of Backroads Reclamation. "ERA's investment affirms that Canada doesn't have a recycling problem—we have an infrastructure gap. We're building the systematic processing capacity that makes material recovery as reliable as virgin lumber supply."

Every year, construction and demolition activities send over 4 million tonnes of wood waste to Canadian landfills—material that grew for centuries, served for generations, and could serve for generations more. Meanwhile, volatile lumber prices and declining forest quality create supply chain vulnerabilities for builders. Backroads Reclamation's infrastructure bridges this gap by transforming end-of-life buildings into traceable, graded materials ready for modern construction and manufacturing.

"By investing in advanced materials and circular economy solutions, we're helping Alberta's industries stay competitive, create jobs, and reduce emissions. This funding supports technologies that make better use of our resources while cutting costs. It's a win for both the economy and the environment."

Justin Riemer, CEO, Emissions Reduction Alberta

Backroads Reclamation is already building this infrastructure—positioning ahead of the demolition wave that the housing boom will accelerate. This includes:

- Industrial-scale processing facilities capable of handling full building deconstructions
- Digital tracking systems providing chain-of-custody from source building to end use
- Grading standards that integrate reclaimed materials into existing supply chains
- The Old Canadian Wood™ brand, positioning recovered timber as premium, traceable building materials
- Training programs for contractors transitioning from demolition to systematic deconstruction

"Property owners want sustainable alternatives to demolition, and contractors are ready to provide them. Builders want to specify reclaimed materials. The missing piece has always been both the physical infrastructure and the market development needed to turn these intentions into a functioning system," said Kirk Bentham, VP of Brand & Market Development. "We're not just processing wood—we're creating the category standards and market structures that make reclaimed materials as reliable and specifiable as virgin lumber. ERA's investment accelerates our ability to complete this critical link."

The investment will enable Backroads to:

- Complete development of its flagship Edmonton processing facility
- Develop a scalable blueprint for national circular wood recovery infrastructure
- Establish partnerships with demolition contractors and property owners
- Build inventory systems that ensure reliable supply for manufacturers and builders
- Create high-quality jobs in Alberta's emerging circular economy sector

Investors interested in shaping the future of Canada's circular economy are encouraged to reach out.

About Backroads Reclamation Backroads Reclamation is building Canada's first industrial-scale wood recovery and processing infrastructure. The company transforms buildings at the end of their life into materials ready for their next chapter—creating circular supply chains that preserve value, reduce emissions, and provide sustainable alternatives to virgin lumber. Learn more at backroadsreclamation.com

About ERA Emissions Reduction Alberta invests revenues from the carbon price paid by large emitters to accelerate the development and adoption of innovative clean technology solutions. Since 2009, ERA has committed \$944 million toward 273 projects worth \$7.4 billion. These projects are estimated to deliver cumulative GHG reductions of 44.9 million tonnes by 2030. Learn more at eralberta.ca

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