

Press Release: For Immediate Release

EWI Announces Funding and Revenue Arrangement

Ajax, Ontario, CANADA – (June 5, 2007) – Environmental Waste International Inc. (EWI) (TSX-V: EWS) announced that, subject to the approval of the TSX Venture Exchange and shareholder approval at its annual meeting on June 27, 2007, its board of directors has approved an arms length funding and revenue arrangement with a partnership interested in working with EWI to commercially exploit its product lines and expand market penetration. EWI will receive up to \$3 million in cash and will record up to \$15.75 million in promissory notes from Environmental Waste International Limited Partnership for a total value of up to \$18.75 million. The partnership will raise these funds through the sale of units to qualified investors. EWI will effectively retain all rights to its tire and wastewater applications in perpetuity, but will assign all other rights to its patent portfolio, proprietary software and system designs to the partnership in exchange for the investment. EWI will provide management services to the partnership for which it will receive management fees.

The partnership will pay EWI for the assigned rights by the end of 2007. The management fee portion, approximately \$8.75 million of the \$18.75 million, will be paid to EWI late in 2007 and in 2008. Interest on the notes for the first 2 years will be prepaid by the partnership as part of the \$3 million cash. The notes bear interest at 5% per annum and are due on December 31, 2014. The Company's tax losses and loss carry-forwards are expected to eliminate all taxes payable on the profit from the sale of rights, management fees and associated interest income.

This funding would give EWI financial stability and enable the company together with the partnership to pursue new sales and marketing opportunities. One potential area is animal waste reduction systems. The funds provided will allow EWI to undertake the testing required to certify that EWI's technology can be used to destroy prion infected carcasses, including Mad Cow Disease (BSE), CJD, scrapie, CWD and other animal diseases.

EWI will have the option, subject to TSX Venture Exchange approval, to buy back all assigned rights at a preset value of no more than \$9.9 million. The option will be exercisable from January 10, 2009 through December 1, 2014 in EWI stock at its then fair market value.

For further details, please refer to the Company's Information Circular for its upcoming June 27, 2007 Annual and Special Shareholder Meeting, available on the company's website and on SEDAR.

EWI has designed systems for the sterilization of medical waste, liquid waste and food waste as well as the treatment of several other organic waste streams including the breakdown of used tires. EWI continues to work on designs for other processors. Please visit EWI's home page at: www.ewmc.com.

WARNING: The Company relies upon litigation protection for "forward-looking" statements. The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

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