

September 2000

## Dear Shareholder:

As President of EWMC International Inc., I am excited to be inviting you to our next Shareholders Meeting to be held at 10:00 am on October 12<sup>th</sup>, 2000 at the Sutton Place Hotel, Toronto. Enclosed<sup>1</sup> is a Management Information Circular that outlines the business to be undertaken.

Since my first letter roughly one year ago, we anticipated better company performance and increasing shareholder value. It has been a tough and difficult road, but our present prospects for future growth and profits remain excellent and our share price has increased more than six-fold in the past year.

Shipment of the MD 1000 Medical Waste Processor, while taking much longer than originally planned, is nevertheless progressing well. The unit has safely arrived on site in the United Kingdom and installation will begin in September. The final site destination was also changed from Haversfordwest, Wales to Speake, just outside of Liverpool, England. All preparatory work to accommodate the unit is nearly complete and we are working closely with the State Group and EWT to co-ordinate installation. The unit is now expected to be in operation sometime in October 2000, with operational data available before the end of the year.

As <u>reported last quarter</u> (see below), there continues to be considerable customer interest in both the MD 1000 and Tire Reduction Facility. Management remains optimistic for further sales this year and remains totally committed to continue the company's sales growth.

Every week we are hearing "world news" of increasing environmental waste problems. More and more businesses, governments and economies are finally realizing the importance of a clean environment and that we all need to become more environmentally responsible in conducting our business. Our company is well positioned to help industry and governments deal effectively with various types of environmental waste streams.



<sup>&</sup>lt;sup>1</sup> The "Management Information Circular" has been mailed to all Shareholders on record as of September 8<sup>th</sup>, 2000.



Our stock markets react to value that in our case is directly related to sales. We already have a proven and patented technology. Today, to give you value, our efforts are focused on sales and the development of new product applications and strategic partnerships that I will discuss further at our annual meeting. Today, we have a strong Board of Directors and a new and seasoned Executive Management Team all working together to develop real value for the company. We will share our vision of EWMC's future for this millennium at the annual meeting.

Our second quarter results are also enclosed and continue to show improvement in the company's financial performance. Revenues were \$359,629 and are attributable to draw downs on the Letter of Credit from our first Medical sale. We expect revenues to grow over the coming quarters as the installation progresses. Our loss for the period was just over \$0.02 per share, compared to last year's loss at \$0.04 per share. This improvement reflects both higher sales revenues as well as a reduction in extraneous expenses.

On October 2<sup>nd</sup>, 2000 our stock will start computer based trading on the Canadian Venture Exchange ("CDNX"). We are excited about this and believe that the move will have a positive impact on the company's share value.

I welcome and encourage your participation at the meeting next month.

Signiak

Yours truly,

Robert M. (Bob) Bryniak President

**Enclosed** 



Consolidated Financial Statements of:

## E.W.M.C. International Inc.

Six months ended June 30, 2000 and 1999 (Unaudited)

## E.W.M.C. International Inc.

Consolidated Statement of Operations (Unaudited)

Six months ended June 30, 2000 and 1999

	June 30, 2000		June 30, 1999
Revenue:			
Machine Sales (Medical)	\$ 359,629	\$	-
Interest income	2,112		71
	361,741		71
Expenses:			
Cost of Sales	197,344		
Research and development	5,752		44,473
Operations, general and administrative	472,612		388,159
Amortization	706,628		814,600
	1,382,336		1,247,232
Loss for the period	(1,020,595)		(1,247,161)
Loss per share	\$ (0.02)	\$	(0.04)

## E.W.M.C. International Inc.

Consolidated Statement of Cash Flow (Unaudited)

Six months ended June 30, 2000 and 1999

	June 30, 2000		June 30, 1999	
Cash provided by (used in):				
Operations:				
Loss for the period	\$	(1,020,595)	\$ (1,247,161)	
Depreciation and amortization which				
Do not involve cash		706,628	814,600	
Change in operating capital		(360,157)	62,589	
Financing:		040.504	205.025	
Issue of common shares		849,504	385,925	
Increase (decrease) in cash position		175,380	15,953	
Cash, beginning of period		69,770	11,787	
Cash, end of period	\$	245,150	\$ 27,740	

These consolidated financial statements are unaudited and do not necessarily follow the form of disclosure required by generally accepted accounting principles.